Patti Solomon

From: James 'J' Allard
To: Bob Muglia; David Thompson (NT); David Treadwell; Jim Allchin; John Frederiksen; Kerry Schwartz; Richard Tong
Subject: FW: UUNET/Spyglass deal
Date: Wednesday, January 11, 1995 2:26PM

fyi: these are prelim versions of the release and q&a for bill's announcement tonite. we'll be announcing our equity stake in uunet as an internet provider through marvel and our licensing deal w/ spyglass for a web client. not directly related to bsd, but if questions come up through you, here is the party line.

From: Alec Saunders
To: James 'J' Allard; Renee Dunn (Greenup); SYS WinIntl Sub Product/Program Mgrs
Subject: UUNET/Spyglass deal
Date: Wednesday, January 11, 1995 1:46PM

On Thursday night in a speech which outlines Microsoft's internet strategy, Bill will announce that Microsoft has acquired a stake in a company called UUNET and that UUNET will be building dedicated capacity onto the global internet to serve Microsoft Network customers. UUNET is one of the original internet service providers here in the US. At the same time Bill will announce that Microsoft licensed the NCSA Mosaic source code for use in creating World Wide Web browsers for a variety of Microsoft products.

Although these announcements aren't specifically Windows 95 announcements (other than the fact that MSN runs only on Windows 95) you need to understand what is happening and what questions are likely to come up that ARE Windows 95 related. You will be asked questions about whether or not this browser will ship with Windows 95, whether this is a response to OS/2 Warp etc., so be prepared.

Here are the DRAFT announcements (do not release these) and rude Q&A's. If you have questions, please send mail.

Alec.

<<File Attachment: SPY9.DOC>><<File Attachment: SPYQ1.DOC>><<File Attachment: UUNET4.DOC>><<File Attachment: UUNETQ.DOC>>

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4th DRAFT-1/11-7:15 a.m.

For release: 6:00 a.m.

Microsoft embraces Internet standard and licenses Mosaic technology

Mosaic technology from Spyglass and NCSA to used for future Microsoft products

Seattle, WA---January 13, 1995 -- Microsoft Corporation announced it has signed an agreement with Spyglass, Inc. to license Spyglass and NCSA (National Center for Supercomputing Applications) technology that includes the industry standard Mosaic software for browsing the Internet's World Wide Web. Microsoft intends to enhance and integrate the technology including NCSA Mosaic-based browsing into various Microsoft products.

//Microsoft disclosed in a related announcement today that it will use this enhanced browsing technology in combination with The Microsoft Network, Microsoft's planned online service, to offer Microsoft Network members seamless access to both Internet World Wide Web sites and Microsoft Network content and services. Microsoft has formed a strategic relationship with UUNET Technologies, Inc., to build a new dedicated, global network connected directly to the Internet. Microsoft is targeting this new network capability and the browser software to be available by the end of 1995.//

"By choosing NCSA Mosaic as the basis for World Wide Web browsing capability in future products, Microsoft is building on the de facto standard for the Internet. We have

always believed in providing open standards for our customers and industry partners and we want to extend that belief by adopting Internet standards in our products." said Mike Maples, Executive Vice President, Products.

"It's a win-win-win situation for the Internet community, Spyglass, our partners, University of Illinois, and Microsoft. We are happy Microsoft has selected the open standard of Mosaic technology for users of the Internet," said Douglas P. Colbeth, President and CEO of Spyglass, Inc.

Microsoft will work closely with the University of Illinois' NCSA in developing, utilizing and creating standards for future Internet technology. The University of Illinois originally licensed its Mosaic technology to Spyglass in 1994.

"Microsoft's decision to adopt NCSA Mosaic will greatly accelerate the move toward an open globel standard for browsing the Internet," said Larry Smarr, Director of NCSA "We believe that Microsoft's support will dramatically expand the number of people that can enjoy the Internet's rich multimedia resources residing on the World Wide Web."

Founded in 1975, Microsoft (NASDAQ "MSFT") is the worldwide leader in software for personal computers. The company offers a wide range of products and services for business and personal use, each designed with the mission of making it easier and more enjoyable for people to take advantage of the full power of personal computing every day.

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Q. Why is Microsoft licensing the Mosaic software and not creating their own from scratch?

A. Microsoft feels that NCSA Mosaic is the de facto standard for the Internet. As we have set an example with our Windows products, we believe in standards for the industry. That is why we have decided to adopt Mosaic as our standard for our customers. We plan to extend and enhance the Mosaic software and use it in a variety of capacities for our product lines.

Q. Does this mean that customers can only use the browser in Windows 95?

A. The Mosaic software will be the basis for WWW browser capability in a variety of ways in our product lines.

Q. So this means that Windows 95 will ship with Mosaic built-in?

A. At the present time there are no plans to ship ~~Windows 95 with~~ the Mosaic software in the Windows 95 box when it ships in August of this year.~~built-in~~. Our plan is to deliver this capability shortly after Windows 95 ships.

Q. How will Mosaic be used in Windows 95?

A. ~~Thomasre talk about what this will be.~~ At this time we have no plans to ship Mosaic in Windows 95 when it ships in August. We plan to enhance Mosaic using many of the capabilities of Windows 95, and to deliver this software to customers after Windows 95 ships. ~~We want to give Mosaic a face lift to make it as easy to use as Windows 95 generally.~~

Q. Will Windows 95 offer one-button sign up to the internet the way OS/2 warp does?

A. ~~Yes.~~ Customers will be offered sign-up to ~~the Internet and~~ the Microsoft Network which will include full internet access using the Microsoft Network sign-up wizard.

Q. So, Microsoft is behind because OS/2 warp has already embraced internet connectivity and they also licensed technology from Spyglass&NCSA, how is this different?

A. The Windows family, today, is already the most popular platform for accessing the internet. TCP/IP stacks, and implementations of Windows sockets are already available from Microsoft and from third parties for both Windows NT 3.5 and for Windows and Windows for Workgroups. There is a broad array of 3rd-party Internet tools available for the Windows platform, from vendors such as Netscape, Booklink, FTP, NetManage, NOTIS, Quarterdeck. There is no equivalent OS/2 market.

Current beta's of Windows 95 already contain a robust 32 bit TCP/IP stack, internet Dial-up capability using either PPP or SLIP, and internet utilities like telnet, ftp, and ping. Windows 95, today, is a solid foundation for accessing the internet, whether by dial-up from home, over the corporate LAN, via ISDN, or other future high speed links. With the Mosaic software, Microsoft ~~Windows 95~~ will also offer the ease-of-use of the WWW to customers. ~~OS/2 Warp (explain what they *really* licensed from Spyglass: the only licensed a Windows client, the Warp stuff is not based on Spyglass code)~~

~~from Spyglass).~~

~~Additionally, there is a broad array of 3rd-party Internet tools available for the Windows platform, commercial versions from vendors such as Netscape, Booklink, FTP, NetManage, NOTIS, Quarterdeck; there is no equivalent OS/2 third-party market.~~

Q. Spyglass&NCSA technology supports MAC ... will Microsoft be taking advantage of this capability?

A. Microsoft has a strong business in applications for the MAC environment and we are committed to the MAC platform. At this time, we are not ready to announce our plans for supporting this environment. (If pressed on this, we can say that we in fact have also licensed Macintosh source code)

Q. Why not Netscape?

A. Netscape is committed to the Windows 95 environment, we think it's great that they are offering solutions for Windows 95 customers and ISVs on the internet. However, Spyglass&NCSA's solution better fit our technology model because ~~of its open standard for security protocols.~~it is the de facto standard, with the most mileage and most openness going forward. (do NOT discuss security architectures).

Q. What about Booklink being used as the browser in Word Assistant? Will Microsoft drop Booklink ?

A. ~~Please have Peter Pathe check out... Microsoft is committed to the internet and we will use the best technology that supports it for our product line~~ The technology Microsoft has licensed from Booklink is only a transport engine, the viewing code itself is microsoft code. Internet assistant ~~ia~~ will use the best transport technology available as it moves to 32-bits.

Q. Why did Microsoft choose Spyglass&NCSA over BookLink?

A. By endorsing open standards and licensing their code base widely, NCSA~~Spyglass~~ has become a major force driving the development of Web technology. At this important stage in the Web's development, Microsoft feels that it is important that Web technology remain open, and as a result we have chosen to use the NCSA~~Spyglass~~ code as the base for our future Web efforts, including the 32-bit version of Word Internet Assistant.

Q. But didn't Microsoft endorse BookLink's proprietary technology?

A. For the purposes of creating the 16-bit version of Word Internet Assistant, Microsoft licensed protocol implementations from BookLink. Protocols such as HTTP, FTP and Gopher represent open standards, and as such are the property of the Internet community. As part of Word Internet Assistant, Microsoft did not implement proprietary extensions to these protocols.

Q. But isn't Spyglass&NCSA technology inferior to BookLink?

A. Over the last year, Spyglass has made many improvements to the NCSA Mosaic (TM) code base, resulting in impressive gains in usability, speed and stability. Recently, Spyglass&NCSA have ~~has~~ also made a commitment to implementing Windows technology, including producing a 32-bit version, and implementing OLE. Given the Spyglass&NCSA commitment to licensing, open standards and Windows technology, we feel that their code base is the most appropriate for us.

Q. Isn't Microsoft going to put Netscape/Booklink/??? out of business?

A. No. Microsoft's use of this technology does not limit the ability of other companies to innovate in this dynamic and exciting market.

Q. Will Microsoft endorse Spyglass security architecture (S-HTTP) over Netscape (SSL)?

A. ~~No.~~ We are not committing to any security architecture at this time. ~~However, we will be adding technology from our Visa partnership to our Mosaic. Note that full session security (S-HTTP vs. SSL) and secure private transactions (Ecommerce) are different problems to solve. (I just added this, I still have not heard from Bfox so I am winging it here - ThomasRe).~~