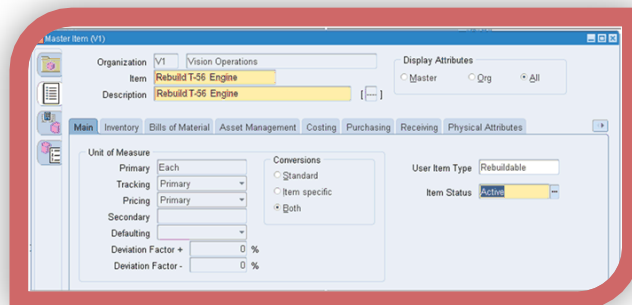# INVENTORY OPTIMIZATION

Oracle Inventory Optimization (IO) is a mature business application that was first introduced in Oracle release 11.5.7 (2001). The application simplifies inventory planning to provide a consistent and robust business process for lowering inventory costs and improving supply chain responsiveness. S&T offers a program to implement IO resulting in consistent business policies based on leading practices such as risk pooling and inventory postponement.

Lower Inventory Costs and improve customer responsiveness

S&T can help you lower your inventory costs while simultaneously improving your ability to respond to uncertain demands. The key is to lower your fulfillment lead times by strategically planning inventory locations and policies that consider both factors. S&T solutions can help better plan for uncertain demands, shortening order fulfillment time due to better availability of inventory. While your competition may suffer from overstocking and inability to respond to uncertain demands, you will benefit from our solution and beat the competition in many ways including lower fulfillment cycles, the ability to better respond to customer demands, lower inventory investment, and heightened ability to plan.

Implement consistent and timely processes

S&T can help you drive consistency and timeliness in your execution of inventory policies by replacing ad-hoc processes based on spreadsheets and individual business user's local knowledge. Improved consistency and timeliness will help you to transform your supply chain into a more responsive value chain capable of responding to changes in market conditions and internal inventory policies.

Practical solutions to work within your budgets

While inventory can buffer you from uncertainty, it also carries its own risks and costs. Oracle Inventory Optimization enables you to identify the risk areas in your supply chain and to plan the safety stock at a minimum level needed to achieve your results. You can develop plans that consider the cost of items, the priority and service level required, and that factor in a maximum budget to propose the best solution.

Seamless Integration and Execution

A unique part of our solution is to enable related supply planning process to include inventory requirements. This is a critical component of the solution which is necessary to execute the suggested inventory plans. With our complementary

supply planning solution you can effectively use inventory pegged to true demands to temporarily satisfy safety stock needs.

The Inventory Optimization application is a core component of the integrated Oracle Value Chain Planning solution. The processes are fully integrated to related applications like Oracle Advanced Supply Chain Planning (ASCP), Oracle Demand Management Real Time Sales & Operations Planning (Demantra), and the Oracle Advanced Planning Command Center (APCC) for reporting, metrics, and simulation capabilities across all of these applications.

This software application can enable "best in class" business processes to be implemented as a standalone solution or using the "out of the box" integration available for Oracle eBusiness Suite and JD Edwards Enterprise One customers. The application can also be deployed with any other ERP system like Peoplesoft, SAP, or BAAN, by using the available Oracle legacy interfaces.