From: Brad Silverberg
Sent: Sunday, February 14, 1999 10:12 PM
To: Ben Slivka
Subject: RE: Beating AOL (was: Neptune strategy)

probably wouldn't be cool for you to crash the meeting. but feel free to arrange another meeting with you and me (and johnlu if he wants).

what did natalie tell you that made you think steve doesn't want us there?

-----Original Message-----
From: Ben Slivka
Sent: Sunday, February 14, 1999 10:08 PM
To: Brad Silverberg
Subject: RE: Beating AOL (was: Neptune strategy)

Can I crash your thursday steveb meeting...maybe strength in numbers would help? Unorthodox, but we need to get steveb to see the light.
--bens

GOVERNMENT EXHIBIT
Remedy 40

-----Original Message-----
From: Brad Silverberg
Sent: Sunday, February 14, 1999 9:44 PM
To: Ben Slivka
Subject: RE: Beating AOL (was: Neptune strategy)

what has natalie told you?

i have wondered whether steve's attempt to get me back has been genuine. and even more so with bill. with bill, i believe he wants me back but not the me who i really am but rather a version of me who would the obedient soldier (and do all the wrong things! he would often tell me he wished i was more like pete). i have not heard from bill except one email. it was a nice email but didn't go farther than that.

i simply do not believe in the path the company is pursuing right now. steve has given me some hope since he does seem to be getting it.

i think steve feels totally overwhelmed right now. he does not know how he's going to solve the problems and he doesn't know who he'll be able to count on.

i plan to stay on the fence but steve may ask me for a definitive yes or no. i meet iwth him on thursday. i am going out of town on fridya for a week. he may ask me yes or no then.

-----Original Message-----
From: Ben Slivka
Sent: Sunday, February 14, 1999 9:33 PM
To: Brad Silverberg
Subject: RE: Beating AOL (was: Neptune strategy)

I would also be excited about such a start-up, and you can be sure I wouldn't make it easy for you to wimp out of signing up! :-)

But, in the meantime, I'm going to try to get steveb and billg to wake up and smell the coffee.

Does Bill listen to Andy Grove? Maybe that is an avenue that could reach him?

My request for you for now is to stay on the fence -- you have more power to influence if you don't say yes and you don't say no until we've gotten Bill and Steve to make a decision.

Sounds like I'll be having a coy little dinner with mr. bank...
--bens
p.s. Sometimes I wonder if bill/steve want a lot of us to just leave. Natalie has told me some things that SteveB has said to her that would not be inconsistent with that viewpoint...

-----Original Message-----
From: Brad Silverberg
Sent: Sunday, February 14, 1999 9:25 PM
To: Ben Slivka

Subject: RE: Beating AOL (was: Neptune strategy)

hmm, david bank. he's not exactly on my xmas card list right now. i don't trust the guy for a second. he ignored every word i sent him in email and wrote the story he wanted to write no matter what the facts were.

maritz, muglia, and nielsen all spoke with him too but they just fed him super whipped spin. it was such a spun version of history that it wasn't credible (and wasn't accurate).

but i what i sent him was accurate. yes, a little sanitized but still accurate, and 100x more accurate than what he got from msft. yet he ignored it all.

what's more, i essentially gave him the reorg story but he was so focused on ignoring what i said, he missed it. i told him that "there are three things you can count on in life at msft: death, taxes, and another reorg." and elaborated a bit....

steve does need to do something radical.

i get a lot more excited honestly when i think about doing a startup with you, john, harel, charles, j, etc. don't know how many of us (including me!) would actually do it, but i'll bet a lot, and i'll bet we'd do something great.

steve needs to do something so that the company ends up with an org that essentially is a separate company within the company. it has to be free to do what it thinks best. it has to be so that its energy can be 95% focused externally. rather than 80% internally, as is the case today. the company is so wrapped up in its shorts that it can't get anything done. it has an incredible amount of iq yet is getting only pennies on the dollar -- so much iq is wasted. the best example i can think of of what can happen when people are motivated and externally focused is ie3. shit, so much done is so little time by so few people.

i simply do not want to spend my life in meetings struggling with the internal issues, getting pissy mail from billg saying the portal should be windows online so i can check my available bug fixes 10x a day, or hearing from people who want me to do unnatural and losing things to do to "protect" windows.

-----Original Message-----
From: Ben Slivka
Sent: Sunday, February 14, 1999 8:52 PM
To: Brad Silverberg
Subject: RE: Beating AOL (was: Neptune strategy)

You and I are 100% on the same page.
BillG is pulling a Ken Olsen, there is no other way to describe it.
David Bank of WSJ wants to have dinner with me "off the record" Tuesday night.
So far, I have agreed to do so...but I'll be circumspect...

If steveb doesn't do something radical with this reorg, I think I'm going to take off 6 months and then do a start-up...
--bens

-----Original Message-----
From: Brad Silverberg
Sent: Sunday, February 14, 1999 8:12 PM
To: Ben Slivka
Subject: RE: Beating AOL (was: Neptune strategy)

more...

- aol is definitely on the path of replacing windows. you know the portal pc cpq wants to build? it's an aol machine. all they care about is that it run aol.

- aol could also fix the app deployment problem. it would define a new, simpler app model (maybe java based but no matter). aol still wants to be able to deploy client bits, whether for new AOL clients, or components like icq, chat, IM, buddy, etc.

- with nscp and sun, they have folks who understand platforms and are smart about solving the list of "opportunities" bradsch describes.

- i can see the day where you have a machine at home that's the home digital furnace. an embedded server, like a qube, that is the portal to the outside world (it has a proxy, firewall, web server, etc). and also, using another machine that provides the ui, is the controller for your home's digital devices. because your phone, vcr, washing machine, answering machine, etc will all want nice browser based ui's, not crappy little things on a 2 line lcd. the furnace will be super high reliability, so you don't have the issues of today where people don't want pc-based controllers (like the ms phone) because they do not trust the reliability of the pc.

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- what is neptune these days? i read in scapps homestead doc that user tests rejected much of the ui (incl wizard pages for most users). or did i read it wrong? what parts of neptune are still "alive"?

- there are good insights here that i struggled with when shown neptune. such as should it be compatible with existing apps such as office? how can you call it windows? in fact, you can't -- it cannot meet the needs of existing customers while still providing a superior connected consumer experience. answer: don't call it windows, let it be free to solve the new problems. at the same time, yes, the windows team should continue to improve windows and indeed they will be trying to solve some of the same problems.

- also, it gets it off the windows release schedules, which was a key idea behind ie.

- since the goal is to have a completely reinvented version of windows, it's clear the team has to be completely separate and independent from windows. because the windows team's goal is to make new thing completely unnecessary. they are heads on competitors and should not expect any cooperation or dependencies between the two. like the nt team's job was to kill win95 (incl withholding of useful end user features from win95 because they would come out first on win95 or not doable on nt, thus making nt look bad). like the book says, really needs to be a separate company within the company.

-----Original Message-----
From: Brad Silverberg
Sent: Sunday, February 14, 1999 5:45 PM
To: Ben Slivka
Subject: RE: Beating AOL (was: Neptune strategy)

regarding the path followed by incumbents as they service ever more complex demands of existing customers, eventually overshooting the needs of the average customer: can you say "Office"?

someone's going to do a decent office package for linux. and someone's going to do a decent web based solution. and when they do, watch out.

-----Original Message-----
From: Ben Slivka
Sent: Wednesday, February 10, 1999 1:33 PM
To: John Ludwig; Steve Ballmer; Bill Gates; J Allard; Eric Rudder; Brad Silverberg; Steven Sinofsky
Subject: Beating AOL (was: Neptune strategy)

BradSch is much more articulate on this point than I have been:

<< File: Neptune.htm >>
I reach the same conclusion - we must untangle the charter of the Windows team and what I call the Internet team. Those teams should of course be free to cooperate where they find mutual benefit, but I fear very deeply that trying to win the Internet using Windows is a losing strategy.

Another book is Mastering the Dynamics of Innovation,
<http://www.amazon.com/exec/obidos/ASIN/0875847404/qid=918682319/sr=1-1/002-3100562-2534246>,
which provides 20+ case studies of innovations that led directly to a change in market leadership.

--bens

-----Original Message-----
From: David Cole
Sent: Wednesday, February 10, 1999 1:06 PM
To: Brad Schick; Jon Thomason; Joe Belfiore; Robert Welland; Ben Slivka; Chris Jones; Steve Capps; John Cordell; Ken Cooper (WCCD); Ted Peters
Subject: RE: Neptune strategy

Obviously a lot of thought went into this memo, but I don't fully understand your proposal.

Yes, we need a kick-ass cool and simple connected user experience in Windows. This is tightly coupled with service since the 2 are not separable. At one point we called this Voyager, but the name is not relevent. It is certainly an important part of the mission, and

should be available to all Windows users. Chrisjo and the IE team call this effort IE 5.5 now. I don't know if people have concluded that we need a "web tv app" as part of this, or productize the homestead thinking for this simple experience. We need a better code name for this, but it's not Neptune.

We also need to take the broader view of what PCs are all about (or should i say can be about) and focus energy on improving the PC as a digital appliance, it's relevance to the user, it's ease of use, it's simplicity, etc. We need to be in a leadership position here. The notion that the PC and the connected consumer are orthogonal worlds is not a notion I can accept. The code name for this Windows effort is Neptune.

If your memo is talking about doing the stuff in the first paragraph and the second, we're on the same page. If you are saying we should do #1 at the exclusion of #2, then we are not on the same page.

—Original Message—
From: Brad Schick
Sent: Sunday, February 07, 1999 4:35 PM
To: Jon Thomason; Joe Belfiore; Robert Welland; Ben Slivka; David Cole; Chris Jones; Steve Capps; John Cordell; Ken Cooper (WCCD); Ted Peters
Subject: Neptune strategy

This is the "AOL" paper I have been talking about writing. My primary argument is that Neptune should target AOL customers, not our current Windows market.

<< File: Neptune.htm >>

-Brad