PeopleSoft. **Craig Conway**
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cc:
Subject: Accenture and SAP

Friday I spoke with Steve James, President/COO of Accenture, and learned some disturbing news.

You may recall a few weeks ago that Accenture announced a relationship with SAP directed at the financial service industries. At the time, Steve indicated that the agreement related only to vertical applications. Specifically, Accenture had a number of "transactional applications" directed at banks and insurance companies, and SAP also has some newly developed applications. The announcement was that both companies would fund further development of these applications and promote a joint solution to market. Steve assured me that agreement did not extend to ERP.

However, Friday Steve called to let me know that the agreement was in fact much broader. Accenture will recommend SAP to the financial service industries for both vertical applications and ERP applications. In return, SAP will recommend Accenture to FSI for ALL enterprise software implementations. It is quite a wholesale endorsement.

We should discuss what this agreement means to IBM and PeopleSoft. Clearly it does not bode well for our relationship with Accenture and should not bode well for your relationship with SAP. On the other hand, both PeopleSoft and IBM are stronger in the financial service industry so there should be an opportunity for both of us.

Craig

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
Case Number: C 04-00807 VRW
DEFT EXHIBIT NO. D5955
Date Admitted:_____
By:_____