

# ORACLE®



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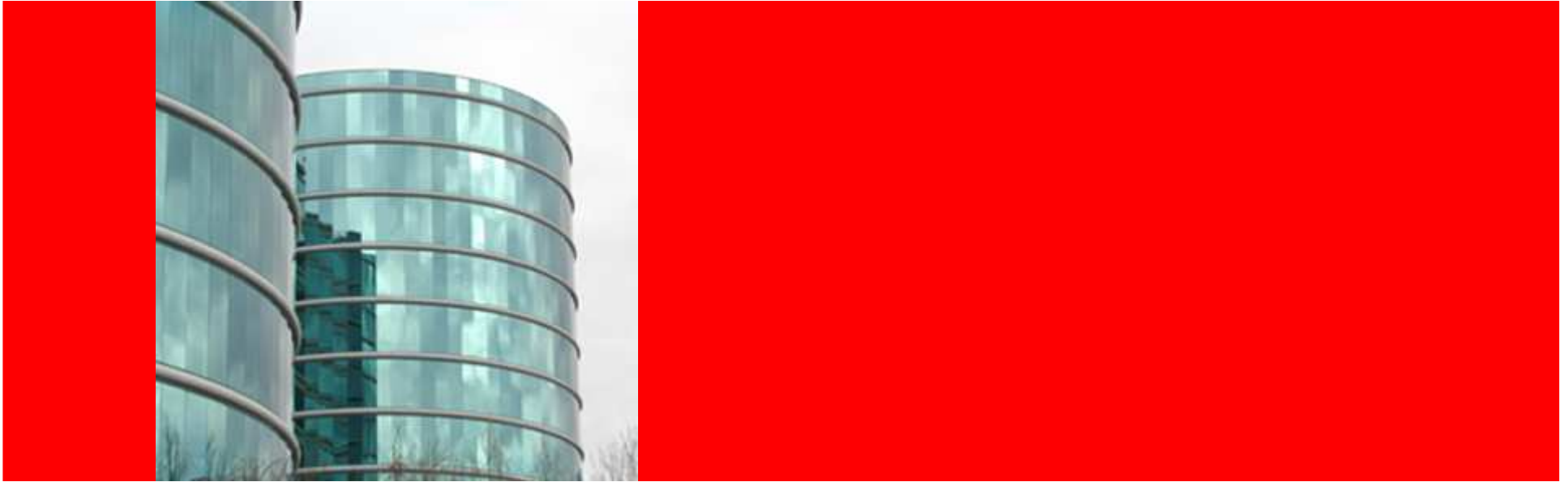
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November 11–15, 2007

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## **Protect and Improve Your Service Revenue with Oracle Service Contracts**

Ram Ramanathan  
Product Management Director  
Oracle

Jerry Casteller  
Director, Business Operations  
Cisco Systems





The following is intended to outline our general product direction. It is intended for information purposes only, and may not be incorporated into any contract. It is not a commitment to deliver any material, code, or functionality, and should not be relied upon in making purchasing decisions. The development, release, and timing of any features or functionality described for Oracle's products remains at the sole discretion of Oracle.

# Agenda

- Protect and Improve Your Service Revenue
  - Contract Management Market Opportunity
  - Leverage Oracle Service Contracts to
    - **Maximize Service Revenue**
    - **Reduce Complexity & Costs**
    - **Improve Compliance**
- Service Contracts Customer Case Study
  - Jerry Casteller, Director, Business Operations, Cisco Systems
- Q & A session
  - Ramesh Iyer, Group Manager, Contracts Development, Oracle



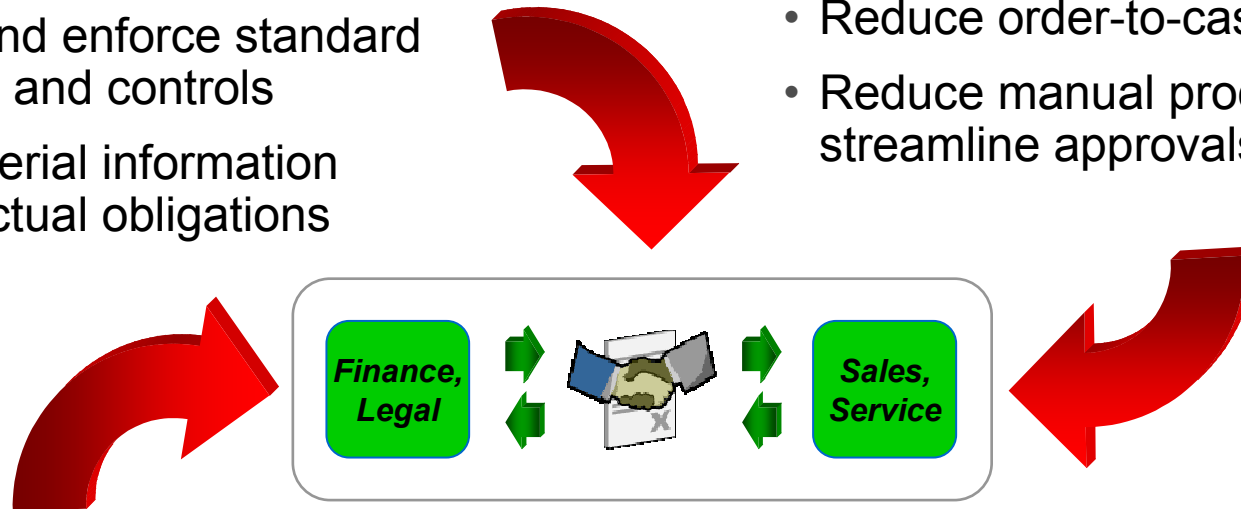
# Business Pressures

## Comply with Regulatory Requirements

- Establish and enforce standard procedures and controls
- Report material information and contractual obligations

## Improve Sales Effectiveness

- Reduce order-to-cash cycles
- Reduce manual processes & streamline approvals



## Increase Revenue

- Increase renewal rates
- Negotiate more profitable contracts
- Prevent revenue leakage

## Meet Contract Obligations

- Verify Service Entitlements
- Ensure pricing, delivery and service commitments are met
- Reduce risk by eliminating disputes and penalties

# Contract Management Opportunity

<b>Operating &amp; Processing Costs</b>	<b>↓</b>	<b>10-30%</b>
<b>Contract Negotiation Cycle Time</b>	<b>↓</b>	<b>50%</b>
<b>Volume of Erroneous Payments</b>	<b>↓</b>	<b>75-90%</b>
<b>Additional (New) Contract Revenue</b>	<b>↑</b>	<b>1-2%</b>
<b>Additional (New) Renewal Revenue</b>	<b>↑</b>	<b>30%</b>
<b>Achieve Compliance level</b>	<b>↑</b>	<b>90-100%</b>

*Source: Goldman Sachs, Global Equity Research*

# What Analysts are Saying...

*The Forrester Wave™*

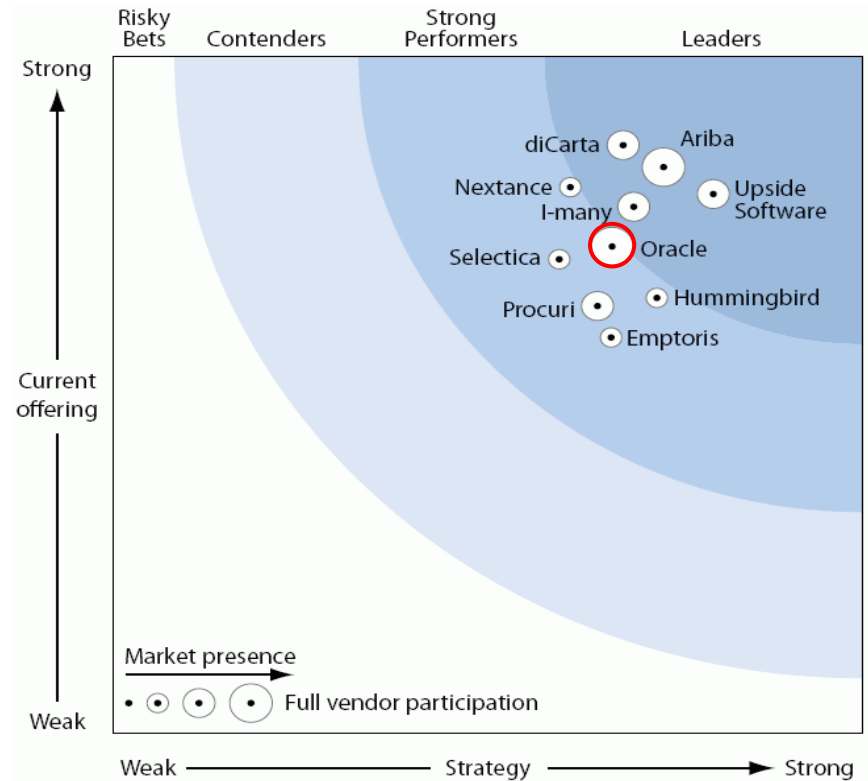
## Oracle Is On The Rise In Contract Life-Cycle Management

“Oracle Service Contracts is a top choice for companies needing services contract management...”

Existing Oracle customers that are using its SRM or CRM suites would find its CLM products to be capable ones that work well with other modules in the suite”

-- *Andrews Bartels, Research Analyst, Vendor Summary, Q1 2006*

## Contract Life-Cycle Management, Q1 2006



# What Customers are Saying...



**“We’ve seen definite improvements in service delivery. The beauty of having our installed base and our contracts within Oracle is that entitlement rules are built into the application.”**

*-- Chris Kirkby, Strategic Business Systems Director*



United Asset Coverage, Inc.

**“We looked at a number of products and narrowed it down to two companies. Oracle’s superior Service Contracts product, and integrated product suite, made the decision easy. Using Oracle’s end-to-end system, we generate and recover \$3.4M in annual savings and revenue retention.”**

*-- Brad Snook, Vice President CRM*



**“We can realize significant cost savings by extracting redundancies across the company. We used to run two separate contract systems-both of which are home grown, have very different attributes, and allow almost an infinite number of contract types and terms and conditions. With Oracle, we can simplify our processes by having one globally accessible system.”**

*-- Gene Hatcher, CIO*

# What Customers are Achieving...



- saved \$1.6M via improved contract and repair mgmt
- captured \$100,000 in lost revenues via enhanced renewals



- reduced service operations cost structure by 50%
- improved response time for customer queries



- achieved 18% higher customer service levels
- reduced revenue leakage on contract renewals

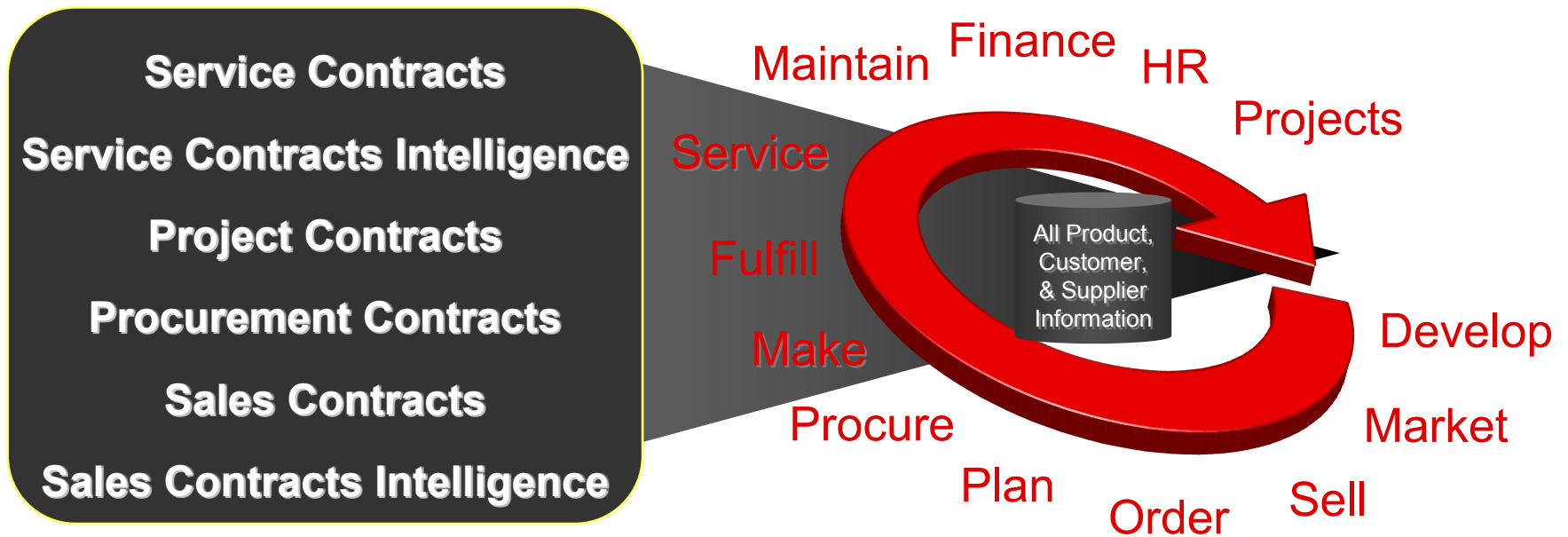


- anticipating \$151,000 reduction in annual legal costs
- reduced risks associated with contract non-compliance



**How**  
**ORACLE®**  
**Delivers**

# Oracle Contract Management Products



# Oracle Service Contracts

- Provides complete contract authoring and execution solution
  - To manage warranties and extended warranties
  - For usage and subscription based services
  - Can support complex service agreements
- Entitlement Verification
  - Determine the level of service available to customers via call center support, depot repair or field service processes
- Accurate pricing and flexible billing options for accurate invoicing
- Automated renewal process improves revenue by
  - Guiding customers and sales representatives through upcoming renewals,
  - Ensuring un-interrupted service for customers
  - Minimizing service revenue leakage for service providers.

