

February 19, 2010

The Honorable Richard J. Durbin, Chairman  
Human Rights and the Laws Subcommittee  
Senate Committee on the Judiciary  
224 Dirksen Senate Office Building  
Washington, D.C. 20510

Dear Chairman Durbin,

On behalf of Oracle Corporation, I'm pleased to respond to your letter in preparation for the Subcommittee's upcoming hearing on Internet freedom in China and around the world. Oracle would like to be as helpful as possible as you undertake your deliberations on this important matter.

As the world's second-largest software company, Oracle does business throughout the world – including China – and we provide mission critical software and hardware components for governments and medium-sized to large businesses. Our business consists largely of “infrastructure” software, such as operating systems, database and middleware; applications software, such as supply chain and accounting; and high-end servers. Oracle has never been in the consumer business and as such has very little involvement with consumer information, personally identifiable or otherwise.

While Oracle customers utilize our technology and applications to access, manipulate and store large amounts of business, sales, employee, customer, and consumer data, Oracle itself typically has no control over this information. In fact, when we license our infrastructure technology to a customer, we have little means to know what processes they may be running, what types of information they may be storing and how they are using that information. In some limited circumstances, customers may choose to have Oracle host and maintain their applications, but in those cases all of that data is stored at our secure server farms at our facilities in the US. Moreover, this data would be structured information (customer #'s, contact information), and not the type of personal communications we assume the Committee is primarily concerned with. Thus, even in our hosted solution the type and location of the information make it highly unlikely that unauthorized parties could access information for the purposes under consideration by the committee.

Our technology plays an extremely limited role in interfacing directly with consumers and Internet users and, as such, Oracle has not developed specific measures to ensure that our products and services do not facilitate human rights abuses by the Chinese government. In our ordinary business dealings in China and elsewhere, it would be extremely unlikely that the type of information we may have access to could form the basis of human rights abuses, and even less likely that we would be able to exert control over any enterprises that conducted such activities. Moreover, as an enterprise software company with a specific contractual relationship with each one of our customers, Oracle has developed a Code of Ethics and Business Conduct, to ensure

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that Oracle employees operate within the bounds of all laws, regulations, and internal policies applicable to Oracle's business, wherever we conduct it, including in China.<sup>1</sup>

Regarding the Global Network Initiative (GNI), as you correctly point out, this initiative regards "Internet and communications firms," not enterprise infrastructure vendors such as Oracle. Oracle was not invited nor did it play any role in formulating these principles as these were appropriately developed by companies who retain personal information and organizations established to protect consumer privacy and international human rights. As a result, while we certainly support the goals of the GNI, the specifics really do not reflect the manner in which we do business or the way our technology is practically deployed.

Thank you for the opportunity to respond to this inquiry. Please let me know if we can be of further assistance.

Sincerely,



Jason M. Mahler

Vice President, Government Affairs

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<sup>1</sup> The Committee is aware that software piracy continues to be a major problem in China and as such we cannot guarantee that we know precisely who is using which Oracle products.