

Any international supply chain is impacted by the effect of globalisation, be it from competing markets or erratic economies. The result is increasingly unpredictable demand and in turn unpredictable volume. In such an environment, managing cash-flow within a business becomes key. It is already accepted that inventory sitting in the supply chain for weeks on end is undesirable and should be minimised, in which case the emphasis then shifts to managing the accuracy, predictability, auditability and availability of that inventory in relation to projected demand. Rapidly changing consumer preferences and a heightened awareness of 'green' issues also drive the profile of this global demand. The provision of global trade management through wholly integrated physical supply chains and seamless order management is key to providing accuracy, predictability and auditability.

As a result, the need for effective 'Order Management' capabilities across the entire supply chain is rapidly increasing. The problem for most supply chain managers is finding software solutions that provide this level of global trade and order management. Order Management may also mean many things to many people. However, to be effective within a truly international supply chain it must manage and seamlessly integrate many types of order including:

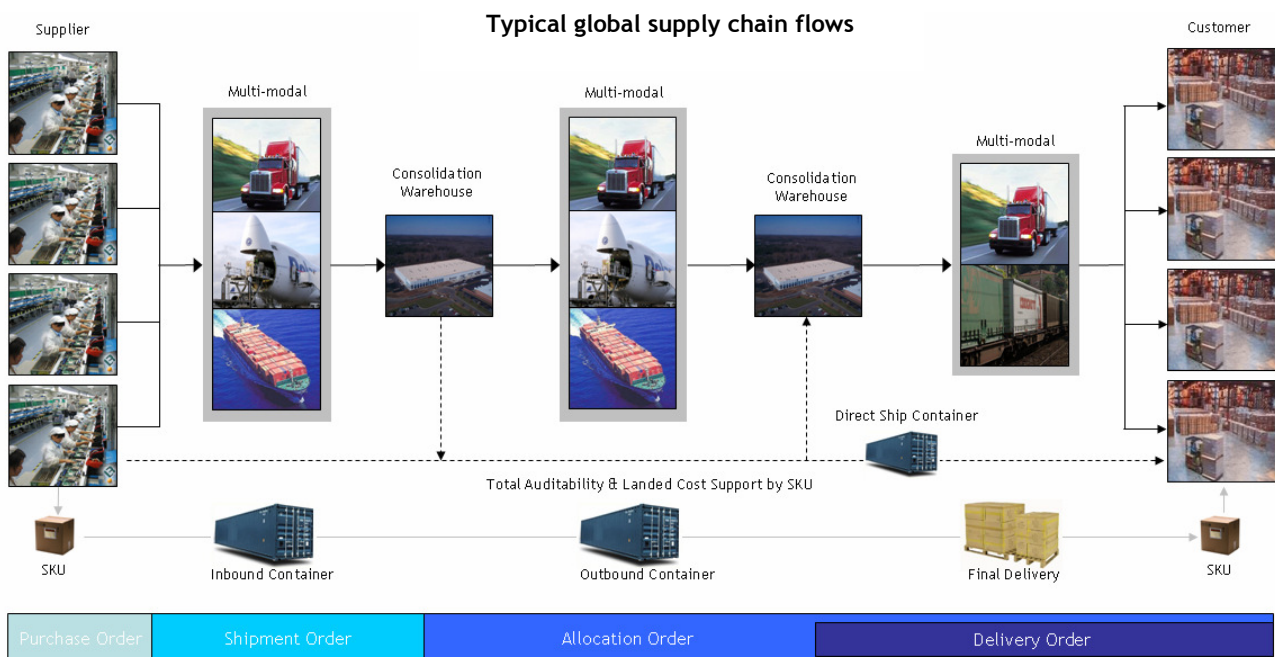
- Purchase Orders (PO)
- Shipment Orders (SO)
- Sales Allocation Orders (AO)
- Delivery Orders (DO)

Furthermore, it must provide complete auditability of a single SKU from PO to DO allowing cost apportionment to be applied and ultimately determine landed cost.

In summary, the process of order management starts at source, whether this be a factory or supplier. Purchase orders are generated by the customer that may be called off over a variable time period. Shipment orders are generated to call off and validate against the PO's and once authorised will feed into the supply chain destined either directly for the customer or more typically via one or more consolidation centres which perform the split and merge activities. Sales allocation and Delivery orders trigger the planning of inventory for containerised or media based delivery to final destination.

ProAct solution benefits:

- Automated planning and execution of complex supply chains
- Elevated governance and control
- Enforced process compliance and disciplines
- Enterprise level control tower and portal
- One-stop-shop for all levels of supply chain execution; strategic, tactical & operational
- Detailed control of cost, revenue, inventory and cashflow
- Flexibility to deal with unpredictable demand



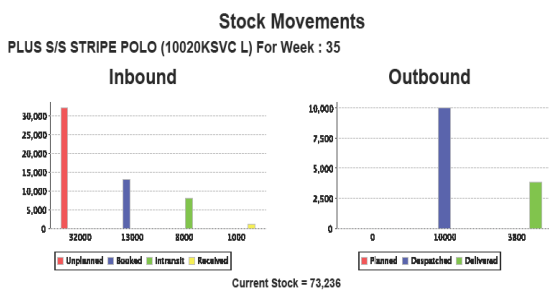
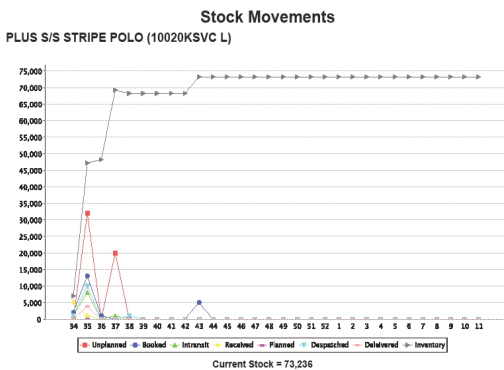
Supply chain execution software solutions Global Purchase Order Management & Execution

The solution connects importers, exporters, logistics providers, agents and brokers by providing inventory visibility and critical purchase, shipment and delivery order information through a single enterprise portal.

Real-time access to carrier tariffs and compliance rules, allow logistics teams to select the most cost effective journeys. This supports improved business profitability and cash flow through accurate and timely generation and matching of freight bills based on Incoterms.

Inventory Holding Models

The levels of inventory visibility provided by the solution supports various inventory holding models, be they speculative, push or pull based demand. The speculative model allows for the purchase of inventory for sale to multiple end customers by an agent and aids the determination of where best to hold this in the supply chain. The pull model can drive the creation of PO's based on the demand forecast and their availability over time within the supply chain can be mapped by the solution. The push model may also be speculative, but often driven by the customer and may often rely on minimum latency within the supply chain.



ProAct's Global Purchase Order Management and Execution solution configuration provides complete enterprise level capabilities for managing all facets of a global, multi-modal supply chain operation both event and order based. ProAct also supports multi-dimensional capabilities in terms of clients, customers, brands, languages, terminology, time zones and currency all within a single instance of the application and database. This means that the solution is equally suited to the specific needs of the Manufacturer (OEM), Fourth party logistics provider (4PL), Lead logistics provider (LLP), Freight forwarder (FF) and Third party logistics provider (3PL). The ProAct solution has been used to manage the diverse supply chains of companies including:



Global POMS Key features include:

- Purchase order creation and fulfilment
- PO milestone and alert management
- Master PO status management
- Shipment order (SO) creation and approval
- Electronic inbound shipment advice (ASN)
- Transport unit management to carton & SKU level
- Creation and fulfilment of sales allocation (AO) and delivery orders (DO)
- Container manifest load planning and management
- PO → SO → AO → DO transparency
- Landed cost calculation support
- Global inventory visibility & tracking
- Purchase order life-cycle management
- Alert Message creation for P.O Exception
- Capture of Shipment Request raised by Vendor
- Shipment Request evaluation based on
- Approval /Rejection recommendation
- Shipment Order pick-ups and warehouse receipts
- Pick, pack and despatch via:
 - Integration to third party WMS
 - ProAct native integrated WMS
- Carrier schedules
- Charging and Invoicing
- Exception Alerting and Messaging