From: Hank Vigil
Sent: Tuesday, August 06, 1996 1:48 PM
To: Barb Fox; Pradyumna Misra; Joan Morse Hachamovitch; Satya Nadella; Tom Johnston
Subject: FW: 8/19 Netscape Exec Meeting Agenda

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GOVERNMENT EXHIBIT
981

From: Hank Vigil
Sent: Monday, August 05, 1996 11:02 AM
To: Arnold Blinn; Greg Stein; Will Poole
Cc: Brad Silverberg; Joan Morse Hachamovitch; Amar Nehru; Mark Kroese; Satya Nadella
Subject: FW: 8/19 Netscape Exec Meeting Agenda

fyi. You guys might be able to shed light on some of billg's questions, without compromising your nda's. I thought you might have some general imput.

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From: Amar Nehru
Sent: Monday, August 05, 1996 10:03 AM
To: Hank Vigil; Joan Morse Hachamovitch; Satya Nadella
Cc: Richard Liotta
Subject: FW: 8/19 Netscape Exec Meeting Agenda

Hank, Joan:
We are preparing for Bradc/Bradsi a Netscape review for the exec staff presentation on 8/19. Below is my outline to Billg and his specific comments. Could we please ask you for some help in getting 4 product slides on your Merchant Server area.
Slide 1: Candid product comparison Netscape V MS
Slide 2: Future direction Netscape
Slide 3: Deficiencies Netscape and MS
Slide 4: Competitive response Netscape
To the extent you have similar slides that address these issues, great. That will do. Billg has specifically asked for us to excerpt product slides rather than reinvent. We'd really appreciate any help on this.
Thanks, amar

From: Bill Gates
Sent: Sunday, July 28, 1996 6:08 PM
To: Amar Nehru
Cc: Brad Chase; Brad Silverberg; Mike Brown; Greg Maffei; Richard Liotta
Subject: RE: 8/19 Netscape Exec Meeting Agenda

The outline you give below covers everything. However given the time limit I want to be clear on what is really important:

I don't want a lot of guesses about Netscape generated by people who may know less than I do. I want to learn a lot of facts - most of which I don't already know. You hit a lot of them in your full list but let me make clear which ones count:

1) Personnel. Really getting their headcounts and headcount plans for different areas is very important.
2) Future growth plan. Any data analyst's have about how they will grow their revenues. People are expecting Netscape to make a lot of money. How does that pencil out?
3) Geographic. Any data about sales by region and special regional strategies.
4) Development methodology. This gets into staffing but would have to be put together by someone in program management or engineering. Is cross-platform a lot of work for them? Is quality a challenge for them?
5) Recent speeches/interviews/analyst discussions from them about how they will beat us. Why didn't they outbid us on Eshop/Frontpage? Why haven't they attacked us on these distribution deals more - if AT&T was important enough for them to announce why didn't they offer AT&T compelling reasons to work with them? Of particular interest is how they will respond to ActiveX - clone? Opendoc?
6) Anything about the relationship between Netscape and Sun and Oracle would be quite valuable.
7) We should make sure our goals for Internet presence are low enough that we can achieve them but also say that Netscape has lost control. As we achieve our goals people should start to question Netscapes leadership.

From: Amar Nehru
Sent: Sunday, July 28, 1996 11:03 AM
To: Bill Gates
Cc: Brad Chase; Brad Silverberg; Mike Brown; Greg Maffei; Richard Liotta; Amar Nehru
Subject: 8/19 Netscape Exec Meeting Agenda

Bill: We're working with Bradc on the Netscape exec presentation for 8/19. Bradc suggested that we run the presentation's outline by you to calibrate. Please let us know if this is the approach you had in mind or if you think we need changes. Net, our current orientation is to provide information on Netscape for actions/decisions to come out of the meeting.

Overview of sections in the presentation:

(1) **Executive summary (key takeways on Netscape):**
What Netscape does well; key observations re. Netscape: where they and we are vulnerable. We are working with several people across MS to develop this section. This will include: products, marketing, management, HR, etc.
<definitely worth discussing what they do better than us>
(2) **What Netscape thinks about MS:**
What the exec staff meeting would look like if it were held at Netscape instead of MS
<be careful not to just dream here - if its fact based great. If not I can dream as well as anyone>
(3) **Organization:**
The key people and their background; size of the organization; hiring strategies: how they compensate, where they recruit, some examples of people they have hired away from MS and people who chose to come to MS instead of Nscp-why, motivations; ownership: who owns how much of Netscape
<yes>
(4) **Value chain and alliances:**
Who are they working with; list of acquisitions: what did they get, why did they acquire, how much did they pay
<yes>
(5) **Products:**
Servers, browsers, tools, systems: segmentation, description and comparison vs. our offerings; Nscp's likely responses to our browser and server initiatives and future direction to bridge deficiencies; market share views
<don't duplicate product stuff being done elsewhere - just excerpt it>
(6) **Marketing, Selling & Communications model:**
(a) Channels-Direct, Internet, VARS, OEMs and Retail: trends; what are they doing well and discussion of key initiatives in these channels
(b) Advertising: key points and strategies; how they get mindshare and visibility: Logo ubiquity and brand identity, who and how well do they position, target and communicate
(c) PR - key points
(d) Developer Relations
(e) <yes>
(7) **SWOT:**
Netscape's strengths and weaknesses (products, marketing and management); Opportunities and threats for MS.
(8) **Financials:**
P&L, Balance sheet; liquidity, financial flexibility; revenue drivers; mix of revenue-browsers vs servers, geographic mix of revenue; unit data, etc
<current revenue breakdown is interesting, big question is how long will wall street allow them to break even>?
(9) **Key recent events:**
Announcements, press coverage; analyst opinions
(10) **Discussion:**
This FINAL section recaps all the major issues and themes from the presentation and sets the stage for the execs to discuss issues and action items.

Thanks, amar