

From: Larry Campbell
To: Microsoft ATR
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Subject: Microsoft Settlement

I am a software engineer who has worked in the computer industry for over twenty-five years. I have worked for large corporations (Digital, IBM) and small (I founded my own software company and ran it for ten years). I currently work for Akamai Technologies, an Internet content delivery service, but I write in my personal capacity and not as a representative of Akamai.

It has long been obvious to me and all of my colleagues that Microsoft is a predatory and dangerous monopolist who stifles innovation and competition in the industry. Because of Microsoft's total dominance of the industry, consumers have very little choice in not one, but many different product areas:

Operating systems: Microsoft Windows completely dominates this market.

Word processors: Microsoft Word completely dominates this market.

Spreadsheets: Microsoft Excel completely dominates this market.

Presentation software: Microsoft PowerPoint completely dominates this market.

Project management software: Microsoft Project completely dominates this market.

In these five distinct and separate product areas, there is no effective competition AT ALL because Microsoft has destroyed its competitors.

Add to this Microsoft's enormous hoard of cash, and it is obvious that it would be suicide for any business to attempt to dislodge Microsoft in any of these categories. No matter how good your product, you'd run out of cash long before Microsoft would. In business, money is ammunition and it's not much of an exaggeration to say that Microsoft has it all.

Microsoft did not achieve this position because their products are superior. The industry graveyard is littered with the bones of competitive products, many of which were superior to Microsoft's at various points in time. But Microsoft, through its initial monopoly in PC operating systems and consequent guaranteed cash flow, has been able to subsidize tremendous marketing and development efforts devoted to crushing any and all competition.

It is widely accepted in the industry that the Microsoft culture is devoted, not to technical excellence, nor to serving customers, but

rather to targeting a market segment and completely capturing it by crushing the competition. It is a competitive culture devoted to winning for winning's sake. It's a commonplace often heard from those who have been involved in negotiations with Microsoft that at Microsoft there's no such thing as "win-win"; there is only "I win, you lose".

Even if Microsoft were not in the habit of engaging in predatory and ruthless and questionable business dealings, their enormous cash hoard and total dominance of the desktop computing market would make them dangerous.

In my opinion, the Revised Proposed Final Judgement is nothing more than a light slap on the wrist for Microsoft. The Judgement merely states that Microsoft should stop engaging in some of the anti-competitive behaviors that have gotten them to where they are today. May I point out what should be obvious? That it's too late! They have won. They dominate the industry. They are widely feared. It costs them nothing to agree to the Judgement because they no longer need to engage in these behaviors.

It is my firm view that the Revised Proposed Final Judgement will have little or no long-term effect, and that Microsoft will continue to dominate the industry, stifle competition and innovation, and use their existing monopolies to allow them to gain new monopolies in new markets. An effective response to Microsoft must address these two points, which the current Judgement fails to do:

- (1) It must punish them severely enough so as to discourage others from engaging in similar conduct in the future, and
- (2) It must prevent them from extending their unlawfully-obtained dominance and strength from unfairly taking control of future markets.

The current judgement does neither. I am not an anti-trust lawyer and so I am not familiar with all of the remedies that might be possible, but I believe that to be effective the remedy must include elements of the following:

- (1) Microsoft must be split into at least three independent entities (operating systems, applications, services)
- (2) Those Microsoft senior executives responsible for their past behavior must be punished personally, with either jail time or huge fines
- (3) The same senior executives must be compelled to choose, after the breakup, which (if any) of the new companies they will be associated with and must not be permitted to be associated with more than one of them.

You know the old saying "crime does not pay"? If the current Judgement

stands as the government's last gasp in this matter, we'll have to change it to "crime does pay". Microsoft has shown us the way.

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