

CPG Value Proposition

Oracle CPG Provides Competitive Advantage

Value Messages	Industry Issues	CPG Features & Functions	CPG Benefits/Differentiators
Profitable Growth	Achieving profitable growth in a zero-sum industry is not an easy task • Not all revenue is profitable • Simply processing customer orders can equal up to 20% of the product's gross sales price (source: CIO Magazine/KPMG)	Oracle CPG provides both customer-based tracking and profitability analysis • Operational forecasts are driven from previous sales history, promotional plans, and customer and market requirements • These forecasts are then used to drive inventory, distribution, production, and transportation plans • CPG's order management system supports multiple promotions & deals and detailed information at the line level, through true line item independence	Oracle CPG turns potentially lost revenue opportunities into increased sales and profits through improved demand planning • Sales and marketing proactively notify operations of business plans and upcoming demand • Everyone works together to deliver product on-time to the market place • Increased sales and profits result
Customer Relationship Management	Customer service is the bottom line • CPG manufacturers must begin thinking in terms of customer share • How much of your customer's business are you getting - whether that customer be a distributor or retailer or even a consumer?	Oracle CPG allows you to manage all aspects of a customer from a single point • "Working as one" enables you to get full view of a customer and allows proactive service and response to customer queries	CPG links a customer's identity to all of his or her business information • Because customer pricing, orders, stocking locations, and products are all in one place, cycle time is reduced
Capital Efficiencies	Maintaining high service levels requires CPG companies to hold higher inventory levels • Maximizing output from raw material input directly affects the bottom line • CPG manufacturers have large capital assets and getting optimal productivity out of these assets is critical	Optimized supply chain management throughout the extended enterprise enables suppliers, manufacturers and retailers to reduce inventory and reduce stock-outs through improved information • Oracle CPG increases fixed asset capital efficiency by increasing plant capacity through optimized maintenance of all fixed assets - i.e., plant, equipment & property • True recipe-based management minimizes waste and compensates for variability in raw material	Supply network optimization in the extended enterprise • Order to cash cycle time is reduced • Capital assets are more productive and efficient • Raw material utilization is maximized
Consumer-Driven Supply Network	Timely and accurate information flow is crucial throughout the planning and execution cycle • Consumers are focusing more and more on product value and shopping convenience • Smooth and continuous product flow must be matched to consumption • Manufacturers must effectively manage trade promotional funds and new item introductions - i.e., how effective was a promotion?	CPG solution suite optimizes the supply chain based on consumer demand • Changes in demand are immediately addressed • Our Collaborative, Planning, Forecasting and Replenishment module (CPFAR) enables immediate response to retailer information	CPG manufacturer's supply process becomes synchronized • A pull (a.k.a., consumer-driven) supply network is supported and balanced with traditional manufacturing push mechanism
Global Capability	To achieve current growth targets operations need to globalize • Logistics issues are especially challenging, for example: (1) distribute product long distances both safely and cost-effectively (2) trade with customers in multiple regions with different currencies and languages (3) Source product to be delivered at lowest cost	The Oracle CPG solution provides truly globalized logistics through support of multiple currencies as well as languages and business practices • A comprehensive view of the enterprise allows a supply chain management team to make timely and accurate decisions • Oracle CPG provides global implementation capability and 24x7 global localized support	Oracle CPG process manufacturers are able to present a single face to the customer whether he/she is down the block or half way around the world • The right product is sourced in most cost effective manner, delivered to the right customer at the right time • Local operations are supported around the world
Technology Matters	Customer satisfaction (revenue) and efficient business (cost savings) is increasingly driven by having accurate information available - around the clock • Achieving these business imperatives in a cost effective manner will give you a competitive edge	CPG allows you to lower the cost of your computing infrastructure • Using NCA (Network Computing Architecture) to drive the CPG solution simplifies systems architecture by moving complexity off the desktop and onto the network	Network Computers allow your company to manage the business at a much lower cost • The CPG solution and Network Computing are key to delivering (1) improved productivity (2) greater information access (3) lower computing cost