From: Delmonte, Tom
To: Microsoft ATR
Date: 1/10/02 11:18am

First of all thank you for allowing us to voice our concerns.

My main focus is the pattern that Microsoft has exhibited over the 15 years that I have been involved in the IT arena.

The first negative experience was one which happened with a company called Stacker, in which it was proved that Microsoft had illegally used their file compression scheme, by the time the issue was settled the company no longer was viable and in fact is no longer in existence.

The next example is the competition between Microsoft and Netscape and how in a variety of actions which I am sure you are familiar made the company loose most of it's relevance in the PC arena, it still has a presence in the Linux arena, but that may change as well depending on how Microsoft handles that or is allowed to handle that arena in the future.

The main problem I see is one of ethical behavior, they do push the limits and go beyond as in the Stacker case in every area that they see is important, and one may think that this is how business is done, the stronger survive. But when it is at the cost of innovation by individuals or small concerns, which Microsoft is eliminating more and more due to it's size and influence, I think that the American public and entrepreneurs have lost incredible opportunities due to what I consider predatory behavior.

The level of excitement due to opportunities available to individuals in the 1980's was palpable across the whole Silicon Valley in which I worked at the time, as the 1990's approached this level of entrepreneurship decreased steadily.
Some of it is due to the maturing of the industry, some of it due to standardization all of which are good. But much of it has to do with Microsoft getting involved in so many areas of the personal computer arena that it left less and less space for the smaller less financially endowed institutions to contribute to the progress of a field that still has wonderful opportunities if this level of entrepreneurship is allowed to flourish again.

Unfortunately much of this has been squelched in the US, but with the arrival of Linux and what it can contribute and has contributed from many areas across the globe there is some activity in this entrepreneur-friendly environment that has received a lot of focus in the last couple of years.

I would suggest that the American technologists would be much more interested in putting an effort again into the IT arena if a more favorable environment was fostered by curtailing some of the more obvious actions that Microsoft has taken, and I am sure that that venture capitalists would

support this effort since the rewards are still very high.

What I would suggest is to split the company into separate entities in all senses, applications and operating systems are two of the ones that have been suggested.
And if Microsoft wants to enter a new arena in the computer industry (and that has to be based on a well-defined criteria) then the amount of money they can put in that concern cannot be more than the best financed institution that is already present in that arena. If none are in existence a criteria for that has to be established as well, so that other can compete on equal footing.
Once that concern is established Microsoft cannot contribute any further funds, otherwise it would perpetually be competing in an arena even it's efforts were not successful, creating an artificial concern and hampering competitiveness.
If the company failed they should not be permitted to enter that arena for a pre-specified amount of time, to allow those who had good ideas to flourish without the annoyance of having another company artificially affecting the competitive environment to that specific arena.

I understand that this may have a short-term (1-2 years) effect on the economy, but the long-term effects would be a healthy, creative, growing and dominating industry for the US.

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