

Implementing Oracle in a Global Environment

James Utz – Managing Director North America (ITC)

Darek Bal – Director International Projects (WWI)

Meeting Agenda

- Overview ITC and WWI
- Objective of Session Presentation
- Program Management
- Rollout Options and Implementation Methodology
- Financial Reporting in Oracle
- Multi Org
- Global Considerations
- Time Zones
- Testing Strategies
- Knowledge Transfer
- Support Structure
- Lessons Learned
- Leading Practices for a Global Implementation



Overview of IT Convergence



- Worldwide HQ in San Francisco
- Major offices in Buenos Aires, Chicago, Madison, New York, Mexico City, Shanghai, Singapore
- 600+ customers, with engagements in 52 countries

Overview of Weight Watchers Intl.

Breadth & Depth

- Over 40 years of trust
- 97% brand recognition by U.S. women
- Over 1 million attendances per week
- Over \$3 billion branded sales
- Global leader in weight management services; presence in 30 Countries

Core Principles

- **EFFECTIVE** Clinically proven, scientifically-demonstrated efficacy
- **HEALTHY** Medically recommended
- **FLEXIBLE** Compatible with modern lifestyles
- **SUPPORTIVE** Helping members help each other
- **BALANCED** Not just a diet, an approach to life

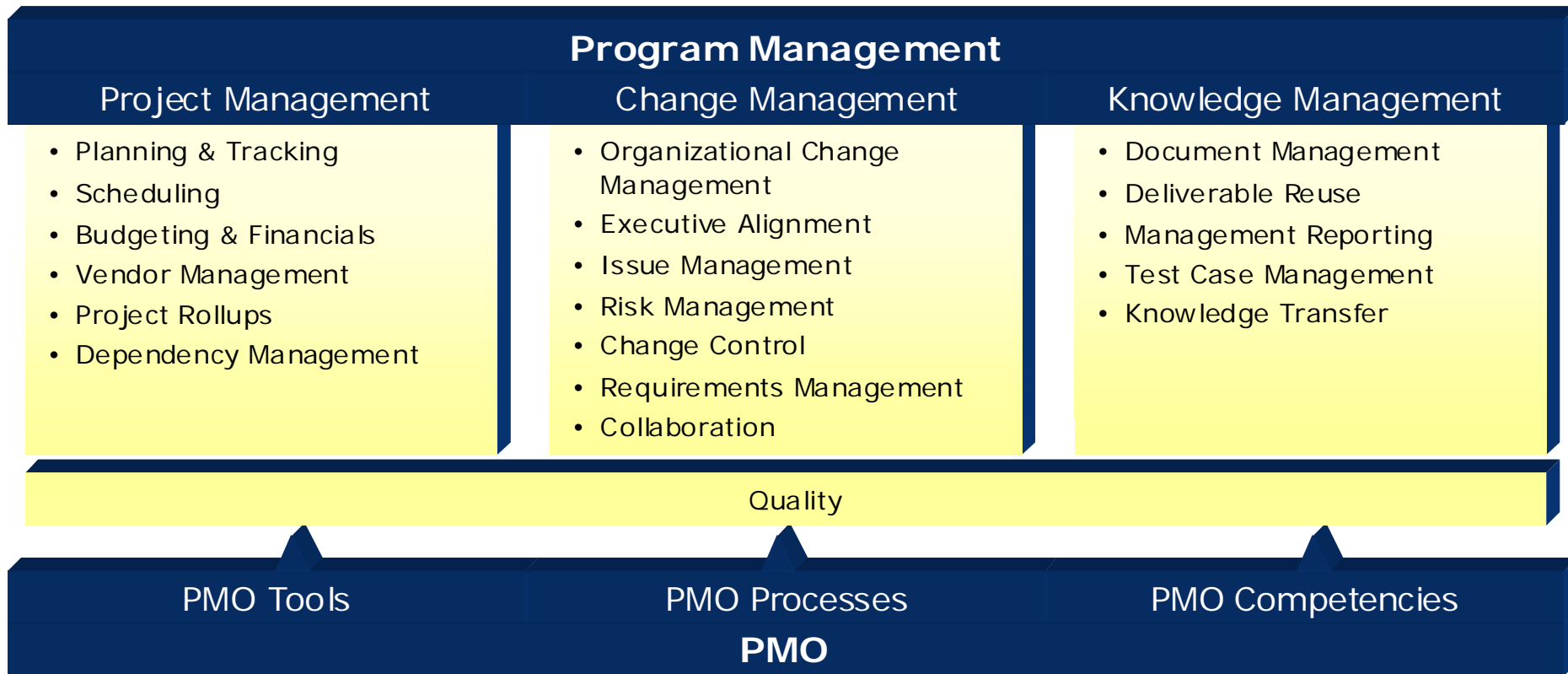
Objective of the session

- Provide basic understanding of some challenges which each organization will face in a global rollout and ultimately provide insights into how best to plan for and handle the opportunities ahead:
 - Effectively plan a global rollout
 - Constructing a Program Management Office
 - Best Practices of a Global Implementation

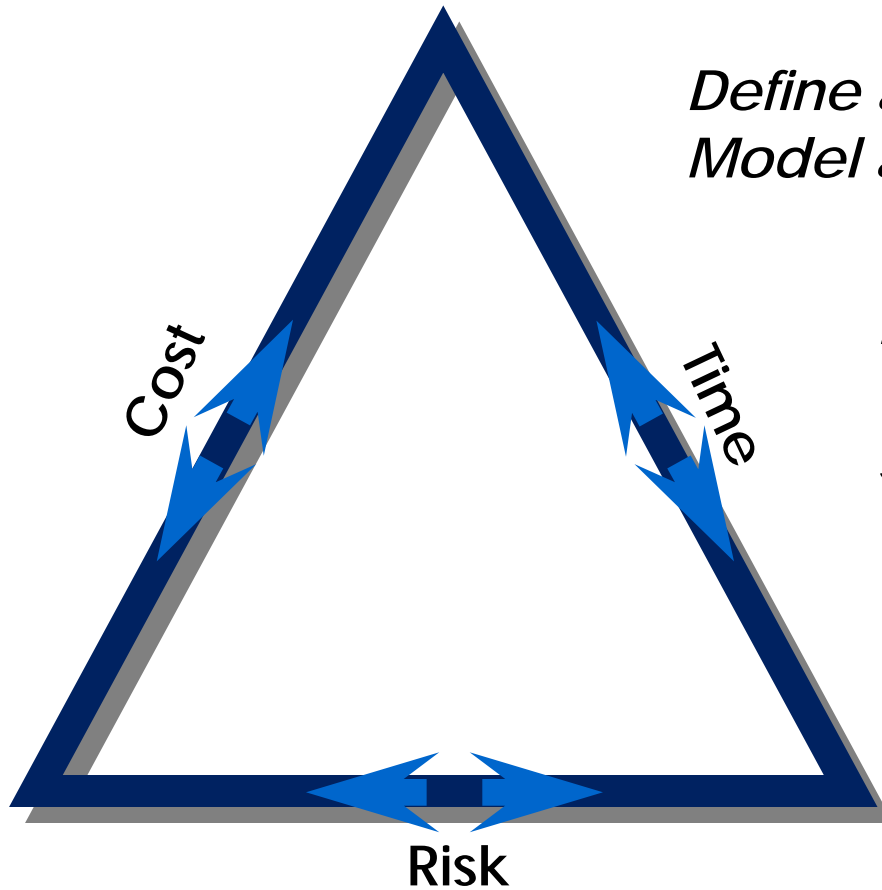


Global Program Management

Effective Program Management is the foundation for a successful project



Rollout Options

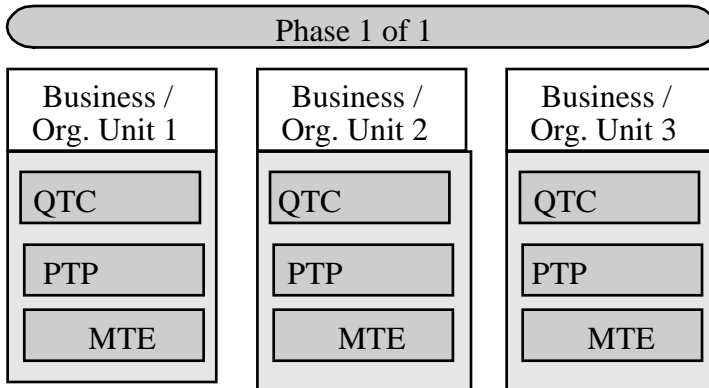


Define a Global Process Model and then rollout

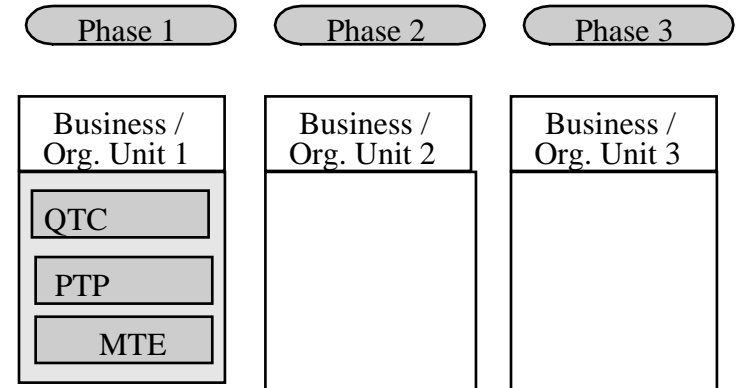
Prioritize these variables when defining your implementation strategy

Rollout Options

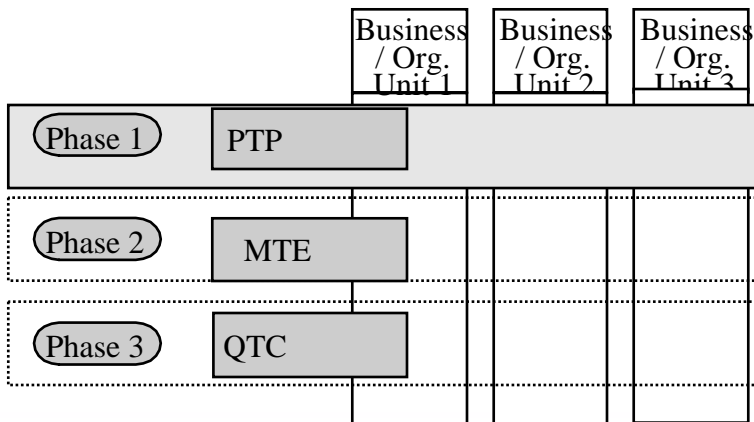
Global Cut-over BIG BANG



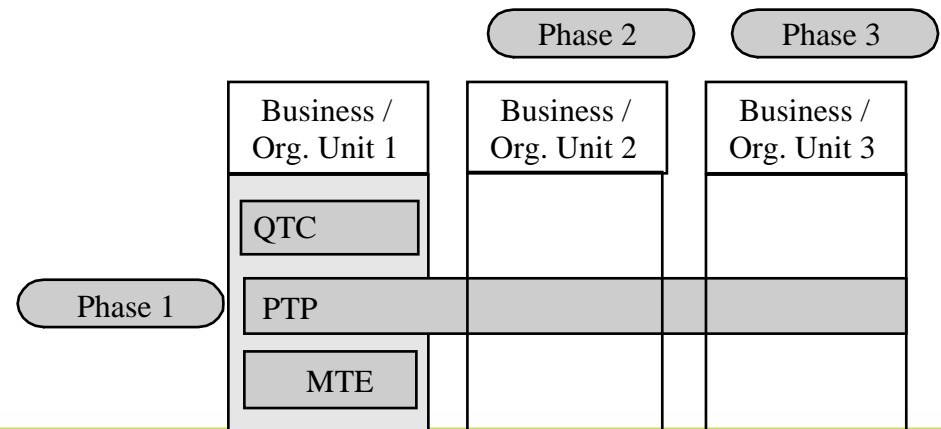
Geographic Implementation



Functional Implementation



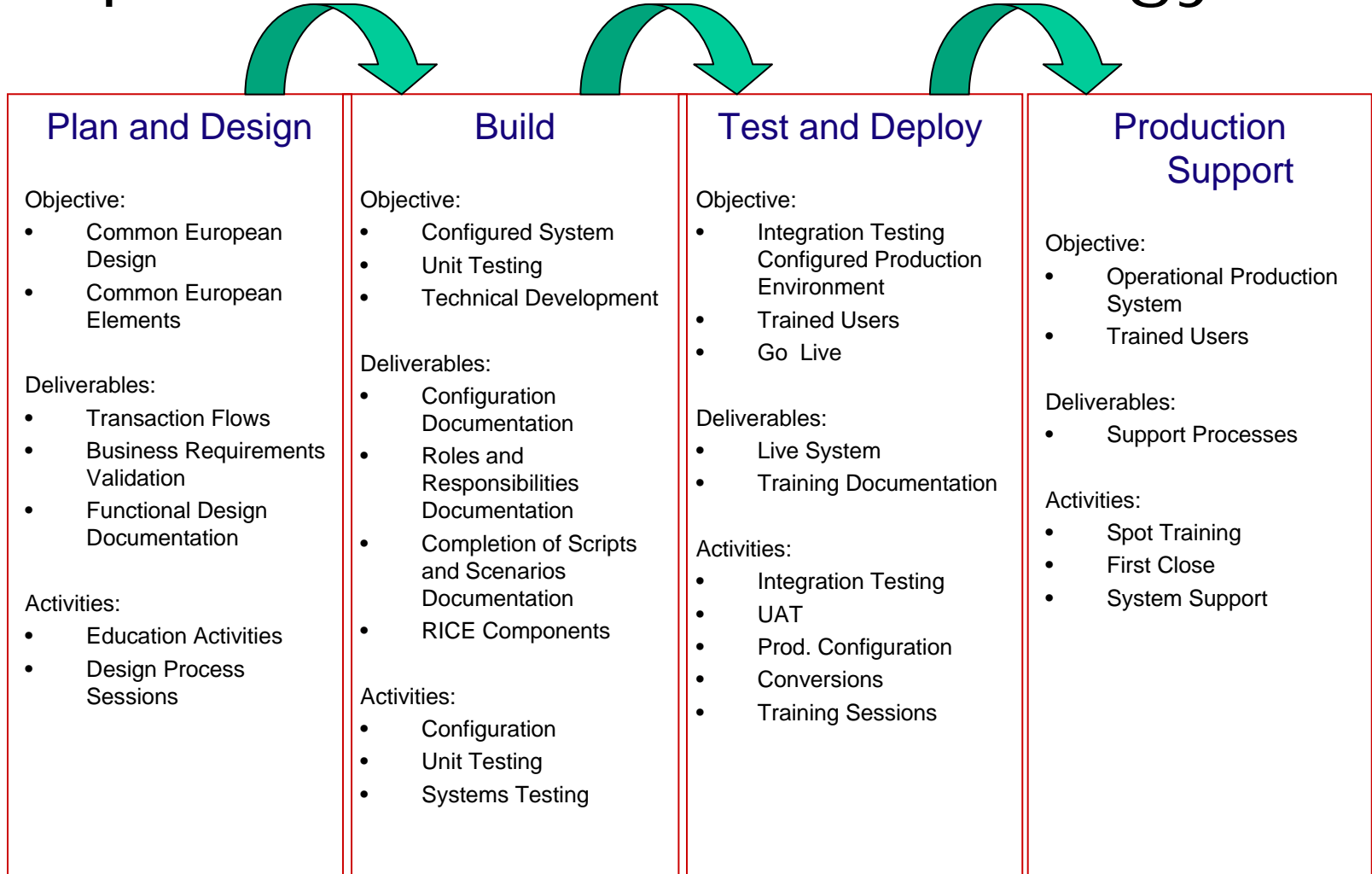
Hybrid Implementation



Rollout Options

- Key factors to consider for each rollout model:
 - Benefits
 - Risks
 - Disadvantages
 - Selection criteria

Implementation Methodology



Financial Reporting in Oracle

Global Chart of Accounts (COA)-Leading Practices

- Create a Global Chart of Accounts structure with certain segments global while others may be statutory or local segment values
- Financial management, performance metrics and reporting are the primary concern; determine reporting factors while defining COA
- Understand local and statutory requirements
- Establish a convention that will support reporting and processing requirements
- Use code block ranges
- Maintain validity of segment definitions
- Avoid having more than one meaning for a segment (i.e do not use product and project in the same segment)
- Manage transaction data in the transaction system, and do not create a segment in the COA

Financial Reporting in Oracle

Sets of Books	Ledger which ties functional currency, fiscal calendar and chart
Currency	Functional currency which your business is primarily conducted as outlined by FASB52 and SAS8
Multiple Reporting Currencies	Ability of the system to report transactions in multiple reporting currencies at a daily conversion rate (supported in GL, AP, AR, PO, AP, FA, CE)
Translation	Ability of the system to translate GL balances at a Period End rate for Balance Sheet and Weight Average Rate for P&L
Revaluation	Ability of the system to revalue entered currencies to its functional currency and recognize unrealized gains and losses for defined current assets and current liabilities
Consolidations	State of the Controller facilitates consolidations

Multi Org

Business Group

Set of Books

Legal Entity

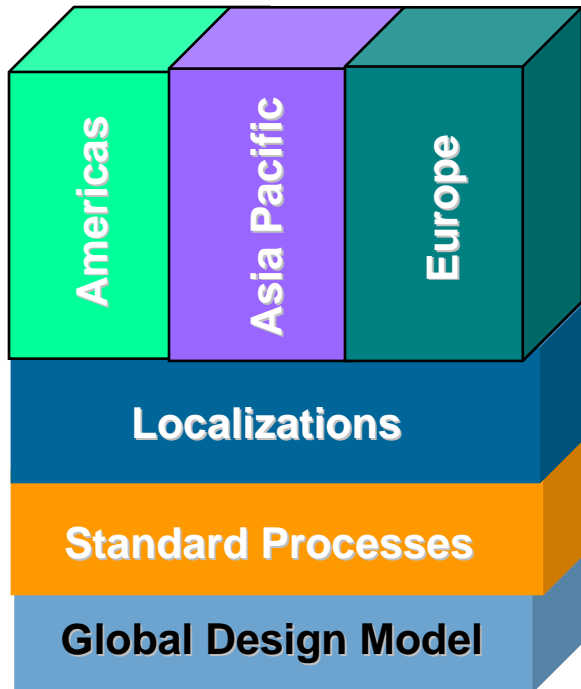
Operating Unit

Inventory Organization

- Segregates Human Resource data and subsequent levels limited to employees in assigned business group
- Ties functional currency, fiscal calendar, and chart and ledger data is secured by sets of books
- Represents a legal company and provides Intrastat Movement and tax reporting capabilities
- Transactional data is secured by operating unit
- Represents an organization for which inventory transactions and balances are tracked

Global Implementation Considerations

Ensure consistent use of the system and its modules throughout the enterprise, respecting legal statutory



Building Blocks

•Leverage leading practices:

- Standard Business Process Flows
- Regional Specific Localizations
- Organization Structure – Operating Units, Set of Books, Inventory Orgs

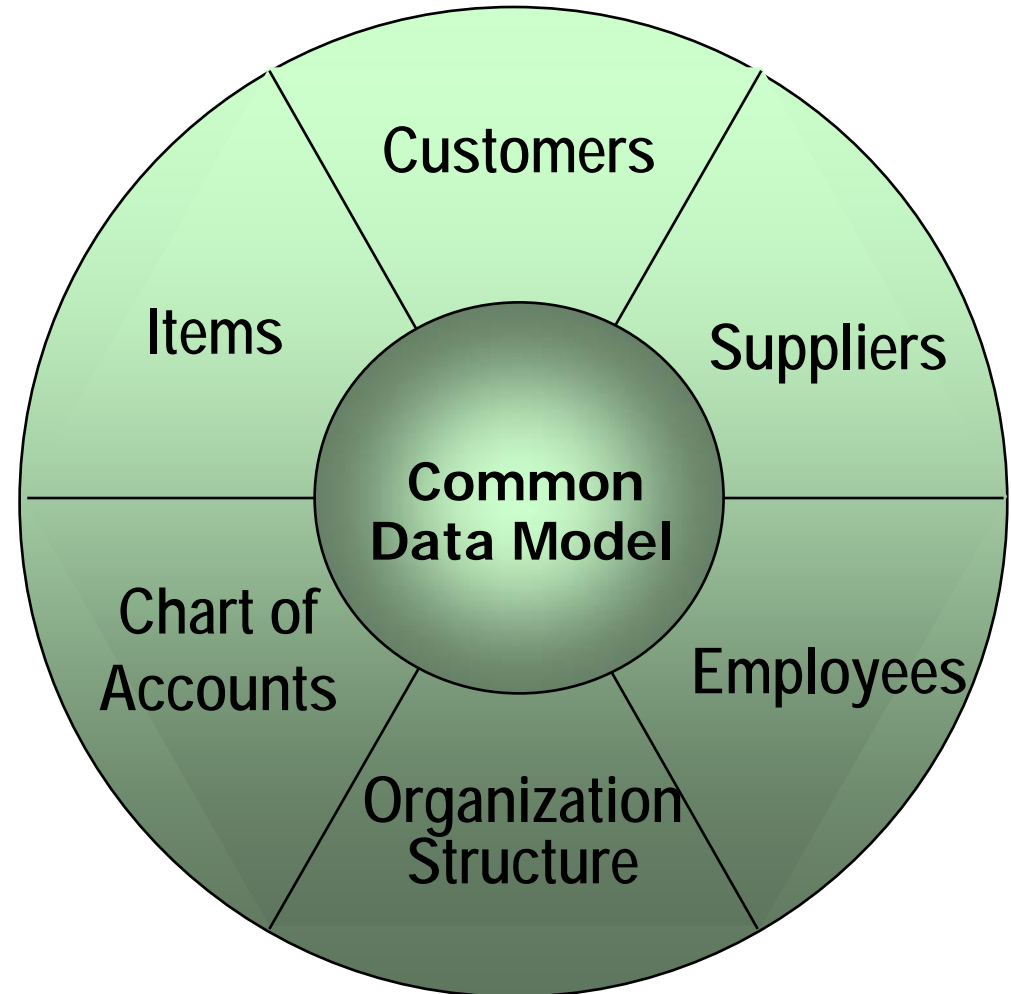
Foundation Framework

•Globalization of Operations:

- Shared Global Masters
- Integrated Business Processes
- Language, Security, Workflow Controls
- Standard Reporting Data Definitions

Global Implementation Considerations

- Utilize Global Definitions for key Master Data across the Enterprise
- Utilize standards set for:
 - Chart of Accounts
 - Customer Information
 - Supplier Information
 - Items
 - Organization Structure
 - Employees (min. info)



Globalizations and Languages

- Globalizations versus Localizations
- Localizations vary by country and have design considerations
- Apply globalization patch sets early as your arrive to each region and understand implications on production
- Apply languages as required for forms, reports, segment values, lookups, responsibilities, menus, user messages, sub ledger fields
- Understanding _TL tables and Oracle translated values versus user translated values and system functionality
- Future patches will be applied in native language and then some will need to be translated and applied under Multiple Language Support

Globalizations and Languages

Country

Argentina

Austria

Australia

Belgium

Brazil

Canada

Chile

China

Colombia

Czech Republic

Denmark

Finland

France

Germany

Greece

Hungry

Italy

Japan

Korea

Mexico

Netherlands

Norway

Poland

Portugal

Singapore

Spain

Sweden

Switzerland

Taiwan

Thailand

Turkey

Application							Nature				Pred	Comments / Other
GL	AP	AR	FA	PO	INV	GAE	Forms /Tables	Tax/Statry Reports	Pay Formats	Add'l Funt	Impl. Difclty	
X	X	X	X					X		X	Med Low	Inflation Adjustment
	X					X			X		Low	
			X	X	X		X	X		X	Med	Purchasing
X	X	X						X	X		Low	
X	X	X		X			X	X	X	X	High	
								X			Low	VAT Taxing
X	X	X	X					X	X	X	Med	Inflation Adjustment
	X		X					X	X		Low	
X	X	X	X		X		X	X	X	X	High	Inflation Adjustment, 3rd Prty
X	X	X					X	X			Med	
	X								X		Low	
X	X		X					X	X		Med Low	
	X	X				X	X	X	X		High	
												Contra Charging & Netting Not Included
	X	X					X	X	X	X	Med High	
X	X	X	X			X	X	X	X	X	High	
	X	X	X	X	X	X	X	X	X	X	High	
	X							X	X		Med	
			X					X			Med	
			X				X	X			Med Low	Inflation Adjustment
	X							X			Low	
X	X							X	X		Low	
X	X	X					X	X	X		Med	
X	X	X				X		X	X		High	
X	X	X					X	X		X	Med Low	
X	X					X		X	X		High	
	X						X		X		Low	
	X	X							X		Low	
	X	X					X	X	X		Med	
	X	X					X	X			Med Low	
X								X			Low	

Time Zones

- Global Implementation of Oracle Application: End users interact with the system in the corporate time zone, which is typically equal to the corporate database runs
- User-preferred time zone feature: Each user can specify their own time zone and the system will honor it
- Example: Client is located in UK and server is based in NY

Profile	Site	Application	Responsibility	User	Server	Org
Client Timezone			(GMT+00:00) London			
Concurrent:Multiple Time Zones	Yes					
ECX: Server Time Zone			(GMT+00:00) London			
Enable Timezone Conversions	Yes					
Server Timezone	(GMT -05:00)Eastern Time					

Testing Strategies

- The Testing Strategy will be based on an iterative testing process that ensures data integrity, process validation and system readiness
- The following are the planned activities of testing:
 - Systems Testing
 - Unit Testing
 - Integration Testing
 - User Acceptance Testing
 - Dress Rehearsals mock 'go-live' Testing
- Deliverables and metrics embedded in the test planning phase include:
 - Test scenarios
 - Test scripts
 - Testing defect listing and problem descriptions
 - Pass/fail rate panels for each testing cycle

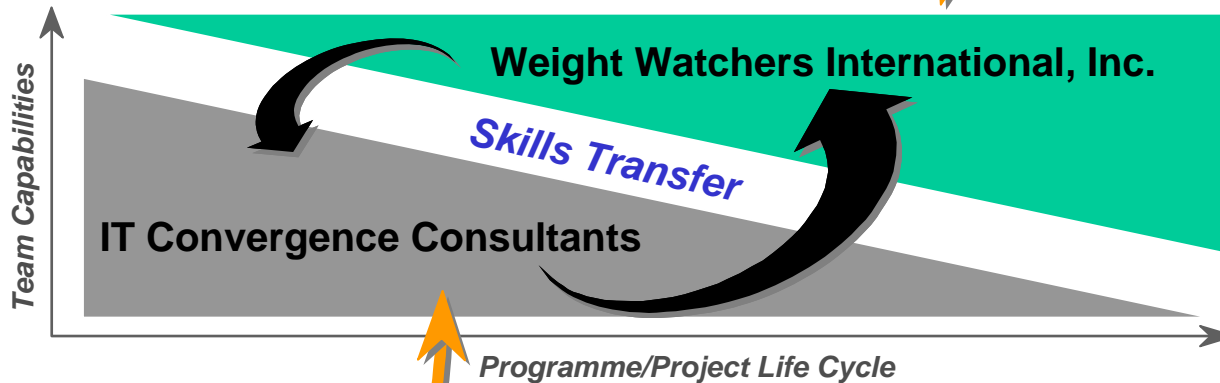


Knowledge Transfer

- Knowledge transfer from IT Convergence Consultants to WWI will be accomplished through continuous teamwork between WWI resources and implementation consultants

Benefits:

- Ownership and commitment
- Knowledge of the business
- Access to information
- Access to key people



Benefits:

- Proven approaches
- Breadth and depth of capabilities
- Experienced professionals with relevant specialist skills and sector understanding
- Access to specialized knowledge sources

- Training will be delivered through the “Train-the-Trainer” Approach

Support Structure

- 24/7 or Regional Support locations
- Bilingual resources for MLS or ability to support various regions and users
- Define an escalation path for each site, on who can log issues, and then route to regional support
- Separate production support environments from implementation project team environments
- Support team will need to understand localizations
- Critical dates of country (445 month-end, but calendar month-end for statutory)
- Software OCS or Net Meeting to view user screens

Lessons Learned

- Initiatives must be business driven with executive ownership and accountability
- Global model and deliverables reuse works well!
- Training in local languages by native speakers
- Utilize Oracle localization guides early
- Apply localizations early and implications to production
- Patching: Have a dedicated Patch environment and patch migration process
- Communicate, communicate, communicate, communicate

Leading Practices for a Global Implementation

- Global enterprise data model
- Implement global process model leveraging Oracle applications and integration to drive value into the business
- Single global environment
- Single source of truth
- Leverage shared services where possible
- Regional support services with Service Level Agreements
- Leverage instances across the program

Questions and Answers

- Questions and Answers

Contact Information

James Utz

Managing Director North America Consulting
IT Convergence
Office Phone: 1-800-675-0032, Ext. 2586
Email: jutz@itconvergence.com

Darek Bal

Director International Projects
Weight Watchers International
Office Phone: 1-516-390-1519
Email: Darek.Bal@weightwatchers.com