



Carly Fiorina videotaped remarks – SAPPHIRE 2003

Good morning. It's great to know how many are here at SAPPHIRE '03.

As many of you may have already experienced, SAPPHIRE is a terrific gathering place for senior executives and decision makers to exchange ideas—a real opportunity, if you will, for cross fertilization among some of the best minds in business and information technology.

And it's fitting that SAPPHIRE is set in Orlando—which is a growing technology center. At the end of an exciting and productive day of presentations and networking with colleagues, I'm sure you'll enjoy exploring the Orlando Science Center or spending a mind-expanding hour or two at the amazing Epcot center.

That said, I want you to know that it's both a pleasure and an honor to have been invited to make a few remarks.

Some of you in the audience may know that HP is one of SAP's largest customers. In fact, we are the largest internal user of the SAP APO 4.0 supply chain software, and we have been privileged to collaborate with SAP in further enhancing this powerful, effective solution.

You may also know that HP is an SAP Global Partner in five key areas—technology, consulting services, support, hosting, and software—and that we are engaged in more global SAP partnerships than any other company in the world. We have won SAP's coveted Award of Excellence every year since its inception in 1995. And HP and SAP have worked together for 13 years, designing, delivering, and managing world-class solutions to enterprises around the world.

SAP has HP's trust and confidence, and we have SAP's. The industry trusts us as well. HP is the number #1 installed base for SAP, and we have been rated #1 in customer support, outsourcing, and responsiveness in mission-critical SAP environments.

This recognition of the work we've done together is heartening, and HP is happy to have it so explicitly acknowledged. But what's really critical to you and enterprises like yours is that our collaboration has been so incredibly productive. Of our relationship, I can easily say, "Great minds think alike." SAP and HP provide the solutions we do—and are responsive to customers in

the way we are—because we understand that technology is not an end in itself. We know that technology exists to meet the knotty challenges of business. We know that technology can help

you respond to your customers faster—and preserve your competitive advantage. We understand that technology enables the extended enterprise to exist on a scale that was unprecedented as little as 10 years ago. HP and SAP work so seamlessly together because we approach business concepts and technology the same way. Like you, we cross-fertilize.

In the scope of five minutes, I can't address every aspect of the HP-SAP relationship, but what I can offer you is a snapshot that highlights three key, interrelated areas: supply chain management, the Adaptive Enterprise, and support for industry standards

First of all, HP is a major manufacturer charged with operating a complex supply chain. I'm sure many of you in the audience share the concerns that come with this territory. HP manufactures 23,000 different products and works with more than 85,000 suppliers. The volume of product we ship daily is mind-boggling. In this environment, an organization must be at the top of its game in order to be successful. How does HP do more than simply cope? Well, a good part of the answer is that we have turned to SAP for assistance, and SAP has delivered. Let me be more specific. As a result of deploying an SAP solution for our Integration Hub project, HP has reduced order cycle time 15% and decreased inventory velocity 6%. That's an estimated savings of over US\$6 million a year. This critical project has allowed us to realize the benefits of our recent merger without IT-imposed limitations or dependencies.

Second, HP believes in the Adaptive Enterprise. We know that to win in today's turbulent economic climate, enterprises must be adaptive. As a pioneer of the Adaptive Enterprise, HP "walks the talk." We've successfully put these principles to work in our own internal operations—across a variety of processes and applications.

What exactly is an Adaptive Enterprise? Simply put, an Adaptive Enterprise has gotten its infrastructure right. An Adaptive Enterprise is agile. And it is agile because IT is fully aligned with its business requirements—in the present moment and as it evolves into the future.

Adaptive Enterprise architecture rests on four pillars. It is simple, modular, integrated, and standardized. A perfect example is embodied by SAP's NetWeaver, an advanced integration and application platform many of you may already have deployed. Those of you who have implemented NetWeaver know that it enables you to develop scalable solutions that bring together structured and unstructured information with best-in-class business intelligence, as well as data and knowledge management.

Finally, and equally important in completing the HP-SAP portrait of success, is adherence to industry standards. HP has long been known for our commitment to multiple operating systems and platforms and our support for the open source community. As SAP users who require the utmost in productivity, you particularly benefit from HP's role as a co-developer of the Intel® Itanium® microprocessor architecture. We have provided—and will continue to provide—Itanium®-based servers for a variety of environments. SAP has told us that it is excited to be offering its customers breakthrough 4-way performance on HP's Intel® Itanium® 2-based platforms. And HP is proud to be delivering high reliability, scalability, and the best price-performance ratio in the industry.

Now I'd like to quickly close the loop on my comments by pulling these themes together...

Why has HP been so successful at managing a complex manufacturing environment? Part of the reason, of course, is our own technology leadership. But just as important is our relationship with SAP. By teaming with SAP, we are working with an industry leader who stands side-by-side with us in its belief in the principles of the adaptive infrastructure and its ability to put them to work within its own organization and for its customers.

HP looks forward to the continuation of a long and fruitful relationship with an organization whose ideas, best practices, and solutions are aligned with our own.

Thank you for your time today, and enjoy SAPPHIRE.