

Executive Briefing Document

Meeting Information

Date: Thursday, November 21, 2002
Time: 11:30 am
Location: Marriott Worldgate – Herndon VA.

Company Information

Company Name: Nextel Communications, Inc.
Location: Reston, VA
of Employees: 13,000
Revenue: \$ 7 Billion
Industry: Wireless communications

Client Attendees

Name	Title	Comments
Dick LeFave	CIO	
Bill Arendt	Controller; VP of Accting.	from AMSC, w/Nextel 7 yrs
Dick Cichanowicz	VP, Operational Systems	from MCI, w/Nextel 4 yrs
Catherine Szpindor	VP, IT Planning & Support	
Kathy Hinton	Sr. Director, Strategic Procurement	
John Causey	Director, IT	
Lisa Fortin	Director, IT	

Company Overview

Nextel Communications, based in Reston, VA, is the 5th largest US wireless provider, and a leading provider of fully integrated, wireless communications services on the largest guaranteed, all-digital, wireless network in the country. Nextel's 4-in-1 service—Nextel Digital Cellular, Nextel Direct Connect®, Nextel Mobile Messaging and Nextel Wireless Web—covers thousands of communities across the United States.

Business Goals/Strategies

Nextel's core competency is the business customer, they offer many plans with very high minutes, and sell value based on employee productivity. Their annual revenue growth exceeded 30 % last year.



History with PeopleSoft/Current Applications Used

Nextel is a large user of Vantive CRM and HR. They have over 5,000 concurrent call center users on PSFT CRM. They purchased PSFT CRM Sales applications in March in a \$1.4 million transaction. Current annual support fees are \$ 1.9 million.

The HR application is outsourced to USi in an unsatisfactory arrangement. That contract expires in October and is not expected to be renewed.

Current software products licensed from PSFT are:

HR, BA, PR, CRM : Support, Sales, Mobile Sales, Marketing, Help Desk, Change Mgmt, Telemarketing, Order Capture, Configurator, Communications Warehouse, CTI Integration.

The relationship has been generally positive, however during a Vantive upgrade last year, they experienced serious outages, shutting down all of their call centers. This resulted in a \$600,000 settlement paid by PSFT to Nextel.

Other key applications in place at Nextel are Oracle Financials and AMDOCS Billing. The AMDOCS product, Ensemble, was implemented in a \$30 million project called BSO (Business Systems Overhaul) that was just completed. The Project Management team was led by Dick Cichanowicz and John Causey, who are running the Financials project (FSO) and will be in our meeting.

Current Opportunity

Products/Services: full Financials and Sourcing, procurement applications; final product set to be determined. Estimated revenue:

▪ License	\$4 million
▪ Consulting	750 k
▪ First year support	800k
▪ Training	250k

Competitive Landscape

Oracle is our only competitor on this project. Nextel will:

- keep what they have (PSFT HR is being upgraded to 8 now by USi), and upgrade to Oracle Financials 11i
- replace PSFT HR with Oracle HR to get to a single solution
- replace Oracle Financials with PSFT Financials to get to a single solution

Partner Involvement

Nextel has issued an RFQ for the integration piece of this project. It was sent to AnswerThink, Accenture, Acumen Systems, Bearing Point, Business Edge, CG/EY, Deloitte, IBM/PwC, Oracle Consulting, PeopleSoft Consulting. Nextel expects to split the work across multiple partners based on expertise, price, etc.

Objectives for Meeting

This decision is expected to be made within the next 7 days. PeopleSoft has come from behind, as we believe the financials personnel at Nextel fully expected to upgrade to Oracle 11i, staying with what they are familiar with.

Our team did a tremendous job turning this around and now believe we are in the lead. Specific meeting objectives are:

- Reinforce our value proposition,
- Provide executive commitment,
- Discuss the strategic direction of our Financial Management Solutions,
- Provide details on technology differentiation
- Highlight other differences between Oracle and ourselves.
- Address customer request for partnership, PSFT use of Nextel services

PeopleSoft Contacts

RVP	Kerry Calderwood
RSD	Joe Janney
AE FMS	Ron Thornton
AE SCM	Jeff Souders
AE HCM	Greg Stevenson
PAE CRM	Trevor Banks
CE	Chris Smith
CSE	Marty Nagel
PC's	Andy Morris, John Mervis, Chris Rebman, Lee Towne, and Scott Hirni