



1 (DEPOSITION EXCERPTS OF BILL L. VEGHTE.)

2 Q. OKAY. DOES THIS SENTENCE, "WE NEED TO  
3 THINK HARD ABOUT HOW HARD WE WELD IE 4 INTO  
4 MEMPHIS," DOES THAT SUGGEST THAT YOU WERE  
5 CONSIDERING THE POSSIBILITY OF NOT INCLUDING IE 4  
6 WITH MEMPHIS, AS YOU CAN RECALL TODAY?

7 A. IE VERSION FOUR?

8 Q. WELL, I THINK THE TERM IE--I'M USING  
9 WHAT'S IN THE E-MAIL HERE THAT YOU WROTE, IE 4.

10 A. YES.

11 Q. SO, THAT WAS A--YOU WERE CONSIDERING AT  
12 THAT TIME WHETHER OR NOT IE 4 SHOULD BE DELIVERED  
13 WITH MEMPHIS?

14 A. IE 4 VERSUS IE 3?

15 Q. YES.

16 A. CORRECT.

17 Q. OKAY. AND WHAT WERE THE FACTORS THAT  
18 WERE GOING INTO YOUR THINKING AS TO WHETHER OR  
19 NOT IE 4 SHOULD BE WITH MEMPHIS?

20 A. WE HAD A SET OF HARDWARE NEEDS--USB,  
21 FOR EXAMPLE--THAT OUR HARDWARE PARTNERS SUCH AS  
22 INTEL, COMPAQ, NEC FELT WERE VERY, VERY IMPORTANT  
23 TO GET OUT TO THE MARKETPLACE.

24 IE 4 WAS STILL UNDER DEVELOPMENT AS WAS  
25 WINDOWS 98, AND THERE WAS SORT OF WHEN WOULD THE

1 PRODUCTS BE READY. SO, WE HAD A VERY DIFFICULT  
2 DECISION TO MAKE, WHICH IS DELIVERING AND  
3 JUMP-STARTING OUR HARDWARE PLATFORM CAPABILITIES  
4 VERSUS THE NEEDS THAT OUR SOFTWARE PARTNERS HAD  
5 WITH IE 4.

6 SO IT WAS--IT WAS A DIFFICULT DECISION  
7 BECAUSE YOU HAVE HARDWARE PARTNERS SAYING, "WE  
8 NEED USB. WE NEED USB." AND WE HAVE OUR  
9 SOFTWARE PARTNERS SAYING, "HEY, THERE'S GREAT  
10 CAPABILITIES IN IE 4. WE WANT IE 4." SO THAT  
11 WAS A TIMING ISSUE THAT WE HAD TO THINK THROUGH.

12 Q. SO, DAVID COLE WAS DEVELOPING INTERNET  
13 EXPLORER 4 AS OPPOSED TO YOUR GROUP DEVELOPING  
14 HARDWARE ADVANCES?

15 A. CORRECT.

16 Q. AND THEY WERE ON DIFFERENT TIME  
17 SCHEDULES?

18 A. THEY WERE TRYING HARD TO SYNC THEM, BUT  
19 OFTEN OPERATING SYSTEMS TAKE A LONG TIME TO  
20 DEVELOP AND RELEASE.

21 Q. WELL, WOULD IT BE FAIR TO SAY THAT IN  
22 FEBRUARY OF 1997, THEN, A DECISION HAD NOT YET  
23 BEEN MADE AS TO WHETHER IE 4 WOULD BE INCLUDED  
24 WITH MEMPHIS?

25 A. I DON'T RECALL EXACTLY THE DATE IN

1 TERMS OF WHEN THAT DECISION--WHEN WE SORT OF MADE  
2 THAT DECISION.

3 (EXCERPT.)

4 Q. DO YOU KNOW WHETHER MICROSOFT EVER  
5 RELEASED TO PEOPLE OUTSIDE OF THE COMPANY A  
6 VERSION OF WINDOWS 98 THAT DID NOT INCLUDE IE 4?

7 A. I'M SORRY. THE QUESTION ONE MORE TIME  
8 WAS--

9 Q. DID YOU EVER RELEASE--DID MICROSOFT  
10 EVER RELEASE TO PEOPLE OUTSIDE OF THE COMPANY A  
11 VERSION OF WINDOWS 98 THAT DID NOT INCLUDE IE 4  
12 SHELL?

13 A. YES.

14 WAIT A MINUTE. YOU--

15 Q. IE 4--I'M SORRY. IE 4, PERIOD.

16 A. YES.

17 (EXCERPT.)

18 Q. YOU MENTIONED THAT DEVELOPERS WHO WOULD  
19 HAVE LIKELY RECEIVED THIS PARTICULAR VERSION OF  
20 WINDOWS 98 WERE DEVELOPERS THAT WERE BETTING ON  
21 THE RELEASE OF WINDOWS 98.

22 WHAT DO YOU MEAN BY THAT?

23 A. USB, FOR EXAMPLE, WAS A KEY ISSUE FOR  
24 THEM, AND WE NEEDED--OR WDM AUDIO, RIGHT, WHERE  
25 PEOPLE WERE TRYING TO WRITE AUDIO DRIVERS FOR NT,

1 AND SO THOSE EARLY SERVICES WERE IMPORTANT TO  
2 THEM TO LOOK AT THE INTERFACES AND LOOK AT THE  
3 DESIGNS AND CORRESPONDING FOR ACPI.

4 PEOPLE WERE BUILDING MOTHERBOARDS AND  
5 BUILDING BIOS'S, AND THEY WANTED TO GET AN EARLY  
6 LOOK AT WHAT THOSE CAPABILITIES AND WHAT THAT  
7 ARCHITECTURE MIGHT LOOK LIKE, BUT, YOU KNOW, IN  
8 VERY EARLY SORT OF PROTOTYPE STAGES.

9 (EXCERPT.)

10 Q. OKAY. YOU THEN SAY, "HOW MUCH BROWSER  
11 SHARE DO WE EXPECT TO GAIN BY DOING THIS WHEN  
12 MOST OF OUR BROWSER SHARE COMES FROM OEM, WINDOWS  
13 RETAIL PRODUCT, AND BUNDLE DEALS WITH AOL?"

14 WHAT ARE YOU THINKING ABOUT IN THAT  
15 SENTENCE?

16 A. I'M THINKING ABOUT DISTRIBUTION OF  
17 INTERNET EXPLORER.

18 Q. ARE YOU SUGGESTING HERE THAT IE 5  
19 SHOULD NOT BE DISTRIBUTED AT ALL?

20 A. NO.

21 Q. IS IT YOUR VIEW THAT IE 5 SHOULD NOT BE  
22 DISTRIBUTED AT ALL AS A SEPARATE STAND-ALONE  
23 PRODUCT?

24 A. IN THIS SPECIFIC TO THIS MAIL THREAD?

25 Q. PERHAPS NOT SPECIFIC TO THIS MAIL

1           THREAD.   I MEAN MORE GENERALLY.

2           A.     SO, TODAY?

3           Q.     YES.

4           A.     NO.

5           Q.     WHY DO YOU THINK IT'S STILL IMPORTANT  
6           TO SHIP IE 5 AS A SEPARATE PRODUCT?

7           A.     BECAUSE THERE WILL BE A CLASS OF  
8           CUSTOMERS THAT MAY WANT TO GET THOSE CAPABILITIES  
9           WITHOUT UPGRADING THEIR OPERATING SYSTEM.  
10          THERE'S A CLASS OF CUSTOMERS OR OF PARTNERS THAT  
11          WANT TO ENSURE THAT THOSE CAPABILITIES ARE MORE  
12          BROADLY AVAILABLE THAN SIMPLY TO THOSE CUSTOMERS  
13          THAT BUY WINDOWS 98.

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