Enabling Rights, Royalties and Settlement for Content Distribution

Presenter’s Name
Presenter’s Title
Safe Harbor Statement

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 decision. The development, release, and timing of any features or functionality described for Oracle’s products remains at the sole discretion of Oracle.
Agenda

- Leadership in the Media & Entertainment Industry
- Innovative Capabilities in Content & Royalty Distribution
- Results Achieved by Oracle Customers
Oracle in Media & Entertainment

Did You Know?

- All of the entertainment companies in the Fortune Global 500 run Oracle Applications
- 12 of the top 15 US Media companies run Oracle Applications
- 6 of the top 15 publishing houses run Oracle Applications
- 3 of the 4 major US TV networks run Oracle Applications
- 3 of the top 5 global advertising organizations run Oracle Applications
**The Challenges We’re Hearing**

**Content Management Across Business Units**

“How can I leverage the use of my content assets from across the enterprise?”

“We expect [Content Management] software to continue to penetrate into the core broadcasting, entertainment, advertising, and … publishing verticals”

Gartner / Forbes Study

**Rights, Revenue, Royalties Management**

“How can I easily track business rights, revenue and pay royalties to all contributors?”

“Broadcast rights for film, sport and TV format/series together generate some $40 billion in revenues each year”

Informa

**Diverse Consumer Content Demands**

“How can I profit by meeting varied consumer demands for content?”

”With media shifting from mass to more personalized forms, CRM and billing systems become paramount”

Gartner

---

**Oracle**
Content & Royalty Distribution Challenge

Rights, Revenue, Royalties Management

“How can I easily track business rights, revenue and pay royalties to all contributors?”

“Broadcast rights for film, sport and TV format/series together generate some $40 billion in revenues each year”

Informa

Distribution channels offering the highest growth over next 5 years?

<table>
<thead>
<tr>
<th>Distribution Channel</th>
<th>Top Rank</th>
<th>Second Rank</th>
<th>Third Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Online</td>
<td>59%</td>
<td>90%</td>
<td></td>
</tr>
<tr>
<td>Mobile/Wireless</td>
<td>15%</td>
<td>73%</td>
<td></td>
</tr>
<tr>
<td>Broadcast/Satellite/Cable</td>
<td>15%</td>
<td>40%</td>
<td></td>
</tr>
<tr>
<td>IPTV</td>
<td></td>
<td>35%</td>
<td></td>
</tr>
<tr>
<td>Print</td>
<td></td>
<td>17%</td>
<td></td>
</tr>
<tr>
<td>Retail</td>
<td></td>
<td>16%</td>
<td></td>
</tr>
<tr>
<td>Radio Broadcast</td>
<td></td>
<td>8%</td>
<td></td>
</tr>
</tbody>
</table>

Accenture 2006 Exec Survey

“People have an insatiable demand for content; as the platforms expand, the need to create content to fill these channels...will increase and quality content will be in greater demand.”

SVP, Time Warner

Rank Choice:
- Top
- Second
- Third
Agenda

• Leadership in the Media & Entertainment Industry
• Innovative Capabilities in Content & Royalty Distribution
• Results Achieved by Oracle Customers
Enable Real-time Rights, Royalties and Settlement for Content Distribution

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Oracle Capability</th>
<th>The Oracle Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Understand rights and restrictions</td>
<td>Flexible Contract Repository</td>
<td>Most comprehensive contract solution</td>
</tr>
<tr>
<td>Recognize revenue as content is consumed</td>
<td>Billing and Revenue Management Integrated with Financials</td>
<td>World’s leading billing &amp; revenue management</td>
</tr>
<tr>
<td>Ensure timely payment to all content suppliers</td>
<td>Real-Time Settlement</td>
<td>Market-leading, real-time settlement within billing and revenue management</td>
</tr>
</tbody>
</table>
Enable Real-time Rights, Royalties and Settlement for Content Distribution

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Oracle Capability</th>
<th>The Oracle Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Understand rights and restrictions</td>
<td>Flexible Contract Repository</td>
<td>Most comprehensive contract solution</td>
</tr>
</tbody>
</table>

Real-Time Settlement
Market-leading, real-time settlement within billing and revenue management

Recognize revenue as content is consumed

Billing and Revenue Management Integrated with Financials
World’s leading billing & revenue management

Understand rights and restrictions
Flexible Contract Repository
Most comprehensive contract solution
Oracle’s Business Rights, Royalties, Delivery and Settlement Solutions

“The combined Oracle-Siebel-Portal solution for ERP, CRM and billing and revenue management is compelling for current and next generation service delivery.”

Paul Hughes
Vice President
Communications Software Strategies
Yankee Group

Benefits to You Include:

- Faster time to market
- Manage rights, royalties, revenue
- Lower operating costs
Oracle’s Business Rights Solutions
Addresses All Levels of Rights, Licensing and Royalty Complexity

**Simple**

**Requirement:**
Royalty-type payments owed to content providers based upon specific contractual provisions

**Solution:**
Oracle Incentive Compensation, Oracle Communications Billing & Revenue Management Release 7.3, Oracle Accounts Payable & General Ledger

**Requirement:**
Digital Content Sales and Real-time Settlement

**Solution:**
Oracle Service Contracts, Oracle Communications Billing & Revenue Management Release 7.3, Oracle Accounts Receivable, Accounts Payable & General Ledger

**Requirement:**
Simple Consumer Products Licensing

**Solution:**
Oracle Service Contracts, Quotes, Proposals, Customers Online, Oracle Accounts Receivable & General Ledger, Oracle Configurator, Oracle BI – Discoverer, Oracle Database & FMW, Fadel Partners Rights UI, Deal Sheets, Royalty Engine, Business Reporting

**Complex**

**Requirement:**
Moderate to Complex Rights Mgmt, License Terms, Royalties

**Solution:**
Partner-Sophoi iPLS Development & Acquisition, Sophoi iPLS Sales & Licensing, Oracle Accounts Receivable, Accounts Payable & General Ledger, Oracle CRM, Product Data Hub, Customer Data Hub, Oracle Business Intelligence
Oracle Contract Management Solution

Integrated Intelligence
- Cancellation / Renewal Rate
- Uplift & Reduction
- Contract Bookings

Process Automation
- Negotiate & Author
- Activate & Fulfill
- Enforce & Entitle
- Invoice & Settle
- Renew & Terminate
- Collaborative Authoring
- Change Mgmt
- Workflow Approvals

Global Contracts Library
- Version Controlled
- Secure Access

Standardized Templates
- Terms & Conditions
- Legal
- Compliance

• Sales
• Service
• Support
• Fulfillment
• Legal
• Finance & Accounting

Email
Phone
Internet
Contracting Party
Oracle Contract Management Intelligence
Timely, Accurate, Relevant

- Daily updates on key performance indicators
- Actionable information on penalties and savings
- At a glance:
  - Expected bookings
  - Renewal and up/cross-sell opportunities
  - Booking to renew ratio and trend
  - Backlog
  - Past due
Oracle Incentive Compensation for Royalty Payments

- Determine correct royalty compensation based on pre-defined allocation rules
- Enable users to perform “what if” royalty compensation scenarios based on prior payments
- Increase productivity by reducing administrative effort
- Measure royalty amounts and totals
- Ensure accurate, timely payment processing
- Align royalty compensation and quotas with corporate objectives
- Support numerous royalty compensation models
Cox Communications Manages Contracts and Royalties

COMPANY OVERVIEW
- Cox – diversified media and communications company
- Operations in cable TV, programming, internet, voice
- Over 6 million residential customers in > 20 states
- Hundreds of thousands commercial accounts

CHALLENGES/OPPORTUNITIES
- Manage content provider contracts more effectively and generate payments automatically
- Understand profitability in packaged services that combine, video, voice and data products to manage margins better
- Track customer subscriptions across all services
- Manage programming costs more effectively

SOLUTIONS
- Replaced 10 year old aging system with Oracle Database and Oracle E-Business Suite applications; ERP, SCM, CRM
- Uses Oracle Incentive Compensation to calculate the royalty-type payments owed to content providers based upon specific provisions in their contracts

CUSTOMER PERSPECTIVE
“Our vision is to use our financial applications to create a consistent source of information. In turn this will lead to a sophisticated dashboard view of the business. We will have cross-functional looks across all the different residential and commercial product lines, combining both financial and operational information.”

Bill Fitzsimmons, Chief Accounting Officer

RESULTS
- Deliver actual subscriber costs down to the site level to maximize profitability of certain channel lineups
- Easy to reconfigure contracts as needed on a month-to-month basis, dramatically decreasing time to manage contracts and process content provider payments
- Monthly program cost accounting process decreased from 30 days to 3 days
Enable Real-time Rights, Royalties and Settlement for Content Distribution

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Oracle Capability</th>
<th>The Oracle Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recognize revenue as content is consumed</td>
<td>Billing and Revenue Management Integrated with Financials</td>
<td>World’s leading billing &amp; revenue management</td>
</tr>
</tbody>
</table>

Ensure timely payment to all content suppliers.
Communications Billing & Revenue Management with Financials
The Industry’s Leading BRM Software Solution

Business Benefits Include:

✓ Enables faster time to market for new services, through flexible price models
✓ Increases revenue through unlimited service and pricing options
✓ Improves cash flow, with real-time, high volume, transaction processing
✓ Superior insight into customer spending patterns and preferences
✓ Minimizes revenue leakage and fraud
✓ Improves customer satisfaction & loyalty
Business Rights, Royalties, Delivery and Settlement Process with Financials

1. Innovate
   - Plan, contracts, acquire rights, and develop media products
   - Suppliers could be 3rd parties or talent that contribute to a media product or package

2. Produce
   - Procure, Production, Manufacturing/Post-production
   - License or sublicense to 3rd party distributor
   - Digital content to distributor or consumer
   - Physical product distribution
   - Single customer view

3. Sell
   - Market, Sell, Customer Care

4. Distribute
   - GL, AR
   - Revenue recognition, cash application

5. Consolidation
   - Single customer view

6. GL, AR
   - Revenue recognition, cash application

7. Settle
   - Calculate royalties, participations and partner settlements

8. Analysis
   - Analyze and optimize for maximum content/title utilization
Oracle Communications Billing and Revenue with Financial Management

Revenue Generation
- Pricing Management
- Customer Management
- Partner Management
- Service Enablement

Revenue Capture
- Service Authorization
- Enrichment
- Rating & Discounting
- Balance Management

Revenue Collection
- Billing
- Financial Management
- Payments & Collections
- Settlements

Revenue Analysis
- Pricing Management
- Revenue Assurance
- Reporting
CNC Expands Subscriber Base with Content Services

COMPANY OVERVIEW
- Liaoning CNC – provides dial-up & broadband services
- Over 1.5 million subscribers
- Service provider with value-added content & services
- A subsidiary of China Netcom (Group) Company Ltd

CHALLENGES/OPPORTUNITIES
- Wanted to expand using rich content services (video on demand, music downloads, games, instant messaging) to increase market share
- Capture revenue opportunities via three digital media content providers quickly
- Ensure content providers were seamlessly rewarded
- Offer consumers more variety of packages and bundles of offerings

SOLUTIONS
- Expanded the use of the Billing and Revenue Management platform for rating and billing for both pre and post pay customers
- Deployed a new Oracle payment gateway enabling pre-paid content customers to top off their account using a credit card or wireless phone account (e-wallet)
- Uses Oracle Financials, Assets, Purchasing, Database, Project Costing, Purchasing, Discrete Manufacturing, HR

RESULTS
- Seamlessly merged 3 digital content providers onto its billing system, enabling real-time revenue sharing
- Expanded subscriber base by offering a greater variety of content, pre and post paid pricing bundles and payment options
- Increased year-over-year broadband subscriber growth 15% and content subscribers by ~ 40% while reducing its customer acquisition costs by 26%

CUSTOMER PERSPECTIVE
“With its open structure, Oracle E-Business Suite has the flexibility that allows us to easily make adjustments based both on the current needs of our company and the demands of future development. Oracle not only provided a suite of application programs, it encompassed a wide range of management. In all respects, Oracle meets our demands.”

Pang Yang, Director of MIS
## Enable Real-time Rights, Royalties and Settlement for Content Distribution

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Oracle Capability</th>
<th>The Oracle Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ensure timely payment to all content suppliers</td>
<td>Real-Time Settlement</td>
<td>Market-leading, real-time settlement within billing and revenue management</td>
</tr>
</tbody>
</table>

- **Real-Time Settlement**: Market-leading, real-time settlement within billing and revenue management
- **Flexible Contract Repository**: Most comprehensive contract solution
Business to Consumer Content Distribution and Real-time Settlement

- Millions of consumer and enterprise customers
- New and traditional media channels
- Service providers and media companies
  - Convergent charging
  - Partner management
  - Payments
  - Customer care and reporting
  - Promotions, discounts and bundling
  - A continually growing world of content providers and media types
Oracle’s Business Rights, Royalties, Delivery and Real-time Settlement Process

1. Innovate
   - Plan, contracts, acquire rights, and develop media products
   - Suppliers could be 3rd parties or talent that contribute to a media product or package

2. Produce
   - Procure, Production, Manufacturing/Post-production

3. Sell
   - Market, Sell, Customer Care

4. Distribute
   - License or sublicense to 3rd party distributor
   - Digital content to distributor or consumer
   - Physical product distribution

5. Consolidation
   - Single customer view

6. GL, AR
   - Revenue recognition, cash application

7. Settle
   - Calculate royalties, participations and partner settlements

8. Analysis
   - Analyze and optimize for maximum content/title utilization
Oracle Communications Billing and Revenue with Real-time Settlement

Revenue Generation
- Pricing Management
- Customer Management
- Partner Management
- Service Enablement

Revenue Capture
- Service Authorization
- Enrichment
- Rating & Discounting
- Balance Management

Revenue Collection
- Billing
- Financial Management
- Payments & Collections
- Settlements

Revenue Analysis
- Pricing Management
- Revenue Assurance
- Reporting

Convergent Real-Time Platform
- Service Delivery
- Business Configuration
- Transaction Management
- Permissions & Branding
- Unified Data Model
Oracle BRM and Service Delivery Platform
Deliver and Bill for Any Content or Service Real-time

Any Service
- email, push, messaging, VoIP, Virtual PBX, etc.

Any Content
- music, video, data, images, text, etc.

Any Network

Any Device
Wired or wireless

Benefits to You Include:
- Faster time to market
- Lower cost of service delivery
- Greater service flexibility
Orange UK Expands Mobile Content Offerings with Real-time Settlement

COMPANY OVERVIEW
- Orange UK – one of the UK’s largest mobile service providers
- Over 13.3 million subscribers
- Provides value-added content & services from across over 70 content partners

CHALLENGES/OPPORTUNITIES
- Enable a dynamic environment to create, rollout and charge for value added services (video on demand, music downloads, games, instant messaging) to increase market share
- Capture revenue opportunities across 70+ content partners quickly
- Seamlessly manage settlements real-time to content providers, aggregators, creators
- Quickly offer consumers a variety of new content and promotions

SOLUTION
- Oracle Communications Billing and Revenue Management

CUSTOMER PERSPECTIVE
Using Oracle Communication Billing and Revenue Management, Orange UK launched the “Lord of the Rings” promotion in less than 24 hours, and subsequently generated considerable revenue from British Academy of Film and Television Awards related content during this period.

RESULTS
- Doubled revenues from value-added services
- Achieved ROI within six months
- Gained the ability to roll out new content offerings within 48 hours
- Created a single platform to manage third-party content billing
- Enabled pricing flexibility and multiple content package options to attract customers
**Summary**

<table>
<thead>
<tr>
<th>Flexible Contract Repository</th>
<th>Billing and Revenue Management Integrated with Financials</th>
<th>Real-time Settlement</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Most comprehensive business rights, contracts, royalty solutions</td>
<td>• World’s leading billing &amp; revenue management</td>
<td>• Market-leading, real-time settlement within billing and revenue management</td>
</tr>
</tbody>
</table>
The Only *Complete* Media & Entertainment Solution
Market-Leading Middleware Platform

Best-Selling
- 32,000+ Customers Deployed
- 70% of World’s 50 Largest Firms
- $1B+ Business

Highest Rated
- Only vendor in Gartner and Forrester leader quadrants for all Middleware components.

Most Comprehensive
- SOA Vendor of Choice

oracle.com
Oracle’s People Advantage

- 30,000 applications customers
- 30,000 middleware customers
- 220,000 database customers
- 1700 application ISVs
- 5000 middleware ISVs
- 9000 database ISVs
- 35 Fusion strategy council members
- 425 user groups
- 29,000 developers, support engineers and consultants
- 1300 participants in early customer adoption programs
- 950 customers participating in Customer Advisory Boards
- 500 Industry & Product strategy council members

275,000 customers benefiting from shared innovation
### Media & Entertainment Industry Partners

#### GLOBAL SYSTEM INTEGRATORS

- IBM
- Infosys
- Accenture
- CSC
- EDS
- Deloitte
- BearingPoint
- Capgemini
- Satyam
- Tata
- Wipro

#### INDEPENDENT SOFTWARE VENDORS

<table>
<thead>
<tr>
<th>Adactus</th>
<th>North Plains</th>
</tr>
</thead>
<tbody>
<tr>
<td>Artesia</td>
<td>Picdar</td>
</tr>
<tr>
<td>Atex</td>
<td>Pilat Media</td>
</tr>
<tr>
<td>Blue Order</td>
<td>ScheduALL</td>
</tr>
<tr>
<td>Blue Skies</td>
<td>Silex Media</td>
</tr>
<tr>
<td>CCI Europe</td>
<td>Sophoi</td>
</tr>
<tr>
<td>Front Porch</td>
<td>SMI</td>
</tr>
<tr>
<td>Media E2E</td>
<td>Transmedia</td>
</tr>
</tbody>
</table>
Agenda

• Leadership in the Media & Entertainment Industry
• Innovative Capabilities in Content & Revenue Distribution
• Results Achieved by Oracle Customers
What Customers Are Saying

“Oracle's combination of Siebel CRM and Billing and Revenue Management allows us to launch and manage multiple new services in a matter of weeks rather than in months.”

“Oracle Communications Billing and Revenue Management is quite easy to understand and work with from a user perspective, and the product reliability and stability are very good.”

“Oracle Communications Billing and Revenue Management real-time solutions enable us to capture new business by speeding time to market for new services targeted at lucrative market segments.”
Industry Quotes

“Oracle’s decision to enter the billing market (with its acquisition of Portal) has the potential to alter the competitive landscape in the industry”

“Oracle has given users out-of-the-box access to business analytics that also include support for collaborative decision making and predefined and customizable workflows that guide users through a decision making process”

“Oracle’s Siebel Marketing is ranked as a top enterprise marketing platform for B2C and B2B organizations. “Siebel Enterprise Marketing Suite offers top-notch analysis tools and very strong campaign design and segmentation tools”

“Oracle relational database is #1 with 44.4% market share”
The Oracle Difference

Only Oracle…

• Offers the most comprehensive selection of Media & Entertainment solutions in business rights & royalty management, content delivery and financial settlement with the:
  • Most comprehensive contract management, business rights and royalty solutions
  • World’s leading billing and revenue management solution
  • Market leading, real-time settlement solution within billing and revenue management