

ORACLE SOURCING & SOURCING OPTIMIZATION

KEY FEATURES

- Two Stage evaluation of RFP
- Support for Two Stage RFQ surrogate bids
- Automatic knockout of suppliers from shortlist
- Support for contracts with complex payment terms
- Collaboration team member messaging
- Staggered closing of lines
- Catalog negotiation
- Very large auction support
- Flexible document styles
- Multi-round price enforcement
- Position hierarchy approvals
- Multi-Org Access Control
- Supplier scorecard
- Sourcing dashboard
- Professional Buyer's Work Center
- Prospective supplier registration
- Supplier response PDF

Auction / RFQ / RFI

- Supplier Qualification through RFIs
- Multiple Negotiation Types
- Multiple Negotiation Styles (Open, Blind, Sealed)
- Negotiation Template
- Procurement Professional Internal Collaboration
- Procurement Professional Security
- Multi-attribute Weighted Scoring
- Cost Factors enhancements
- Price Breaks and Analysis
- Price Tier enhancements
- Location Pricing
- Time-Phased Pricing
- Volume Pricing
- Advanced Supplier Search
- Reusable Invitation Lists
- Reusable Price Element Lists
- Reusable Attribute List
- Ranking Indicators
- Notes and Attachments
- Multi-Currency Transactions

Oracle® Sourcing and Sourcing Optimization are the enterprise applications that improve the effectiveness and efficiency of strategic sourcing. They are the key components of Oracle Advanced Procurement, the integrated suite that dramatically cuts all supply management costs.

Cut Costs with Online Collaboration and Negotiation

Because strategic sourcing is traditionally time-consuming and complex, many organizations are not able to source all of their spending for maximum savings. Oracle Sourcing increases the sourcing bandwidth of procurement professionals so they can exploit many more savings opportunities and capture more value from each. Online collaboration and negotiation makes it easy for participants from multiple organizations to exchange information, conduct bid and auction processes, and create and implement agreements. Professional buyers, business experts, and suppliers exchange information online for a more agile and successful sourcing process. The application also dramatically reduces sourcing cycle time and creates a complete audit trail of supplier commitments. With Oracle Sourcing, your organization can find and exploit saving opportunities that were previously untouched.

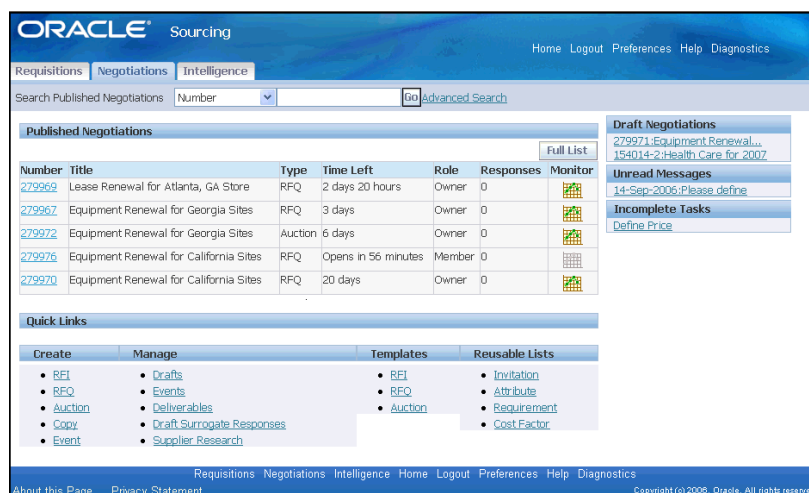


Figure 1: Efficient online negotiations drive more and better sourcing events.

With Oracle Sourcing you can:

- Source More of Your Spend
- Source for Lowest Total Cost
- Create Immediate and Long-Term Savings

- Multi-Language Support
- Consolidated Negotiation Search
- Online Discussions
- Manual Extend/AutoExtend
- Manual Early Close/Early Award
- Offline Spreadsheet Support
- Real-time Status Updates
- Event Based Notifications
- Copy Existing Negotiations
- Cancel Negotiations and Disqualify Response
- Corporate Terms and Conditions
- Sourcing Events
- Specify Additional Contacts
- Document Printing
- Negotiation Amendments
- Multi-Round Negotiations

Bidding

- Proxy Bidding
- Power Bidding
- Surrogate Bidding
- Supplier Response by Supplier Site
- Supplier Participation Acknowledgement
- Supplier Registration
- Supplier Profile Management
- Supplier User Management

Analysis and Award

- Color coded enhanced XML spreadsheet support
- Online Response Comparison
- Graphical Monitors
- Subjective Scoring of Responses
- Analysis Scenarios
- Multiple Award Methods (e.g., AutoAward, Award by Response, Award by Line, etc.)
- Award Summary
- Award Approvals
- Award Determination and Sharing
- Price Break Analysis
- Intelligence Reports

Integration

- Generate Purchase Orders
- Integrated Procurement Demand
- Re-negotiate Blanket Agreements

Source More of Your Spend

Manage more sourcing events in less time and bring them to conclusion faster so you can find and exploit additional savings opportunities.

Exploit More Sourcing Opportunities

The time required to prepare bidding packages, issue them, and process responses has traditionally limited the sourcing capacity of procurement organizations; leaving savings on the table. Oracle Sourcing lends structure to the entire sourcing process, greatly reducing the time and effort required to source each opportunity.

Procurement professionals can use templates and flexible document styles to quickly create sourcing events such as RFIs, RFQs, RFPs and reverse auctions. Sourcing events may also be created by directly consolidating demand from Oracle Purchasing. Buyers can even use one-click renegotiation to instantly clone expiring agreements into new sourcing events. Oracle Sourcing slashes the manual effort required to execute each sourcing event. So procurement professionals can do more of what they do best – save money.

Slash Cycle Time with Online Negotiations

With Oracle Sourcing, events are prepared more quickly, concluded sooner, and agreements can be implemented as soon as they are signed. Because it structures requirements-gathering, sourcing events take less time to prepare. Oracle Sourcing consolidates requirements, amendments, and responses in one central location, so suppliers can bid more quickly. Online tools alert buyers to events that need additional supplier actions. Online competition saves time by motivating suppliers to improve terms without time-consuming back and forth negotiation. Agreements negotiated in Oracle Sourcing can also be immediately implemented in Oracle Purchasing. So you not only source more, you realize the resulting savings sooner.



- Negotiate Encumbered Requisitions
- Requisition Visibility in Sourcing
- Requisition Allocation for Partial and Split Award
- Oracle Projects Integration

Figure 2: Monitor bidding activity as it happens with the Live Console

Make Faster Award Decisions with Online Bid Comparison and Award Rules

Manually compiling and comparing bids causes slow and sub-optimal award decisions. Oracle Sourcing gathers bids in a consistent and structured format and provides online analysis for better awards. With Oracle Sourcing, managers have the tools to simplify the bidding and analysis process. For example, they can establish a two-stage RFP process to ensure more impartial and speedier evaluations. Managers can also use knockout criteria that can be used to automatically exclude suppliers from the shortlist. Once finalists are identified, side-by-side and graphical comparisons show at a glance which suppliers provide the best overall value. If your organization has developed spreadsheet models for unique categories, Sourcing also exports pricing and scoring data for offline analysis. Flexible award methods let you cherry-pick suppliers, bid lots and lines for the best pricing; or let Oracle Sourcing arrive at the best possible award based on the predefined scoring criteria. Configurable award rules build in compliance with policies such as minority business preference or multi-sourcing of mission-critical items. The award summary gives sourcing team members a complete view of the award recommendation, while award approvals ensure policy and regulatory compliance.

Source for Lowest Total Cost

Oracle Sourcing helps you make more best-value award decisions based on total cost, not just unit price.

Improve Sourcing Results with Cross-Functional Collaboration

Sourcing excellence requires combining the specialized skills of procurement professionals and subject matter experts to identify the combination of suppliers that offer the best combination of cost, quality, risk, and innovation. But time and distance constraints often make it difficult for all participants to work together. Online collaboration makes it easy for technical, business, and commercial terms experts to lend their expertise to the sourcing process. Oracle Sourcing automates combining different scores from team members and brings additional transparency to the team scoring process. This ensures both better sourcing processes and broader buy-in to award decisions. Engaging the right suppliers is equally important to strategic sourcing. Oracle Sourcing lets procurement professionals browse the wealth of supplier information that exists within the company and easily invite new suppliers to ensure highly competitive bids.

Scoring Team
 * Indicates required field

Name **Technical Team** Cancel Apply

Instructions **Please contact Catherine Baker if you have any questions about this negotiation. Please conduct your reviews prior to the end of the month. Pay special attention to the supplier's certification and past experience. We have hidden all pricing information and supplier contact information from you. Complete the scoring sheet for each response.**

☐ Price Visibility

Members			
Name	Position	Access	Remove
Baker, Ms. Catherine	BUY501.Buyer 1	Full	
Aaron, Mrs. Tamara	VPM200.VP Materials	Scoring	
Smith, Mr. Jonathan	BUY502.Buyer 2	Full	

Add Another Row

Section Assignments

Section **Technical Capabilities**

Figure 3: Designate different collaboration team members with scoring ability.

Leverage Best Practices with Sourcing Knowledge Capture

The knowledge and best-practices that saved money in one sourcing event are often lost when that event ends or an employee departs. Oracle Sourcing allows sourcing professionals to capture best-practice category knowledge for reuse. All of the successful elements from past events can be captured into category-specific templates for RFQs, RFIs and online auctions. Reusable invitation lists bring in the best suppliers. Reusable pricing elements align buying with supplier cost structures for the lowest total cost. Reusable negotiation styles capture knowledge of which event type and bidding rules will yield the best value. With Oracle Sourcing, your best sourcing knowledge is continually leveraged over time and across the enterprise.

Increase Savings with Complete Bid Package Analysis & Optimization

Sourcing professionals know that the lowest price seldom yields the lowest total cost. Oracle Sourcing makes it easy to identify and quantify the drivers that create total cost. Multi-attribute weighted scoring and pricing, including price breaks and cost factors, enable procurement professionals to strategically define items and services and effectively negotiate with suppliers. XML based spreadsheet integration makes it easy to import and export negotiation results into a familiar environment. Sourcing also provides configurable scoring criteria to analyze bid supplier strengths and weakness that affect downstream costs. Bids can be scored on any combination of price and buyer-defined criteria such as delivery dates, quality, vendor reliability and financial stability. Optimization based on cost factors and tiered pricing make it easy for managers to understand the cost implication of award scenarios. In addition, Supplier Scorecard integration makes it easy for buyers to factor past supplier performance in current award decisions.

Create Immediate and Long-Term Savings

Oracle Sourcing creates immediate savings with rapid deployment and ROI, and offers additional savings with consistent execution through the Oracle Advanced Procurement Suite.

Start Saving Immediately with Rapid Deployment

Purchasing professionals know that even small percentage savings add up to a massive contribution to the bottom line. So every day that sourcing professionals aren't 100% productive costs your business money. Oracle Sourcing can have a dramatic impact on your sourcing organization in weeks, not months. The application can be run on-site or delivered via Oracle Procurement On Demand. The application works both independently and as part of the Oracle Advanced Procurement Suite. So you can apply Oracle Sourcing to current and upcoming sourcing opportunities and start saving right away, while ensuring that your solution can grow as needed.

Achieve Rapid ROI through Open Competition

Improving sourcing can save companies enough money to return their investment in just one sourcing event. Organizations often discover that open and transparent competition prompts even incumbent suppliers to offer better prices, terms and conditions. Oracle Sourcing offers many features to help drive competitive

KEY BENEFITS

ORACLE SOURCING IS THE ENTERPRISE APPLICATION THAT

- Improves the effectiveness and efficiency of strategic sourcing.
- Dramatically cuts all supply management costs.
- Enables buyers to source more of the organization's spend at lower total cost
- Creates immediate savings through rapid deployment
- Ensures long-term savings with consistent execution and compliance

RELATED PRODUCTS

Oracle Advanced Procurement includes additional complimentary solutions that provide valuable integration to Sourcing

- Procurement Contracts
- Sourcing Optimization
- Purchasing
- iProcurement
- Services Procurement
- iSupplier Portal
- Payables
- Daily Business Intelligence

RELATED SERVICES

The following services are available from Oracle Support Services:

- Oracle E-Business Suite Accelerators
- Oracle Application Solution Centers
- Oracle University
- Oracle Consulting

behavior from suppliers such as the staggered closing of lines and the automatic extension of an auction when a new bid ranked in a buyer-specified position is received. The application also lowers supplier risk by providing clearer requirements and a better exchange of information during the bidding process. Reduced risk allows suppliers to make lower bids. Oracle Sourcing can save you money on demand you already have open today.

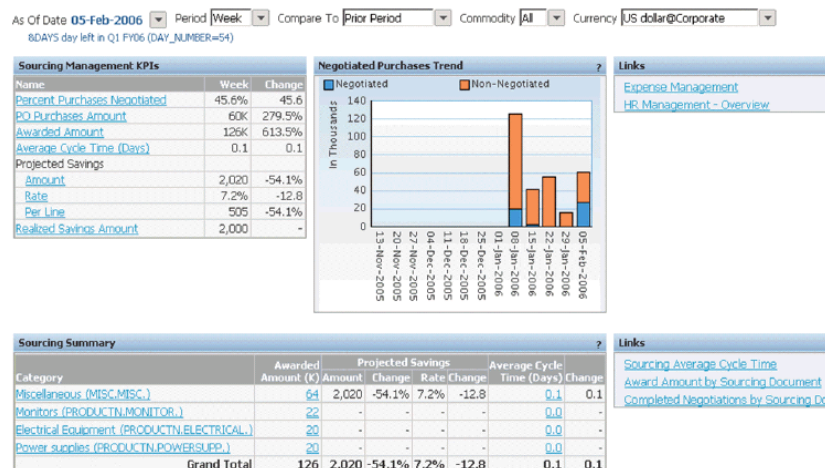


Figure 4: Measure sourcing process performance with the Sourcing Dashboard from Daily Business Intelligence for Procurement.

Realize Long Term Savings with Consistent Execution and Compliance

Even the best purchasing agreements are worth little unless they are consistently enforced. Oracle Sourcing provides even more savings to your organization when used within the Oracle Advanced Procurement suite by ensuring consistent execution from requisition to payment. Oracle Procurement Contracts drives compliance with built-in tracking of contract deliverables. Oracle Purchasing seamlessly executes agreements negotiated in Oracle Sourcing. Employee self-service requisitions placed in Oracle iProcurement automatically default to preferred suppliers at Sourcing-negotiated prices. Oracle Daily Business Intelligence monitors contract utilization and compliance and lays the ground work for finding new opportunities. The Oracle Advanced Procurement suite leverages the value of Oracle Sourcing by implementing and enforcing purchasing agreements enterprise-wide.

Oracle E-Business Suite — The Complete Solution

Oracle E-Business Suite enables companies to efficiently manage customer processes, manufacture products, ship orders, collect payments, and more—all from applications that are built on a unified information architecture. This information architecture provides a single definition of customers, suppliers, employees, and products—all aspects of the business. Whether one module or the entire Suite is implemented, Oracle E-Business Suite enables procurement professionals to share unified information across the enterprise and make smarter decisions with better information.

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