1970s

Defying Conventional Wisdom

Three decades ago, Larry Ellison, while routinely scanning the *IBM Journal of Research and Development,* discovered a research paper that described a working prototype for a relational database management system (RDBMS). Showing it to coworkers Bob Miner and Ed Oates at Ampex, he soon learned that no company had committed to commercializing the technology. The trio realized there was tremendous business potential in the relational database, but they may not have realized that they would change the face of business computing forever. Together they founded the company that would become Oracle and developed the Oracle database, named after the CIA project the trio had worked on at the beginning of their association.

Although most large enterprises were using computers in 1977, the systems were enormous and powered arcane and inefficient software. Only highly trained professionals could use the complex machines and manage data input and output. Software developers, meanwhile, sat—computerless—writing code on pads of paper at their desks.

Oracle's first commercially available database software defied prevailing conventional wisdom that technology would never scale to large amounts of data or extensive numbers of users. The vision, drive, and optimism of Oracle's founders led to a revolution in enterprise computing.

Thirty years later, Oracle is the gold standard for database technology and applications in enterprises throughout the world, from the largest multinational corporations to the corner coffee shop.

MILESTONES

1977 Software Development Laboratories, the precursor to Oracle, is founded by Larry Ellison, Bob Miner, and Ed Oates. **1978** Oracle Version 1, written in assembly language, runs on PDP-11 under RSX, in 128K of memory. Implementation separates Oracle code and user code. Oracle V1 is never officially released. **1979** Oracle Version 2, the first commercial SQL relational database management system, is released. The company changes its name to Relational Software Inc. (RSI).

The first stock certificate for Software Development Laboratories—the company's name before it was called Oracle—issued to Larry Ellison from President Bob Miner.

ORACLE THIRTY YEARS

30

## ORACLE'S FOUNDERS SPARK AN ENTERPRISE COMPUTING REVOLUTION.

THE POWER BEHIND THE VISION

"I've thought a lot about why Oracle was successful. I really think that it was Larry Ellison. There were a lot of other databases out there that we beat. It was really Larry's charisma, vision, and his determination to make this thing work no matter what. It's just the way Larry thinks. I can give you an example of his thought processes: We had space allocated to us, and we needed to get our terminals strung to the computer room next door. We didn't have anywhere to really string the wiring. Larry picks up a hammer, crashes a hole in the middle of the wall, and says, 'There you go.' It's just the way he thinks—make a hole, make it happen somehow."

—Bruce Scott, Coarchitect and Coauthor of the first three versions of Oracle Database

Left to right: Ed Oates, Bruce Scott, Bob Miner, and Larry Ellison celebrate the company's first anniversary.
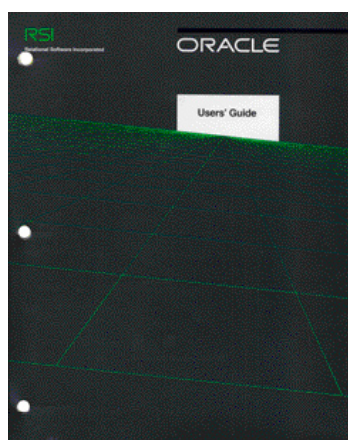
The Project Oracle user guide. This manual had a limited but highly important audience— computer users at the CIA.

"When you innovate, you've got to be prepared for everyone telling you you're nuts."
—Larry Ellison, Founder and CEO

"Back in the old days, databases came from the hardware vendor. Oracle was among the first to offer a DBMS that would run on different hardware and operating systems."
—Ken Jacobs, Vice President, Product Strategy

"Larry had the energy, he had the vision, he had the personality to push this company forward. He was just really good at making the fog clear."
—Ed Oates, Founder

"A lot of Oracle innovation comes from the initial culture of the company, from Larry and Bob."
—Edward Miner, Principal Member of the Technical Staff, and nephew of founder Bob Miner

1980s

Ready for the '80s INNOVATION, EXPANSION, AND SUCCESS

Oracle's founders spent the 1970s immersed in the wild innovation of the early software industry. But as the Information Age dawned, demand for secure data management forced the young company, then called Relational Software Inc. (RSI), to expand and mature. Customers wanted innovation and security, coupled with a reliable partner to handle their critical business data.

The newly christened Oracle (named for RSI's flagship product) had key strategies for meeting this demand: simplify data management, build solutions for emerging computing platforms, and increase system interoperability so that data could be synchronized or migrated. By the mid-1980s, these advances made Oracle the leading RDBMS vendor and propelled the company into new markets for development tools, business applications, and services. This success led *Inc.* magazine to name Oracle one of the fastest-growing companies in the United States.

In 1986, Oracle went public in a technology boom that also included IPOs from some of the industry's major players: Microsoft, Sun Microsystems, and Adobe Systems. Indeed, by the end of the decade, Oracle's sound business strategy and bold ideas transformed a company of 35 employees into a global, publicly traded powerhouse with more than US$500 million in revenue and a signature corporate campus in Redwood Shores, California.

TWENTY YEARS ON THE NASDAQ

On March 15, 1986—nearly a decade after the founding of the company—Oracle made an initial public stock offering of 2.1 million shares on the NASDAQ exchange. At the time, the company had 450 employees and annual revenue of US$55 million. Twenty years later, Oracle has a global workforce of 65,000 and annual revenue topping US$15 billion. In October 2006, CEO Larry Ellison and Presidents Charles Phillips and Safra Catz joined senior NASDAQ executives in San Francisco to celebrate a 20-year partnership on the exchange—a partnership that has paid off well for both Oracle and investors. "A $10,000 investment in the initial public offering of Oracle back in 1986 would now be worth $4,082,280," says Ellison, referring to the stock's closing price that day.

On October 25, 2006, Oracle and NASDAQ executives celebrate Oracle's 20th anniversary on the exchange.

"In 1986, the culture of Oracle was—if I were being generous, I would say *confident*. If I were being honest, I would say *brash*. Oracle was infused with a sense of impending victory."
—Ed Screven, Chief Corporate Architect

"Version 3 of Oracle was the portable Oracle. It was written in C, ran on hundreds of operating systems and hardware platforms, and it really allowed us to expand our marketplace dramatically."
—Ken Jacobs, Vice President, Product Strategy

"We went public in 1986. It was definitely a heady and exciting time around Oracle, all of a sudden, even for those of us who never looked at the *Wall Street Journal*. A lot of us became much more interested in the business side of Oracle."
—Ed Oates, Founder

"At Oracle we did things differently. We had one version of the code that was portable everywhere. Beyond that, we were unconventional. We built things that were very different from what everyone else was doing."
—Andy Mendelsohn, Senior Vice President

ORACLE THIRTY YEARS

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DEFINE ORACLE'S SECOND-DECADE GROWTH.

Oracle's headquarters in California are a landmark set of reflective green towers not far from the San Francisco Bay. Half-circled around a body of water affectionately called "Larry's Lagoon," the buildings were constructed on the former site of the Marine World Africa USA amusement park.

MILESTONES

1982 Relational Software Inc. (RSI) gets a new name—Oracle Systems—and hosts its first user conference, in San Francisco. **1983** Oracle Version 3, built on the C programming language, is the first RDBMS to run on mainframes, minicomputers, and PCs—giving customers the ability to use the software in almost any enterprise computing environment. **1984** Larry Ellison tells *Computerworld* magazine, "I've said that by 1985 everybody will be buying relational DBMS. It looks like that's coming true." **1985** Oracle keeps pace with emerging computing models with the release of Oracle Version 5, one of the first relational database systems to operate in client/server environments. **1986** Oracle goes public on the NASDAQ exchange. **1987** Already the world's largest database company, Oracle launches a new effort to build enterprise applications that take advantage of the powerful Oracle Database. **1988** Oracle Version 6 debuts with several major advances: Row-level locking allows multiple users to work in the same table by processing only the specific data used in a transaction. Hot backup reduces system maintenance overhead by allowing employees to continue working in the system while administrators duplicate and archive data. PL/SQL allows users to process data while it remains in the database. **1989** Oracle prepares for the internet boom—a decade before it happens—with database support of online transaction processing (OLTP). Oracle moves its headquarters to its signature Redwood Shores, California, campus.
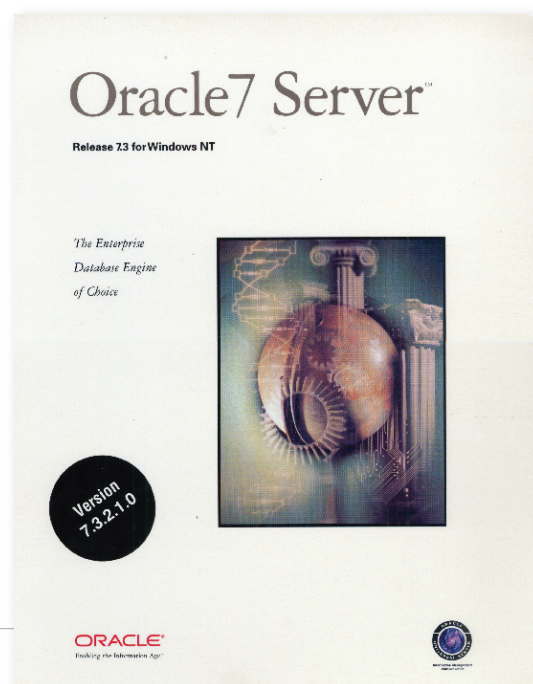
1990s

Nothing but Net ORACLE'S INTERNET BET IS BEHIND THIRD-

After a decade of explosive growth and wild success, Oracle management was in a position to invest heavily in innovation. Those investments began to pay dividends in the 1990s, as Oracle revealed significant technological advances in every new product version. Oracle championed client/server computing at the beginning of the decade, as customer requirements began to outpace the limits of terminal computing. Oracle's flagship database expanded to include unprecedented levels of calculation power (with the introduction of PL/SQL), manageability (with Universal Server), and performance (with cooperative-server technology). But it was Oracle's prescient internet strategy that drove another era of fierce growth. By building internet-ready products in advance of customer demand, Oracle was able to lead the market when fully functional internet-powered offerings became the standard for enterprise computing. With the dot-com boom (and bust) just around the corner, Oracle's size, experience, and stability gave the company a unique position for the new millennium—an innovative, entrepreneurial company with thousands of developers and billions of dollars at its disposal.

MILESTONES

1990 Only three years after creating an applications division, the company launches Oracle Applications Release 8, which includes accounting programs designed for the emerging client/server computing environment. **1992** Oracle7 wins industry acclaim and customer support as a database with groundbreaking functionality and several architectural changes. **1993** Oracle is the first software company to rewrite business applications for client/server environments, automating business processes from a centralized data center. **1994** Oracle earns the industry's first independent security evaluations, adding third-party assurance of the strength of Oracle's products. **1995** Oracle becomes the first major software company to announce a comprehensive internet strategy. **1996** With Oracle7 Release 7.3, Oracle delivers Universal Server, allowing customers to use Oracle to manage any type of data—text, video, maps, sound, or images. **1998** With Oracle8 Database and Oracle Applications 10.7, Oracle is the first enterprise computing company to embrace the Java programming language. **1999** Only four years after Oracle announced a Web strategy, internet capabilities saturate every Oracle offering, from support for open standard technologies such as XML and Linux to the latest versions of Oracle product lines, such as Oracle Applications 11*i* and Oracle8*i* Database.

In the 1990s, Oracle CEO Larry Ellison's success in sailing led him to found Oracle Racing (now BMW ORACLE Racing).

DECADE EXPANSION.

ORACLE7: TECHNICAL SUPERIORITY, MARKET DOMINANCE

After four years of intense research and development and two years of customer testing, Oracle released Oracle7 and fundamentally changed everyone's perceptions about what a database can accomplish. Oracle7 added a vast array of new performance features, administration enhancements, tools for application development, and security methods that extended the database from the data center directly into the lines of business. Oracle7 also included technical capabilities such as stored procedures, triggers, and declarative referential integrity that made the database programmable and able to enforce business rules. These technical advances—matched with overwhelming support from customers—made Oracle7 a triumph and a turning point for the company, garnering industry acclaim for its indisputable superiority to other databases on the market. According to Oracle Consulting Architect Dirk Kabcenell, "Oracle7 was the release where we really put it all together."

By the 1990s, Oracle was the leader of the RDBMS market.

In 1997, Larry Ellison and General Colin Powell announce Oracle's US$100 million donation to America's Promise—a nonprofit dedicated to providing education for disadvantaged youth.

"If the internet turns out not to be the future of computing, we're toast. But if it is, we're golden."
—Larry Ellison, Founder and CEO, in 1998

"When we introduced Oracle8*i*, we really recognized that the internet would change everything."
—Ken Jacobs, Vice President, Product Strategy

"By making that change—calling the database 8*i* instead of 8.1—it changed everybody's outlook on what 8*i* was. We became the database for the internet."
—Andy Mendelsohn, Senior Vice President

"Over the years, we've matured as an organization. We have good controls. We have a lot of discipline about the way we do things."
—Ed Screven, Chief Corporate Architect

"We are not just a really good commercial database but also a very secure commercial database."
—Mary Ann Davidson, Chief Security Officer

2000s

Innovation and Results ORACLE PREPARES FOR

I n the first years of the new millennium, Oracle's embrace of internet technology gained traction even as the so-called "internet economy" retrenched. And despite a downturn in enterprise IT investment during the period, Oracle continued to deliver innovation and results. The era has been marked with major technical breakthroughs for Oracle—some, the result of millions of dollars and years of research and development—that would set the company's future course. Oracle Real Application Clusters, Oracle E-Business Suite, Oracle Grid Computing, support for enterprise Linux, and Oracle Fusion all fuel a commitment to innovation and leadership that has defined Oracle for 30 years.

John Wookey, Senior Vice President, Applications Development, talks to customers about Oracle Applications and the road ahead.

"Our whole goal, just as we've done in database, is to continue to gain share and be No. 1 in middleware and No. 1 in applications."
—Jeff Henley, Chairman

"When people buy our products, they're not buying something disposable. It's a commitment to the future. It's the beginning, not the end, of the relationship."
—Safra Catz, President

"Customer needs have to be the focal point of a successful company. The degree to which Oracle listens to our customers is something that differentiates Oracle from other software vendors."
—Judy Sim, Senior Vice President and Chief Marketing Officer

A team of Oracle executives with responsibility for every aspect of operations and performance supports Larry Ellison, Founder and CEO, in his goal to make Oracle the most influential and innovative enterprise software company of the next 30 years.

"In 2000, we formed a team called the Linux Engineering Team. And the job of the Linux Engineering Team was to make sure that Linux became an operating system that was suitable for our customers in the data center."
—Ed Screven, Chief Corporate Architect

"We've allowed people to try new ideas and break barriers, do things that no other company in the world has done."
—Ken Jacobs, Vice President, Product Strategy

ORACLE THIRTY YEARS

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THE FUTURE WITH NEW PRODUCTS, NEW TECHNOLOGIES.

ORACLE UNVEILS APPLICATIONS STRATEGY

The beginning of the first decade of the new millennium saw many major developments in Oracle's business: the launch of Oracle E-Business Suite 11*i*, the acquisitions of PeopleSoft and Siebel, the release of Oracle Database 10*g*, and the rollout of the industry's first lifetime support policy. But one innovation from the 2000s signaled a fundamental shift in the economics of enterprise computing: Oracle Applications Unlimited. Announced in 2006, its promise was reinforced by the unveiling, earlier this year, of major upgrades to all of Oracle's applications lines. Simply put, Applications Unlimited assures customers of continued enhancements to Oracle E-Business Suite and Oracle's JD Edwards, PeopleSoft, and Siebel product lines, beyond the delivery of Oracle Fusion. "Applications Unlimited is not just about giving customers great support—it's about continuing to enhance the products in a way that will make them more beneficial," says Oracle Senior Vice President John Wookey.

MILESTONES

2000 Oracle ships Oracle E-Business Suite Release 11*i*, the industry's first integrated suite of enterprise applications. **2001** Oracle9*i* Database adds Oracle Real Application Clusters, giving customers the option to run their IT on connected, low-cost servers—expanding performance, scalability, and availability of the database. **2002** Oracle launches the "Unbreakable" campaign to mark the unprecedented 15 independent security evaluations earned by Oracle Database. **2003** Oracle debuts Oracle Database 10*g,* the first grid computing product available for the enterprise. Oracle Grid Computing serves computing power across the enterprise as a utility, automatically shifting processing loads based on demand. **2004** Executives declare Oracle "the Information Company" and make bold moves to secure the company's position as the only software vendor capable of addressing growing demands for data-intense business practices. **2005** Oracle completes the acquisition of applications rival PeopleSoft and announces its intention to acquire Siebel Systems. The deals—just two among the dozens of companies Oracle purchased in the mid-2000s—signal the beginning of an era of consolidation in the software industry. **2006** Oracle deepens a 30-year commitment to open standards computing with Unbreakable Linux—giving customers the same level of support for Linux as they expect for other Oracle products. The move in effect certifies the operating system for enterprise computing.

ORACLE® **DATABASE 11**ᵍ

In 2007, Oracle will announce the release of the next version of the company's flagship product: Oracle Database 11*g*.

Larry Ellison shares the stage with the Linux mascot at Oracle OpenWorld 2006.

Back row: Keith Block, Derek Williams, Jeff Henley, Safra Catz, Larry Ellison, Charles Phillips, Brian Mitchell, Sergio Giacoletto. Front row: Chuck Rozwat, Luiz Meisler, John Wookey, Juergen Rottler.