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From: Paul Maritz
Sent: Thursday, June 20, 1996 11:29 AM
To: Brad Silverberg; Jim Allchin (Exchange); Craig Mundie; David Cole; Bob Muglia; John Ludwig; Brad Chase; Rich Tong; Jonathan Roberts; Steve Madigan; Moshe Dunie; Brian Valentine (Exchange); Eric Lockard (Exchange); David Vaskevitch; Bill Baker; Anthony Bay
Subject: windows & internet issues

After having got through Intranet Day and FY budgets, this is a list of key issues related to Internet & Windows businesses that we have to address. The list is not exhaustive, it is a dump of things on my mind. As follow-up to these issues I have listed follow-up that is either under way, or explicitly request follow-up. Please let me know if there is other activity that obviates or overlaps this.

1. Near-term Browser Share

Without browser share, everything is very hard. So job #1 is browser share. We also have to persuade approx 5 million persons to start using IE over the next 6 months. . We have to stop the Nav-Web site reinforcement cycle with IE3 and shift it in direction of ActiveX. We thus have to get significant shift BEFORE Nav 4 ships, and in so doing prevent Web sites from automatically shifting to exclusively exploit it as they did on Nav 2. IE3 gives us the product that has the features to enable customers to switch, but we need more. Principle actions needed here are:

(i) A compelling customer incentive plan to shift and retain customers. We have put significant $'s in budget for this. We have time review this next week with Bradsi & Paulma, and we after that with Billg. Owner: Bradc
(ii) In addition to shipping IE3 on W95/NT, we need to get AOL & Compuserve shipping IE3. We need to ship IE3 on Win3.1 & Mac. I would like to see bi-weekly status on these latter issues (AOL/CS, 3.1/Mac). Owner: Johnlu

2. Collaboration Strategy

From all evidence, Netscape will make collaboration/community a big aspect of client & server in Nav 4 timeframe. From what I can tell, they will try to make this an integral part of what it means to be a "Web Server". Ie. they try merge as far as possible what it means to "publish pages", "host threaded discussions", "view collections of messages". From "public site" perspective, a user will be able to view a regular page and be able to hit button on browser to view messages/comments associated with the page. From mail perspective, folders become pages, and sending mail is just extra button on browser (with editor built-in as in Nav Gold). From discussion perspective, it is short messages packed on to a page for convenience, with links to pages. They will have ancillary indices (a la Collabra) to make sorting by properties easier, etc. It will be a more brittle environment that Exchange (no transactions to ensure link integrity etc.), but possibly more integrated form user perspective. I am not sure if they will represent each mail message as a separate file (probably not), but they will probably work very hard to make it possible to pages that are in fact separate files 'seamlessly" stitched in. It is not clear which protocols, they will extend to make all this possible - IMAP, NNTP, HTTP, or all of them ?

The bad part of this is that I think they will persuade people who are just doing "Web Sites" to include these features as "community" features (ie. have a look at what others have said about this page, etc.). Almost everyone will take advantage of these features. This means that the Internet will adopt their protocol extensions very rapidly, and we will be on treadmill to be cloning these and offering them in Intranet space too.

I think we have to look at this from couple of different angles:

(i) Jimall has agreed to have EricL work with appropriate folks (eg. IE team, and Abay team) to pull together a view of what Netscape is likely to do and then look at what we should do / can do to out-flank them. This needs to look at both client and server views, and look at what is likely to happen on Internet vs Intranet (ie. non-traditional collaboration vs. traditional intra scenario's). I would request that we have initial look at this with in next 2-3 weeks. Owner: EricL
(ii) As part of the above, I think we may also have to think more defensively. No matter what happens, we have to slow Netscape's ability to drive new protocols/stds down. This needs quick & serious thought.

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3. Tuscany & Windows

Tuscany is what Bobmu tells me he is calling the collection of Collusa technology and ActiveX class-libs (aka "COM wrappers for Win API's").

The need here is to fundamentally blunt Java/AWT momentum and to re-establish ActiveX and non-Java approaches as a viable strategy for structuring software, in doing protect our core asset Windows - the thing that we get paid $'s for. While Java per se is not the problem, if everything & everybody moves to Java as a language, then it will be so much more easy for AWT to become the API, and Windows is damaged.

We need to think carefully how we are going to use Tuscany to effectively position it as "language-independent Java" and to get people excited about it. It is very important that we have credible technical story - not only on the base language technology involved, but also on the class-libs (what is critical mass. what do we have to have on Win3.1? Mac? UNIX?, who does what?). We need it to be credible as cross-platform solution, but at same time make it the thinnest possible wrapping on Windows/IE. It is in final analysis an "MS/Windows" play. We need to think how we leverage DirectX and 3D. Etc.

We badly need partners to endorse this. Even though it pains me, we should give the language technology away to all (Powersoft, MicroFocus, etc.), we should have aggressive source license (ala VBS) etc. We need to get the "digerati" to love it, etc.

The net is that this needs careful thinking from IE perspective, from Windows perspective, etc.

Owner: Bobmu to send mail detailing elements of Tuscany, and brief jimall/bradsi/craigmu/paulma on 6/24, and then have Billg review in 3 weeks thereafter (bobmu please schedule).

4. Cost of Ownership

We have 2-3 month window in which to make statement of our strategy here. Customers are expecting it of us, and unless we do so, the NC will simply continue to expand to fill the vacuum. I also believe that we have to make concrete delivery of some non-BS product in this regard in next 6-9 months.

KaviS is on assignment to me to focus from broad perspective on this, and On Lee has been assigned by Jimall to focus on this from DBSD perspective. In my mind milestones on this are:

- Billg review in 4-6 weeks to lay out broad plan. My action item to get DAD to be part of this.
- September roll-out of the public message with customers and partners, as part of the "Windows Strategy Day" (see "Marketing Events" below).

I have particular view of what I think we need to be doing on this front (which was honed in session with Achi Racov of NatWest). It involves three stages: (I) making it possible to manage WinNT4.0 on existing PC's as though they are diskless PC (ie. transparent local state for uses and apps), (ii) harnessing h/w partners (Compaq, DEC, HP, Intel, et al) to build optimized hardware configurations, (iii) getting applications to use centrally admin'd profile information to allow corporate customers to implement customized versions of "short/long menu's".

Beyond these particulars, we have to get this message to be part of our overall Windows "vision" (see below).

Owners:
KaviS/On Lee to review status with Paulma/Jimall week after next.
On Lee: pull together DBSD plans for review with Billg (see next)
KaviS: set up Billg review

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5. The Intranet & Windows

At GSM (again see marketing events below), we need to give our field the very simple message of what they sell for the Intranet, and how it is different/better than what Netscape has. This is did not come through at Intranet Day.

In the near term (from PPG perspective) what we have to sell are: NTS, Exchange, IE4/Active Desktop. Our message has to outflank Netscape. I think we have chance to do this with Active Desktop. In case of server, we need clear articulation of "advantages we have".

The key steps to closing on this are:

a. What is the Intranet Server Bundle? Is it just NTS? Does it include Exchange? How do we price it wrt CALs? Owners: Cr.igfi/MikeNash
b. Getting crisp about how we talk IE4/Active Desktop, and making sure that we don't "Osborne" IE 3. Owner: Bradc/Jonro
c. Getting marketing groups to coordinate for GSM. Owner: Paulma meet with bradc/richt/jonro to ensure that this happens.

On a side note, depending on where we come out on the "Cost-of-ownership" plans and on Active desktop, I think we may have opportunity to put together something compelling to pull corporate customers through to Win32 in FY97 (we should not forget how critically dependent MS is on getting people to Win32 - ActiveX really needs it. Office 97 really needs it). Ie. if we have strong story for corporate IT on Cost of Ownership, and strong story for users on Active Desktop, then it may be possible to significantly accelerate Windows upgrades in FY'97.

7. Windows & Overall Vision

Of necessity, we have focused most of our energy on the "Internet" over last 12 months. As result of this, and other factors, we have lost our "Windows" vision. It is used to "Cairo" and "SIPC". We need to re-create a positive vision of why Windows will be a rewarding environment over next 3 years, why EU, corps. ISVs should care.

From motherhood level, my own intuitive view is that the "vision" needs to comprise"

- "simplification" at all levels, for all customers (SIPC needs to be more than something more than a "PC that is racked mounted next to a stereo"). This has to encompass the Cost-of-ownership for business, and the features needed for consumers.
- "real-time multimedia & communications" - we need to be leading the charge to full exploitation of new enabling technologies such Talisman and QoS.
- "The Active Web" &
- "Distributed apps" infrastructure (latter two being short-hand for a whole slew of scenario's)

I think we need to focus on the above at several levels:

(i) I think Windows program management team needs to pull together a view of Windows over next 24 months from the above perspective - as best we can do it. We should set up time in next 4-6 weeks to start reviewing this. The reason for this timing is that it would be good to start articulating this at the September event (again see below). Owner: Jimall
(ii) Jimall/Bradsi/Craigmu/Paulma - need to decide how we are going to staff dedicated effort to think about the "Active Web". Owner: Paulma will provide some suggestions at next mtg.

8. Marketing Events

From PPG perspective, we have following events that have been talked about (to my knowledge):

7/22: Global Sales Meeting (Montreal)
Need to have our "Internet/Intranet" message nailed. See mtg noted above.

September (or maybe late August): Windows Event
This is event that Jonro has envisaged where we ostensibly launch NT4.0, but more generally put some focus/excitement back on "Windows", its relevance, and its future. I would also like to make this our "Cost of Ownership" coming-out event.

October: Webmaster PDC
This is event that Bradc wants to hold explicitly focus on being "building content & sites".

November 3rd (Long Beach): Server PDC
This is PDC for hardcore server types - people writing server apps, who will get detail on Viper, Directory, etc. It overlaps with some of audience for Webmaster event, but will go at different level, and will also hit bunch of folk who would not go to Webmaster event.

Owner: Bradc/Richt/Jonro need to publish schedule and coordinating plan for above events, and any other

major shows we will be at (eg. Networld/Interop, Fall Comdex).

Jimall points out that we should also be probably thinking of having a "Windows client oriented PDC" at some time in H1'CY97 to focus on NT5.0/Memphis.

9. UNIX

We have no desire to sell anything on UNIX. However, owing to customer demand, we are going to have to provide an IE solution on UNIX. Owner: Johnlu to publish plan of UNIX IE.

On the server side, we have to think through what we have to do in order to make sure that the standards we want developers to embrace on Windows are in fact adopted, and not everything becomes Java classes, Javascript, and "AWT". At a minimum we have to make sure that the base technologies we see as being essential to structuring "Internet client-server apps" (ActiveX controls, ActiveX scripting, etc.), are broadly adopted. We have to decide how we will approach UNIX with respect to: what we will do, will not do, fund, rely on industry to do, etc.

Owner: Jimall has agreed to have Bill Baker pull together view of this in next three weeks.

10. Tools

Our authoring and management tools plan is not clear. We don't have clean plans for:
"Internet Studio"
"IIS Pro"
"Content Coordinator"
etc.

I am requesting that Bobmu, Abay, Mikenash, Stevem pull this together for review with next three weeks. Owner: Paulma to schedule. If at all possible, I would at least like to not set bad expectations at the GSM, and preferrably have clean story on this.

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