

The Oracle Manufacturing Cloud 5 Critical Factors for Supply Chain Leaders to Achieve Better Customer Service



You are a supply chain leader of a manufacturing organization. Do you often find yourself fighting fires?

- Do you know what your customers want, and are you meeting their expectations?
- Do you have enough inventory in your supply chain, and are you confident about inventory information?
- Are your supply chain costs high due to expedited shipments, obsolete inventory, etc.?
- Are you collaborating with your suppliers for a strategic, long-term business relationship?
- Do you have a realistic and holistic view of your global supply chain needs?
- Are you able to project demand and balance it with your supply constraints?
- Are you digitally connected and collaborating with your supply chain network?

#1: Better Customer Service

You strive for high customer satisfaction which means your business needs to meet and exceed customer expectations-every time.

WHAT ORACLE BRINGS

The Oracle Manufacturing Cloud helps you meet customer expectations with in-production quality enforcement, checksheets, shipping labels, and documentation—and prevents incorrect shipments to customers. Built-in EDI, customer portal, and workflows automate customer-facing processes so escalations and exceptions are handled with confidence. Oracle mitigates your risk and exposure of recalls with easy access to accurate, database driven traceability information from suppliers to customers.

CHALLENGES
Poor order fulfillment performance.
Not meeting customer and industry compliance requirements.
Delays in responding to customer requests.

#2: Superior Supplier Performance

WHAT ORACLE BRINGS

The Oracle Manufacturing Cloud enables proactive communication with your suppliers so you can collaborate on quality expectations and streamline the procurement process. Integrated EDI, supplier portal, and workflows automate supplier-facing processes. You can enforce supplier accountability with scorecard tracking and ensure accurate tracking of materials costs with actionable purchase price variance (PPV) reporting.

Strengthen relationships with suppliers for mutually beneficial, strategic, and collaborative business transactions. You can be the highest value customers for your suppliers.

CHALLENGES
High purchase price variances.
Inconsistent performance and material quality.
Lack of supply chain transparency.

#3: Effective Inventory Control

Manage lean inventory and reduce inventory-related risks in your supply chain by optimizing the flow of inventory, for lower costs and streamlined supply chain operations.

WHAT ORACLE BRINGS

End-to-end inventory traceability helps you eliminate costly physical counts and huge swings of inventory adjustments. With barcode scanning, other data capture mechanisms and an intuitive user interface, the Oracle Manufacturing Cloud error-proofs every movement of inventory in your extended supply chain. Accurate inventory tracking, real-time production control, and dynamically updated costing ensures a low inventory buffer and better purchase planning.

CHALLENGES
Bloated, obsolete, or out-of-stock inventory.
Inaccurate and incomplete inventory information.
Lack of end-to-end inventory traceability.

#4: Planned Supply Chain Operations

Leverage a single, holistic plan of your supply chain to drive operational excellence throughout the enterprise. With a cross-functional plan that looks at projected customer demand as well as supply and capacity constraints, you can be ready for anything.

WHAT ORACLE BRINGS

The Oracle Manufacturing Cloud replaces inefficient and unreliable manual planning with a single version of your supply chain plan in the cloud. Based on various what-if scenarios and demand pattern models, Oracle delivers an accurate forecast that includes forecasted versus actual comparisons and day-to-day operational adjustments. Oracle also uses inventory buffer and rough-cut capacity constraints to produce a more realistic master production schedule (MPS) and material requirements plan (MRP).

CHALLENGES
Lack of visibility into supply and demand.

Manual planning and/or planning in silos.

Delayed synchronization of actuals and plans.

#5: Digital Supply Chain Management

Connected manufacturing is essential for running your business, effectively and efficiently. Make smarter, more-informed decisions when it comes to your supply chain.

WHAT ORACLE BRINGS

The Oracle Manufacturing Cloud becomes the system of record for your business, connecting shop floor, supply chain, people, and systems across multiple facilities. A single, unified system connects end-to-end operations to deliver one version of truth so everyone in your business can make more-informed decisions and actions. Oracle puts employees, suppliers, and customers on one collaborative platform for higher visibility and quicker response to meet the demands of modern manufacturing.

CHALLENGES

Disconnected systems and data silos.

Disconnected supply chain participants.

Lack of accurate, reliable, and actionable information.

INDUSTRY

Foam Products Manufacturer for the Craft, Floral, Display and Special Event Industries



99.7%
Helped FloraCraft to increase fill rates from an excellent 99.35% to an even better 99.7%

1/10th
More accurate costing data allows to pin costs down to one-tenth of a cent



60%
Increase in revenue with no increase in labor hours



Right-time Data
Helping the leadership team to make better and faster decisions about which products to invest in the future

100% ✓
100% accuracy in having the right UPC number on products, every time

3,500 
60% increase in SKUs to 3,500, managed

“Oracle is an all-in-one ERP that helps make us Wal-Mart’s Supplier of the Year.”

Jim Scatena, FloraCraft, President and CEO

INDUSTRY

Parts (exhaust parts, door molding parts, and door sash components) manufacturer for automobiles, motorcycles, and ATVs



26 
Reduced purchase order time by 50% and increased supplier accountability. Now shares 26 weeks of demand forecasts with suppliers

25%
Reduction in inventory costs

98% 
Inventory accuracy achieved

20
Inventory turns improved from 12 to 20

“Our supply chain reacts more quickly and nimbly to changes in customer demand. The automated, paperless system saves time and effort, and helps with ISO compliance. Everyone in the supply chain has better information for an improved process.” Mark Williams, Newman Technology, Senior Staff Engineer

INDUSTRY

Precision metal former specializing in welded assemblies, metal stamping, design, tooling, and prototyping



RALCO Innovative Products.
Intelligent Manufacturing.

Reduced scrap rates by

60%



15%

Reduction in
inventory on hand

20%

Reduction in freight costs.
Expediting is rare!



1 

Dramatic inventory
reduction resulted in ROI in
under 1 year

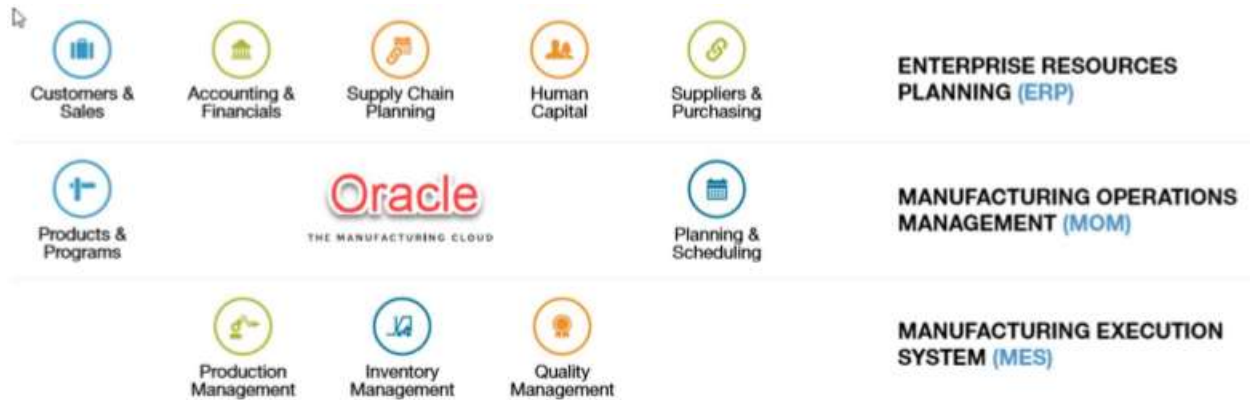
“We get more advantage from Oracle than we could with SAP or a similar system. This is the system of the future. Any company looking to outperform its competition and invest for the future will find its way to Oracle.”

Jim Piper, Ralco Industries, President

Oracle means business! Its end-to-end ERP and plant management capabilities deliver tangible business benefits to its users.

- Products & Programs
- Accounting & Financials
- Suppliers & Purchasing
- Human Capital
- Customers & Sales
- Quality Management
- Inventory Management
- Production Management
- Planning & Scheduling

Manufacturing Supply Chain Leaders rely on the Oracle Manufacturing Cloud for:



Supply Chain Planning

The Oracle Manufacturing Cloud is trusted by modern manufacturers to power and connect their global operations from the shop floor to the top floor.

- Real-time visibility and audit control
- Powerful reporting and rich analytics
- Comprehensive view and planning of the enterprise
- Streamlined financial and operational processes
- High returns from IT investments
- Timely and accurate regulatory reporting and industry compliance
- A high-performing and agile business

Production Tracking

Production Tracking Robust production tracking provides production and scrap recording, including detailed and summarized reports. Production data is more valuable when it is highly integrated with inventory, quality, and scheduling.

Control Panel

Control panels offer a simple-to-use, yet powerful user interface for shopfloor personnel to track and control machine status, labor hours, production, inventory, tooling, and much more. Everything an operator needs such as work instructions or job details is available at their fingertips.

Workcenter Tracking

A workcenter log provides a detailed history of all events that occur at a machine, including all production, maintenance, and downtime. This function provides reports on uptime, availability, and machine efficiency. Far-reaching benefits result when integrating this function with other business processes including production tracking, inventory, labor tracking, tool-life tracking, and control plans.

“A robust MES system improves management of materials, quality, scheduling, production, and more.”

Advanced Scheduling

Included material requirements planning (MRP) makes it easier to determine the proper quantities of raw materials as well as when to purchase them and when they should be delivered for just-in-time arrival.

Finite Scheduling

When scheduling becomes more complex and must take into account dependencies for available resources, finite scheduling can help to fit individual jobs into the plan while considering constraints of human, machine, time, and even financial resources.

Supply Chain Planning

Go beyond orders for a more forward-looking plan that enables enterprise-wide cross-functional sales and operations planning to optimize master production scheduling and more timely order fulfillment and “available to promise” dates.

VISIBILITY OF INFORMATION

In addition to covering engineering and production tracking as noted above, a robust MES system must give a manufacturer visibility and management of materials, quality, scheduling, tool tracking, and inventory management in order to track individual containers or individual parts on the shop floor.

For example, full process traceability is critical in high-precision, high-liability manufacturing such as automotive or aerospace. Its advanced features automatically track the complete genealogy of all inventory containers, providing both an upstream and downstream trace, from receipt of materials, through work in process, and all the way to customer deliveries. This is ideal for tracking down and isolating all parts created from a defective lot in the case of a recall or tracking down exactly who/what/when/where a defective part was produced.

QUALITY

Closed-loop Quality Management

Integral Control Plans

Quality is key to MES but is often a separate tool. With control plans that actually control production operations you have much less risk of quality failures because the system controls each step in production.

Automatic Checksheets

When the control plan specifies an inspection, a checklist can be automatically presented and required to ensure that the operator does not take shortcuts. Even the entry fields are randomized so they cannot be repetitively filled out without actually doing the inspection.

Integration of Digital Devices

Many manufacturers use digital devices and other automation for faster, more accurate inspections. By connecting the device directly, the numbers are inserted automatically in the right fields of the form.

Real-time Statistical Process Control (SPC)

With SPC, quality managers can monitor trends in dimensions and tolerances but with SPC charts that are produced automatically at the workcenters, an operator can catch a tolerance trending out of control limits and make corrections or call for help before scrap parts are made.

ADVANCED TECHNOLOGIES

Other technologies for shop floor control include integrated barcode printing and reading capability for inventory, gage control, time and attendance, and user log-in cards.

Wireless networking, touch-screen functionality, integrated radio frequency identification (RFID), and automated notification and alert capabilities are also key for the modern shop floor control. In addition, new and emerging technologies can be implemented to support the industrial Internet of Things.

As more and more data is available, manufacturers are looking for ways to analyze and visualize it. Business intelligence--or manufacturing intelligence-- has become an effective way to communicate production statuses through the use of dashboards. These dashboards are displayed throughout the facility on large TV monitors for everyone to see how things are going to plan.

CONCLUSION

Unlike many MES solutions that are a loosely integrated collection of separate functions, a cloud-based ERP with built-in MES synchronizes them together into an error-proofed solution that significantly increases productivity and transparency.

About ERTechnologies as your Cloud Partner?

ERTechnologies is the leading Oracle partner delivering The Oracle Manufacturing Cloud for manufacturers. ERT has pioneered cloud solutions for the shop floor, connecting suppliers, machines, people, systems, and customers with capabilities that are easy to configure, deliver continuous innovation, and reduce IT costs. With insight that starts on the production floor, we help manufacturers see, understand and uncover the value hidden in their Oracle technology



investments by capturing unexpected opportunities to fuel growth and profitability in every aspect of their business ecosystems, enabling them to lead in ever-changing markets using Oracle technologies.

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