

## NetSuite IPO to put Ellison even further above the poverty line

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Larry Ellison's NetSuite of San Mateo is expected to [make its initial public offering](#) of stock later this week, probably on Friday. Ellison owns 55 percent of the company, which tentatively plans to price its shares between \$13 to \$16.

This event has so many fun subplots, it's hard to know where to start.

First, NetSuite is an on-demand application provider, which means it sells subscriptions to business management software over the Web. If that sounds familiar, that's because [Salesforce.com](#) of San Francisco does pretty much same thing. [Salesforce.com](#) was founded by former Ellison protege

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Marc Benioff. Former, because Benioff was miffed that Ellison turned around and backed NetSuite.

So now both rivals will be public.

Next, as noted above, Ellison owns the majority of shares in NetSuite. Like it's not enough that he has sold \$1.25 billion worth of Oracle stock so far in 2007. Now, his NetSuite shares will be worth \$415.48 million.

However, back in October, Ellison and NetSuite disclosed that Ellison has transferred his 31.96 million shares into a limited liability company in order to mitigate potential conflicts of interest with his duties as chief executive at Oracle. Before being transferred, the shares were held by Ellison's investment vehicle, Tako Ventures. The move limits his voting control

over the election of directors at NetSuite and various other corporate matters.

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Larry Ellison owns 55 percent of NetSuite, which is expected to... (David M. Barreda / Mercury News)

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