

PLAINTIFF'S
EXHIBIT
tabbler
1447
Comes v. Microsoft

InterOffice Memo

To: Robbie Bach, Pete Higgins, Mark Kroese, Lewis Levin, Chris Peters, Hank Vigil
From: Monica Harrington, Marianne Allison
Date: October 6, 1992
Cc: Laury Bryant, Gaby Adam
Subject: PR Response for Desktop Plan

This memo summarizes PR's response to each of the issues raised in our 9/11 meeting. The purpose of putting our response on paper is to give you something to respond to so that it's very clear as to which action items are outstanding and who has ownership of each before we move forward. We appreciate the thinking that you've done on this to date and look forward to hearing back from you. We'd like to get your response by the end of the week if at all possible. Many of the issues can be discussed over email. If you'd like to set up another meeting, please let us know. As always, contact Marianne or myself if you have questions.

Mac should be part of the plan.

Agreed. We have 200k in the budget for Mac and are committed to developing Mac-programs. One of the issues we're facing is lack of clear direction on Mac programs. In order for us to be aggressive on the Mac, we need to have a Mac champion or someone who can act as our client and speak to the Mac press and influentials on Mac issues. We know that you are looking for such a person, but in the interim, we need to have someone appointed to handle Mac issues across product boundaries and to be our client.

PR's action item:

1. Conduct audit on MSFT's Mac products, its place in the Mac community and its technological prowess, as perceived by the editorial community and Mac influentials.
2. Develop "road map" for working with the Mac community. (Laury Bryant, new hire at WE, has excellent Macintosh contacts and information about working with the Macintosh "infrastructure." She will be working on Mac-Line activities and is an excellent resource we'll want to leverage.)
3. Note all Mac-specific or Mac-related action items in the plan.
4. Work with interim Mac product manager on Mac-specific PR strategies and tactics.

Product group action item:

- Appoint Mac delegate/spokesperson who can serve as client for Mac-specific proposals.

Needs more focus on capitalizing on Workgroups/Databases/Solution Providers

Agreed. Desktop PR will work with our counterparts in the other campaigns to find PR-specific ways of finding leverage. It would be very useful if the Desktop Product team could appoint a liaison to be in touch with those groups as well so that we get consistent feedback on joint PR activities. We've already provided input to the Workgroup PR team for apps participation on Workgroup Day.

One of the biggest area where we need to leverage resources and work for consistency is in solutions stories. We want to tap in more closely to user stories cultivated by the Solutions Campaign. It would help if appsmktg could appoint a liaison to work with Robin Courtwright to ensure that she's getting app-centric stories. In some "solutions-oriented" apps stories, such as EIS, we should work with John Nielsen or his delegate to ensure consistency/leverage.

MS-PCA 1501902

FORWARD BY NAME, N. J.
EXHIBIT
26
Vigil
6/29/01

CONFIDENTIAL

PR Action Item: Identify specific opportunities for leveraging Workgroups, Databases, and Solution Providers campaign and incorporate them into the plan by 9/30.

Product Group Action Item: Appoint liaison to work with us on cross product solution stories and issues, e.g., if we call a meeting with the Workgroup PR/product team to work on combined Workgroup/Desktop PR strategies/tactics, we need someone who can speak for Desktop Marketing.

Branding usability in a defensible way

Agreed. Our solution is to focus on all of the activities that MS is doing to make software easier to use and "productize" those activities. We would like to develop a PR plan, similar to a product launch plan, for all of the areas that report to Chris Graham, plus additional areas, such as Activities-Based Planning, and Instrumented Versions, that are managed within the product groups. In order for this to work, we need a "client," who can speak on behalf of usability and interoperability and who can drive communications that are not specifically PR. (At the current time, for example, Mary Dieli's group is not doing any PR tours, because they cannot handle the overhead that's associated with them...spending time developing presentations, conducting tours for corporate account groups, etc. Lack of bandwidth is a major reason why we're making little progress on developing our own usability story.)

We need someone who can drive the "productization" of interoperability/usability and work with us to develop a set of materials (backgrounders, videos, slide presentations) that communicate and support all of the activities that we're undertaking.

Product Group Action Item: Appoint someone to develop a "marketing" plan including strategies, and tactics for communicating about interoperability/usability to various audiences, including corporations, the sales force, and customers. *Philip
Duncan*

PR Action Item: Write the PR arm of the "Interoperability/Usability" product plan.

Who/What is the competition and what actions do we take to address this?

Our primary competitors on the desktop are Lotus and Borland. We are planning to develop specific Borland and Lotus focus plans in cooperation with product marketing. Kickoff for the Borland competitive meeting is set for Oct 2. Our goals for the Borland plan are to combine resources/knowledge from languages/databases/spreadsheets marketing and PR teams and use those to outfox Borland. One important goal is to define the Desktop in such a way that Borland can't compete, e.g., making word processors a mandatory. For the Lotus focus meeting, PR will drive a meeting that includes representatives from the spreadsheets, word processing, and workgroup divisions.

PR Action Item - Drive Borland and Lotus focus kickoff meetings. Write year-long plans, including strategies and tactics, for using PR to FUD Borland and Lotus. As part of this, we will develop calendar of expected PR strategies and tactics from both Borland and Lotus.

Marketing Group Action Item: Appoint a representative or representatives to work on both the anti-Lotus and Borland campaigns.

When and how do we discuss things like T3/XLS, interoperability/OB/QT, etc.?

Our goal is always to maximize our own positive coverage while FUDing our competitors. Because it's difficult to know exactly what competitors will do, the schedule will be adjusted to account for any curves they might throw. With T3, for example, we want to start working with the press in the spring so that when the product is released, they're predisposed to view it favorably. If Ami starts picking up momentum, however, we might start talking about T3 earlier than anticipated in hopes of stalling comparative reviews until after T3 ships. Likewise, if WordPerfect's March release looks like it will be well received, we might want to be more public about T3 with the goal of defining evaluation criteria for the next round of comparatives and for providing context within which WordPerfect is judged. Those caveats aside, here's a proposed schedule:

MS-PCA 1501903

CONFIDENTIAL

interoperability	We'd like to develop a plan for this now with the goal of ensuring that interoperability is used as evaluation criteria for the next generation of applications, especially word processors and spreadsheets. I would compare our talking about Interoperability this Fall/Winter with doing ABP visits for a specific product. We should meet with the press, identify the problem we are trying to solve, discuss with them some of the issues, and then get feedback on our solutions. In order for this to work, we need to create in the editors' minds a clear picture of what Chris Graham's group does and cares about. Idea is to have the editors totally bought into our approach for ensuring consistency and "working together" by the time we start doing long leads for T3.
Object Basic	We propose that we first start talking about Object Basic at the Office of the Future strategy session. We have some tricky issues to navigate here since Word will ship without OB, and then three months later, Excel will ship with OB. As mentioned above, it's our (Desktop PR) belief that we should define Object Basic in the context of the apps in which it will ship, i.e., Excel first, rather than have the APPU folks promote it as a separate product. If we don't define Object Basic in the context of MS apps, we believe we are losing a major opportunity. This is an issue still to be resolved. What are your thoughts?
Query Tool	Query Tool is another key piece of technology that we might want to introduce at the Office of the Future. We can also do followup tours with technology editors in late January/early February. Because QT will be a key piece of the Borland focus plan, we may need to pull it out earlier.
T3	In a vacuum, we would start doing long leads for T3 approximately four months before ship. Based on the current schedule, that means we'll want to go out in March. However, because of Ami's success in the editorial community and the pressure of a WordPerfect release in the March timeframe, we may want to start leaking information about T3 earlier, with the goal of delaying comparative reviews and ensuring that eval criteria is built favorably to T3. We can begin the leaking in January during the "Office of the Future" presentation. Key thing is to make sure that whatever we show is intriguing, yet is difficult for our competitors to clone. An example of the type of thing we would NOT want to show is Drag&Drop. Until we start talking about T3, we will want to play up MultiMedia Word and leverage other opportunities (e.g., we might want to show some sort of Access/Word solution for document management).

MS-PCA 1501904

CONFIDENTIAL

xl5	Again, in a vacuum, we plan to start talking about xl5 three to four months before ship, which means June/July of 93. An important issue for xl5 is Object Basic. Since Excel will be the first app to ship with it, it makes sense to define Object Basic in an Excel context. This is something we need to work out with the APPU team.
-----	---

Strategies do not address all of the issues in the Situation Analysis

I spoke with Lewis about this on Tuesday to get more clarification. We'll do a better job in the plan of tying our strategies to specific issues. However, some of the issues identified below simply "are"; they do not have PR solutions. We've identified what we can do and where we need your help.

Renegade products - We (PR) will do what we can to educate various product groups about the best way to work with editors. We will also work with them to ensure that messages about shared processes and technologies (e.g., usability, OLE) are discussed consistently. However, this problem is much larger than PR. The effects show up in PR, but the causes are rooted in bigger issues. Within Desktop, Pete can apply "appropriate pressure" to ensure that the root causes of renegade products are reduced. For products that exist outside Desktop, we are assuming that Pete will work with the other VPs or Mike Maples to help ensure that the root causes of "renegadism" are reduced.

Vision - It's our hope that we can articulate the vision of The Microsoft Desktop at the January briefing. Our goal is to paint a picture of how users will be working 2-3 years from now and paint a picture for how MS will contribute to making that happen.

Definition of Desktop - We are agreed that the definition among editors is much broader than that used in Microsoft. We will work with our PR counterparts in Database, Workgroup, and Consumer, but we believe buyoff for putting together a unified vision for MS apps needs consensus at a higher level. Ideally, Pete/Hank will work with Charles, Daniel, and Susan (e.g., MultiMedia consensus) to achieve consensus on the need for an apps-wide communications plan. We will then submit the plan to them for feedback/consensus.

Windows focus/Mac commitment - This is discussed as a separate action item above.

Applications vs. Systems - It's our belief that our systems heritage is a major strength for apps. However, because of the recent storm surrounding the API issue, we need to tread carefully this Fall/Winter. Where appropriate, we think we should be leveraging the interest editors have in systems technology for the benefit of apps. For example, editors are very interested in Windows for Workgroups. We believe the apps group should have position papers/backgrounders for how/why Windows for Workgroups provides benefits to users at the application level. The Word group has put together such a document. Throughout the plan, we have identified a number of opportunities where we can "piggyback" off systems developments. In addition to this, we need to make sure that MS spokespeople who sit above both Apps and Systems (Mikemap, Jeffr, Steveb, Billg) talk about the apps. In many of Bill's presentations, e.g., the apps are an incredibly small part of his content. We can work with our systems PR counterparts on this, but it is a larger issue. It would be very helpful if Pete/Hank pursued this as well.

Microsoft Baggage - Many of the tactics we're undertaking are devoted to showing that "we work incredibly hard, are very devoted, and we care about users." There is a separate "Microsoft Image" focus squad that is working on the larger issue of Microsoft's image and the whole "Making It Easier" theme. We need to contribute to that effort. Within Desktop, we believe we can chip away at this issue and show through word and deed that it is not true. One of the reasons, for example, that we want to highlight the work being done in Chris Graham's group is to show that we are not arrogant; that we recognize that we've got problems (usability, making it easier for our products to work together) and that we're devoted to finding solutions to these.

MS-PCA 1501905

CONFIDENTIAL

News or Lack thereof - Throughout the plan, we've identified opportunities to latch onto news that is happening (databases, Windows for Workgroups, e.g.). In addition to that, we also want to "create news" for interoperability/usability, the Office of the Future, and the Word birthday. In addition, we want to share our research with the editorial community so that we can create news by sharing information about users that is helping us to make our products easier to use. Other ideas are welcome.

Identity for MS Apps

Our current plan is to move forward with the "Making It Easier" theme. In this sense, our identity has to be the Microsoft Apps Make It Easier to do XXXXXX. The XXXXXX part of this changes depending upon the audience. To developers, for example, Microsoft Apps Make It Easier for You to Build Solutions. For corporate MIS types, Microsoft Apps make it easier for you to manage applications deployment and support. We need to work with you on identifying what the "making it easier" tag needs to be for each of the segments.

Action Item: Product Marketing and PR to meet to discuss what the Making It Easier promise should be for the various audiences and then develop specific PR strategies to communicate support for those messages.

Tagline and how it maps to our identity and technologies; make it meaningful and real

Again, we see this as an extension of above.

Tactical Issues

Ownership of the "desktop"

As noted in the plan, we agree that the current definition of "the Desktop" as used within Microsoft is artificial. We would like to work with other product groups, especially Databases/Languages and Workgroup, on a unified plan. On the PR level, we are distributing these plans to the PR teams for those product groups for feedback. We believe that consensus on this needs to be driven at a higher level, however.

Action item: Pete to work with Daniel and Charles to solicit their input and gain consensus.

Measurement of our success

The AAU Editorial research is now being distributed. (You guys should have received this weeks ago...sorry.) We're working with Linda Lybeck now on getting some measurement baselines for specific messages we want to track over the year. I think the specific messages will be the "MS Makes it easier to do XXXXX" variety, which means the sooner we come to agreement about what those messages should be, the sooner we can get a baseline for how editors feel about them now and then track them over the coming year.

Action item: Set up meeting to decide on specific Making It Easier promises to be measured over the next year by Linda Lybeck's group.

User Stories/testimonials needs a specific set of deliverables

Agreed. Also, as noted above, we need to work very closely with Solutions Providers in the development user stories and testimonials. We have signed up to do one major story per quarter (along the lines of Perkins-Coie), but would like to have the additional goal of one additional user success story per month. This does not need to be a profile of an individual company; it can be the story of several companies in support of a trend, such as EIS solutions. In order for this to happen, we need someone from product marketing whose responsibility it will be to work with us on this. The model for how this can work really well is the work that Alee Spencer did in lining up companies to say positive things about LMI. In that case, we decided that a strong statement about the effectiveness of LMI was necessary and we lined up

MS-PCA 1501906

users to support that premise. We believe taking a "message-content" approach, where we decide what message we want to send and then line up accounts and users in support of that message is a much more effective way of "moving perceptions."

Product Marketing action item: Identify product marketing contact to work with us on generating these stories.

PR action item: Develop specific story proposals/directions that we can use in identifying corporate candidates. E.g., for November, we might ask for companies who have built EIS solutions using Excel, Word, or Project. The product marketing person can then work very aggressively in lining up companies who will speak in support of MS on the identified issue. Goal will be one story per month.

Challenge not relevant for Excel

Agreed. We will remove it from the plan.

Plan is front loaded and needs more ideas for second half.

Agreed. Part of this is due to the dynamic nature in which we work; part of it is due to the fact that individual plans for pieces of the plan still need to be fleshed out. With "Office of the Future," e.g., many of the tactical elements will be taking place in the Spring. Likewise, with the Word Birthday, we expect to have a series of activities in the February-March timeframe, leading up to a birthday celebration at Windows World.

PR tactical elements that will take place in the first six months of 93:

- Office of the Future (major plan with lots of supporting tactics) - January - May
- Word Birthday (again, major plan with lots of supporting tactics) - January - April
- Query tool - January???
- Object Basic - January as part of Office of the Future, May for OB tour
- Interoperability/organizational usability
- Long leads for T3
- Ongoing usability
- Long leads for Excel 5
- Office/WinLine Momentum
- Other??

Other issues we have questions about

The Word Birthday is potentially a BIG idea. We would like to have someone from product marketing assigned to work with us on this. Do you have any questions/issues/concerns about this?

NEXT STEPS: We need to come to resolution on the items above and take action where indicated. Please let us know what you're thinking so that we can move forward.

MS-PCA 1501907

CONFIDENTIAL