

HP's new CEO to start job in a courtroom

October 12 2010, By JORDAN ROBERTSON , AP Technology Writer

(AP) -- Hewlett-Packard Co.'s new CEO will start his job in a courtroom - and in the crosshairs of HP's new antagonist, Oracle Corp.

Court documents show that Leo Apotheker is being called as a witness in Oracle's corporate espionage trial against rival SAP AG, Apotheker's employer of more than 20 years.

The trial starts Nov. 1, the same day Apotheker starts at HP.

The biggest fireworks in the case seemed to have fizzled two months ago, when SAP said it wouldn't fight Oracle's central claim, that an SAP subsidiary stole valuable customer-support materials from Oracle and tried to use it steal customers.

But Apotheker's appointment at HP dragged the world's biggest technology company into the mix, and the trial will give Oracle's lawyers a chance to take a run at HP's new leader.

He is expected to testify about how much SAP's management knew about its TomorrowNow subsidiary's illicit activities.

In a statement Monday, Ray Lane, HP's incoming chairman, said that TomorrowNow was never under Apotheker's supervision and that it was Apotheker who shut down the division after he became SAP's CEO in 2008.

TomorrowNow is accused of plundering Oracle documents from

password-protected websites. It had access to those sites through its own customers, which had bought Oracle software but hired TomorrowNow to help support it.

According to Oracle's complaint, TomorrowNow abused its access to those sites by lifting materials including software updates, bug fixes, instructional documents, custom programs and frequently-asked-questions lists.

Apotheker lasted less than two years as SAP's CEO. SAP decided not to renew his contract after SAP's finances suffered, in part because of price hikes Apotheker implemented that many customers resisted.

His involvement in the SAP-Oracle dustup adds to the turmoil atop HP.

In August, HP forced out CEO Mark Hurd in the wake of a sexual-harassment investigation that unearthed inaccurate expense reports. HP's market value plunged following Hurd's departure. In his statement Monday, Lane said Hurd violated the board's trust by "repeatedly lying" during the course of that investigation. He did not offer specifics. A spokesman for Hurd declined to comment.

SAP, Oracle and HP also declined further comment.

Apotheker was hired along with Lane to help restore investors' confidence, but many investors are worried because Apotheker hasn't offered many details about his plans for HP. HP's stock has fallen 2 percent since his appointment.

HP and Oracle are longtime partners whose friendship has fractured with Oracle's entry into the computer-server market and its hiring of Hurd.

Hurd a friend and tennis buddy of Oracle CEO Larry Ellison. As co-president of Oracle, Hurd will help lead Oracle's charge against HP.

The SAP-Oracle trial is now about damages. Oracle says it's owed \$1 billion. SAP says that figure is far too high.

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