

CREATING A SUPPLIER OWNED INVENTORY STORE

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FLUKE CORP

BACKGROUND

- AN ELECTRONICS MANUFACTURING COMPANY, LOCATED IN EVERETT, WA
- LIVE ON ORACLE 10.7SC SINCE APR 1999
- POINT OF USE INVENTORY
- MULTIPLE SUB-INVENTORIES
- TRADITIONAL PURCHASING AND RECEIVING PROCESSING IN PLACE SINCE GO LIVE

SUPPLIER OWNED INVENTORY STORE - GOALS

- REDUCE INVENTORY
- MAINTAIN OR IMPROVE SERVICE LEVEL
- REDUCE TRANSACTION COST
- NO ADDITIONAL ORACLE CUSTOMIZATION
- SIMPLE SOLUTION

ARROW CHOSEN AS POTENTIAL PARTNER

- RELIABLE SUPPLIER
- LARGE NUMBER OF ITEMS UNDER EXISTING BLANKET ORDER
- WILLING TO PARTNER
- HIGH LEVEL OF TRUST BETWEEN THE PARTIES

EXISTING ENVIRONMENT

- MULTIPLE SUB-INVENTORIES
- RESTRICT SUB-INVENTORY & LOCATORS
- DEFAULT RECEIVING SUB-INVENTORY AND LOCATORS
- REPLENISHMENT COUNTS TRIGGER SUB-INVENTORY TRANSFERS
- ORACLE CUSTOMIZATION TO MANAGE DISPATCH OF TRANSFERS, WIP ISSUES, & INTERNAL REQUISITIONS
- CUSTOM CONNECTWARE BARCODE TRANSACTION

CONCEPT DEVELOPMENT

- BUSINESS APPLICATIONS SUPPORT ROUGHS OUT CONCEPTUAL FRAMEWORK
 - NO PURCHASE ORDERS
 - NO RECEIVALS
 - CONTRACT PRICE EQUAL TO STANDARD COST
 - WEEKLY BATCH PAYMENT
- PURCHASING APPROVES CONCEPT
- TESTING BEGINS

CONCEPT TESTING

- NEW SUB-INVENTORY
 - QUANTITY TRACKED
 - ASSET - ELIMINATION ACCOUNT ESTABLISHED
 - NON-ATP
 - NON-NETTABLE
 - RESERVATIONS ALLOWED
- NEW ACCOUNT ALIAS
 - USED TO RECEIVE AND RETURN GOODS
 - OFFSET THE ELIMINATION ACCOUNT

CONCEPT TESTING

- MODEL TRANSACTION FLOW USING EXISTING PROCESSES
- VALIDATE MATERIAL ACCOUNT DISTRIBUTION DETAIL REPORT, DOCUMENT PARAMETERS
- PROCESS DEMONSTRATION
- PROCESS VALIDATION AND BUY-OFF

CONVERSION

- CREATE SUB-INVENTORY LOCATION MAP
- ENTER ITEM / SUB-INVENTORY & LOCATOR RELATIONSHIPS
- ENTER TRANSACTION DEFAULT SUB-INVENTORY AND LOCATOR
- PERFORM ACCOUNT ALIAS RECEIPTS
- MODIFY DESTINATION ITEM SUB-INVENTORY SOURCING

TRAINING AND SECURITY

- PREPARE AND PERFORM SUPPLIER ORACLE PROCESS TRAINING
 - SUPPORT CONVERSION
 - ONGOING OPERATIONS
- DESIGN AND IMPLEMENT CUSTOM RESPONSIBILITY
 - GRANT REQUIRED ACCESS TO ORACLE FUNCTIONALITY
 - ALLOW LIMITED INQUIRY CAPABILITY

OBSERVATIONS

- SUPPLIER SUB-INVENTORY SHOULD BE NON-RESERVABLE IF POSSIBLE
- STANDARD ORACLE SUB-INVENTORY TRANSFER IS A VIABLE SUBSTITUTE FOR CUSTOM FUNCTIONALITY

LEFT - RESTRICT SUB-INVENTORIES & LOCATORS RIGHT - TRANSACTION DEFAULT SUB-INVENTORIES & LOCATORS

Master Item (GLO)

Organization: GLO Fluke Global Master
 Item: 625795
 Description: LS-1310/1550 ,LASER SOURCE [US]

Inventory: [Inventory Item] | Display Attributes: Master | Org | All

Stockable | Transactable
 Revision Control | Reservable

Lot Expiration (Shelf Life)
 Control: No Control | Shelf Life Days: 0
 Cycle Count Enabled
 Measurement Error: Negative [] Positive []

Lot
 Control: No Control | Starting Prefix [] Starting Number []
Serial
 Generation: At Receipt | Starting Prefix [] Starting Number []

Locator Control: No Control | Restrict Subinventories | Restrict Locators

Count: *1

Item Transaction Defaults (EVP)

Locators: [Dropdown]

Item	Description	Default For	Subinventory	Locator
614872	FLUKE 12-2002-04 ,CASE, BOTTO	Receiving	FPFA	GT.FL10.09
614872	FLUKE 12-2002-04 ,CASE, BOTTO	Receiving	PL	PL2.LB12.01

Buttons: [Add] [Delete] [Refresh] [Open] [Close Existing Windows]

Count: *2

LEFT - ORACLE CUSTOM FORM - FIND MATERIAL RELEASES

RIGHT - ORACLE CUSTOM FORM - FLUKE GATEKEEPER

This screenshot shows the 'Find Material Releases' form in Oracle Applications. The form includes several input fields and radio button options:

- Supply Subinventory: ARROW
- Zone: C6
- Supply Locator: (empty)
- Job: (empty)
- Requisition Number: (empty)
- Class: (empty)
- Item: (empty)
- Rec Type: REPL
- Status: (empty)
- Start Date: (empty)
- Component: Single, Multiple, All
- Shortages: Only, None, All

Buttons at the bottom include 'Clear', 'New', and 'Find'. The status bar at the bottom indicates 'Count: 10'.

This screenshot shows the 'Fluke Gatekeeper' form, which displays a table of material releases. The table has the following columns: Num, Job# / Req#, Status, Item, Supply Sub (Locator), and Quantity (Required, Open, On-hand Qty).

Num	Job# / Req#	Status	Item	Supply Sub (Locator)	Required	Open	On-hand Qty
1	72012 - 7	Hold	622263	ARROW C6.102D.05	50	50	0
2	74429 - 13	Hold	698290	ARROW C6.208E.04	2000	2000	4000
3	74429 - 8	Hold	831263	ARROW C6.113F.02	150	150	200
4	74429 - 1	Hold	472779	ARROW C6.207E.01	480	480	2540
5	74429 - 5	Hold	914130	ARROW C6.102E.02	176	176	200
6	74429 - 12	Hold	698233	ARROW C6.208E.01	2000	2000	4000
7	74429 - 2	Hold	780577	ARROW C6.102E.04	150	150	150
8	74429 - 3	Hold	647115	ARROW C6.102D.03	125	125	300
9	74429 - 7	Hold	722017	ARROW C6.205B.03	220	220	380
10	74429 - 14	Hold	454041	ARROW C6.208E.05	500	500	800

Buttons below the table include 'Select All', 'Unselect All', and 'Release'. The status bar at the bottom indicates 'Count: 10'.

LEFT - ITEM SUB-INVENTORIES - SOURCING



RIGHT - CONNECTWARE CUSTOM FORM - ISSUE TO WIP

Item	Description	Type	Organization	Subinventory
872213	FL80-4R01T-N ,RNET,MF,POLY,SIF	Inventory	EVP	PCAHV
320721	TTL 4044 ,IC,TTL,PHASE FREQ	Inventory	EVP	MS
782938	CMOS 74HC240 ,SMR,IC,CMOS,OCT	Inventory	EVP	ARROW
945217	5500A-4403 ,CABLE, 14 PIN SIP,	Inventory	EVP	HD
483230	NPN,PWR,2N5885 ,TRANSISTOR,SI	Inventory	EVP	ARROW
386771	ZENER 1N756A A52R,ZENER,UNCOMI	Inventory	EVP	ARROW

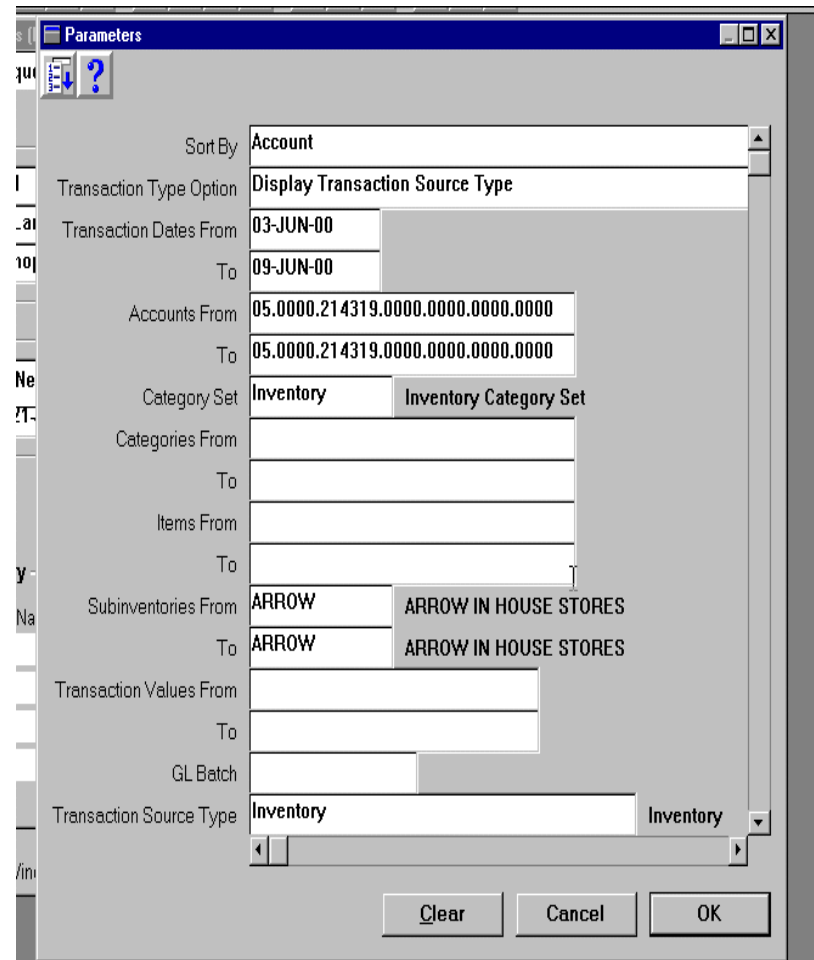
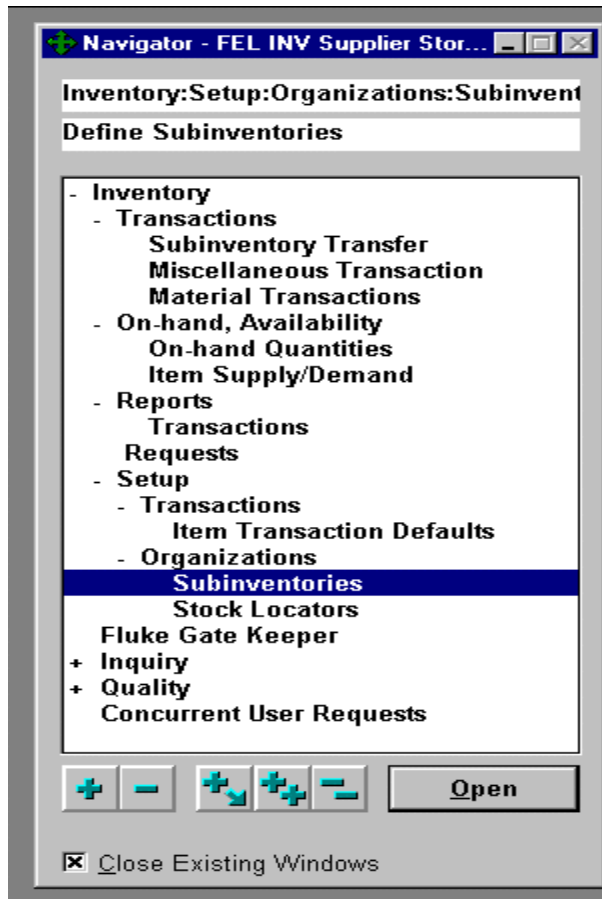
Locators for this Item Subinventory

Locator	Description
ALAX07.19	
SA.PSNA.02	
SA.P10A.10	

```
FLUKE-TEST-EVP
GK Issue to WIP
-----
--> 386771
Sub: ARROW
Loc: C6.101B.01
Job: 70154 - 3
Line #:
Av.qty: 1000
Req qty: 1200

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Enter to accept or
Arrow up/down
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LEFT - CUSTOM RESPONSIBILITY - SUPPLIER STOREKEEPER RIGHT- MATERIAL ACCOUNT DISTRIBUTION DETAIL - PARAMETERS



MATERIAL ACCOUNT DISTRIBUTION DETAIL - SAMPLE REPORT

Everett Production
Sorted by Account

Material Account Distribution Detail
From 03-JUN-00 To 09-JUN-00 (USD)

Report Date: 21-JUL-2000 08:57
Page: 2

Account: 05.0000.210503.0000.0000.0000.0000

Txn Date	Item	Description	Source Type	Source	Subinv	Quantity	UOM	Unit Cost	Txn Value
09-JUN-00	821116	DIODE,MMBD7000	Inventory		ARROW	-12,000.00	EA	0.0270	-324.00
09-JUN-00	821538	CMOS 145406	Inventory		ARROW	-2,000.00	EA	0.7050	-1,410.00
09-JUN-00	929778	CMOS MAX135	Inventory		ARROW	-100.00	EA	8.0000	-800.00
09-JUN-00	929781	BIMOS 5800	Inventory		ARROW	-2,500.00	EA	0.7200	-1,800.00
09-JUN-00	929781	BIMOS 5800	Inventory		ARROW	-2,500.00	EA	0.7200	-1,800.00
09-JUN-00	944983	IC,OP AMP,LMC	Inventory		ARROW	-1,000.00	EA	1.3100	-1,310.00
09-JUN-00	944988	DIODE,MBR0520	Inventory		ARROW	-6,000.00	EA	0.0880	-528.00
Subtotal on 05.0000.210503.0000.0000									-72,304.43
Report Total									-72,304.43

**** End of Report ****