Oracle sets to reach the likes of Microsoft and Amazon as it shells out $9.3 billion for NetSuite, the cloud services pioneer whose investors include no other than former Oracle CEO Larry Ellison.



In fact, Ellison's investment in NetSuite-- one covering around 45.4% of the company when including members of Ellison family-- brings about shadows of conflict-of-interest allegations in the deal, particularly if Oracle is seen to have paid a multiple higher than other historic acquisitions of similar cloud software companies. That said, Oracle insists the deal will only close once it gets approvals by owners of the NetSuite shares not held by Ellison and his family.

The NetSuite acquisition is be the second biggest in Oracle history, following the 2005 hostile takeover of PeopleSoft. Oracle has been late to the cloud game (back in 2008 Ellison famously described it as "gibberish") but is currently eager to use its war chast to play catch-up, with May 2016 seeing it buy Opower and Textura in the space of a single month.

As mentioned in the beginning NetSuite is something of a cloud pioneer-- after all, it is one of the first companies to distribute software over the internet. It recently unified its various accounting functions (billing, revenue recognition, orders and subscriptions) in a single cloud-based product.

The NetSuite deal should close by end 2016 following regulatory and shareholder approval.

Go Oracle Buys NetSuite