From:	\<Kathleen Lindsey\>
To:	\<OSSINFO_US_APPR| Jim Steder\>; \<Chris Madsen\>
Sent:	Thursday, May 04, 2006 8:30 PM
Subject:	[Fwd: Re: Situation at Haworth]

Jeff responded to this immediately.

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

Subject:	Re: Situation at Haworth
Date:	Thu, 04 May 2006 13:29:15 -0700
From:	Jeff Henley \<jeff.henley@oracle.com\>
Organization:	Oracle Corporation
To:	Craig Tate \<craig.tate@oracle.com\>
CC:	John Boucher \<john.boucher@oracle.com\>, kathleen lindsey \<kathleen.lindsey@oracle.com\>, tom.marth@oracle.com, "Smith,Sean" \<SEAN.SMITH@oracle.com\>, mike.schlimgen@oracle.com, chaluvadi.sridhar@oracle.com
References:	\<200605042022.k44KMEuK026062@rgmgw1.us.oracle.com\>

Got it. I agree we should try to salvage this account and not lose it to SAP. ==If we give them concessions we should probably ask for a multi year contract on support that they can't cancel to show good long term faith that they won't ultimately switch to SAP.==

Craig Tate wrote:

    Jeff,

    Since you have acted in the capacity of Exec Sponsor in the past, I wanted to
    bring you up to speed quickly on Haworth. Attached you will find an Exec
    Briefing doc that spells out our history and the current issues. It's a bit
    lengthy, but it is a complex situation.

    To net it out:
    - To date, Haworth has spent over $15m in net license
    - They have deployed only 320 of the 2800 E-Bus users they are licensed for
    - ==In their minds, they have over-spent $1m/yr in Support over the past 5 yrs==
    - They have implemented SAP in Europe (originally acquired thru acquisition)
    and senior leadership views it as more succcessful than the Orcl project in
    North America - broader footprint, less time, less money
    - They are facing a major directional decision on standardizing on one platform
    or the other going forward. Asia is the next major rollout
    - ==They understand that many of the issues are of their own making, but feel
    there is enough blame on the part of Orcl that they are looking for us to help
    them out.== 3 failed projects where Orcl played a major part: i2 sold thru
    Orcl, Global Payroll, Portal
    - ==They are "asking" (strongly demanding actually) that we "park" the support on
    the balance of 2400 licenses they have on the shelf for now (up to 3 yrs, with
    a portion of them re-deployed each yr) and be allowed to bring them back
    without reinstatement fees/back support.==
    - We understand the revrec implications of this request but this goes beyond
    our accounting - there is a legitimate chance we could lose this account to SAP
    (who is pursuing them heavily with a very aggressive deal and offer to make a
    furniture buy). This would be a well-publicized loss and something we should
    work to prevent at all cost.

    Again, the attached Exec Summary has more detail. I have tried twice to

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escalate and get approval from HQAPP/OSSINFO. Many in the support org mgmt chain are also in agreement that this is a legitimate threat and the right thing to do.

Jeff - the reason I am giving you the heads-up is due to the likelihood you could be receiving a call shortly from Haworth's CEO. I know he has called you in the past when they were in a jam. We are working on yet another approval and to try to gain a compromise position with Haworth but I am concerned it won't be enough. Please let me know if Haworth reaches out to you and/or you would like to set up a briefing con call to discuss further.

Thanks,

Craig

Craig M. Tate
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