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Data Growth Will Boom

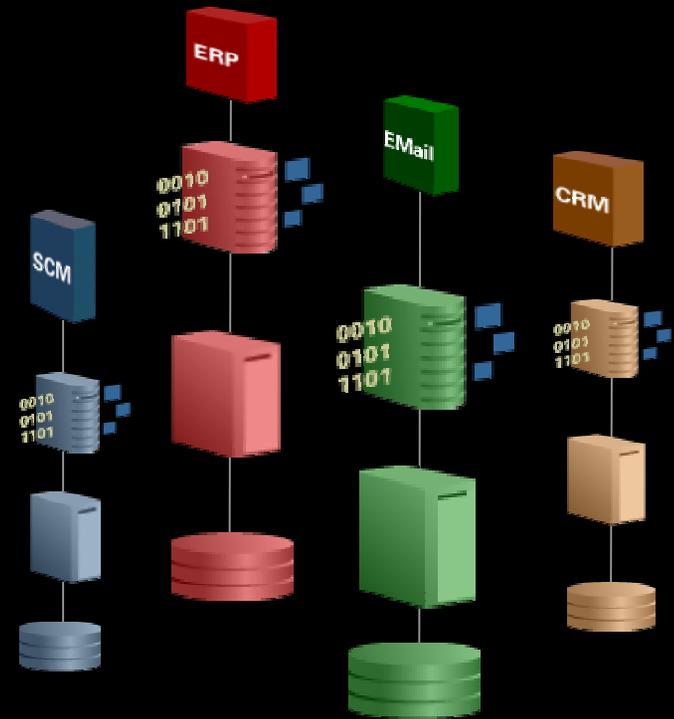
- Transactions getting larger – XML
- Specialization; Shift from vertically integrated to virtual supply and distribution chains
- Demand for real time data – throughput
- Data Broadcasting/RFID
- Compliance and Regulatory changes
- Unstructured content and collaboration

Architecture Shift to More CPUs

- Moore's law reaching its limits
 - offset with more CPUs
 - Multi-core chip designs becoming standard
- Inflection point in hardware design
- Only way to get there is with Grids

Islands of Automation and Data

- Project by project stove pipes
- No planned information architecture
- The most reliable path to instability and complexity



Process and Architecture

Ideal time to Re-evaluate

Identify Best Practices

IT Best Practices Can Be Measured

- Benchmarking the leaders
 - They spend 18% less on IT
 - They require 36% fewer IT workers
 - They need 29% fewer apps
 - 29% less contractor services
 - 65% fewer software suppliers

Source: The Hackett Group

Many tools for Continuous Improvement

- Process refinement
 - SCOR, eTom, PMI, SAAM, ARID, CMM/CMMI
 - ITIL/ASL
- Quality Control
 - Six Sigma, ISO 9003, Lean, Total Quality Management
- Command and Control
 - COBIT, RACI

World Class Process

Standardization

Technology

Measurement

**Risk
Management**

How the Best Got to Be the Best

Systematically reduce variables

- Consolidate instances
- Consolidate applications
- Consolidate data centers
- Shared services
- Reduced points of integration
- Standard components
- Standard configurations
- Predictable change management

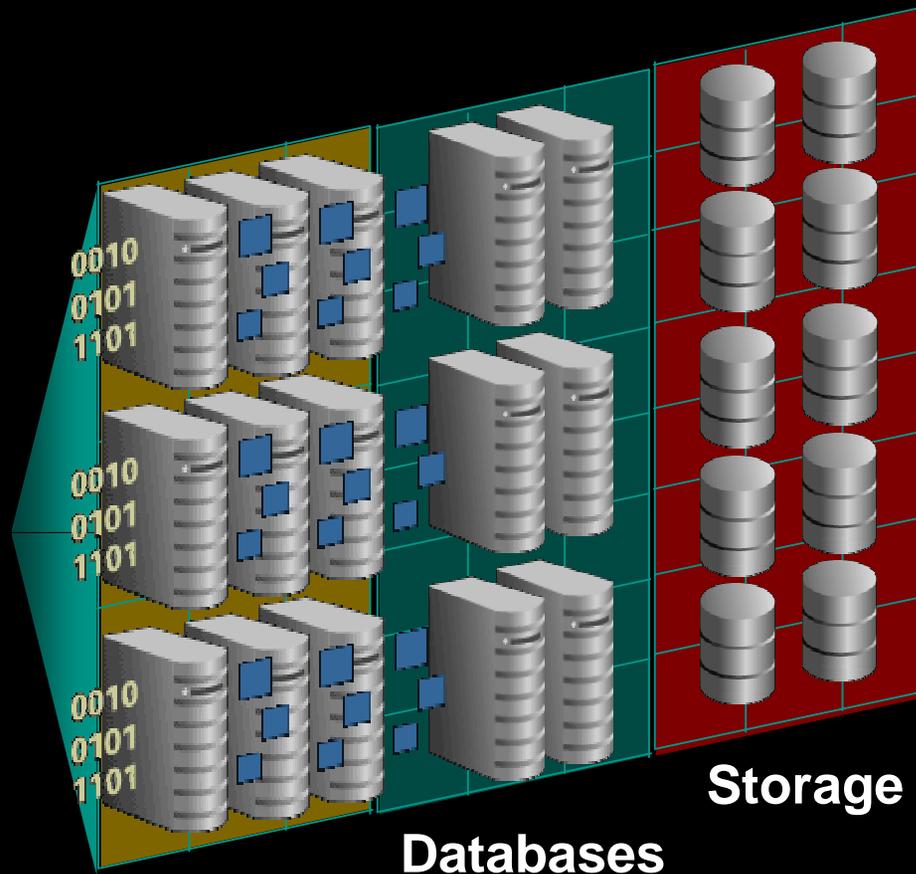
Best Practice Infrastructure

From Proprietary to
Standard Commodity Components

Grid Infrastructure Components



Grid Control



Application Servers

Databases

Storage

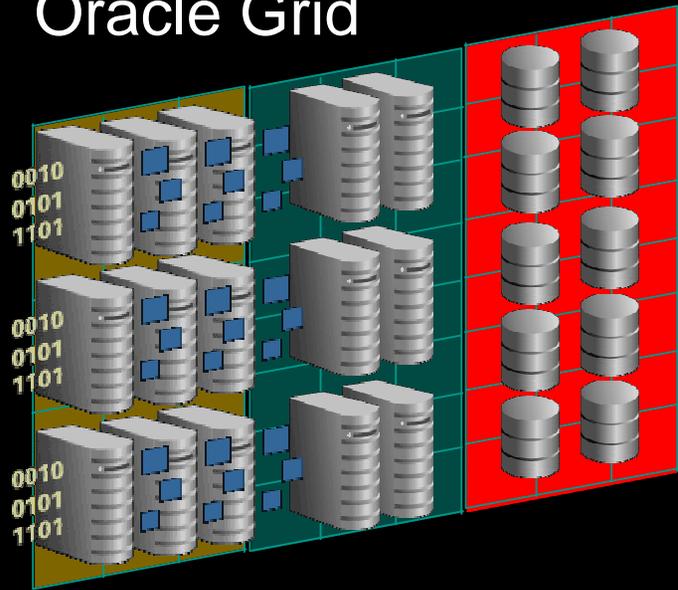
- *Commodity servers*
- *Load Balancing*
- *Automated Storage*
- *Many to many*
- *Virtualization*
- *Fast interconnects*

Reducing IT Costs

Large Dedicated Server



Oracle Grid

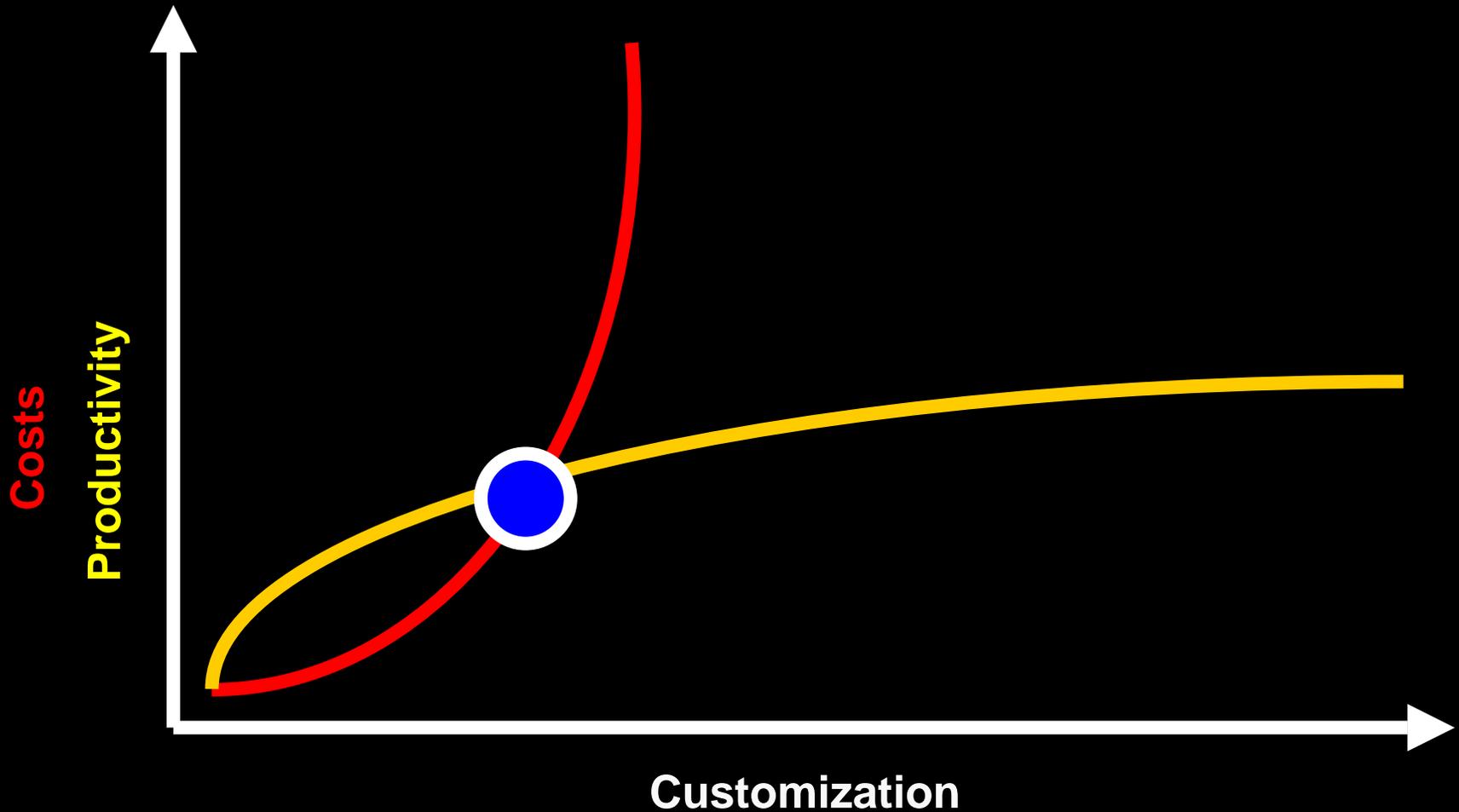


- Expensive costly components
- High incremental costs
- Single point of failure
- Enterprise service at high cost

- Low cost modular components
- Pay as you go
- No single point of failure
- Data center utility

Best Practices Process Automation

Standardization vs Customization



Best Practices Data Architecture

Information in One Place

Redundant data updated in multiple locations...

is great for storage vendors but usually guarantees:

- Unnecessary duplication
- Inconsistency
- Inaccuracy
- Data Latency
- Low integrity information
- And of course, it costs you more to get all this

The Power of Simplicity

Getting there is never simple

Oracle Information Architecture

Development Framework

Information Access

Business Processes

Data Hub

Grid Infrastructure

Oracle On Demand

Enterprise Management

Common Services

- Security
- Directories
- Installation
- Management
- Administration
- Entitlements
- Identity
- Alerts
- Notifications
- Content management
- Collaboration

Oracle Information Architecture

Development Framework

Information Access

Business Processes

Data Hub

Grid Infrastructure

Oracle On Demand

Enterprise Management

Customer Benefits

- Secure Configurations
- Standard
- Certified
- Upgradeable
- Pre-Assembly Deployment
- Repeatable
- Less Redundancy
- Lower risk and lower cost change management

Where we'd like to go next on this standards journey

- More servicing of the infrastructure
- Predictive problem resolution
- Call home services
- Online diagnostics, configuration management, upgrades, patches
- Software as a service

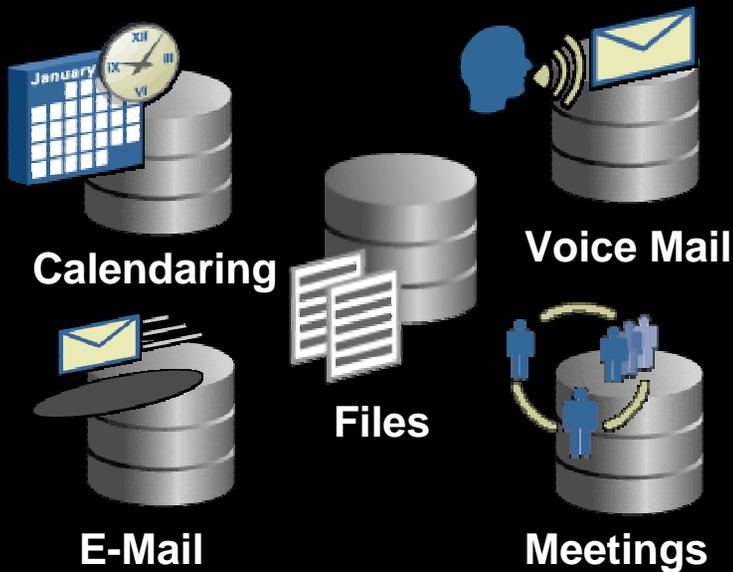
Designing for Simplicity

Oracle Information Architecture



Oracle Collaboration Suite

Current Systems Today



**Each Application
is a Different System**

Collaboration Suite

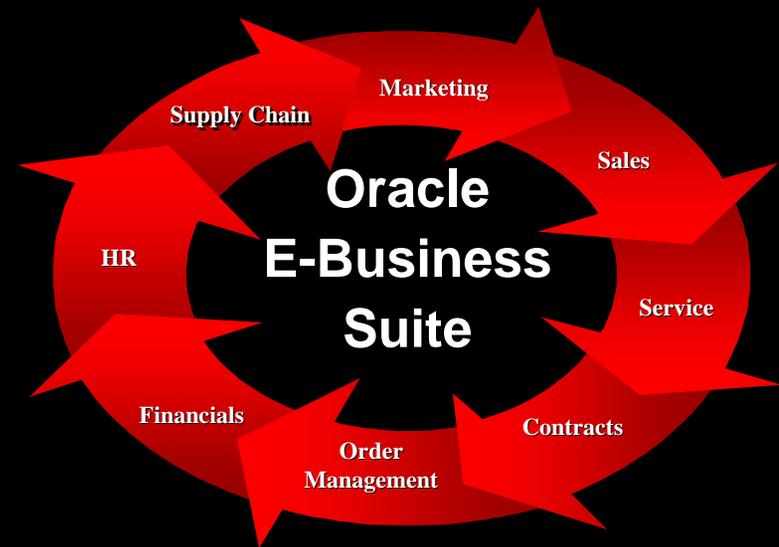


**All Applications
in One System**

Best Practices Integration

Oracle Applications Integration Enabled

- Service Oriented Architecture
- Dial tone service
- 1000+ Web Services
- 500+ Business Events
- 150 OAG Messages
- Industry Protocols
- Repository of Interfaces



Oracle Application Server

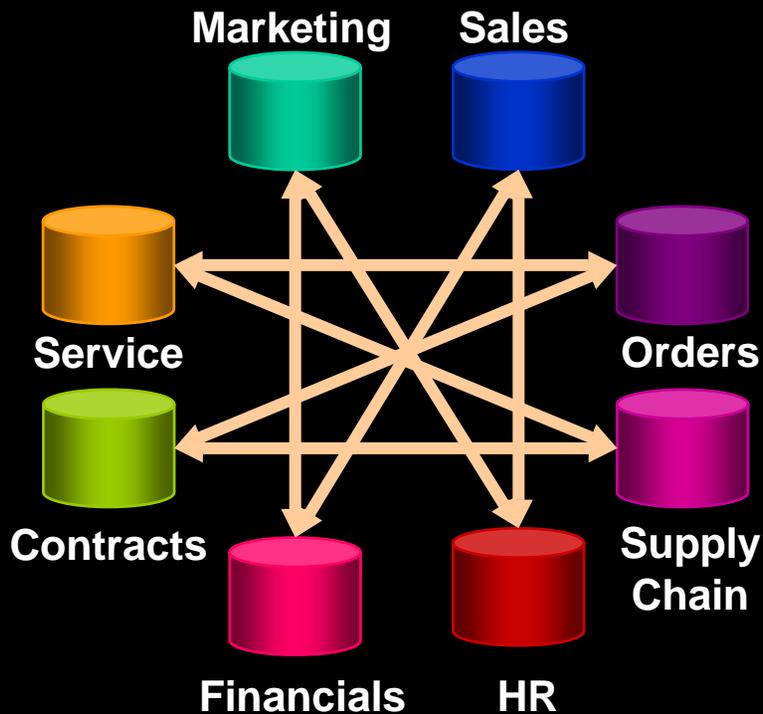
Market Leadership and Innovation

- 16,000+ customers
- 1,000+ ISVs
- 1,400+ System Integrators
- 99 Technology Patents
- 1st Application Platform Suite
- 1st App Server On Linux
- 1st in Performance

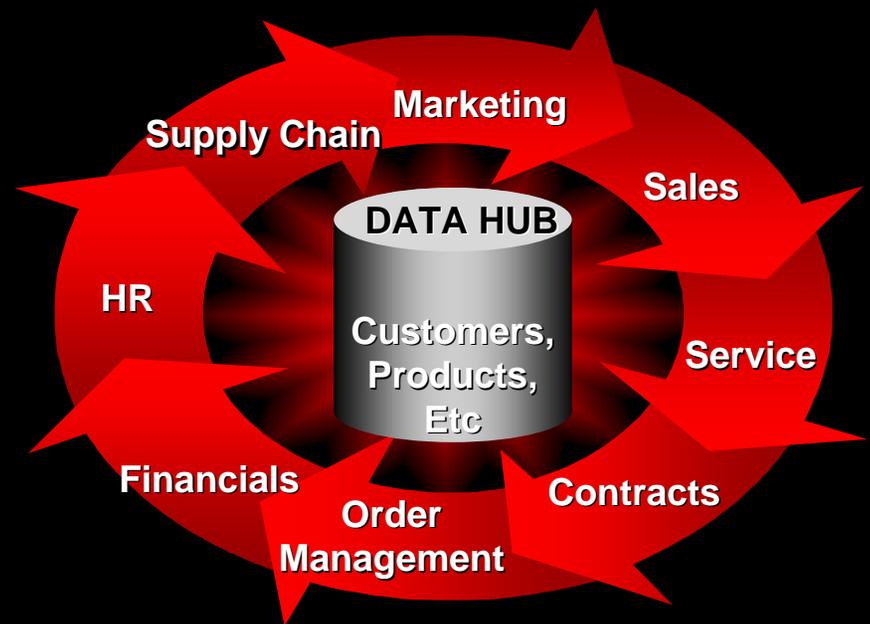


Two Architectural Choices

Application Integration



Pre-integrated Apps

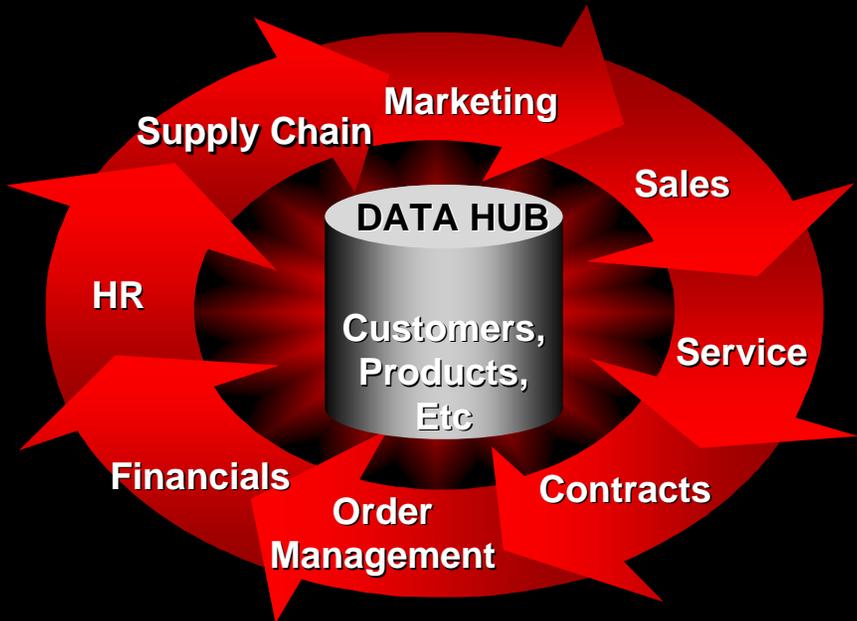


Now a Third Choice!

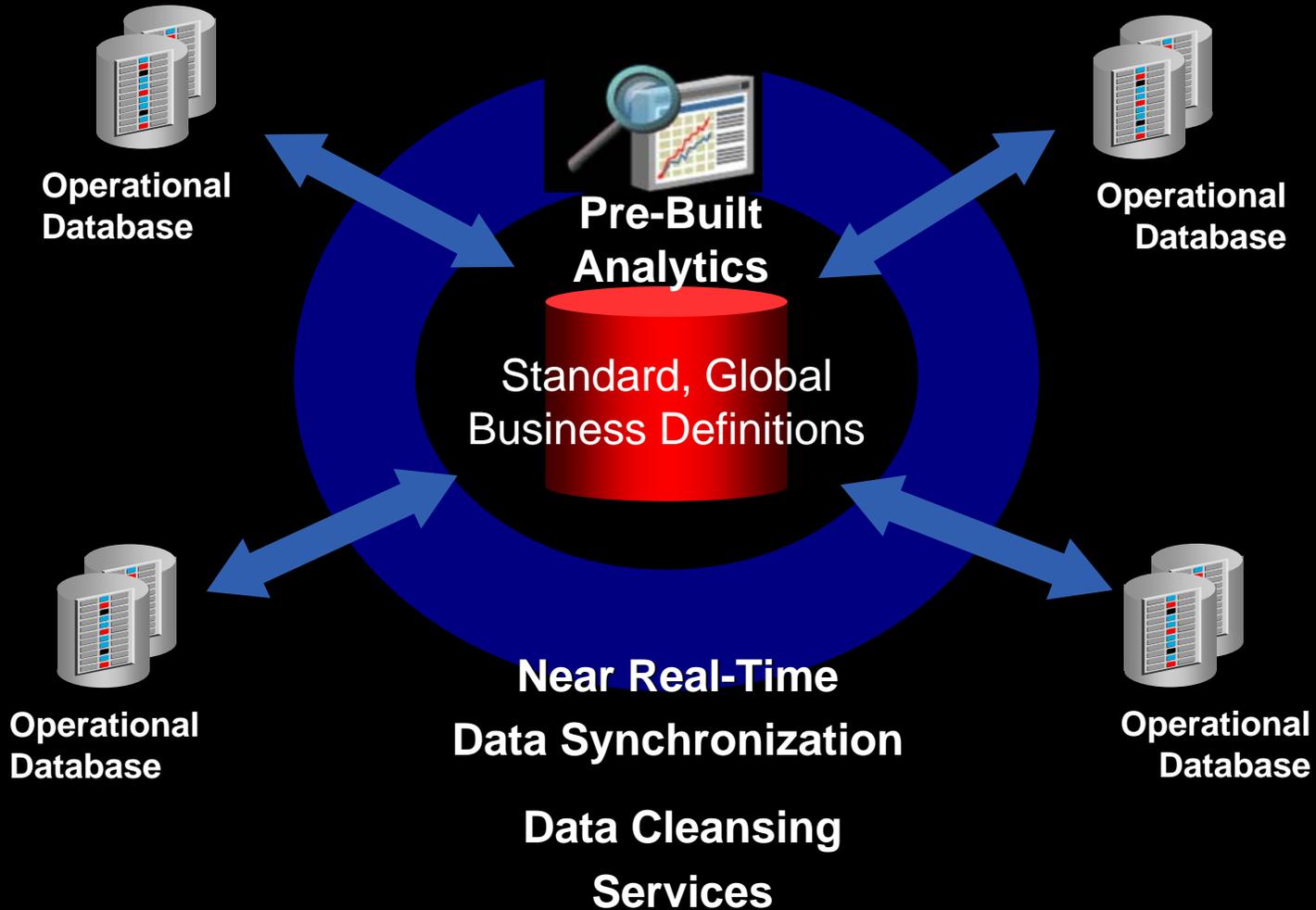
Data Integration



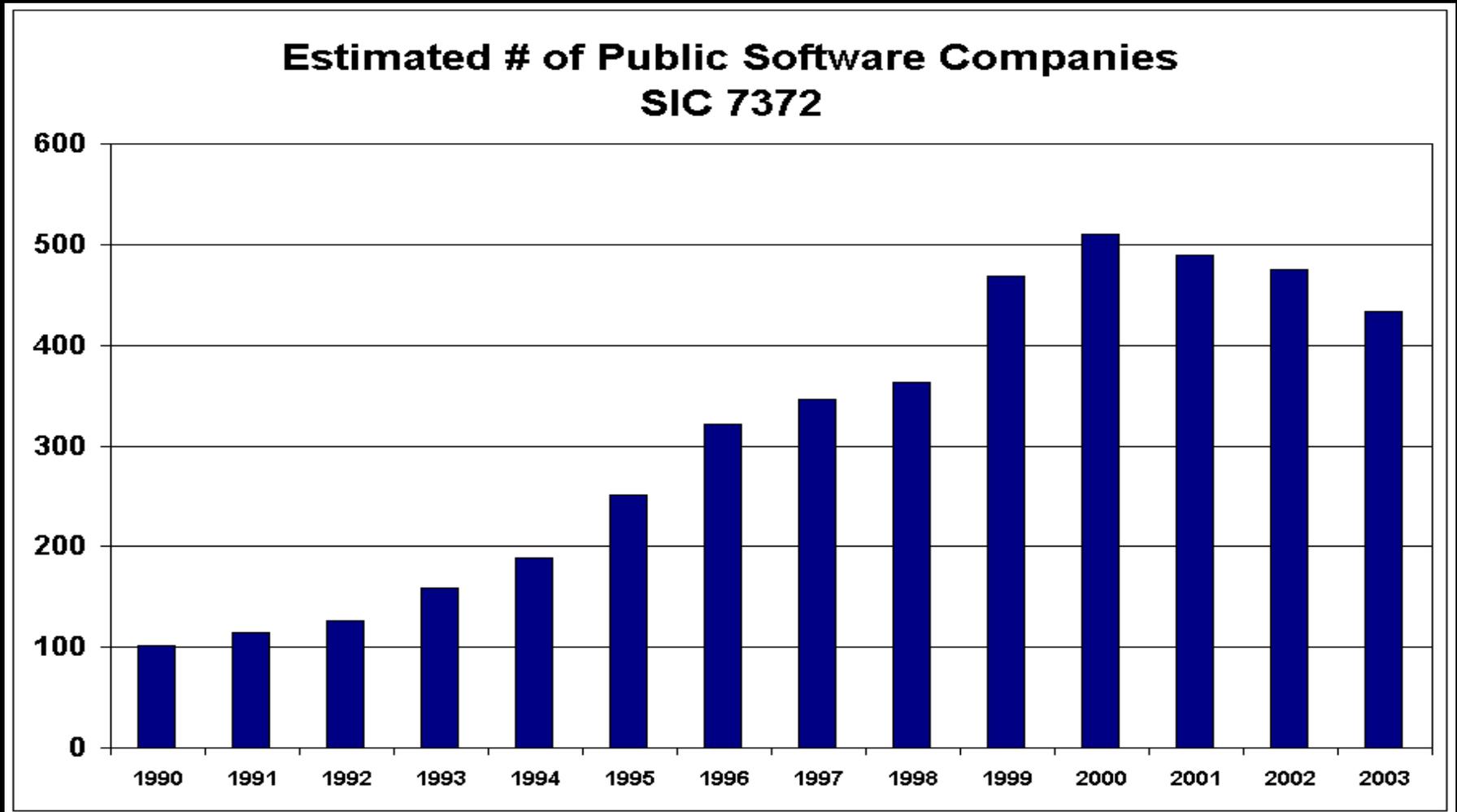
Pre-integrated Apps



Enterprise Data Hub Components



The Impact of Consolidating Architectures



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