

Overview and Frequently Asked Questions

Overview

Oracle Buys Sophoi:

Announces Oracle Media Intellectual Property Management

Oracle has acquired substantially all of the assets of Sophoi, Inc. ("Sophoi"), a provider of Intellectual Property (IP) Rights and Royalty Management software. This technology is immediately available as Oracle Media Intellectual Property Management.

With the proliferation of communications and media distribution channels, the administration and management of intellectual property rights and royalties has become increasingly complex. Oracle Media Intellectual Property Management is the only comprehensive software solution built specifically to manage intellectual property (IP) across the content value chain for media and entertainment companies. The proven and rich enterprise application helps reduce revenue leakage, minimize the instances of rights conflict, and reduce the risk of non-compliance with rights terms and conditions.

The addition of Oracle Media Intellectual Property Management will strengthen Oracle's solution for media and entertainment companies and enable customers to better manage IP development and acquisition, sales and licensing, and royalties and accounting. In addition, together with Oracle's CRM and financial applications, communications industry applications and infrastructure software, Oracle Media Intellectual Property Management will help communications service providers quickly launch new content rich services and better manage their IP rights and royalties.

Sophoi's management and employees will join Oracle as a part of the Communications Global Business Unit ensuring continuity of customer and partner relationships.

CUSTOMER BENEFITS

The combination provides customers with the following benefits:

- Access to a best in class, comprehensive IP rights, licensing and royalty management solution
- Flexibility to manage IP rights and content services across the enterprise
- Better financial control of content assets by media and entertainment companies
- Reduced risk of non-compliance with IP rights
- Enhanced services through Oracle's global support team

PARTNER BENEFITS

The combination provides partners with the following benefits:

- New or enhanced Oracle solutions for media and entertainment companies
- Strengthened industry solutions for media and entertainment industries
- Strengthened industry solutions for communication service providers

Frequently Asked Questions

BUSINESS RATIONALE

What is the rationale for this acquisition?

Real-time digital distribution across traditional and emerging business models is making the tracking and monetization of intellectual property (IP) assets more complex. The prevalence of digital content assets such as music, publications, television programming or movies, is driving alternative content delivery and distribution mechanisms. Currently, media and entertainment companies are relying on rights and royalty management systems that are inflexible and unable to adequately support changing industry dynamics and new business models. In addition, these solutions have traditionally been custom built and difficult to modify or integrate with other applications, which limits a company's ability to quickly capitalize on new distribution channels or business models. Because of this, a standard and comprehensive approach to rights and royalties management is becoming increasingly important to media and entertainment companies.

The introduction of Oracle Media Intellectual Property Management will strengthen Oracle's solutions for media and entertainment companies by providing a solution that supports the entire content value chain for IP assets. This includes IP development and acquisition, sales and licensing and royalty management and accounting. This technology with Oracle's leading CRM and financial applications will ensure that IP management can be integrated with the terms and calculations that are captured and defined in the sales automation and contracts systems. Royalty payments and invoices can be integrated to a company's receivables, payables and general ledger systems. In addition, the IP management system can be integrated with the billing systems for communications service providers that are looking to deliver traditional voice services with content services to provide a single view of their customers' account balances.

Why did Oracle select Sophoi products to extend its strategy for the media and entertainment industry?

Sophoi offers proven and rich enterprise IP rights and royalties management applications and has built their solution specifically for the requirements of the media and entertainment industries. The application has been successfully deployed in leading media and entertainment companies, proving it has the scale to support enterprise customers. Customers have benefited from an efficient

content value chain, which links media content providers and communications service providers. This capability is critical to the rapid development and deployment of new content-based business models and ensuring maximum royalties on IP assets are obtained.

The products acquired from Sophoi, immediately available as Oracle Media Intellectual Property Management, has been built on Oracle technology and is expected to be easily integrated with Oracle applications. Also, Sophoi employees will bring significant domain expertise to Oracle, which will accelerate Oracle's media and entertainment strategy moving forward.

How will the addition of Oracle Media Intellectual Property Management accelerate Oracle's strategy to become the leading Enterprise Application provider?

Oracle is a leading provider of enterprise applications for the communications industry. Adding a leading IP rights and royalties management solution will help enhance Oracle's offering for media and entertainment companies and is expected to help enable the acceleration of convergence of communications with media and entertainment. Applications such as IPTV, mobile TV streaming, consumer content creation tools, interactive TV and mobile video on demand are expected to become mainstream over the next several years. In addition, revenue from content services are expected to grow rapidly in the coming years, which means these industries will need to invest in solutions that best help exploit the value of IP. The addition of Oracle Media Intellectual Property Management is expected to help maintain and grow Oracle's leadership position in these segments.

PRODUCT OVERVIEW AND STRATEGY

What products did Sophoi develop and support?

Oracle Media Intellectual Property Management is an advanced intellectual property rights and royalty management application. The enterprise product helps customers maximize return on intellectual property assets across the asset lifecycle while reducing risk of rights conflict and non-compliance.

How compatible with Oracle's products is the new product, acquired from Sophoi?

The product, acquired from Sophoi, is complementary to Oracle technology and adheres to open industry standards. Oracle Media Intellectual Property Management is Oracle DB, J2EE, and JSP thin client browser based and is certified to run with Oracle Applications Server and Oracle Fusion Middleware and BEA Weblogic.

How does Oracle plan to maintain Sophoi's industry and domain expertise?

The goal is to complement Oracle's solutions for the media, entertainment and communications industries. Sophoi employees bring significant domain expertise in these industries, specifically in the area of IP rights and royalty management. Sophoi management and employees are expected to join Oracle as a part of the Communications Global Business Unit.

Where can I find out more information about the acquisition of Sophoi?

For more information, please visit oracle.com/sophoi

The above is for informational purposes and may not be incorporated into a contract.

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