

## Energy Insights on Oil & Gas

Newsletter Excerpt: The content for this excerpt paper was taken directly from the IDC Energy Insights Newsletter, October 2008 issue, written by Catherine Madden. Only part of the newsletter is included in the Excerpt paper.

<http://www.energy-insights.com/EI/PR/newsletteroilgas.jsp?id=EIoilgascurrennewsletter>

---

Welcome to the *October 2008* issue of **Insights on Oil & Gas**. We publish every month, examining recent events and offering opinions on key trends in the oil and gas industry. Please forward this newsletter to colleagues or others who might find it relevant. And, we welcome your feedback on our newsletter; please [email](#) us to provide any commentary.

### IN THIS UPDATE

In this update, Energy Insights provides highlights from Oracle OpenWorld 2008, which took place in San Francisco on September 21-25, 2008. Oracle's OpenWorld is an annual event that connects its customers and partners, and is an opportunity for a closer look at their applications, middleware, and database products, including industry-specific solutions.

#### ***Oracle OpenWorld 2008 - Year of Innovation***

By [Catherine Madden](#)

In September, Oracle OpenWorld 2008 hosted 43,000 attendees in San Francisco, which was 5% higher than 2007. Oracle termed the last 12 months a "Year of Innovation." Oracle painted a clear picture of their innovations with the announcement of Oracle Beehive, and its first piece of hardware, the HP Oracle Exadata Storage Server. Oracle also cited some statistics on how they achieve innovation, which included an investment of \$3 billion in pure research & development, and the commitment to innovation through acquisitions. In total, Oracle has completed 50 acquisitions in 44 months, and went from 40,000 to nearly 80,000 employees, which breaks down to a ratio of 1 in 3 employees as the result of an acquisition.

At OpenWorld, Oracle announced the release of its platform for integrated and secure collaboration, Oracle Beehive. Beehive delivers integrated team workspaces, presence and instant messaging, calendar and task management, audio/web conferencing and email and mobile access in an open, standards based platform. Beehive is designed for internal company collaboration and provides functionality as well as integrates with existing applications like email and IM.

Oracle Beehive is a built-from-scratch collaboration application and is integrated with Oracle infrastructure. The Beehive application allows disparate communication applications to be viewed within a single open software platform. Critical components of the Beehive product include secure collaboration and collaboration of enterprise processes. The open platform

## Insights on Oil & Gas

simplifies security administration when it defines the roles and policies for users once, and it applies to the entire suite of products.

The HP Oracle Exadata Storage Server virtually eliminates the bottleneck between the database and storage server, which results in queries running from 10x to 72x faster (as reported by beta customers). Exadata does this by: first, inserting a vastly faster InfiniBand port that connects the Exadata storage server to the database server; second, adding a redundant, second Infiniband port; and third, pushing some queries down to the storage tier so that the storage server returns a result set rather than entire tables over the interconnect between storage and database server.

This new offering is interesting in that it is a jointly labeled offering from HP and Oracle. However, the HP Oracle Exadata Storage Server and the HP Oracle Database machine are both sold and supported by Oracle. Oracle does not favor one hardware vendor over another, and even though HP is the first vendor to be supported with Exadata, it does not necessarily mean that they will not support other hardware platforms in the future. One of the differentiating features of the Oracle Database is that it runs on virtually any piece of hardware, and on virtually any OS. It is clear that Oracle plays with a variety of hardware vendors and has no clear long-term choice or commitment to the hardware vendors.

Oracle continues to build their presence in the oil and gas industry. This past year, Charles Phillips, President of Oracle, was invited to join The National Petroleum Council by the secretary of Energy. It's quite a distinction for Oracle, as they are the only enterprise software company to be a part of the council. The National Petroleum Council is an oil and gas advisory committee to the Secretary of Energy. The council serves to represent the views of the oil and natural gas industries in advising, informing, and making recommendations to the Secretary of Energy with respect to any matter relating to oil and natural gas.

Oracle's membership on the National Petroleum Council gives it an broad view of the industry. The council is composed not just of large and small oil and gas companies, but representatives from academic, research, financial, and public interest organizations and institutions. This membership reflects their commitment to the oil and gas industry, and strengthens their understanding of the challenges facing the industry.

Oracle also hosted its 2nd Annual Oil & Gas day at OpenWorld. The day featured four dedicated oil & gas sessions on the Digital Oil Field, Asset Management, Downstream and Supply Chain solutions. Oracle customers such as Chevron and Hercules spoke about their success in using Oracle software within their companies.

### Recommendations

- The proliferation of data in the oil and gas industry puts significant demand upon data storage and management. New hardware products, such as the HP Oracle Exadata Storage Server, give oil and gas firms another vendor in the data warehouse space, and competition within the space could lead to further innovation of products.
- The global nature of the oil and gas industry, as well as the shortage of skilled workers makes new innovations in collaboration applications very welcome. Oracle's Beehive

## Insights on Oil & Gas

tool may be useful to oil and gas companies that want to expand collaboration opportunities for employees.

### COPYRIGHT NOTICE

Copyright 2008 Energy Insights, an IDC company. Reproduction without written permission is completely forbidden. External Publication of Energy Insights Information and Data: Any Energy Insights information that is to be used in advertising, press releases, or promotional materials requires prior written approval from the appropriate Energy Insights Vice President. A draft of the proposed document should accompany any such request. Energy Insights reserves the right to deny approval of external usage for any reason.

Global Headquarters: 5 Speen Street Framingham, MA 01701 USA P.508.935.4400 [info@energy-insights.idc.com](mailto:info@energy-insights.idc.com)