

EXHIBIT 2

July 27, 2002

By Federal Express

Mr. David Chavez
Assistant General Counsel
PeopleSoft, Inc.
4305 Hacienda Drive
Pleasanton, California 94588

Dear Mr. Chavez:

Thank you for your July 10, 2002 letter regarding TomorrowNow's offering of upgrade services and extended support services to customers operating on retired or retiring PeopleSoft software releases. Having investigated the facts within TomorrowNow, I am writing to assure you that we have found no reason to believe that TomorrowNow has taken any unlawful action that may have injured PeopleSoft.

First, TomorrowNow has not disparaged PeopleSoft. The statements in TomorrowNow's correspondence with prospective customers and customers are neither false nor misleading. PeopleSoft's product releases – currently supported and retired – have numerous unresolved software issues for each release, and historically PeopleSoft has not fixed every issue, known and unknown, for a specific release before retiring said release. Furthermore, given the complexity and breadth of its software, PeopleSoft knows that it is unlikely and improbable that all software issues for any particular release are all known by the retirement date of a specific release.

All software developers, including PeopleSoft, know that software issues can present a serious risk of system failures and downtime. If these were not true, PeopleSoft would not have a product support staff to diagnose issues and software developers to address issues with currently supported releases. PeopleSoft would not offer its Supplemental Support or other extended release support programs to customers on retiring and retired releases. And PeopleSoft itself, TomorrowNow, and other companies would not be in the business of providing support services for retired releases.

It is TomorrowNow's professional and expert opinion that a prudent customer should either upgrade to a new, currently supported release or contract with a firm for extended service if they do not believe that full support by their internal staff is the best or a viable

BR-00093

Mr. David Chavez
PeopleSoft, Inc.
Page 2 of 5

solution for their unique circumstances. In order that customers be able to make the best and most appropriate decision for their circumstances, we believe customers are entitled to and need to know the facts about all of the options available to them, as well as the different, but real risks and benefits of each option. Remaining on a retired release is a viable customer strategy, and PeopleSoft apparently concurs with TomorrowNow's opinion since it chooses to offer customers its own extended release support service for retired releases. Contracting for services with TomorrowNow is one alternative for a customer. Contracting with PeopleSoft for similar services is another alternative for a customer. There is significant customer demand for both upgrade services and extended release support services for retired PeopleSoft releases.

Second, TomorrowNow has not engaged in false advertising of its ability to provide any service to PeopleSoft customers. In your letter of July 10, 2002, you specifically claim that TomorrowNow is misleading customers about its ability to perform PeopleSoft 8 upgrades, and claim that TomorrowNow cannot provide such services because it is not "a certified member of PeopleSoft's alliance network."

We are very concerned and disturbed by these claims. As Assistant General Counsel for PeopleSoft, you are undoubtedly aware, or certainly should be aware, that (a) there is no requirement that a service provider join or be affiliated with any PeopleSoft-controlled alliance before servicing a customer's PeopleSoft software, (b) the tools for physically upgrading releases are built into the PeopleSoft software release itself and licensed with the software product to customers, (c) customers who pay PeopleSoft for annual support services have rights to access and use PeopleSoft upgrade documentation and instructions made generally available to PeopleSoft's annual support services customers regardless of whether a customer chooses to hire PeopleSoft, a third-party, or internally and independently performs the upgrade process, (d) many software upgrades are performed by customers without fee-based consulting assistance from either PeopleSoft or its certified alliance network members, and (e) many software upgrades are performed by customers without their internal project staff of employees and/or contractors receiving any full education or training equivalent to PeopleSoft's "Consultant Certification" curriculum used by PeopleSoft internally for its fee-based consultants or the curriculum used for the fee-based consultants of its certified alliance network members.

Despite the fact that this well-known information was available to you prior to your letter of July 10, 2002, we understand that PeopleSoft is telling customers that there are legal and other reasons that TomorrowNow cannot provide these services. We can only conclude that PeopleSoft is attempting to (a) knowingly mislead its customers about their rights under their software license and support agreements to select and use any service provider willing and able to perform services relating to PeopleSoft software, (b) pressure and intimidate TomorrowNow out of competition with PeopleSoft and its certified alliance partner network, (c) create competitive barriers for TomorrowNow and perhaps other independent service providers, and (d) control the vendor market from which customers using PeopleSoft software can choose a service provider.

Whether TomorrowNow may claim that it can perform software upgrade services and extended release support services for retired releases for PeopleSoft products depends only on whether it actually can provide such services.

BR-00094

Mr. David Chavez
PeopleSoft, Inc.
Page 3 of 5

TomorrowNow has successfully provided PeopleSoft upgrade services to satisfied customers for almost four years (including PeopleSoft 8 upgrade services), continues currently to perform PeopleSoft 8 upgrade services, and plans to continue offering upgrade services for PeopleSoft products. All of TomorrowNow's Upgrade Specialists are very experienced in performing PeopleSoft software upgrades. All were trained while employed at PeopleSoft ("PeopleSoft-trained") in performing software upgrades, and they all are very able to perform any services contracted for between TomorrowNow and its customers.

With respect to TomorrowNow's ability to provide extended release support services, TomorrowNow has the most experienced extended release support services management team in the industry. TomorrowNow's extended release support management team is the same management team that successfully created, launched, and managed the first such extended support programs at PeopleSoft, Inc. for the PeopleSoft 5 and PeopleSoft 6 releases. TomorrowNow's extended release support team includes PeopleSoft-trained, competent, and experienced technical and functional specialists to deliver services as contracted by TomorrowNow.

As for your claim that TomorrowNow's communications and website create the impression that TomorrowNow is affiliated with or sponsored or endorsed by PeopleSoft, we simply disagree. Our statements have been factually correct. The fact that TomorrowNow is in the business of providing upgrade services and extended release support services for PeopleSoft software should not mislead anyone to think that TomorrowNow, Inc. is part of or affiliated with PeopleSoft, Inc. In fact, we are competing with PeopleSoft in many prospective deals. It is not the result of any TomorrowNow statement if someone carelessly, and without good reason, leaps to another conclusion.

Given these facts, there is no justification for your conclusion that TomorrowNow has violated the Lanham Act, much less engaged in common law disparagement, false advertising, or tortious interference.

Third, TomorrowNow has not used any PeopleSoft trade secrets or proprietary information to advance the interests of TomorrowNow. The identities of the customers to whom TomorrowNow addressed its mailings are available in the public domain or lawfully available. Indeed, PeopleSoft provides a list of its customers on its web site, in its marketing materials, in its press releases, and in its annual reports, and there is no basis for asserting that this information is maintained as confidential or trade secret. Moreover, Mr. Ravin did not use any confidential PeopleSoft customer list in addressing any of the letters that were sent by TomorrowNow. Nor has Mr. Ravin, or any other TomorrowNow employee, used or disclosed any PeopleSoft confidential information in performing their duties for TomorrowNow. Accordingly, your suggestion that Mr. Ravin may have acted in violation of a contractual obligation that he may have had to PeopleSoft is both unsupported, and without basis in fact.

Mr. David Chavez
PeopleSoft, Inc.
Page 4 of 5

Given the conclusions of my investigation, there is no reason for TomorrowNow to change its customer communications or withdraw any of its marketing statements.

Unfortunately, PeopleSoft now has given TomorrowNow reason to be very concerned that PeopleSoft is disparaging TomorrowNow among their common customers and potential customers. We understand that PeopleSoft has told our common customers and potential customers that there are legal and other impediments to TomorrowNow's providing services for PeopleSoft software. This is untrue. TomorrowNow may lawfully offer these services to PeopleSoft software users, and it is competent to do so. Any statement by PeopleSoft to the contrary is false and misleading. We view this as motivated by the desire to foreclose competition from TomorrowNow as an independent service supplier. If PeopleSoft's statements cause TomorrowNow to lose business or suffer competitive harm or damage to its good and valuable reputation, then it is PeopleSoft that may have to respond in damages.

TomorrowNow intends to compete fairly in the marketplace and expects PeopleSoft to do so also. We strongly recommend that PeopleSoft take immediate steps to assure that its managers, employees, and representatives in its outside sales, inside sales, account management, product support, support policy strategy, customer services, consulting services, legal, and other departments are reminded about the serious risks to PeopleSoft of making or allowing the propagation or making of any false or misleading statements about TomorrowNow, including, but not limited to, any false or misleading statements about TomorrowNow's ability to provide extended release support services for PeopleSoft retired releases, or TomorrowNow's ability to provide release upgrade and migration services to customers using PeopleSoft products (including any statements similar to those made by you in your July 10, 2002 letter to TomorrowNow).

TomorrowNow is continuing to document statements from customers and prospective customers about such damaging statements made by PeopleSoft managers, employees, and representatives, as well as documenting any and all financial and contractual losses where a customer or potential customer states that such false or misleading comments by PeopleSoft in any way negatively impacted their decision about contracting with TomorrowNow and TomorrowNow suffers a contract loss, or where TomorrowNow may have had to offer costly special financial or service incentives to a customer, including service discounts, as a result of any such tortious statements made by PeopleSoft managers, employees, and representatives.

I hope that this letter explains TomorrowNow's position to PeopleSoft's satisfaction. If it does not, and specific and sufficient evidence is presented to us that warrants further investigation, we will certainly perform such an investigation.

Customers are asking TomorrowNow more and more to represent them in dealings with PeopleSoft, Inc. relating to their PeopleSoft system issues and needs. If PeopleSoft's senior management team agrees that it would be fruitful for representatives of our companies to meet to resolve any open issues or just establish reciprocal points of contact for the benefit of our mutual customers, we are willing and available to do so. We remain hopeful that TomorrowNow and PeopleSoft can develop an amicable and positive working relationship.

BR-00096

Mr. David Chavez
PeopleSoft, Inc.
Page 5 of 5

Nevertheless, TomorrowNow expects and is determined to be able to compete as an independent provider of services for PeopleSoft products on a level, fair, and legal playing field against its competitors, including PeopleSoft and its certified alliance network members.

If you would like to discuss these issues further, please feel free to contact me at your earliest convenience. If someone in PeopleSoft's senior management team wishes to contact TomorrowNow in order to discuss establishing a working relationship, they should contact Seth A. Ravin. For written communications, please note our new headquarters address of 3131 East 29th Street, Building E, Bryan, Texas 77802.

Sincerely,

James R.J. Spencer
General Counsel
TomorrowNow, Inc.
(979) 595-1300

BR-00097