

Case Study:
E-BUSINESS SOLUTION

PROVIDING EMBRAER WITH AN E-BUSINESS SOLUTION

EMBRAER

BearingPoint and Oracle teamed up last year to build and implement AEROChain, a trading network that allows Embraer, the world's fourth-largest aircraft manufacturer, to offer after-sales services to its customers and suppliers online. A leading manufacturer of regional 30- to 50-seat commercial airliners, Embraer is currently expanding its offerings in the 70- to 100-passenger and corporate jet markets. In addition, Embraer also provides transport, light attack, and surveillance aircraft for the Brazilian government and other air forces.

Embraer strives to provide world-class service provisioning and spare parts distribution. To that end, Embraer started to offer basic online service to customers in mid-2000. While customers were pleased with the new channel, Embraer had neither the infrastructure nor the online business capabilities to develop advanced online



“AEROChain is a great asset to our organization. The procurement solution will tighten the existing relationship with our customers, suppliers, and buyers.”

— ARTUR COUTINHO
Embraer Services Vice President

services to support collaborative supply chain management. Embraer selected BearingPoint and Oracle to help design and implement AEROChain to meet the following goals:

- Build and strengthen customer relationships by working seamlessly with customer systems
- Offer ease of transaction to suppliers
- Decrease costs for both Embraer and suppliers by automating work processes and integrating suppliers into an extended, collaborative trading community
- Create new revenue opportunities for Embraer's replacement parts and aftermarket services

Based on BearingPoint's extensive aviation industry experience and pioneering trading network background, Embraer asked BearingPoint to develop detailed trading network



designs and plans, manage the overall project, and perform the integration based on Oracle's technology.

ACCELERATED DELIVERY WITH A FOCUS ON RESULTS

BearingPoint helped Embraer refine its strategy and define the functionality needed to create AEROChain. Our team set up the project, determined the required functionality of the trading network, designed tracks, and developed the resource planning. We also determined the EPM (enterprise program management) standards. EPM is our comprehensive, end-to-end enterprise program management office solution that combines project, knowledge, and change management to reduce the risk of project failure, effectively prioritize program initiatives, optimize internal resources, and enhance return on investment.

We used our **RP**® Rapid Return on InvestmentSM methodology—a standard set of phases, activities, tasks, and deliverables pre-architected for accelerated delivery—and partnered with Oracle to implement Oracle Exchange as the foundation for the trading network. The **Ri** methodology had to be adapted to this particular Oracle application. In addition, we implemented

“The project team, consisting of Embraer, Oracle, and BearingPoint staff, managed to develop the trading network—from concept to launch—in an outstanding time of only 90 days. AEROChain integrates all the capabilities of Oracle Exchange and provides the airline industry with direct procurement capability that allows companies to research and order parts, check the status of their orders online, as well as collaborate with suppliers on efficient and effective inventory levels.”

— JAN VRINS
BearingPoint Managing Director

the core marketplace application architecture, completed the integration of back-end systems with the trading network, and created the infrastructure needed to support AEROChain.

To add incremental functionality, the implementation was completed in phases. During phase one, we implemented the supply chain network, the trading functionality, and the trading

network portal. Our team also integrated specific Embraer back-end systems with the trading network to eliminate manual order entry. During phase two, the advanced planning system and the community and technical services functionalities were implemented. These applications prepared the trading network for the on-boarding of future participants and enabled integration of the participant's back-end systems with the trading network.

IMPROVED CUSTOMER AND PARTNER RELATIONSHIPS AND COST SAVINGS

Embraer's trading network, AEROChain, offers after-sales services for customers and suppliers, including trading, supply chain collaboration, forecasting and advanced planning, technical information (publications), maintenance repair management, technical services, and community capabilities.

Embraer can now sell spare parts, hold auctions, and conduct reverse auctions via the trading network, resulting in significant savings. In addition, the vendor management inventory feature of Oracle's Supply Chain Exchange application gives Embraer the ability to collaboratively manage inventory with its regional aircraft customers.

AEROChain allows Embraer to remotely manage inventory levels for its key customers.

When all functionality is implemented, AEROChain will provide demand planning and direct material purchasing functionality. Embraer estimates that the AEROChain trading network will process \$1.5 billion in purchasing annually.

**BUSINESS AND
SYSTEMS ALIGNED.
BUSINESS EMPOWERED.**

BearingPoint provides business consulting and systems integration to Global 2000 and government organizations. Our approximately 16,000 professionals in 39 countries leverage extensive industry and technology domain experience and flexible tools and methodologies to successfully deliver on time and on budget. We get the job done for our clients because we do whatever it takes to deliver on our promises with speed and purpose.

As our name implies, at BearingPoint we help our clients set the direction to reach their goals. As business systems

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integrators, we align our clients' business processes and information systems to enable them to access the right information at the right time, empowering them to achieve their desired business results and create enterprise value. To learn more about BearingPoint, please contact us at 1-866-BRNGPNT (1-703-747-6748 from outside the U.S. and Canada) or visit our Web site at www.bearingpoint.com.



Business and Systems Aligned. Business Empowered.™

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