

Press Release

Paris, December 14th 2009 - Nexedi, the creator of ERP5, one of the most advanced Open Source ERPs used for mission critical applications in Europe, Africa and Japan in Aerospace, Central Banking, Financial Services, Chemical, Government, Health and Transportation industries has published today a position letter sent to the European Commission in the context of the recent acquisition of Sun Microsystems by Oracle Corporation. Nexedi recommends to the European Commission that Oracle should be requested to sell the MySQL Business Unit to a third party which offers reasonable guarantees for its Business development. Nexedi offers to takeover MySQL Business Unit for 1 Euro and relieve Oracle from what has become a negative asset in its merger and acquisition strategy.

Paris, December 14th 2009

Mrs. Vice-President,
M. Vice-President,

Nexedi is the creator of ERP5, one the most advanced open source ERPs. We are a direct competitor to Oracle corporation in the field of business applications such as ERP and CRM. Over the last 7 years, Nexedi won all the tenders in which Oracle application software was competing against us.

A key to our competitive advantage has been until now the fact that ERP5 is based on MySQL. We have selected MySQL because it is open source and because it supports multiple storage backends, some of which provide much higher performance than what Oracle database provides. In particular, MySQL Cluster, a version of MySQL based on the high performance NDB engine initially created by Ericsson is the only open source database engine which provides highly scalable database for very large data sets such as the ones we have to deal with in mission critical business applications.

The acquisition of MySQL by Oracle has changed the situation. From an asset, MySQL has become a liability to Nexedi. Our competitive advantage in the field of business applications has decreased because of the acquisition of MySQL by Oracle. There are no competing open source relational database which can match the performance of MySQL Cluster for very large data sets. MySQL is up to 10 times faster than competing open source database on key transactions.

Based on the poor track record of Oracle Corporation with previous acquisitions such as JD Edwards, Peoplesoft and InnoDB, we consider that the risk is very high that Oracle will destroy the value of MySQL and of its underlying open source technologies in order to promote its own proprietary technologies, both in the field database and in the field of business applications. Former clients of Peoplesoft and JD Edwards can tell. [Same applies to InnoDB](#), which development has slowed down dramatically after its acquisition by Oracle Corporation.

Our own clients, some of which are very large European corporations, have requested in 2009 more information to Oracle Corporation about its intention with respect to MySQL. They have notified us that Oracle Corporation had not been able to provide any relevant vision or answer, thus creating a context of fear, uncertainty and doubt.

This situation must stop. Too much valuable technology, too much value have already been destroyed by Oracle in this takeover. Too many companies are already suffering from the increasingly dominant position of Oracle in the field of business applications. We view the current takeover of MySQL by Oracle as yet another move to increase its position in the field of business applications by preventing competition to access technologies which could provide competitive advantage.

We thus recommend that the European Commission requests Oracle to sell the MySQL Business Unit to a third party which offers reasonable guarantees to develop it commercially under an open source business model.

Nexedi hereby offers to takeover MySQL Business Unit for 1 Euro and relieve Oracle from what has become both a negative asset in its merger and acquisition strategy, and a negative asset to the open source and Free Software communities.

Yours Sincerely,

Jean-Paul Smets
Nexedi CEO

To:

M. Joaquim Almunia
Competition Vice-President

Mrs. Neelie Kroes
Digital Agenda Vice-President

Permanent URL for this Press Release

www.nexedi.com/NXD-MySQL.Takeover

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About Nexedi

Nexedi is the creator and leader of the ERP5 open source ERP project. ERP5 has developed and deployed ERP5 for a wide range of industries such as aerospace, apparel, banking, healthcare and government. ERP5 is used in companies of all sizes in Africa, Asia, Europe, North and South Americas. The open source nature of ERP5 eliminates licensing costs and provides full freedom to update and customise the system as business requirements change with no single vendor lock-in.

Nexedi provides 24H around-the-clock support to corporations and governments wishing to migrate their mission critical applications to open source software solutions.

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