Unknown

From: itgmsm!bradsi[SMTP:itgmsm!bradsi]
Sent: Wednesday, April 12, 1995 11:59 PM
To: bens; braddir; joeb; moshel
Subject: FW: 3 year plan thoughts - draft

From: paulma
To: billg; chrisp; craigmu; davidv; mikemap; nathanm; rashid; rogerh; bradsi; jimall; peteh
Subject: 3 year plan thoughts - draft
Date: Wednesday, April 12, 1995 12:54PM

WINMAIL.DAT 3YRFOL1.DOC

Please send feedback.

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GOVERNMENT EXHIBIT 526

Chase

3 Year Plan Follow-up (draft)

With the conclusion of this year's 3 Year Product Plan cycle, this memo discusses:

- my view of the high-level issues that surfaced,
- a process and next steps for follow-up and expectations for next year's plan.
-

I am interested in peoples feedback.

[Note: All division presentations are located on \\ntsrvr\info\3yrplan\plan95. Please email Kayb if you do not have security permission to access the share.]

1. Next Steps and Process

The follow-up process will be roughly:

a. I am in process of scheduling approx. 2 days of smaller, more focused reviews in September on specific area's that need follow-up or where the format of the 3 year plans didn't allow for sufficient depth/detail to be reached. My rough list (not in priority order) for these area's includes:
   - Graphics & multimedia plans
   - On-line document & Browser plans (PSD, DAD, MSN)
   - Authoring Tools & Dev. Env (DDT, ACT, MSN, DAD)
   - Database Strategy (DDT)
   - Programming Model (DDT)

This list will be affected by feedback that I receive, especially with respect to the observations in 2. below.

b. In order to better mesh with the overall companies calendar, and spread the work load more evenly through the year, we will be moving the 3 Year Product Plans back to December. To ease back into this cycle, we will ask divisions to come back in Dec'95 and present any delta's/new information as to the plans that they just presented, and then will do full plans again in Dec'96.

2. Spring '95 3 Year Product Plan - High Level Issues

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(a) Execution: Size/Performance/Schedule

A lot of our difficulties are the result of our previous product plans not happening on time, and of critical components exceeding their resource budgets which in turn either

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delays their shipment and/or delays their adoption. I don't think there is any one cause of this - causes include:

- putting inexperienced teams/management on significant new areas,
- spreading ourselves too thin,
- over-ambition in releases features,
- significantly under-estimating/not-designing for size/performance.

Size/Performance:

It is clear that we have a collective size/performance problem as we make the transition to 32bits and new architectures (multi-threaded, OLE-capable). People have not been designing and developing with resource goals as high enough priority. This is manifest in current size/performance issues with Capone, current DAD applications, probably in MSN, possibly in Blackbird, etc. Even the new version of Publisher has exceeded its 4MB system target on Win95.

The result is that many of architectural investments which taken together should give us a major benefit, are being masked - either by poor performance, or by absence (owing to be shipped late).

We have to get a handle on this earlier in the product cycles. Our development is being done on Windows NT on large machines, which gives no early feedback to what the end-user is likely to encounter. Neither are we accounting for the complete set of components that a user is likely to configure (OS, providers, OLE, etc.). We need to accurately measure the profile of what a "modern" app is likely to suck in on Win95, and develop resources targets (memory, processes, threads, input queues, etc.) that subsystem providers and application developers need to hit. Eg. In the case of an 8MB machine, running Word as your email editor in '96 and running a second "app", what do we expect a reasonable "working set" allocation between Win95, OLE, MAPI provider(s), Mail client, Word, and PowerPoint (or Excel or Access) to be? Where are we today? How does that system look when instead of MAPI/Mail client, the MSN client is being used?

There needs to be a set of design guidelines distilled from this that need to go to each application/provider development group.

Spread-too-thin?

We also need to be prepared to audit, constructively and selectively, so as to ensure that teams and management are not collectively deluding ourselves, and we don't have to wait until the last minute to find out the bad news. This is particularly true where a new product is the "corner stone" of our strategy.

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In terms of follow-up, I think we need:

(1) Action on delivering the resource budgets that apps should expect in typical "Win95" scenarios in 1996, and the tools to measure this. We will need PSD cooperation. I will ask Clwill/Chrisjo to coordinate.

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(2) We need to complete the "component delivery - responsibilities/best practices" work that I have asked clwill/dave moore to drive. This is try to standardize key aspects of component delivery (so suppliers and customers have better chance of being successful), and ensure that we learn from experience of current common component efforts. This will be at first focused on the known set of core components we have: OLE, Forms3. OLE DB, Text, and few key others.
(3) Constructive audits - Clwill's group has developed "rev 0.8" of the "Best Practices Audit" and within a couple of months that should be available. However, I think we may need to do some more focused audits, using a selected set of key technical managers. I will propose the 2,3 areas where we need to do this. We have kicked off a form of this with Darrylr looking at our Capone and then REN work.
(4) We need to develop some internal metrics to assess what our likelihood of success is before we authorize major new investment - this does not necessarily mean that we should not invest in that area, but it should act as a reality check on how long it will take us to build the team, and it should guide us to try to try to do things much more incrementally. I will speak to a few folks and see if there is some useful way to approach this.

(b) On-line Document Strategy

As most people noted this is the big "sea change" facing us, and is the area where not only have the normal "execution problems", but also there is not consensus on what the key elements of our strategy should be.

PSD: has realized that the metaphor of how the system should be presented to the user needs to change as the nature of users moves towards less-technical users, more than one user of a machine (as in home), and as the information to be accessed will be increasingly be "on-line" and "remote". This is reflected in their stated intent of build the Win97 shell around a "documents/places" metaphor. However, most of this still at the "goals" level.

DAD: has realized that the presentation/access of their document types in an on-line environment is of paramount importance. However they took a "rain-check" on this in their presentation (as they are in midst of discussion and plan). The initial thinking has been to ensure that documents authored using Office applications remain in Office format, and do not get "converted" into another format (ie. HTML, which may make it easier for people to use other authoring/analysis tools). To do this means making it possible to have view-only versions of all Office docs easily ("seamlessly") accessible from the "browser" (O'Hare/MSN/etc), fixing any key problems (progressive rendering), and having meaningful features of these viewers (eg. smart outlining) that are not easy to offer via vanilla HTML (ie. have a real reason to leave the document in native format, even if vast majority of users are viewers only). Beyond this, we need to be thinking how we can further leverage advantage our Office apps in this on-line environment.

BSD: Is executing on building out a set of Internet gateway tools - but currently is evangelizing these as having open APIs to the clients (eg. Netscape can write a client to use the gateway). While we can't take back what we have published, we do need to be thinking of ways we can advantage MS clients (see Internet discussion below). We have

some work underway in BSD to see ways in which "BackOffice" data can easily be published on-line - apparently there is an easy way to embed SQL queries in a HTML-page and have these resolve against an SQL Server. We need to further explore these avenues.

MSN: The MSN strategy has evolved to try to coexist with the Internet, by using TCP/IP and the Internet as a transport, by offering Mail/News interoperablity, and by incorporating a Web-client. However, in the long-run the MSN strategy is to (i) fundamentally overwhelm competing platforms and standards by sheer volume of users - based on Win95 access and being world-wide early, and (ii) offer superior content authoring & presentation tools via Blackbird. We need to do a checkpoint on this strategy, and evaluate our position vs the Internet. We should not stop anything we are doing but we should ask ourselves:

- is it realistic to expect to "overwhelm" the Internet and Netscape (in particular) over the next 18 months.
- are we in danger of suffering an "execution problem" on the Blackbird strategy in the same way as we have found to our cost that we have to spend more time than anticipated getting a "1.0" releases of Win NT, Win95, Capone, VB4, Bob, etc. to be competitive (size, performance, features).

In addition, the MSN group is doing the hard work of getting a comprehensive service off the ground, and trying to plan for providing business-business service by providing gateways between MSN and Exchange. However, in the medium/long term, we need to understand what the relationship between the MSN technology and:

- the Win97 shell - if the Win97 shell is the "shell for the wired" age, then by definition, the shell will have to be the primary browser of on-line information.
- Blackbird and other authoring tools (see below)
- MSN "data center" services - eg. mail/directory - and BSD services.

Follow-up Areas:

(i) Authoring Tools

In 1996, 1997, 1998, what are our tools offering for following (eg.) classes of customers:

- Simple On-line Documents (help, web pages, memo's, etc.)
- "Professional" On-line documents (advanced MM effects, view/data separation, etc.)
- Sophisticated CD-titles (eg. Encarta)
- Professional MM Titles

Who is doing what, what is realistic, etc.

(ii) Shell/Browser

Leading on from the above, we should get a view as to what will be handled by the "Win97" Shell, and what will not - and if not, how is the needed extension integrated into the Win97 environment. What short-term things do we need to do before Win97 (eg. upgrade Ohare to handle DocObj).

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(iii) Infrastructure

What infrastructure investment/direction do we need. The obvious one here is a common strategy on pulling our various-types of "links" together. What others?

(iv) Internet

We need to re-calibrate our strategy with respect to the Internet.

Everyone agrees that the underlying communications aspect of the Internet is fundamentally a good thing for us and we are embracing it in BSD, MSN as fast as we can. But, at the publishing/viewing solutions level, there is not agreement. There are at least three "HTML" strategies being advocated in various guises:

- MSN: tolerate but then "overwhelm" it via Blackbird,
- DAD: tolerate but then "overwhelm" it via Office viewers
- PSD (bens): embrace and extend it (HTML). This last view is based on premise that the idea of having most of the CPU cycles expended on the server makes for fast/light clients and easy dissemination of function to the client.

Things are changing very rapidly on the Internet and we need to figure out if we are executing quickly enough on any of the above strategies to keep pace with what is happening.

[Aside: Last night I looked again at the Netscape home page - they are now offering to let you download: new client, and a copy of the "NCAPI" - the Netscape client api (!) to allow the development of 3rd party extensions to the client. They are claiming that "surveys of popular Wed-sites" show that 75% of the traffic is from Netscape clients.]

(c) Office vs. MS Investment in components & tools

A major issue is the longer-term relationship between the use of general purpose - horizontal products like the core Office apps, and applications written using DDT tools and components.

We need to decide if we are being focussed and agressive enough in ensuring that we have a complete set of components, and a focussed enough authoring tool effort to cover such scenarios as developing an online shopping catalgoue, before others get a major lead on us in this area. By doing so, however, we will have also developed something that is probably capable enough to use for a lot of coporate applications.

We are also saying that we want Office to be the "standard run-time" for client applications, and that the end-user value of doing so will presumbably be to unlock for solution developers tha huge investment that we are making in "ease-of-use" (Intelli-xxx) technologies in our Office applications.

Thus we will have the dilemna of having:

- one set of technology that is available via DDT tools and components and which has the advantage of being more compentized (therefore more flexible, customizable,

smaller?) and with better view/data separation (ie. easy to use with external data stores?), and with one business model,

- and another set (Office) that is richer in terms of end-user assitance features, but are more monolithic (higher resource costs, less flexible, customizable?), and where investments (because they will be not be formally compentized) will be unique to the Office codebases.

We need to start thinking about:

- what is realistic to expect in terms of convergence between above two sets, how do we realistically manage the tenrsion?

- business implications of above

- whether we are at critical mass on the DDT/Objects front - eg. to be competitive in the "tools" area (especially "authoring" tools) do we need to re-align/re-organize to get right focus?

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