

## Houston Chapter **Newsletter**

### April 21 Meeting

#### ***The Art of Perseverance: Oracle's Acquisition of PeopleSoft***

**Doug Kehring, Senior Vice President  
of Corporate Development & Strategic  
Planning, Oracle Corporation**



Doug Kehring is Senior Vice President of Corporate Development & Strategic Planning for Oracle Corporation. The Corporate Development & Strategic Planning Group provides advisory, execution and integration management services to Oracle on mergers and acquisitions, source code licensing, strategic investments, joint ventures and other similar transactions. Over the past four years, Oracle has completed over 55 acquisitions valued at more than \$35 billion. The most significant transactions include the acquisitions of PeopleSoft, BEA Systems, Siebel Systems, Hyperion Solutions, Retek, Primavera and Agile Software. Today, one out of every three Oracle employees has come through an acquisition. The success of the acquisitions and their related integrations has been instrumental in Oracle's doubling its revenue from \$10.2 billion in fiscal 2004 to \$22.6 billion in fiscal 2008, and earnings growth at a compound annual rate of over 26%. Doug has been instrumental in these transactions and in Oracle's amazing success story, and will speak to the FEI group about The Art of Perseverance as it related to the PeopleSoft Acquisition.

*See "Doug Kehring" page 2*

### Professional Development Session: ***Market Risk Management: Financial Statement Impacts*** **Chandu Chilakapati, Director Sirius Solutions**



Market risk volatility can wreak havoc on companies' financial statements. With unprecedented volatility in interest rates, foreign currency, and a cratering of commodity prices, companies should consider hedging their market risks. Those that have hedged are in a better economic position than their competitors. But do their financial statements accurately reflect their risk mitigation?

Derivative and fair value accounting standards require derivatives used to hedge market risk to be recorded at fair value of the asset or liability on the financial statements with an appropriate credit adjustment. Companies mitigating risk with derivatives may find increased earnings volatility due to the changing fair value of these instruments in these highly volatile market conditions. In order to match the change in fair value of the derivative with the timing of the earnings impact of the underlying hedged item, companies' must elect hedge accounting.

Join Chandu Chilakapati's discussion on how to mitigate risk using derivative contracts without adding earnings volatility. Others will talk about the accounting rules; Chandu will discuss potential hedging strategies and the accounting implications of each. He will discuss the impact of hedging vs. not hedging on financial statements in the current markets. He will also explain the key requirements to electing hedge accounting to fairly reflect earnings on financial statements.

*See "Chandu Chilakapati" page 2*

### FEI Houston Chapter

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Chapter Administrator  
Terry K. Newton

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### April 21 Meeting & P.D.

Houston Country Club  
1 Potomac Drive  
P.D. Session (4:30pm):  
**Chandu Chilakapati**  
**Sirius Solutions**  
*Market Risk  
Management: Financial  
Statement Impacts*  
Social Hour: (5:30 pm)  
Dinner (6:30 pm):  
**Doug Kehring**  
**Oracle Corporation**  
*The Art of Perseverance:  
Oracle's Acquisition of  
PeopleSoft*

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### April Meeting Sponsors



## A Letter from the President...



Many of us work in companies where acquisition activity is very much part of the fabric of the business. That has been true of most of my working life, and I have always appreciated a well-executed acquisition strategy. Our April dinner speaker is with an experienced practitioner-Doug Kehring, VP- Corporate Development of Oracle Corporation. Oracle has been successfully closing acquisitions at the rate of one per month over the last five years, and I look forward to his description of their processes for identifying, negotiating, closing, and integrating deals.

Our Platinum sponsor for the April meeting is **Sirius Solutions**, a long-term supporter of Houston's FEI chapter, and they will present our Professional Development session. Our Gold sponsor for the April meeting is **JP Morgan Chase**, also a long-term supporter. The support of fine sponsors like these is vital to our efforts. Please take time to thank these people for their support when you see them at the meeting.

Once again, I would like to remind you of the annual FEI Summit, which this year is just up the road in Grapevine (near Dallas) at the Gaylord Texan. You can register on FEI National's website. Several Houston Chapter members are planning to attend and I encourage all of our members to go. Debbie Clark has mounted a major effort to encourage our local sponsors to attend as well, so you'll see lots of familiar faces.

FEI National is hosting a Career Services Update webcast at 11:00 AM Central on April 7. This would be a good way for members to familiarize themselves with the career transition services offered by our national organization.

With regard to local Chapter events, our annual golf tournament is coming up on April 30 under the capable and experienced leadership of Gerry Trostle. It's a low-pressure "scramble" format, a nice course, and is always lots of fun. Also, please circle Saturday afternoon, May 2, for you and your spouse to watch the Kentucky Derby at our social event at Sam Houston Race Park. Rumor has it that they are still using Mike Vitek's mint julep recipe, so you know they will be good!

With best regards,  
Chris Brewster, President 2008-2009  
[cbrewster@cardtronics.com](mailto:cbrewster@cardtronics.com)

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### Doug Kehring

*from page 1*

Prior to his present position, Doug ran the Strategic M&A Group at Oracle. In addition, he previously served as one of the primary investors in the Oracle Venture Fund, a \$500 million fund created to invest and support innovative companies that develop products and services based on Oracle technologies. Prior to joining Oracle in April 2000, Doug was a technology investment banker at the firms of Donaldson, Lufkin & Jenrette and Dain Rauscher Wessels.

Doug grew up in Bloomington, Minnesota and attended the University of Wisconsin where he earned a degree in Finance. Doug and his family live in the San Francisco Bay area. He is an avid golfer and sports a 4.6 handicap.

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### Chandu Chilakapati

*from page 1*

Chandu Chilakapati is a Director at Sirius Solutions and leads the Derivative Valuation and Technical Accounting Service at Sirius Solutions. He was formerly a Senior Manager at KPMG in their Financial Risk Management practice as well as traded natural gas options and weather derivatives in a former life. He has 10 years of experience with derivatives and fair value and assisted 100's of companies navigate the complex accounting requirements to mitigate economic and financial statement risk. He holds an MBA in Finance and Risk Management from Rice University and a Bachelors Degree in Economics from Washington University in St. Louis. He speaks regularly at National Accounting conferences on Derivatives and Fair Value.

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**Bruce Misamore**

### *Member Career Svcs Chair*

**Eric A. Khan**  
Hydro-Chem

*See FEI Houston Directors,  
Page 3*

## FEI Houston Chapter Social Event

### Kentucky Derby Day & Grand Re-Opening at Sam Houston Race Park

May 2 - 12:30p

*Off to the Races!*



Grab your spouse and join us for our annual Social Event being held this year at the grand re-opening of the Sam Houston Race Park! Live racing at the Park begins at 1:00 p.m. followed by coverage of the Kentucky Derby at 5:00 p.m. Directions and other SHRP info is available via this link [SHRP Link](#). Please note that due to the extensive special activities valet parking will not be available.

We have reserved the Paddock Room on the second floor (club level) of the grandstand from 12:30 to 6 p.m. A fantastic array of hors d'oeuvres, a buffet meal, and beverage service will be available. We will have direct access to the grandstand for private seating and betting stations within our event area. A live concert featuring Joan Jett and the Blackhearts will begin at 6 p.m.

**Reserve your spot now at [www.feihouston.org](http://www.feihouston.org).** Tickets are \$65 per person for members and their guest, and must be picked up at the "Will Call" window as you walk into the park through the main entry. Tickets to the live concert can be purchased separately in advance on the SHRP website or on the event day at the park for \$15 or \$30.

Your reservations for this exciting day of mint juleps, horses, hats and roses must be received no later than April 20<sup>th</sup>. We look forward to seeing you there!

**Sponsored by**



THE SIEGFRIED GROUP, LLP  
*Professional Service Partners*

### FEI Houston Chapter Directors

**Mimi Alciatore**  
University of Houston

**Jerry Blurton**

**Brett Clapsaddle**  
InterMarine Incorporated

**Jeff Curtiss**  
KBR

**M. Colleen Estes**  
Sirius Solutions

**Thomas M. Imre**  
Enerfin Resources Co.

**John D. Thomas**

**Michael J. Vitek**  
Igloo Products Corp.

**David Young**  
MPC Computers

### FEI Houston Chapter New Members

**Ramon Yi**  
Transocean Offshore  
Deepwater Drilling Inc.

**Jairaj Chetnani**  
Quanex Building Products  
Corp.

**Kathy Lynn**  
Sumitomo Mitsui Banking  
Corp.

# FEI Houston Chapter Annual Member, Guest and Sponsor Golf Tournament Thursday, April 30



**BLACKHORSE**  
GOLF CLUB

12205 Fry Road, Cypress 77433  
281.304.1747

Rated in the top 10 of "America's 100 Best  
Courses for \$100 or less"

Named the "Ultimate Public Golf Course" by  
the Houston Chronicle

## INCLUDES:

- Lunch, driving range, green fee, beverages on the course and open bar and dinner after golf
- ½ hour driving range clinic by a Blackhorse teaching pro.
- Prizes for 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup> and last place teams, closest to the pin, and long drive (four flights, based on handicap)
- Cart goodie bags for all players
- Putting contest - chance to win \$5,000 cash!

## FORMAT:

- Scramble – each player tees off. The best tee shot is selected and all players hit second shots from that spot. The best second shot is selected, and all play their third shots from that spot, and so on until the ball is holed.
- Mulligans allowed based on handicap – higher handicapped players will get more mulligans than lower handicapped players

## SCHEDULE:

11:30 – 12:45 Registration, lunch and practice  
12:45 – 1:15 Short game clinic  
1:30 – 6:00 Shotgun start  
6:00 – 7:00 Open bar, dinner and awards

## COST:

\$50 per member (\$150 value), 1<sup>st</sup> guest is free, additional guests are \$50 each (limit three guests per member)

## REGISTRATION:

Watch for an email from the FEI Houston Chapter with registration details. Registration deadline is April 16<sup>th</sup>.

## SPONSORED BY:



## Calendar of Events

April 21

**Monthly Meeting**

**Doug Kehring**

Oracle Corporation

*The Art of Perseverance:*

*Oracle's Acquisition of*

*PeopleSoft*

**Prof. Development**

**Chandu Chilakapati**

Sirius Solutions

*Market Risk Management:*

*Financial Statement*

*Impacts*

April 30

**Annual Golf**

**Tournament**

Blackhorse Golf Club

May 2

**Derby Day Social**

**Event**

Sam Houston Race Park

May 19

**Monthly Meeting**

**Chris Barbic**

YES Prep Public Schools

*New Approach for*

*Educating Houston's*

*Youths*

**Prof. Development**

AON

All meetings listed here

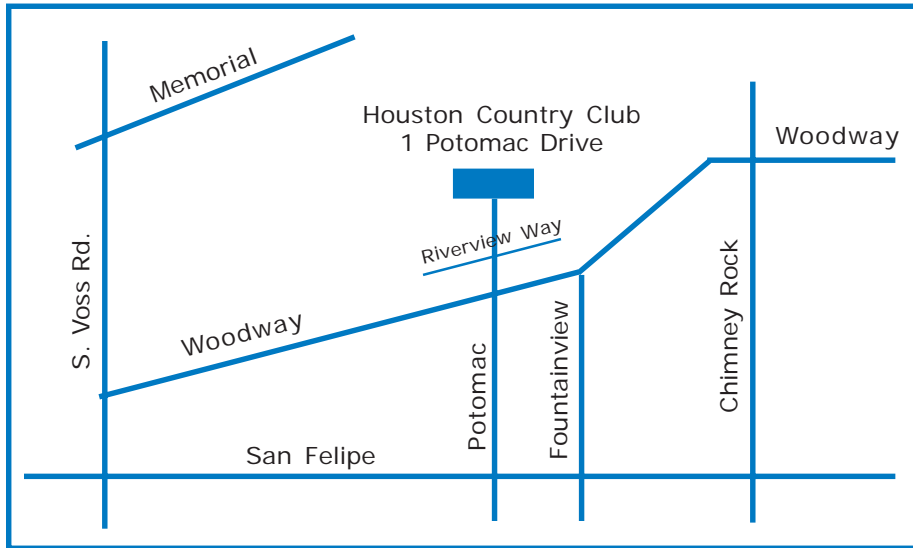
will be held at Houston

Country Club unless

otherwise noted on our

website

[www.feihouston.org](http://www.feihouston.org).



### April Meeting Sponsors



### April 21 Fax/Mail Reservation Form

[Click Here to Register Online](#) or go to [www.feihouston.org](http://www.feihouston.org)

Mail to: P.O. Box 631206, Houston, TX 77263-1206 or Fax to: 713.776.1308  
 One form per registrant please, photocopy as necessary.

**Reservations Required** by 3:00 pm 2 business days before the meeting. may be canceled without cost as late as noon the day before the meeting. "No-shows" will be billed \$90.

**Meeting Location:** *Houston Country Club* - 1 Potomac Drive

**Meeting Cost:** No charge for Chapter Members and 1st time prospective members. Guests -\$90/person (guests & prospective members must be accompanied by member)

\_\_\_\_\_ Attendee Name

\_\_\_\_\_ Organization

\_\_\_\_\_ Address \_\_\_\_\_ City/State/Zip

\_\_\_\_\_ Phone \_\_\_\_\_ Fax \_\_\_\_\_ E-Mail

Check One:  Chapter Member  1st time Prospective Member

Guest \$90 (guest of member): \_\_\_\_\_

Attending:  Professional Development & Dinner  Dinner Meeting Only

**Guests please indicate payment via:**  MasterCard  Visa  Amex

Card#: \_\_\_\_\_ Exp Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

Name on Card: \_\_\_\_\_ Signature: \_\_\_\_\_

Card Billing Address & Zipcode: \_\_\_\_\_

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#### Platinum Sponsors

AON Risk Services

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**Sirius Solutions**

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Dinner (6:30 pm):

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