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Going Green with Oracle Supply Chain Management

Rich Kroes, Product Strategy Director, Oracle

Program

- Green – What Is It?
- What It Means for Businesses
- How You Can Leverage Oracle Applications
- Q & A





Corporate

Sustainability

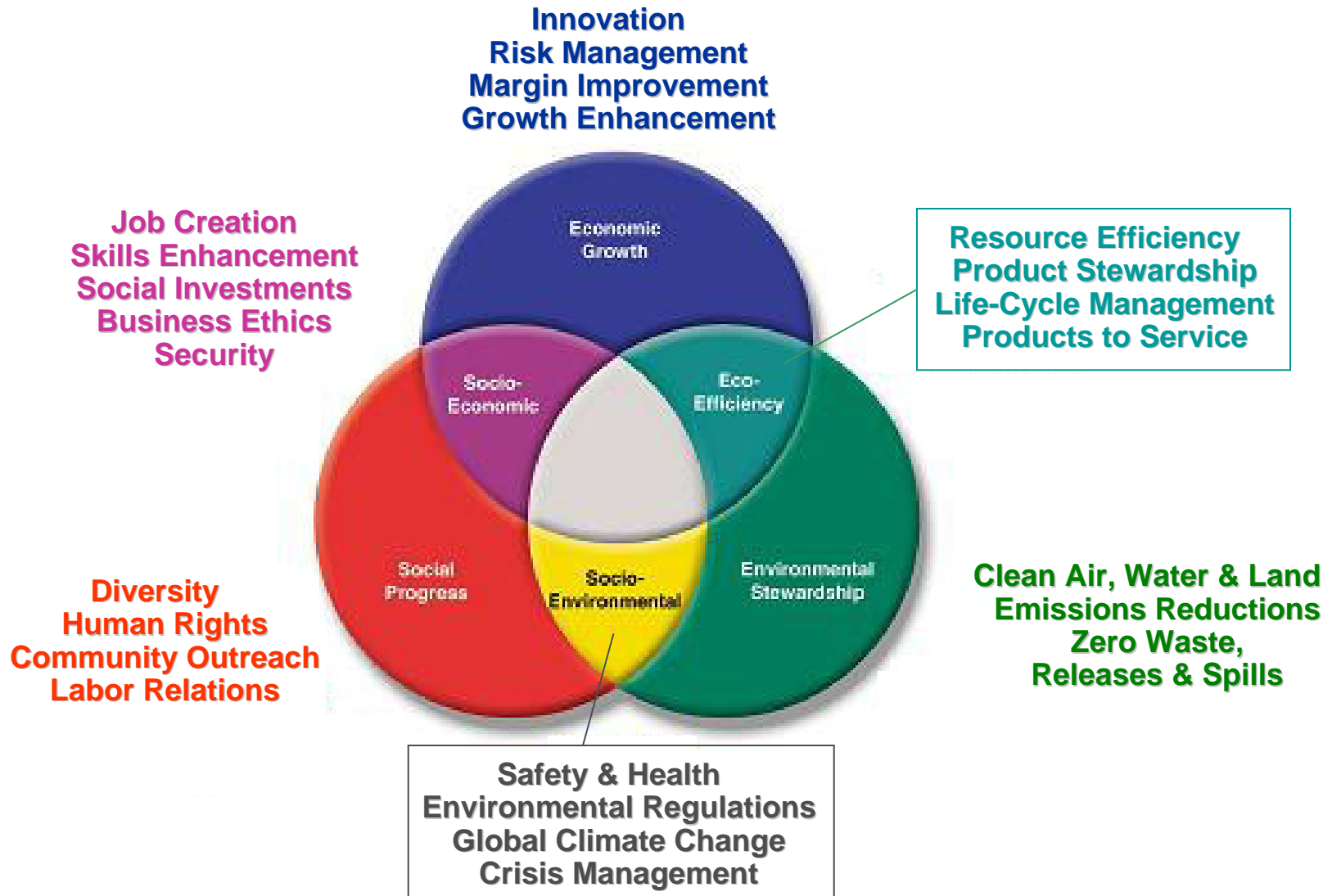
Social

Green

Responsibility



The Sustainability Paradigm

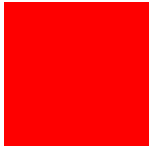




Ivo de Boer
Executive Secretary,
UN Framework Convention on
Climate Change

“The International Panel on Climate Change (IPCC)
found that **climate change is unequivocal and
is caused largely by human activities**
that release greenhouse gases...

...the **largest and fastest warming trend
in the history of the Earth** that scientists
have been able to discern.”



What It Means for Businesses





John Doerr
Partner, Kleiner Perkins
Caufield & Byers

“Green could be the largest economic
opportunity of the 21st Century.”

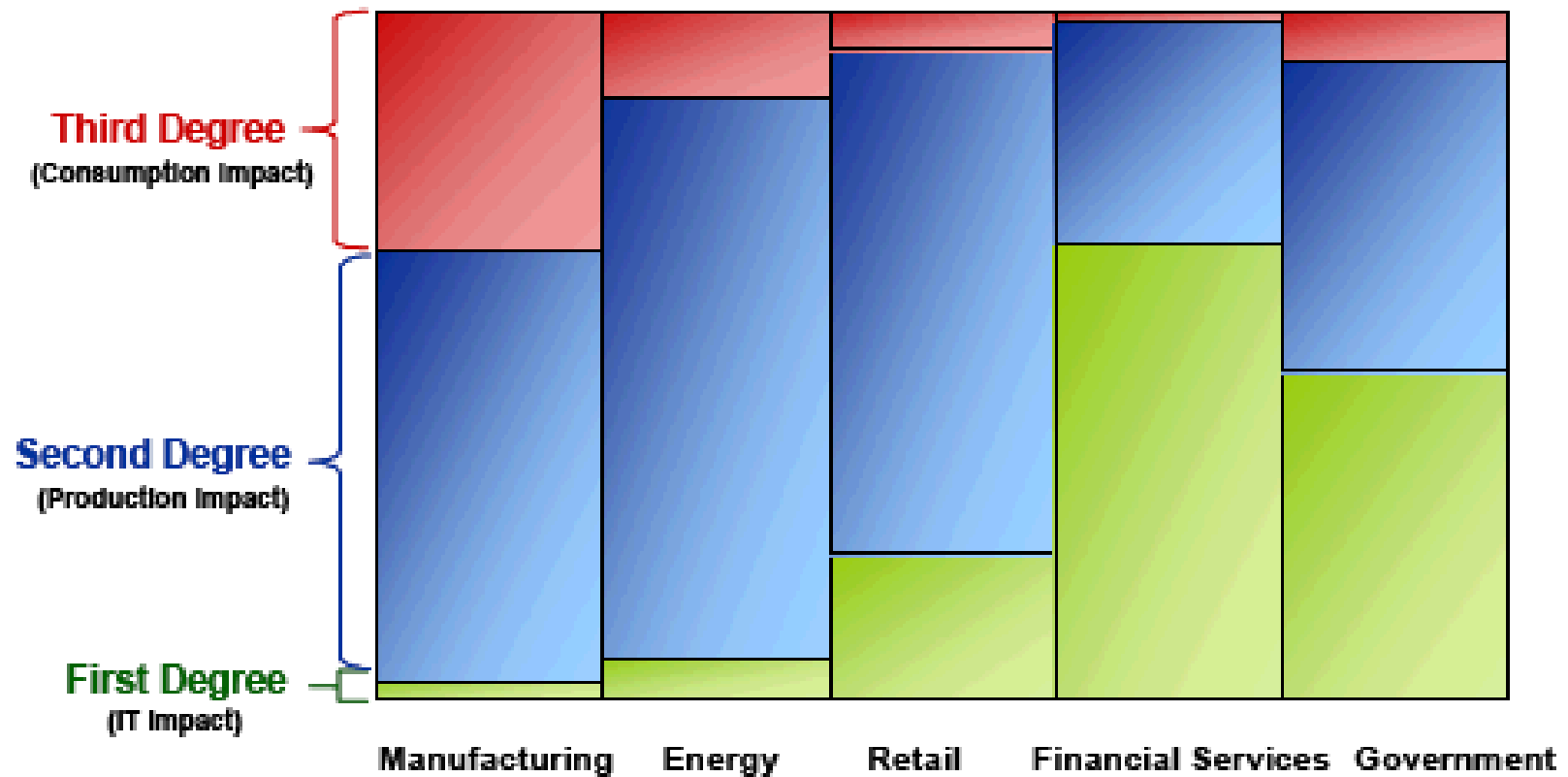


Green *is* Green

- Corporate Initiatives
 - UPS – 28 million fewer miles last year
 - IBM – equipment refurbishing \$1.6 bln revenue 2006
 - Wal-Mart – reduce packaging by 5% (2013) → \$3.4 bln
- Green Tech Venture Funding
 - Green technology now #3 investment area, passing semiconductors, medical devices, and telecom
- Public Opinion
 - 83 percent of Americans called global warming a "serious" problem, up from 70 percent in 2004*
- Socio-Economic Impact
 - Geo-political instability, extreme weather events, access to basic resources



Impact by Industry



Source: Gartner (September 2007)



Simon Jacobson
Senior Research Analyst,
AMR Research

“...environmental compliance requirements **dwarf the Sarbanes-Oxley Act** in their breadth, scope, and sheer complexity”



Andrew White
Research VP, Gartner

“Companies with **significant supply chain operations** must be more aware of how their supply chain management activities affect the environment...

...create **sustainable and profitable** supply chain practices.”

Where Are We?

- Business Week Survey of 500 executives:
 - 77% of respondents expect corporate responsibility initiatives to have a **major impact** on their business over the next several years, and could enhance **profitability**
 - 68% of the respondents expected environmental responsibility reporting to be **mandatory** within 3-5 years





Oracle and the Environment

- Energy Usage
- Supply Chain and Suppliers
- Products and Packaging
- Recycling
- Marketing Events
- ISO 14001 Certification
- Collaboration
 - US EPA Green Power Partnership Program
 - Climate Savers Computing Initiative
 - World Business Council for Sustainable Development
- More details

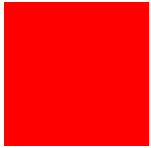
<http://www.oracle.com/corporate/community/oracle-environment-summary.pdf>

http://www.oracle.com/corporate/community/Oracles_Commitment.pdf

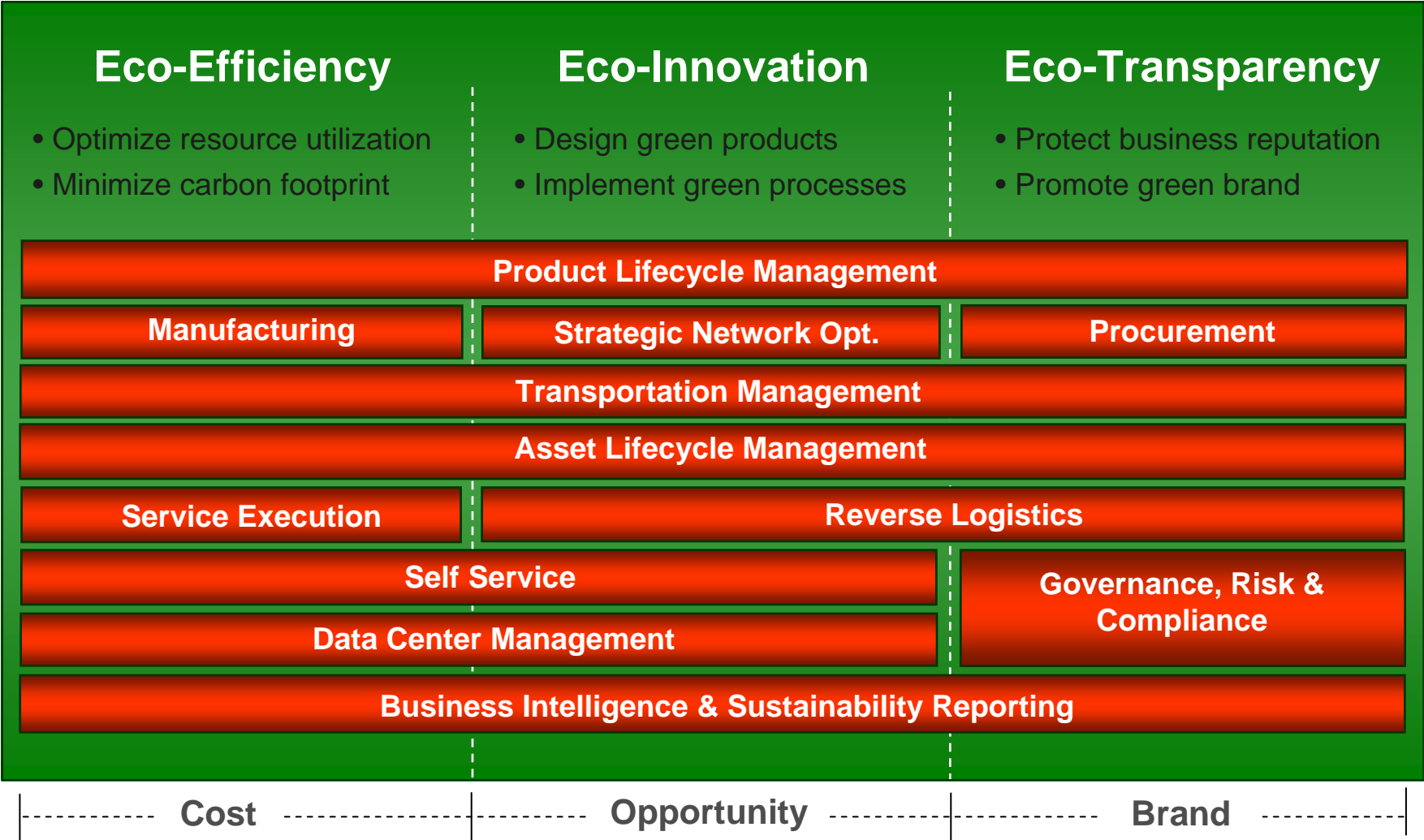


How You Can Leverage Oracle Applications





Enabling the Eco-Advantage



Product Governance & Compliance

Addressing Rapidly Growing Regulations in Design

- Designing for Compliance
 - Design for environment, design for disassembly, design for recycling, design for packaging
- Evaluating Compliance
 - Data gathering, data validation and compliance assessment at the component level
 - Across variants, approved manufacturers lists and approved suppliers lists
 - Risk analysis (exemptions, single sourced, ...)
 - Material declarations tracking
 - Declarations of conformance
- Compliance Reporting
 - Authorities, shareholders, customers



Eco-Efficient Transportation

Reduce Financial & Environmental Costs



- Load Optimization
 - Increased weight & volume utilization of transportation assets results in lowered energy consumption and emissions
- Dock Optimization
 - Increased loading/unload efficiency results in reduced truck idle time and emissions
- Route Optimization
 - Increased efficiency per unit of distance traveled results in lowered energy consumption and emissions

Analytics to Support Green Initiatives

Timely, Accurate, Relevant

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OTM

Welcome DBA ADMIN
Version 5.5 Role: DBA ADMIN

Message Center Unread: 0 Total: 0
View Messages Refresh Messages

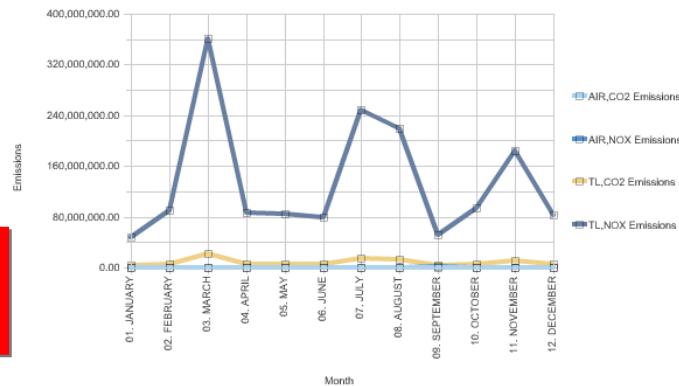
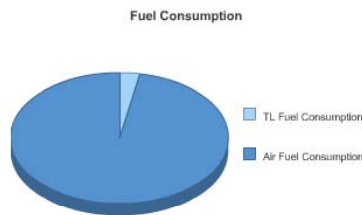
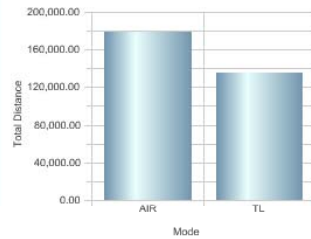
KPIs and Reports

- Order Management
- Transportation Planning and Execution
- Contract and Rate Management
- Financials
- Brokerage and Forwarding
- Asset Management
- Warehouse Flow Management
- Inventory Management
- Procurement
- Business Process Automation
- Transportation Intelligence
- Dashboard
- My Dashboard
- Ad Hoc Query
- Administration
- Alerts
- Power Data
- Configuration and Administration
- Help

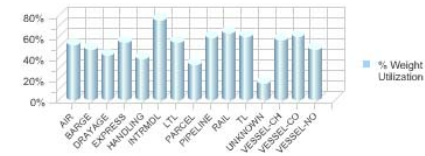
Green Dashboard

	AIR	TL
Total Distance	179,152.00	134,950.26
Total Shipments	10	13

TL Fuel Consumption	62,820.46
Air Fuel Consumption	2,026,466.32

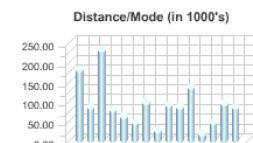
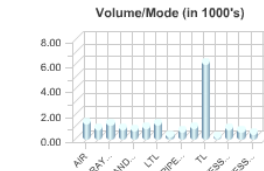
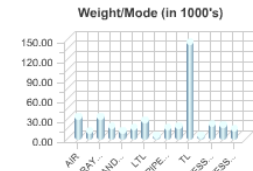


Utilization



% Weight Utilization ●
% Volume Utilization ●

Statistics



Multiple Dashboards

Flexible queries & layout

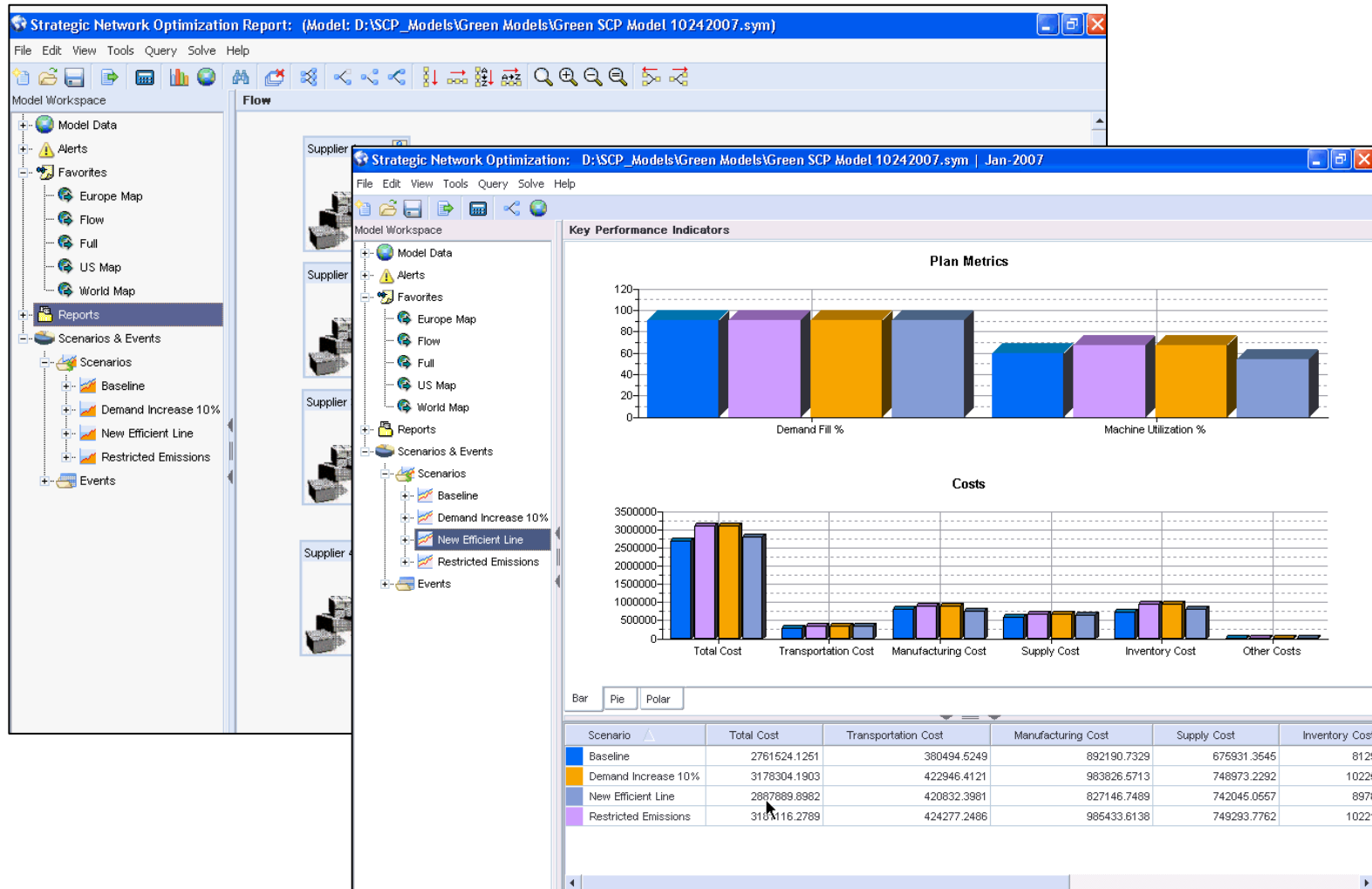
Carbon Impact on the Supply Network

Re-Evaluating the Optimization Equation

- Traditionally supply networks are optimized on time and cost
- Model carbon emissions
 - Manufacturing Lines
 - Product Sourcing
 - Transportation Lanes
- Build in cap and trade constraints
- Run scenario analyses to align network design in the context of strategic business objectives
- Analyze supply network risks



Carbon Emissions Modeling



Redefining Asset Management

Energy Efficiency and Intelligent Device Management

- Operating assets efficiently
 - Rising fuel costs
 - Aggregation of assets
 - Extending the life of equipment
 - Monitoring/replacing aging assets
- Interval-based versus needs-based maintenance
 - Intelligent sensor-based device monitoring
 - Reduced dispatching
 - MRO Inventory Optimization
 - Quicker issue detection with real-time analytics

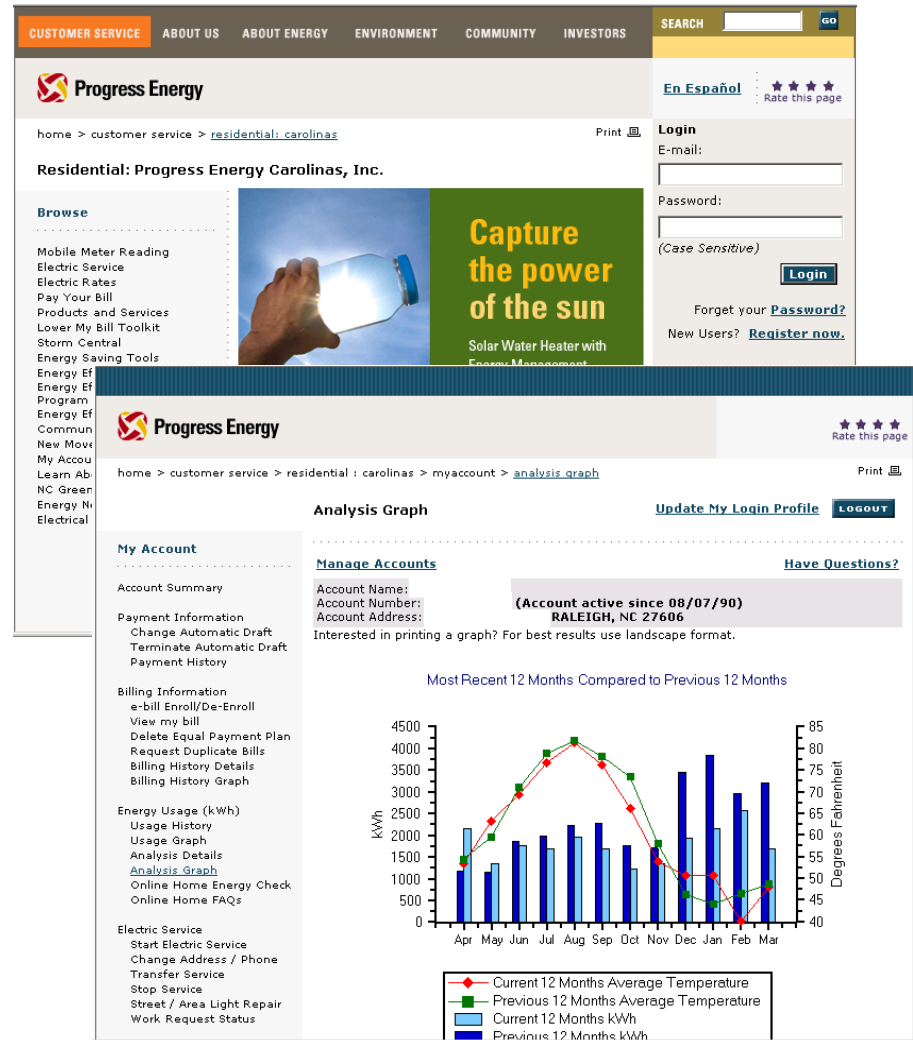


Results with Oracle eBilling

On an annualized basis, Progress Energy is:

- Saving 365 tons of paper
 - Saving 730 tons of trees
 - Saving 6 million gallons of water
 - Preventing 1.85 million lbs of greenhouse gases from being generated
 - Preventing 354 tons of solid waste
-
- Increased customer enrollment by 66% only 18 months after deployment
 - Annually saving over \$800,000 in payment processing costs
 - \$1.2MM in paper and printing costs
 - Achieved return on investment (ROI) within one year

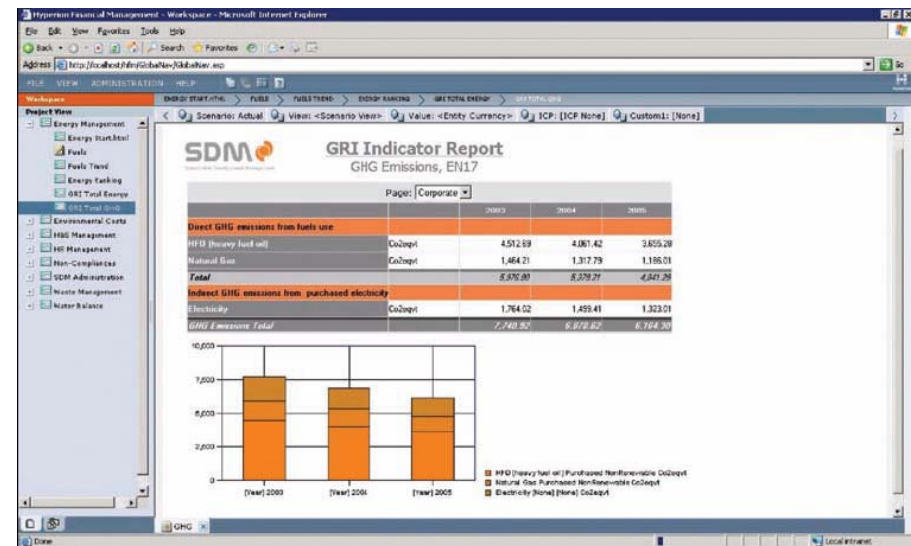
<http://www.progress-energy.com/index.asp>



Sustainability Reporting



- Offered in partnership with Proventia, a solution for consolidation and reporting of combined financial sustainability and other non-financial or operational data
- Provides prepackaged GRI G3 compliant metrics
- Enables single IT platform for management reporting, accounting, and Sustainability data
- Reduces the cost of compliance and increases confidence in Sustainability Reporting



Next Steps

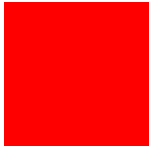
- Identify and prioritize key areas in your business
- Contact your account representative or rich.kroes@oracle.com
- Enabling the Green Enterprise “MIX” – <https://mix.oracle.com/groups/10038>

Learn
about best practices for your product and check out new ideas being discussed by the community.

Connect
with other customers and get to know Oracle experts in your product area or industry.


Share
your experiences with others through posting ideas or answering questions.

The screenshot shows the Oracle MIX community group page for "Enabling the Green Enterprise". The page has a red header with navigation tabs: Home, People, Groups, Ideas, and Answers. The group name is "Enabling the Green Enterprise" with 8 members and a group owner, Rich Kroes. A description of the forum is provided, along with tags for "green", "sustainability", and "applications". A "Members" section lists several members with their photos and titles, including Rich Manalang, Matt Topper, Vanessa Hsu Chen, Michael Feldstein, Dominique van Deth, Tracy Gullett, Rich Kroes, and Jonny Leroy. On the right side, there is a "Group Activity Log" showing recent connections and comments. A red box in the top right corner contains links for "Leave Group", "View Ideas", "View Answers", "View Members", and "View Announcements".



Questions?





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