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Open Standards: Foundation for ICT Growth

Dr. Donald Deutsch

Vice President, Standards Strategy and Architecture

Oracle's Approach to Standardization

Customer Requirements Drive:

- Participation in Standards Development Organizations
- Implementation of Standards

Software Standards **RARELY** Result in Sustainable Competitive Advantage

- Disenfranchised stake-holders open alternative fronts
- Fragmentation produces marketplace confusion

Standards Succeed **ONLY IF** Widely Adopted

Open Standards Enable Wide Adoption to Satisfy Customer Requirements

Oracle and Intellectual Property

Oracle is in the software and services business, not the patent licensing business

- Oracle retains a defensive patent portfolio
- Oracle is a net implementer of technology in standards

Oracle contributes to industry efforts to develop standards to facilitate interoperability

- Oracle does not seek patents to cover interfaces necessary for software interoperability

Oracle Participates in All Kinds of Forums, but Prefer Standards organizations:

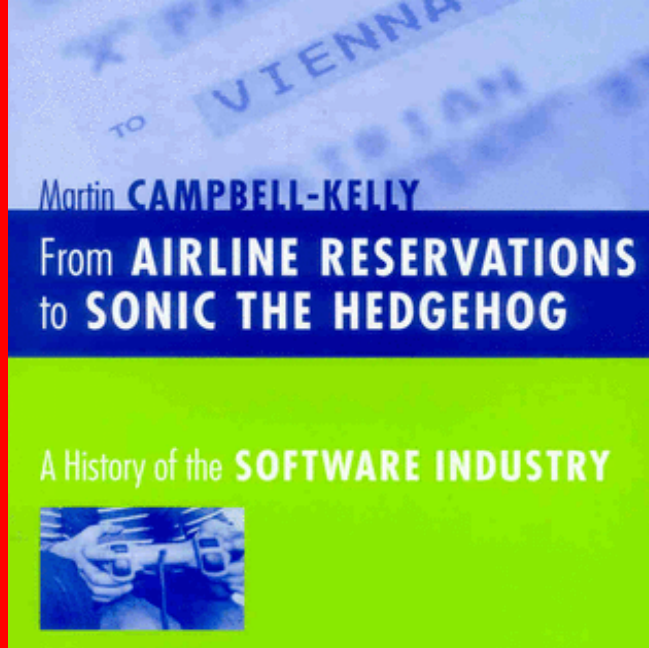
- with early disclosure of Intellectual Property (ex-ante)
- that offer Intellectual Property licenses on a royalty-free basis

Globalization's Influence

- Modern Enterprises Are Powered by Global Networks:
 - Communication Networks
 - Supply Chains
 - Transportation Systems
- 24/7 (Every Hour, Every Day) Operation
- Information Technology Enables Interoperability Among Suppliers, Partners, and Customers
- Governments See Information Technology as Key to Growth and Success in the New Global Economy

Interoperability is Key

- Convergence is Increasing Complexity of IT Systems and the Need for Standards
- Customers are Demanding Choice and Flexibility Through More Open Systems
- Industries Collaborate on New Standards to Grow Business, Increase Efficiencies, and Remain Agile
- Governments and Private Sector are Adopting Open Standards to Empower Interoperability



Martin Campbell-Kelly

Historian, Professor
Department of Computer
Science, University of Warwick

“Of all the factors discussed ... the most important in creating a successful software products enterprise is market size. The bigger the market, the better the prospect of getting a return on investment.”

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Open Standards: A Global Imperative

Why Limit Business to a Nation or Region?

- Modern Business Require Global Markets

Global Markets Depend on Open Standards

- Open Standards Provide a Level Playing Field for Enterprises of All Sizes, and of all Types

Open Standards:

- enable interoperability,
- protect investments, and
- permit everyone to leverage industry development.

Open Standards Grow the Market for *Everyone*

Case Study: A Common Problem

A small company, new to the market, competing against established, dominant firms with a product that is untested and has few, if any, customers.

How can it compete and grow?

Solution: Grow Using Open Standards

Did the Strategy Work?

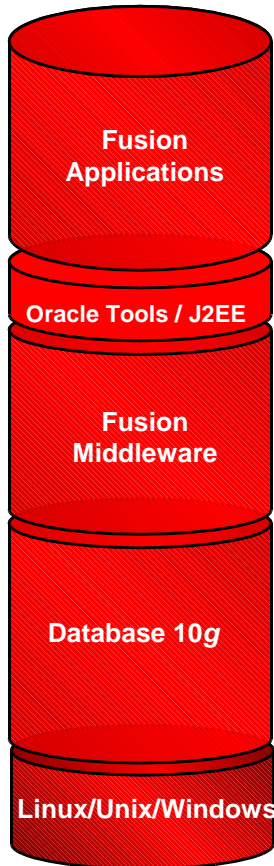
The small company was Software Development Labs, founded in 1977

Today everyone knows this company by the name of its first product...

The Oracle logo is displayed in a bold, red, sans-serif font. The word "ORACLE" is written in all caps, with a registered trademark symbol (®) to the upper right of the letter "E". The logo is centered horizontally on the slide.

Complete and Open

ORACLE®



SCALE MATTERS – STANDARDS MATTER

ORACLE INFORMATION AGE APPLICATIONS

Oracle PeopleSoft JD Edwards Siebel Retek iFlex

ORACLE FUSION MIDDLEWARE

Hot-pluggable Open SOA platform



ORACLE GRID

Scalable Secure Database grids



**LINUX, UNIX, WINDOWS
COMMODITY INTEL / AMD SERVERS**

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Everyone Has A Choice

Depend on a Proprietary Base:

- They determine what, when and how
- You build value on their foundation
- They control future direction

OR

Build on an Open Standards Foundation:

- Transparent process open to everyone
- You build an industry
- You influence evolution of technology base

Evolution not Revolution

Key Characteristics to Save

- Advocate for Openness
 - All Stakeholders Welcome
 - Level Playing Field
 - Transparency
- Respect IP

Things to Improve

- Recognize Different Business Models
 - Across Sectors, Within Sectors
- Funding Model of National Body-Led Formal Process

Who are the Stakeholders for these Reforms?



ORACLE IS THE **INFORMATION** COMPANY

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