Forward Verified: Sun Sep 20 23:29:02 1998
Subj: **Re: Technology Group Update: W/E 9/11/98**
Date: 9/20/98 10:48:07 PM Eastern Daylight Time
From: BPittC21
To: Steve C
Sent on: AOL 3.0 for Windows 95 sub 62

In a message dated 98-09-20 22:29:51 EDT, you write:

<< Subj: Re: Technology Group Update: W/E 9/11/98
Date: 98-09-20 22:29:51 EDT
From: Steve C
To: BPittC21
Sent on: AOL 4.0 for Windows 95 sub 214

GOVERNMENT EXHIBIT 2240
PENGAD-Bayonne, N. J.

In a message dated 9/20/98 12:06:03 AM Eastern Daylight Time, BPittC21 writes:

<< **Netscape**

Progress continues in Mtn View to further improve speed and feature coverage. An AOL/Irvine engineer will spend most of September at NS. The latest code eliminated more performance bottlenecks.

Next steps are being explored further this week and a detailed schedule for completing the product is being worked out. The NS team remains confident that they can hit a 12/1 GM date based upon the existing specification. >>

One of the big open questions in my mind about NS deal relates to use of their browser. Our relationship with MS is strained and will get much much worse so matter how we play it. We should do some scenario planning to understand what possible impacts might be of NS deal. I know the current thinking is we should continue with IE to stay in Win98 and get those registrations. I realize a lot of registrations are at stake, but I wonder if we buy NS, and commit to migrate to their browser instead, what impact that will have on MS contract. Specifically, if we push share to NS, can MS really pull us out of Win98? (legally, as well as would be it palatable given current antitrust attention) Maybe we can get comfortable with putting our support behind NS so they really have browser share momentum (suddenly they would have more than 2/3 share again!) because MS will have trouble pulling us, or even if they do, given bundling/pipeline issues for Win98, it will take a long time (1 year?) before there is meaningful degradation in our registrations, esp. given our other OEM deals.

Obviously a big big issue to figure out! My main point is we shouldn't assume we need to or want to maintain IE as pnmary browser. Maybe that's the right answer, but maybe not – we should push down on all possibilities before deciding.

SC >>
We're wrestling with it over and over. For exactly the these reasons....

.....and we may be able to accomplish both goals.

...but I do think MSFT is too strong to throw them out of the tent--they can hurt us if they think they have no other option. I think we need to stay in business with them, create a need for them to need us...and then leave ourselves the flexibility to always accomodate them to a certain extent....

AOL/NS[illegible]0829
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