Erik Stevenson

From: Bill Gates
To: Paul Maritz
Cc: Mike Maples; Steve Ballmer
Subject: Systems strategy
Date: Sunday, June 07, 1992 10:04PM
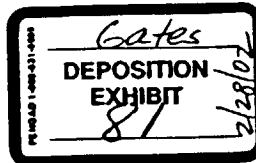
One area of concern we should touch on verbally to make sure we see it the same way is competition with IBM. The includes both what things we release between now and September 1993 and things we release subsequently to that. We need to optimize our release plans and decisions to help us compete against IBM. It deserves very specific thought.

In particular I wonder what things we can do In the next 12 months (besides ship NT) to disuade corporations from switching over to Os/2. Steve supports having CATM like groups in all of the major subs (uk, germany, france) that like the US group will help us understand who is adopting Os/2 and why. (steve - make sure you go back and add these people to france. Are there other subs we should include? Probably not Japan so Austalia and Nordic would be next in size). We need to develop a way to get information between and back from these Os/2 battle groups easily. Perhaps a monthly thing publication like offline would be valuable.

Win32S: I thought Win32s would be key to this. I understand your reasons for delaying it. Is Applications (peteh) willing to ship Excel in early 93 when win32s will stabilize? Maybe the overhead (work) is low enough he will view it as a cool thing to do. We need it for NT and Win32S both. Working with Borland and the long delay raises a possibility that IBM will be able to respond with an Os/2 with Win32s compatibility fairly quickly. If we think IBM won't respond to Win32S perhaps for the first time we should pay money to incent ISVs to ship 32bit versions on a timely basis.

Compatibility: I want us to really identify things that create compatibility issues and see If we can evangelize more applications in these areas. For example Truetype fonts don't work under Os/2 so having lots of those out there particularly that are not available in ATM format is great. Whenever HP announces their Truetype printers we should try and score PR points. I also wonder if Internationalized applications like DBCS windows applications will work under the corresponding version of Os/2 - they would have to duplicate a lot of our kanakanji/input method API stuff which I hope is hard to do. Until they get an update out windows applications that are version bound are great. We should convince ISVs that it is a waste of time to test under 3.0 pointing out all the bugs we fixed with 3.1 and the high percentage of people who have updated. I wish I knew more things that caused problems for OS/2 - I still dont understand stuff like metafiles, character sets, dde links trying to cross the boundary between PM applications and Windows applications. We could convince ISVs that any testing the do under Os/2 should come after shipping the native Windows version and just have it as a fufillment item and charge more because of support complexity.

Sparta: Is it hard for IBM to just take new sparta apis? Is there anything in the way we do drivers or APIs that might make their life a little more complex? Steveb and I will make sure they have to pay quite a bit more money if they take any sparta code. The more VxDs the better - particularly for new apis. (steveb - I forget how this is covered in the current negotiation. I think townsend wanted all the new apis for free and I am pretty sure we said no).

All of the above just spread the impression of incompatibility which is great for the broad audience. For the narrower audience of corporate customers I guess being willing to give them NT cheap and marketing its future is all we have. There is a question of how soon to talk about DOS 7 and what it brings but it would kind of confuse a lot of things to be too open about it - NT would be undermined some and DOS 6 would be undermined. [What happens when NT sees a compressed disk from DOS 6? Will there even be a utility to read it?]

Once a corporation starts using OS/2 on the desktop I wonder if we can ever get them back. If they knew the windows applications world was diverging that would help in a lot of cases. We need concrete examples of this and need to broaden the message that they are parasites and their license for parasitism is limited. We could even refer to the current license agreement as the parasite agreement.

As far as their september expiration goes we should go back and redesign simple things like new ICONS after that date so that we have a protectable copyrightable interface that they cant just take after that date. We could prepare for this by making it simple to change the documentation. IBM doesnt get an NT based CAIRO and there will be a lot of work post september so it wouldnt be worth much to them - the big things they will get are the work in progress on CHicago Skus.