

SAP for Oil and Gas



SAP® OIL AND GAS SECONDARY DISTRIBUTION

**IMPROVED LOGISTICS AND INTEGRATED PROCESSES
FOR DOWNSTREAM COMPANIES AND SUBSIDIARIES**

The SAP® Oil and Gas Secondary Distribution application enables companies to integrate their business from sales, customer service, and supply chain all the way to finance and reporting. The application is based on industry best practices and an “out-of-the-box” approach aimed at lowering costs of operations; selling, general, and administrative (SG&A) support; and technology, while also increasing revenue. Designed for the special needs of small-to-midsize companies, the application is available in affordable delivery options, enabling your company to quickly adopt the functionality and deliver measurable benefits.

SPEED UP YOUR ENTERPRISE

The sale and distribution of oil and petroleum products like fuel, heating oil, bottled and bulk gases, and lubricants is a fast-moving business. Decision-making processes can be complex, prices change constantly, and margins are narrow. Once orders are placed, several events must take place before a product reaches the customer. Replenishment must be coordinated, deliveries scheduled, and trucks dispatched. At the end of the day, actual deliveries rarely correspond to the orders originally placed and actual quantities need to be reconciled with initially scheduled delivery data.

The SAP® Oil and Gas Secondary Distribution application helps you manage these events. It gives you the ability to communicate with value chain partners and support trading and distribution within the oil and gas industry. And with ease-of-use in mind, the application provides you with just three screens that enable you to manage core business processes.

SAP Oil and Gas Secondary Distribution is available in affordable delivery options. One approach offers a package with a fixed scope, implementation time, and price. Another gives you the complete turnkey solution from SAP Hosting, including everything from software and hardware to training and help desk support. Both approaches offer implementation times as short as four months, significantly reducing overall project costs. The application can also grow with your business, because it can integrate seamlessly with the mySAP™ Customer Relationship Management (mySAP CRM) solution and SAP Business Intelligence (SAP BI), a component of the SAP NetWeaver™ platform.

SALES DATA ENTRY: CONCENTRATING ON ESSENTIALS

Effective customer service and the efficient management of inquiries and quotes by customers are important aspects of the petroleum business. In SAP Oil and Gas Secondary Distribution, the telesales screen captures customer transaction data regardless of the type of sale. The simple selection of either “order” or “quote” completes the transaction. The application lets sales agents access customer account history to assist them in interactions, including: purchase history, customer requests, payment records, credit reports, pricing, contractual terms and conditions, fulfillment data, and relevant delivery information. Agents get a complete view of the customer, enabling them to optimize sales and respond to customer requests as needed.

Sales agents also have immediate access to a preplanning and scheduling tool, enabling them to schedule deliveries while placing customer orders. Detailed information on available delivery dates is right there at their fingertips.

The ability to integrate with mySAP CRM provides enhanced capabilities to identify and analyze your most profitable customers. Customer contact data can be combined with sales data and groups to target for marketing campaigns or business partner relationships. Contact results from campaigns can then be analyzed to measure the efficiency of marketing activities.

EFFECTIVE UTILIZATION OF TRUCK FLEETS

SAP Oil and Gas Secondary Distribution integrates with external software for tour planning and scheduling to optimize fleet delivery planning. The solution includes scheduling and logistics processing, utilizing a routing engine to determine the most cost-effective and timely routes to use for transporting goods. With new, visual transport planning, drag-and-drop technology is used to assign deliveries to trucks and other

transportation units. Fully customizable screens allow dispatchers to create personal profiles according to truck equipment and transport zones. A third-party product, Map&Guide, can be integrated to offer additional features such as tour-route optimization and on-screen map display, making the planning process easier.

The integration of SAP Oil and Gas Secondary Distribution goes far beyond the office workstation: Using electronic data interchange (EDI), tour and delivery data can easily be made available to drivers by automatically transferring data to their onboard truck computers. This allows necessary information – such as itinerary changes – to be accessible to parties involved in the logistics chain, thus optimizing delivery processes.

REDUCTION OF ADMINISTRATIVE OVERHEAD

Daily reconciliations are an important administrative consideration for oil and gas companies. Once deliveries have been completed, actual delivered quantities are compared with scheduled delivery. This includes information such as: actual deliveries that do not match original orders, additional products sold, deliveries without orders, and so on.

SAP Oil and Gas Secondary Distribution includes a screen that is designed to help you process sales exceptions on a daily basis. When users enter updates into the system, the application makes corrections, synchronizes profiles, distributes the information to other systems, and updates the customer orders in process.

The data can also be directly transferred via EDI, so you can receive information from a variety of sources including the Internet, onboard computers, and so on.

Once the delivery reconciliation is complete, a detailed listing shows all the steps the system has performed, in order to match orders placed with quantities actually delivered. Stock movements are made, delivery positions are changed, and new orders are created. Traffic-light icons let you see the completion of each step at-a-glance.

BUILDING A COMPLETE INDUSTRY SOLUTION

SAP Oil and Gas Secondary Distribution was developed in cooperation with industry experts. It is based on SAP for Oil & Gas and provides an industry solution with extensive functionality.

The application has interfaces to various other software products as well as to diverse external systems, such as onboard truck computers, terminal automation systems (TAS), transportation planning systems, point-of-sales solutions, forecourt controllers, and optical archiving systems.

STRONG VALUE PROPOSITION

SAP Oil and Gas Secondary Distribution offers a strong value proposition. Improved inventory management, reduced transportation expenses, increased sales, and reduced days sales outstanding (DSO) are tangible, measurable benefits. Others include improved customer service and support, and efficiencies that drive down operating costs. And by eliminating the need for multiple legacy systems and interfaces, the application reduces overall total cost of ownership. It gives you a proven, industry-specific solution that can scale to support your future needs.

SAP Oil and Gas Secondary Distribution package addresses three major requirements for your midmarket company: fixed costs, short installation times, and an SAP implementation partner with oil and gas industry know-how – all defined before a project starts.

SAVE MONEY: DO IT RIGHT THE FIRST TIME

SAP is the proven, leading software provider in the oil and gas industry with the financial stability to support your business well into the future. Now, SAP is offering an application designed to meet the unique needs of fast-growing midmarket companies. It is based on best practices and industry knowledge gained from over 650 oil and gas customers in more than 1,800 installations in countries all over the world and at companies of various sizes.

SAP Oil and Gas Secondary Distribution provides you with sophisticated, world-class capabilities in a single, cost-effective, low-risk, “out-of-the-box” package, which will give you real business benefits. It provides a solution that fits your budget and timelines, and delivers measurable benefits and ROI.

SAP software provides you with the functionality and flexibility to differentiate your company and gain a competitive advantage. And with the power and flexibility of SAP software, you can continuously take advantage of new features and functions as they become available.

To find out more about how you can get up to speed and running with SAP Oil and Gas Secondary Distribution, please visit www.sap.com/oilgas

www.sap.com/contactsap

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THE BEST-RUN BUSINESSES RUN SAP

