

# **EXHIBIT Z**

Message

**From:** Oswald, Gerhard [/O=SAP/OU=EUROPE1/CN=RECIPIENTS/CN=000000034905]  
**Sent:** 1/22/2005 3:16:48 AM  
**To:** Ziemer, Thomas [/O=SAP/OU=EUROPE1/cn=Recipients/cn=000000042894]; Hommel, Uwe [/O=SAP/OU=EUROPE1/cn=Recipients/cn=000000032876]; Wieditz, Uwe [/O=SAP/OU=EUROPE1/cn=Recipients/cn=000000034453]; Hess, Karl-Heinz [/O=SAP/OU=EUROPE1/cn=Recipients/cn=000000050951]; Welz, Bernd [/O=SAP/OU=EUROPE1/cn=Recipients/cn=000000034205]  
**Subject:** WG: Safe Passage Launched in N.A. - Important information enclosed  
**Attachments:** Safe\_Passage.zip

-----Ursprüngliche Nachricht-----

**Von:** McDermott, Bill

**Gesendet:** Freitag, 21. Januar 2005 19:38

**An:** DL MD COUNTRY WORLDWIDE; DL REGIONAL PRESIDENTS

**Cc:** Agassi, Shai; APOTHEKER, Leo; Oswald, Gerhard; Hornlish, Martin; Wohl, William; McStravick, Gregory; Wendell, Michael; Lutz, Joseph; Mann, Steven; Clarke, Christopher

**Betreff:** Safe Passage Launched in N.A. - Important information enclosed

January 21, 2005

To: Managing Directors and Regional Presidents

Subject: Safe Passage Program

The Safe Passage program was launched in North America on January 19. This email contains information on the program elements and provides the tools you need to discuss Safe Passage with your customers and regional teams.

Attached you will find:

- The script of the Safe Passage press briefing
- An overview PowerPoint describing the Safe Passage program. This was used to launch the program in North America.
- A brief FAQ covering the highlights of the Safe Passage program
- A detailed FAQ for Safe Passage
- A summary of Oracle's press briefing, and our rebuttal to the claims made against SAP by Oracle



Safe\_Passage.zip

Also note that there is a complete location in SMI dedicated to Safe Passage. Search "safe passage."

Finally, the North American field force is now pursuing opportunities using a targeted approach and we are reporting our progress on a by-account basis.

Please do not hesitate to contact Greg McStravick or Mike Wendell if you have questions.

Best regards,

Bill



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SAP-OR00136042

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

Case #: 07-cv-01658-PJH

PLNTF EXHIBIT NO. 0157

Date Admitted: 1/14/05

By: [Signature]

Nichole Heuerman, Deputy Clerk



## Summary

On 18 January, 2005 Oracle's Executive Leadership Team had a Webcast to discuss their Integration Plans. Here are quick highlights:

- Promise of continuity to existing customers running existing solutions to provide support until 2013.
- Design of Fusion promises to provide automated upgrade for existing PS, Oracle, JDE platforms to Fusion product.
- Stated that for net new accounts, they would push Oracle E-Business Suite (not PS or JDE solutions).
- Surprise message from IBM promising support for JDE PS and Oracle customers delivered by video in the middle of the event.
- Confirmed another round of releases of existing Oracle, JDE and PS products, due next year (no details offered).
- No details about architecture of the next engraftation product were offered.
- Glowing testimonials from three customers on stage.

There were a series of statements directed at SAP, which are noteworthy:

- SAP believes ABAP can beat JAVA. (Incorrect: we believe in protecting investments of customers and run ABAP and JAVA side by side)
- SAP is proprietary; SAP doesn't have a standards based development environment. (Incorrect: ECLIPSE framework, Web services, Java, etc. etc.)
- NetWeaver is starting from scratch. (Incorrect: it was launched as one platform derived from existing products and some extensions like MDM, CAF).
- Oracle is larger than SAP in North America in applications(not true)
- Oracle is larger than SAP globally in SCM and HR (not true)

## Oracle's Market Share Claims: Reality?

Oracle made some serious claims of leadership in various markets. Are they true?

**Claim:** Oracle is Number 1 in Worldwide HCM Market

**Fact:** According to Gartner, SAP leads the worldwide HCM market with a 21% (281.3MM) share of the market and Oracle with 19% (250.8) Source: Gartner Dataquest

**Claim:** Oracle is Number 1 in the worldwide SCM market

**Fact:** Again, SAP holds the leadership position in the SCM market. AMR had provided Oracle with numbers on the SC Planning segment which put them in the lead, but again, according to Gartner, SAP is the clear leader in the Supply Chain Management space (SCE, SCP, Sourcing/Procurement) with \$ 315mm (15.8%) to \$250mm (12.6%) Source: Gartner

**Claim:** Oracle is Number 1 in the North American Application Software market for total revenues:

**Fact:** Looking at 2003 numbers this is true but when one looks at the 2004 numbers and estimating what Gartner will publish for 2004, SAP again leads this market. CMI projects that Gartner will publish the following market share figures: SAP: \$798mm +/- 10mm; Oracle/PSFT \$682mm +/- 3. Therefore, Gartner will come up with 2004 numbers that say that SAP is leading in North America.

### Worldwide Relative Market Share

SAP's share of the worldwide software market remains unaffected by Oracle's acquisition of PeopleSoft. In fact, over the last two years, SAP's worldwide relative market share (SAP compared against its top 4 -now three competitors: Oracle, PeopleSoft Siebel and Microsoft) has grown from 49 to 57%, an increase of 8 points. During the same period, Oracle's share of the worldwide market declined from 13% to 12%, while PeopleSoft's share decreased from 16% to 11%. Today, the combined entity has a relative market share of 23%, less than half of SAP's total worldwide market (based on total software revenues). Source: CMI, IDC

### US Relative Market Share

The story in the US Market is remarkably similar, illustrating SAP's continued strength in this geography. Over the last two years, SAP came from behind to establish a leadership position in the US. SAP's relative market share grew from 25 to 38%, an increase of 13 points. PeopleSoft, which had the leadership position 2 years ago, with a 28 share, declined to just 17% in the quarter ending December 2004. Oracle's share of the US market decreased from 17% to 16%. Today, the combined entity has a relative market share of 33%, five percentage points less than SAP's stance in the US market. Source: CMI, IDC

## The Capabilities of Analyst Firms

Each firm has strengths and weaknesses in particular areas. Most firms focus on qualitative analysis (research on trends and best guesses on where the market is heading). Three firms actually perform large volume quantitative research: IDC, Gartner (Dataquest) and AMR

- AMR employs about 5-10 analysts who focus in this area
- Gartner employs about 10-20 analysts for quantitative research
- IDC employs about 50-60 analysts in this domain

SAP relies primarily on Gartner and IDC for quantitative market share data because in our opinion they have a broader view of the market and have deeper domain expertise in quantitative analysis. Oracle has relied almost exclusively on AMR's research.