

"Oracle's reputation as a technology leader was a major factor in our decision to select the Oracle E-Business Suite over other vendors and point-solution players," said Greg Carmichael, Emerson vice president and CIO. "The Oracle E-Business Suite gives us the sophisticated functionality our organization needs to integrate key business processes, introduce innovative technologies and continue to drive for bottom-line operating improvement."

Before taking Oracle E-Business Suite enterprise-wide, Emerson successfully tested elements of the package independently in several divisions, including Emerson Process Management, which experienced increased productivity; and Emerson Motor Technologies, which benefited from the portal technology of Oracle's human resources system.

"We saw that Oracle's E-Business Suite offered the strength, ease of use, and breadth to support our complex needs," Carmichael said.

Shared System Results in Savings

Oracle E-Business Suite is helping Emerson standardize back-office functions like accounts payable, logistics, and travel into a common shared center. In addition, Carmichael projects that timely, accurate data provided by the Oracle E-Business Suite will trim US\$80 million per year from logistics spending by consolidating such areas as warehouses, document centers, and travel programs. The company anticipates an additional annual savings of at least US\$30 million by transitioning to a single accounts payable shared center for all 48 domestic Emerson divisions.

Integration and Roll-out

Many Emerson divisions already have started integrating this new model of shared software architecture, and other divisions will adopt it gradually. Each division will replace its legacy systems when there is a clear business case for the Oracle upgrade. This move eventually will bring the whole of Emerson's IT under the umbrella of six to eight major support centers, a major reduction from its original 100 centers.

"Emerson has always been diversified in how we run our operations," Carmichael said. "When the divisions make the transition to Oracle, we believe it will take close to \$40 million out of IT operating costs."

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