

Ellison keeps paws off NetSuite (for now)

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We've been wondering what Larry Ellison plans for NetSuite Inc., the business software maker that **filed** in July to go public and is 74%-owned by the Oracle Corp. [**ORCL**] CEO. According to an **amended S-1** filed Tuesday, it looks like Ellison will take an arm's length approach with the company, which develops on-demand enterprise resource planning and customer relationship management software for small to medium-sized businesses. Ellison plans to place 60% of his NetSuite holdings into a so-called lockbox limited liability company, a move that would remove his right to appoint directors to the company's board after its \$75 million IPO, the filing says.

The other two largest shareholders in NetSuite pre-IPO are its chairman and chief technology officer Evan Goldberg, who owns 8.4%, and New York-based venture fund **StarVest Partners LP**, which holds a 5.1% stake, the amended S-1 says. Oracle supplies NetSuite with its database software and "is also a potential competitor of ours," the filing says. Even with Ellison's reduced control of the company, stay tuned to see how NetSuite shares will perform in Oracle's shadow. - *Olaf de Senerpont Domis*