

EXHIBIT R

Message

From: Zepecki, John [/O=SAP/OU=AMERICA2/CN=RECIPIENTS/CN=000000230476]
Sent: 1/5/2005 5:55:59 PM
To: Shenkman, Arlen [/O=SAP/OU=AMERICA1/CN=RECIPIENTS/CN=000000225832]; Mackey, James [/O=SAP/OU=AMERICA1/CN=RECIPIENTS/CN=000000065459]; Geers, Torsten [/O=SAP/OU=AMERICA1/CN=RECIPIENTS/CN=000000100655]
CC: Word, Jeffrey [/O=SAP/OU=AMERICA2/CN=RECIPIENTS/CN=000000064566]
Subject: TomorrowNow/PSFT related background info
Attachments: Peoplesoft 1-2-3 01 05 05.doc

Arlen, Jim, Torsten,

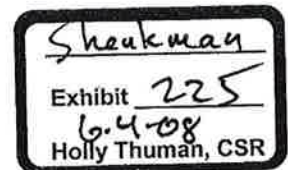
I am in enclosing a document that I sent to Shai a couple of weeks back (although there are some updates since then). I think the summary of discussion of points was forwarded to all of you earlier, but probably not the document.

It might have some value for the business case or as general background. Questions, please let me know.

Regards,
Johnz



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01 05 05.doc



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SAP-OR00004991

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
Case #: 07-cv-01658-PJH
PLNTF EXHIBIT NO. 0015
Date Admitted: 1/4/10
By: _____
Nichole Heuerman, Deputy Clerk

Peoplesoft 1-2-3

The following sections discuss high level steps to disrupt Oracle's software maintenance business and ultimately capture Peoplesoft customers as SAP customers. Although its possible to execute on any of the steps independently, there is value in providing a roadmap and vision for Peoplesoft customers. Additionally, each step helps SAP both generate revenue and build a relationship with the customer.

Step 1 – Provide current SAP customers Peoplesoft support

Background

SAP has the opportunity to provide customer service and product maintenance for Peoplesoft customers. Current SAP customers that use Peoplesoft for HCM or Financials represent the most attractive customer base to target with this offering. The HCM functional area is the most attractive area to target (high number of customers, most likely to need enterprise functionality). This segment of Peoplesoft customers are most likely to migrate to mySAP ERP given their company profile and relationship with SAP.

The Peoplesoft World customer base is equally attractive, but for different reasons. First and foremost, Peoplesoft World is very stable and many or most World customers do not expect to upgrade to a newer version of software from Oracle. These customers are likely to be interesting in a low cost, no frills support offering. The World customer base is additionally attractive due to the large installed base. The level of disruption generated by World software support offering from SAP would be high and the delivery risk and financial risk is relatively low.

It should be noted that most large Peoplesoft customers pay greater than 17% for software maintenance in return for some enhanced support capability (dedicated account representative, extended support hours). SAP may be able to price its Peoplesoft support under more attractive terms or provided a set of tiered pricing with a customer having the ability to upgrade level of service at a later date.

Aside from the uncertainty and challenges in doing business with Oracle, most current Peoplesoft customers will be asked to undergo a license conversion program of some type to fit into Oracle's pricing module. (Oracle's pricing model is more similar to SAP's model). Peoplesoft had an aggressive license conversion program when JD Edwards was acquired to achieve a consistent "SKU" based license model. It is unclear if Oracle will be aggressive in forcing changes in contract terms.

Given each customer is likely to undertaken changes in contract and changes in service, SAP has an opportunity to present a change to SAP as an alternative at a time when Oracle is forcing changes. **Even if SAP does not convert all Peoplesoft customers, SAP may force Oracle to change its behavior or plans around pricing or positioning.**