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From: Jeff Henley [jeff.henley@oracle.com]
Sent: Friday, March 25, 2005 11:30 PM
To: Safra Catz
Cc: Larry Ellison
Subject: Re: [Fwd: [Fwd: FW: At Risk from Juergen]]

I agree with you up to this point but they are aggressively working out there. Their "confusion" message is part of their pitch along with their maintenance offer. I think for new deals where we compete with SAP we need a strong scripted response to their confusion message that we can give to our field people.

I think there may be some losses eventually where SAP convinces some SAP customers to switch from Peoplesoft to SAP rather than upgrading but our model always assumed there would be some attrition. I've talked to a lot of Peoplesoft and JDE customers. They like what we tell them but say the proof is in the pudding. I think they'll give us time to show them we will do as we say before deciding whether to switch to SAP or to upgrade to Oracle--for many that's a number of years out as they plan to stay on their current platform. This will also give them time to evaluate Fusion as it moves along.

Safra Catz wrote:

I don't believe we have lost any large customers because of this. If we lost, we lost to SAP for other reasons.

-----Original Message-----

From: Jeff Henley [mailto:jeff.henley@oracle.com]
Sent: Fri, March 25, 2005 3:14 PM
To: Catz,Safra
Subject: [Fwd: [Fwd: FW: At Risk from Juergen]]

fyi

----- Original Message -----

Subject:[Fwd: FW: At Risk from Juergen]
Date:Fri, 25 Mar 2005 13:44:23 -0800
From:Elizabeth Baker <elizabeth.baker@oracle.com>
Organization:Oracle Corporation
To:Henley,Jeffrey <JEFF.HENLEY@oracle.com>

FYI

----- Original Message -----

Subject:FW: At Risk from Juergen
Date:Fri, 25 Mar 2005 13:32:58 -0800
From:Andy Allbritten <andy.allbritten@oracle.com>
Reply-To:andy.allbritten@oracle.com <andy.allbritten@oracle.com>
Organization:Oracle
To:ROTTLER JUERGEN <juergen.rottler@oracle.com>
CC:Phillips Charles <CHARLES.PHILLIPS@oracle.com>, Block Keith G <KEITH.BLOCK@oracle.com>, Baker Elizabeth A <ELIZABETH.BAKER@oracle.com>, CUMMINS RICK <rick.cummins@oracle.com>, PETRAGLIA JAMES M.

Confidential Information

ORCL00744446

UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF CALIFORNIA Case No. <u>4:07-cv-01658 PJH/EDL</u> DEFENDANT Exhibit No. <u>A-4089</u> Date Admitted: _____ By: _____ Nicole Heuerman, Deputy Clerk
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<jim.petraglia@oracle.com>

Juergen,

This is a follow-up to the email trail yesterday. We have confirmed that the list forwarded on by Elizabeth was not accounts that TomorrowNow had entered, but was a list from an AE of his accounts that had both a Psft and an SAP footprint (hence his concern).

We have detailed the status in the email below of each account.

Despite the fact that this list may have missed the mark, the real answer to Charles' question yesterday is that yes we are seeing TomorrowNow/SAP in more and more renewals. Every customer is incented to at least get a quote from TomorrowNow if only to use in negotiations against us.

The two main tactics we have seen TN/SAP use are:

1. If a customer buys MySAP and pays 17% support fees now, SAP is offering to support that customer's existing Psft apps for 18 months through TomorrowNow for no additional charge. I'm working on getting additional details. (thanks Elizabeth for this info)
2. TomorrowNow offers to support a customer's Psft/JDE apps for between 12%-50% of our price. This is currently not tied to an SAP migration from what we have seen.

Up to now we have held firm in following Oracle's no discounting of support policy and lost only a couple of large customers, but I believe we will need to response to SAP's aggressive tactics with some of our own. I'm sending you our proposal today to offer a discounted support fee in exchange for a 3-5 year prepayment. This offer will allow us to offer an incentive to customers that make a commitment to us. We need folks to stay the course and be available to migrate to Fusion.

We are continuing on plan with the Customer Retention Marketing Program and still need, as you are aware, a detailed product roadmap to quell customer's concerns about the future. We held the first meeting yesterday to form a 3rd party SWAT team from stakeholder groups to help Support Sales address the threat at larger customers.

Rgds,
Andy

-----Original Message-----

From: Rick Cummins [mailto:rick.cummins@oracle.com]
Sent: Friday, March 25, 2005 8:14 AM
To: ALLBRITTEN GEORGE A.; PETRAGLIA JAMES M.
Subject: At Risk from Juergen

Jim and Andy,

As we suspected, many of these are not currently legitimate concerns, but may have made a list based on an AE potential concern.

Rick

Nationwide: John Canonaco even spoke to the AE yesterday and I think scared him based on this information. They are not aware of an imminent threat. In fact, Keith Block was just out there, gave them an invite to the CIO summit, and there are license opportunities being pursued.

Guidant: Rachel has been working on this renewal with the customer, and no threats have been made. She is awaiting metrics information from them for their 2 upcoming June renewals.

Lockheed Martin: Again, not sure if it's the Lockheed for the West region renewals, or the Southeast

that pose the dilemma, but Michael has dealt with them. We know they are listed on TN's website - perhaps for product drops of last year. In terms of upcoming activity, again, have not heard an imminent threat.

Corning.....*last talked to customer 6/2004. No mention of TN. Total Mtn = \$2.2M Next renewal date is 9/30/2005. Steve Herman did last few renewals

United Water Resources*last spoke with cust on 12/14/04. They renewed 2 opportunities totaling \$75K. Next renewal date is 9/28/05 for FN. Approx. amount to bill is \$205K. No mention of TomorrowNow. Normal renewal.

J & J \$2,144,859.150 Ed Hardesty has confirmed that J&J have contacted TN as part of their due diligence, but currently view them as having insufficient Global Scale to provide support. No dissatisfaction from customer.

CR Bard Phillip \$907,104.090 Mark Forsyth has confirmed that CR Bard have not contacted him at all in regards to TN. No dissatisfaction from customer.

Bausch & Lomb..... \$1,983,276.12 Customer is considering SAP, so clearly looking at TN. Client is looking to escalate demand for arbitrary reduction to Andy .

Equitable Lifenext renewal is for May 27, 2005 for \$481,140.00 and they will owe expansion. I have not contacted Equitable Life regarding this renewal or expansion to date due to the request of their AE "Bob White". Bob requested again (3/23) to hold off on contacting them until Vinny MacKey returned from vacation next week. Bob did not indicate a threat of TomorrowNow... he did mention in the past that SAP was "all over them" however Equitable maintained the PeopleSoft Applications. Bob also mentioned during our discussion that Equitable had all intentions of paying their expansion fees, etc

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