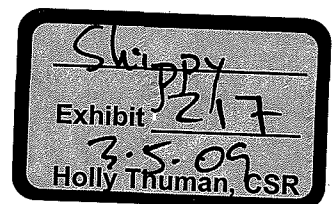


EXHIBIT 16

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**Oracle Support Services
The Best Protection Money
Can Buy!**



Managing the Competition

- What is the 3rd Party Threat?
- Customer: Serious or Not?
- The Cost - Value Discussion
 - Premier Support: Superior Ownership Experience
 - 3rd Party Myth – Is the Grass Greener?
 - Summary: Why Oracle Support?
 - Negotiations: Dollars and Sense
- Q & A

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2

Lets look at reasons for buying another service when you're already under budget pressure : IT more complex, harder to manage, expensive if your system goes down, cost to maintain 2-4x cost of license, pressure from internal customers. Get advice guidance, service quality assurance from Oracle support = better service and less cost

The Competitive Landscape

- The following are leading 3rd party providers of support services, offering customers limited support options at a significantly lower cost (approx 50% less) than what a customer pays to Oracle
 - Tomorrow Now: Owned by SAP, TN is the leading alternative support provider, offering their solution globally, and to World, E1, and Enterprise customers.
 - Versatek: Independent 3rd party provider focusing on former JDE products.
 - Klee & Associates: Independent 3rd party provider focusing on former JDE products
 - Other: Smaller firms seem to exist, but do not really present any major challenges to Oracle Support

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The Competitive Landscape

- While 3rd party support providers do not offer the same breadth and depth of support services, most claim to provide the following:
 - Regulatory updates – tax updates, etc.
 - Support Center Assistance
 - Mission Critical 24X7 (on-call)
 - Significant Savings...enough to keep the system stable and operational...

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The Competitive Landscape

- The Sweet Spot: Target Market
 - Customers seeking to decrease spending
 - Customers who are highly customized
 - Customers with limited vision – no upgrade plans
 - Customers on old/retired releases
 - Customers live & stable on release – limited needs
 - Customers who doubt the future – DB2, Fusion, etc.
 - Customers who have relationships with 3rd party providers – predominantly SAP sales force
- Mandatory “at-risk” tracking for support sales reps
 - This data is provided to Oracle executives and needs to be accurately, succinctly, and regularly updated (Elizabeth Shippy is the gatekeeper)

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NA Summary

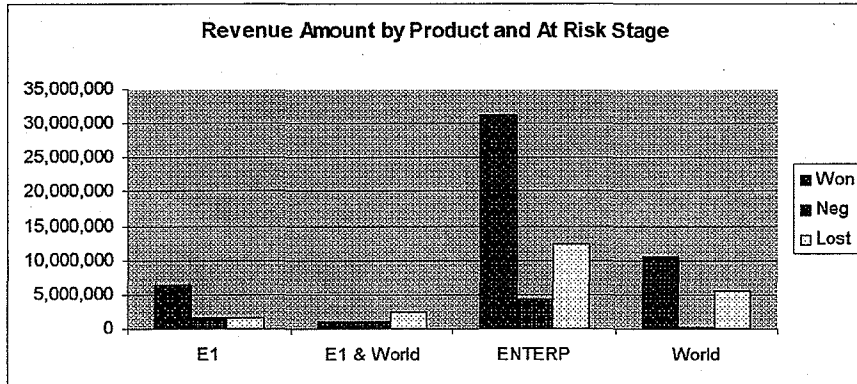
	On 6/7/06
Total Number of Customers Identified	212
Total Won	110
Total Lost	87
Total At Risk	15
# of Recurring Customers	5
Total \$\$ of Customers Identified	\$83,441,520
Customers Won * <i>Negotiated amount</i>	\$49,317,302
Customers Lost * <i>ATR</i>	22,111,701
% of lost of Total customers Identified	26.50%
Negotiated Reduction	4,783,664
Customers At Risk * <i>ATR</i>	7,228,853
Total Recurring Customers \$ (2005 amount)	5,815,352
Total Recurring Customers \$ (2006 amount)	5,085,724

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NA At Risk Revenue by Product

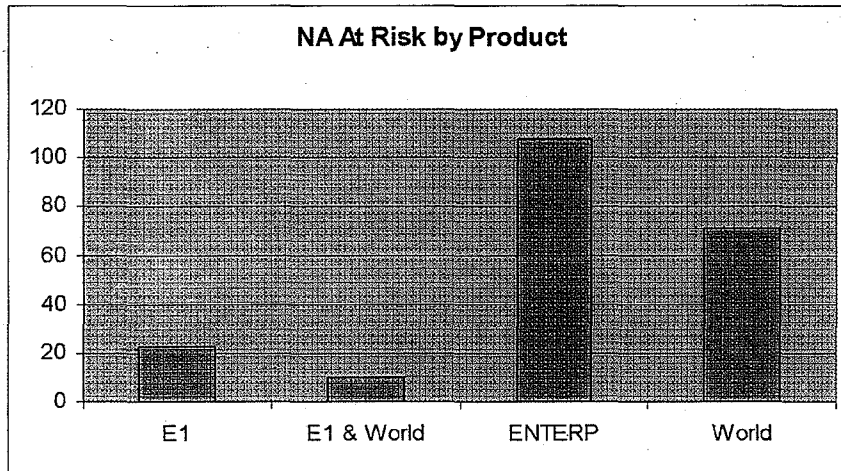


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of NA Customers At Risk by Product

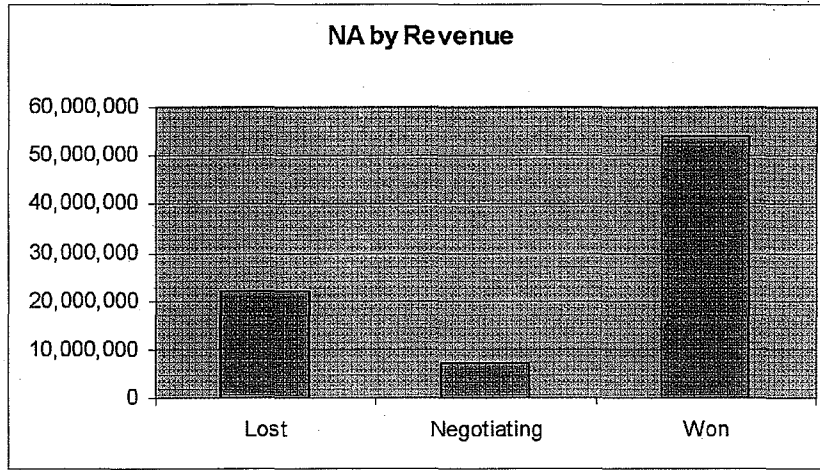


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NA Summary by Revenue and Current Stage of Risk



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Customer: Reality or Myth

- Litmus Testing: Discerning between customers who are seriously ready to leave the Oracle support community v. those merely wanting to negotiate a better deal.
 - Be Honest: We do not compete with 3rd party pricing – if that is there absolute price point, no need to prolong dialogue
 - Do they have capital expenditures already approved to migrate to alternate Enterprise Software Solution?
 - Validate their current utilization of support services
 - Understand their future upgrade/software rollout plans – generally an indicator of how they value their investment

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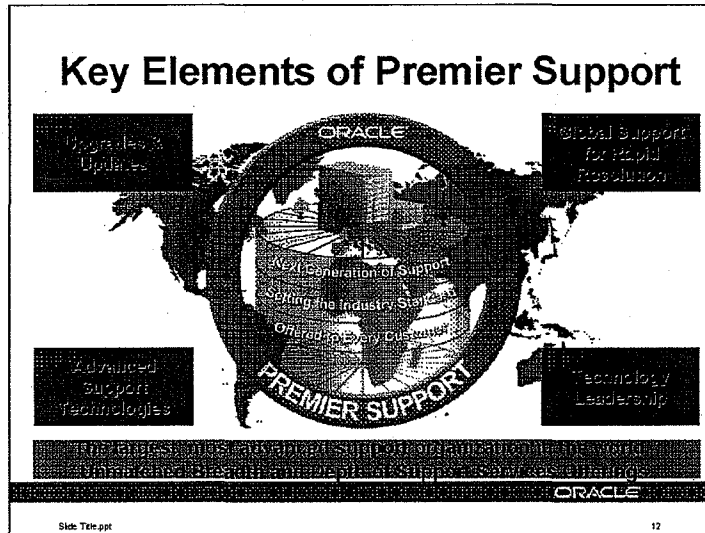
10

Commitment to the Superior Ownership Experience: The Cost – Value Discussion

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Key Elements of Premier Support include:

- Upgrades and Updates.** Access to continuous product enhancements. You receive rights to future product releases, product upgrades, security updates, and patches and fixes, as well as tax, legal and regulatory updates. You can stay focused on your core business while Oracle Support ensures your systems deliver optimal performance with the latest technologies, industry best practices, and new product advancements.
- Global Support for Rapid Resolution.** You can access our state-of-the-art online support tools and our Global Support Center anytime, anywhere. Rely on Oracle Support to resolve issues quickly and effectively—before they become mission critical—and to ensure that your Oracle solutions are always available and helping to drive your business success.
- Advanced Support Technologies.** Run Oracle systems more efficiently with the industry's most advanced support technologies. Our tools provide faster problem resolution, faster system performance, and faster updates – saving you time and money.
- Technology Leadership.** Oracle's vision, along with our innovative product and support roadmap, are designed to ensure our customer's technology future. You benefit from three decades of commitment to research, product and technology development and expert knowledge—all aimed at providing you with the most tightly integrated suite of enterprise applications in the industry.

SAP TCO 48% higher than Oracle over 3 year period

Only 4% of customers on SAP's latest release, compared to 96% for Oracle

Implementation costs of SAP are 3X

Administration costs for Oracle App Server are 80% lower than BEA or IBM

6,000 Support 8,000 Development Staff – Largest in Industry

Awards STAR Awards, SSPA Awards, ISO certified

15 International security validations

Transparent Cost Model

Premier Support – Protecting Your Investment

- Provides maintenance & support of Oracle database, middleware & application products for 5 years from their general availability date
- Includes:
 - Major product & technology releases – INCLUDING FUSION
 - Technical Support
 - Updates, fixes & security alerts
 - Tax, legal & regulatory updates
 - Upgrade Scripts
 - Certification with new third party products/versions
- Subsequent protection through Lifetime Support Policy (available for additional fee)
- Applications Unlimited

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Myth – Grass isn't Greener

- Operating Costs not automatically reduced
 - **Insurance for interoperability of technology, applications and products working together**
 - **Only Oracle can certify applications working with technology platforms**
 - **Only Oracle can certify applications working with new 3rd party product versions**
 - **Enterprise Inefficiencies Amplified by Problem Resolution Approach and Lack of Access to Source Code**
 - **New tax, legal, & regulatory updates are Not 100% in synch with code line for all integrated products**
 - **Updates/fixes are bolt-on solution, infusing more complexity and customization into system to manage**

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Myth – Grass isn't Greener

- Operating Costs not automatically reduced
 - 24X7 Mission Critical Support with Access to resources who know the product the best in the industry
 - Beware of Hidden T&M costs associated with issues a 3rd party cannot readily resolve within existing, limited knowledge base
 - Intellectual Property and Confidentiality Issues

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Myth – Grass isn't Greener

- The future becomes more expensive
 - Cost of reinstatement ultimately more expensive than remaining on support for same duration of time
 - Capital expenditure to move to new Enterprise Solution would be significant – licenses, maintenance, training, 3rd party peripheral items, implementation, etc....
 - Should we not be talking about how to expand our partnership instead of dropping support?
 - Future upgrades, or even migrations to new solutions, become more costly if custom updates/fixes have been introduced, yielding a more complex environment

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3rd Party Myth

- 3rd Parties on the Hot Seat – Challenge Them!
 - Financial viability
 - Intellectual Property and Confidentiality Issues
 - Customer Satisfaction Results
 - Process for building Updates/Fixes
 - Source Code Access
 - PeopleTools/Technology Fixes?
 - Insurance of compliance with regulatory updates?
 - If they cannot replicate issue or readily resolve will they contractually commit to resolving without added T&M costs?
 - Development Expertise on Staff?
 - What releases? Level/Type of Training?
 - Languages and Localizations handled?
 - Certification/interoperability with new third party products/versions –

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3rd Party Myth

- Analysts Validate: Gartner – March 2, 2005

“The main problems for third-party support companies are that they lack access to engineering-level expertise from the software manufacturer and they lack the ability to make changes to the proprietary software code. Such changes may be required to resolve undetected defects in the software, or to resolve an interoperability problem with other (often newer) hardware or software products in the environment. Interoperability problems result in significant need for support, regardless of how mature the product may appear.”

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Why Oracle Support?



- We know more about the solution you've invested in than anyone
- We offer the service offering with the most breadth – updates, fixes, upgrades, interoperability insurance (ensuring all application components and technology components work in concert)
- We offer the greatest depth in the services you require to protect your Enterprise investment – a network of support resources available to assist AND access into the development organization that best understands the code line

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Lets look at reasons for buying another service when you're already under budget pressure : IT more complex, harder to manage, expensive if your system goes down, cost to maintain 2-4x cost of license, pressure from internal customers. Get advice guidance, service quality assurance from Oracle support = better service and less cost

Negotiations: Dollars & Sense



- Oracle does not offer arbitrary reductions
- Oracle can rightsize scope of coverage for a customer to ensure value is maximized:
 - Amend licensed level of use (mostly Enterprise)
 - Desupport Products / Forfeit Users
- Oracle can explore future cost savings through amended cap terms
- Arm customer with valuable insight / information re: competitive intelligence, analyst reports, etc.
- Leverage other Oracle groups for help (development, sales, etc)
- Ensure at-Risk situation is tracked/updated

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Lets look at reasons for buying another service when you're already under budget pressure : IT more complex, harder to manage, expensive if your system goes down, cost to maintain 2-4x cost of license, pressure from internal customers. Get advice guidance, service quality assurance from Oracle support = better service and less cost

Useful Links/Resources

- Lifetime Support Policy/Applications Unlimited
- Competitive Intelligence – Support Portal
 - Presentations
 - Analyst reports
 - Industry analysis
 - Fact sheets
 - Competitive Roundup Newsletters and Archive
 - Competitor Profiles
- Renewal Alert ww@oracle.com to be used to bring in appropriate resources (Strategy, Delivery, Consulting, Education, etc.)
- NAS Dashboard (territory lookup tool, Customer Relations, etc.)

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