-----Original Message-----
From: Brad Chase < bradc@MICROSOFT.com <mailto:bradc@MICROSOFT.com>>
To: Bill Koszewski < billk@MICROSOFT.com <mailto:billk@MICROSOFT.com>>
Cc: Rodney Vieira < rodneyv@MICROSOFT.com <mailto:rodneyv@MICROSOFT.com>>
Date: Monday, February 23, 1998 2:01 PM
Subject: RE: ACTION REQUIRED: Win98 OEM Product Registration

the problem is that i don't know what to do with aol in this plan. i guess you cory and rodney and i need to come up with a plan to deal with aol

-----Original Message-----
From: Bill Koszewski
Sent: Sunday, February 22, 1998 8:37 PM
To: Brad Chase
Cc: Rodney Vieira
Subject: Re: ACTION REQUIRED: Win98 OEM Product Registration

We really need to get closure on this. Without direction from you and Laura, a lot of people are blocked.

If our ultimate goal is to be a platform and to have as many Internet users choose Microsoft solutions as possible, I recommend doing this in phases. Realistically, we are not going to get all the OEMs to choose the Referral Server and get all the ISPs to choose the portal at the same time. We don't have enough chips to play. Near term, we need to consolidate our strongest position -- Windows platform -- and build upon that in the future. Let's not put the cart before the horse.

In the next 3 months we should focus on one goal: all of the key OEMs using Rodney's new signup platform and not putting random stuff on the desktop. This buys us several things:

- Great user experience and Windows internet message.
- A large stream of signups coming across Microsoft infrastructure.
- Great relationships with the OEMs -- real cooperation on Internet and Signup.

If as part of this phase, MSN sells some OEMs on using the Portal as their Internet community experience, so much the better. But, winning the platform battle is key. We are not in a super-strong position with OEMs using Windows signup. We must fix that first, because if OEMs start going around our Internet solutions now, we're in trouble long term. Once OEMs are focused on our Internet signup platform, we're in position to go back and introduce the Portal into the equation. In fact, configuring the portal as someone's default would then be a simple server side change.

MSN will need to sell the Portal to ISPs on its own merits, not by dealing Windows. This is the toughest thing for Laura to accept. I personally think that some ISPs will buy the Portal on the basis of getting best-in-class content, low development costs, economies of support, and a bunch of other benefits, even if Susan Weeber and Mike Delman don't. Adopting the portal because it is great makes for a stronger business deal long term than adopting the portal in order to get to Windows.

What think? What are the next steps to get this wrapped up so we can start moving forward?

-----Original Message-----
From: Bill Koszewski < billk@MICROSOFT.com <mailto:billk@MICROSOFT.com>>
To: Steve Bush < stevebu@MICROSOFT.com <mailto:stevebu@MICROSOFT.com>>; Brad Chase < bradc@MICROSOFT.com <mailto:bradc@MICROSOFT.com>>
Cc: Bill Koszewski < billk@MICROSOFT.com <mailto:billk@MICROSOFT.com>>
Date: Saturday, February 21, 1998 2:14 PM
Subject: RE: ACTION REQUIRED: Win98 OEM Product Registration

Brad - here is another case of basically the same issue we've been discussing with Laura/Cam/Bengt et al over the past few weeks. It is on my plate and yours already (and Rodney's).

Today, only Compaq has negotiated any change in the Windows first boot/signup experience. Compaq is going to use the Intelliquest signup. All other OEMs must let Windows setup and first boot run through to the end before they can put anything else in front of the end user. But some, like Acer and HP and Gateway, already put other signup stuff on the PC and pitch it hard. Remember Bengt's point about how successful they are at this? Something like 70-80% usage of the 3rd party tools?

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The biggest question is whether the Company as a whole cares most about the Windows user experience or about the Portal and related technologies.

If we care most about the Windows experience, we should work with the OEMs to create one streamlined signup process that hopefully includes all Microsoft code. This will remove the incentive for OEMs to put other things on the PC or to try to mess around with the setup experience.

OEMs are in a very powerful position here. They own the end user in a lot of ways, and they are definitely waking up to the potential of the Internet to build their business. Compaq and Gateway, at minimum, are thinking exactly the same thoughts Steve is. Those two companies alone control at least 35% of the end user PC run rate.

If we care most about the Portal/Windows services, then the first boot experience should take the end user through all of Microsoft's signup steps. The downside here is that OEMs will work hard to circumvent this process and get buyers to run through their setup instead. Terrible for the end user. This scenario also creates the most tension with OEMs -- not a good thing given the current political climate.

The compromise solution is to sell the Portal and signup experience to the OEMs. SusanWe is in the process of ramping up to do just this. It solves a lot of problems -- OEMs work with Microsoft on signup technology, the end user experience is clean and good, we get mindshare for our Internet community efforts, although we share that with OEMs a little.

The only issue with the compromise solution is in mechanics. Susan was pitching the big ISPs on a slice of Windows signups as an incentive to adopt the Portal. If we start negotiating with the OEMs, we will be unable to promise this traffic to ISPs -- this negates Susan's ability to do a deal there and this is causing some pain.

As a Windows guy, I am becoming increasingly convinced that we must optimize around the Windows end user, first-boot experience and work with the top OEMs to make sure that experience is Microsoft. This is the #1 core Company asset. The other cases create a mess for the poor user and devalues the Windows "get connected" message. We do this by pitching our Internet community technology and co-branding it with the OEMs. Goal should be to have 100% of the top OEMs using an end-to-end Microsoft signup/Internet solution and Microsoft platforms for their online community.

This implies that Steve, Susan, and Laura will need to change the way ISPs are approached. We probably can't deal the Windows setup experience in a large % of cases (since we will have dealt that with the big OEMs who have chosen their own ISPs). However, there are compelling selling points to the portal stuff that ISPs will listen to. Look at the Snap! and Excite deals that have been closed without Windows ever being a factor.

This is a lot to discuss in mail. Steve, you and I should meet if you would like more background here. Brad, we still don't have a final Windows-or-Portal decision; that is the key thing you and the other VPs need to decide. All the other decisions fall out from that.

Bill

----Original Message----
From: Steve Bush
To: Brad Chase
Cc: Bill Koszewski
Sent: 2/21/98 9:17 AM
Subject: RE: ACTION REQUIRED: Win98 OEM Product Registration

I'm more worried about all of the services that the OEM can sign up before the user reaches our start page:

1) ISP
2) Online Service
3) Email Acct
4) 3rd Party Branded Passport (authentication, certificate, etc.)

I can come up with my wish list for protecting the Windows Services business but I wanted to have other participate to be I didn't miss anything.

Thx.

Steve

-----Original Message-----
From: Brad Chase

Sent: Saturday, February 21, 1998 8:48 AM

To:Steve Bush
Cc:Bill Koszewski
Subject: RE: ACTION REQUIRED: Win98 OEM Product

Registration

i assume we care alot about owning the start page.

billk is there someone who owns this?

-----Original Message-----
From: Steve Bush

Sent: Friday, February 20, 1998 7:59 PM

To:Brad Chase
Subject: FW: ACTION REQUIRED: Win98 OEM Product

Registration

Forgot to include you. This is really, really

important.

-----Original Message-----
From: Steve Bush

Sent: Friday, February 20, 1998 7:58 PM

To:Laura Jennings; Michael Mathieu
Subject: RE: ACTION REQUIRED: Win98 OEM Product

Registration

LauraJ/Mike/BradC, you guys really need to help drive

this. Otherwise, OEM's will be able to insert any service offer propositions into the Windows first boot experience.

-----Original Message-----
From: Steve Bush
Sent: Monday, February 16, 1998 6:20

PM
To: Pete Higgins; Laura Jennings;

John Ludwig; Michael Mathieu; Bruce MacNaughton; Bill Somsin; Ron Souza; Rodney Vieira
Cc: Edward Jung; Bill Veghte; Kurt

Kolb; Sanjay Parthasarathy; Angus Cunningham
Subject: ACTION REQUIRED: Win98

OEM Product Registration
Importance: High

Under the current plan of action, OEM

will be able to replace the Windows/OEM product registration process in Windows 98 with a client/server solution being developed by a third party: IntelliQuest. 8 out of the top 10 OEM's use IntelliQuest today to manage their registration process. In the past, OEM registration rates have far exceeded our registration rates because they offered a better customer experience and tied valuable benefits to the completion of registration. Some of these benefits include: ISP access, free email accounts, PWP, etc.

In the hopefully near future, the Web

Essentials team wants to offer valued added Windows services as part of the first boot Windows experience. We have an opportunity to help contractually define the Windows first boot experience, ensuring the "quality" of this customer experience.

Who should help the OEM team define the

Web Essentials wish list for these requirements/restrictions? Here's a quick list:

- Promote MS Services (not 3rd party)
- IP based product registration (allows us to do client redirection)
- When writing cookies, use the WinInet API's
- Issue a HotMail email account?

I really need your help here.

Thx.

Steve