From: Jim Allchin (Exchange)
Sent: Monday, January 06, 1997 1:43 PM
To: Rob Short; Moshe Dunie; Mark Lucovsky; Lou Perazzoli; Frank Artale; Steve Madigan; Deborah Black
Subject: FW: overview slides for Billg/NC&Java session with 14+'s on Monday

fyi,
jim

From: Paul Maritz
Sent: Sunday, January 5, 1997 11:09 AM
To: Bill Gates; Jim Allchin (Exchange); Ben Slivka; Brad Silverberg
Cc: Aaron Contorer
Subject: overview slides for Billg/NC&Java session with 14+'s on Monday

Here is draft of slides for Billg to use on Monday pm. I will introduce with first slide, hand over to Billg, then have Jimall (or designee) present on ZAW, Bens on Java, then we will do Q&A.

We should probably discuss these topics at Monday am Exec Strategy session, since there are fair number of issues, particularly wrt Java.

nc & java 12-96a.ppt

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NC & Java Challenge
Jan 6, 1997

- Agenda:
  - Overview: Billg
  - "ZAW" Overview: Jimall
  - Java Efforts Overview: Bens
  - General Q&A

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Key Platform Challenge

- NC & Java are platform challenges:
  - possible emergence of a set of API's and underlying system software that lead to lesser or no role for Windows
  - puts our other (server & apps) businesses at a disadvantage

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Scenario: Emergence of a new API

- Sun AWT provides base cross-platform API
- Navigator/NetOne provides:
  - additional API's
  - a volume platform for ISVs & Corps to target, since runtime gets shipped with Navigator
- NC's
  - could provides additional volume
  - have no MS system software involved

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Response summary

- Increase IE share
  - integrate with Windows
- Lower TCO:
  - "Zero Admin Windows"
  - Office improvements
- Take HTML & Java Leadership
  - Extend HTML
  - Offer best Java runtime & tools
    - enough x-platform to be competitive
    - integrate Java RT & Windows:
      - encourage access to unique Windows functions
      - performance
    - great Java RAD tools

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Responses: increase IE share

- Situation:
  - approx 15-20% market share, most of it on W95 platform
- Key strategies in place:
  - Competitive product:
    - IE3 good, but missing Mac, W3.1 (being filled in next 2 months), UNIX splipping
  - Differentiate thru Windows integration
  - Get Websites to target:
    - Sitebuilders/logo program starting to work
    - little compelling unique content, MSN exception
  - Content offers (WSJ, ESPN):
    - good (250K sign ups, logo on sites), but not decisive

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Responses: increase IE share

- Key strategies, contd.:
  - Channels:
    - ISP's: have signed most up, but conversion only starting to happen:
      - AOL 650K downloads to date
      - predict 5m users by 3/97
    - OEM: missed June deadline, OSR2 not shipping on majority of machines yet
    - Corporate: mixed results
      - still large Nscp momentum
      - threat from Communicator

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IE share issues

- Shipping IE4
  - Does it go into next W95 release?
- Converting existing Nscp users
  - ISP bounty program
  - creating compelling reason for W32 users?
- Corporate share:
  - IE4 benefit
  - Communicator response
    - how to position combination of IE & Outlook as response
    - how to actually manage future evolution of IE & Outlook
    - how to use / position "Web connector" feature of Exch 5.0
  - Renewed major corporate campaign?

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Java runtime as a Platform

- Key strategies:
  - encourage (extended) HTML use
    - keep Web content people viewing HTML (plus scripts) as safest "LCD"
    - encourage use of Dynamic HTML (Trident)
  - Java:
    - Offer "standard" Java runtime to be competitive,
      - basically redistribute whatever Sun gives us in near term
    - Expose as much of Windows as we can to Java developers via extensions to AWT
    - Ship the best Java RAD tool(s)
      - with extensions to language where we can

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Java Issues

- Getting our VM/Tools used
  - ie. increase IE share
  - Getting our VM/runtime to work with Navigator
- Getting RAD tools shipped
- Mac/Unix support for IE & extended HTML (Trident)
- Relationship with Sun
- "HTML as LCD" impacts strategy to position Outlook as client for collaboration:
  - ie. Is safest way to develop forms/groupware is to do it as Exchange server side script ?

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TCO/Simplicity & NC

- ZAW / NetPC is our primary platform response
- Goals:
  - Dramatically reduce "cost of ownership/complexity" for users:
    - initial focus on corporate, connected scenario's
  - Key concepts:
    - automate/eliminate "change" wherever possible:
      - eg. OS/applications installation/update
      - use centralized storage wherever possible
    - centralized administration
    - work for "laptops" too

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TCO/Simplicity & NC

- Secondary response
  - Deliver lowest "hardware cost" solution via Hydra
    - Windows "terminal" support

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TCO/Simplicity & NC

- Issues:
  - Delivering on ZAW
  - ZAW is delivered on NT5.0
    - requires upgrade first
    - lack of Win95 story
  - Applications (esp. "Office") participation
    - when/how do we deliver it?
    - How do we deal with "down-level" OS's
  - continued complementary relationship with Citrix

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