

From collinsh Wed Oct 21 18:39:25 1992  
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To: billmi jonl steveb  
Date: Wed, 21 Oct 92 18:38:40 PDT  
Subject: FW: novell and wfw

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From: <COLLEENL@or.wagged.com>  
To: <PAMED@or.wagged.com>; <microsoft!collinsh>  
Cc: <KELLEYL@or.wagged.com>; <PAMK@or.wagged.com>;  
<RAYB@or.wagged.com>; <CLAIRE@wa.wagged.com>; <susanh@wa.wagged.com>;  
<microsoft!bradsi>; <microsoft!russ>  
Subject: FW: novell and wfw  
Date: Wednesday, October 21, 1992 5:32PM

Notes from richt and claire.

Novell product FUD points: broken, uncertified, illiegal, dangerous, void  
network warranty and crash your network.  
Novell business FUD points: stolen, unfair, anti-competitive, bad faith,  
raises spector of FTC investigation and costing us lots of money in support.

Critical piece: We need to have a very clear answer to questions on why we  
didn't give novell beta early on in the process.

To address Novell FUD, we recommended a three pronged approach touching on  
the product, support and corporate components of the issue.

Product side:

- MS put into WFW what customers want and need
- Good for Netware customers
- Product is incredibly well tested
- 12K beta sites
- Just Windows 3.1 plus networking
- Solid legal ground
- Novell is hurting the industry--not just MS
- Hurting customers
- Competitive ploy
- Similar to apple lawsuit
- Compete in courtroom--not in the market
- Action will close down innovation--need to explain technical issues  
behind licensing

Everyone else in the industry has open standards for what Novell is  
complaining about--xerox, IBM, digital, U.S. Gov with TCP/IP, NFS and MS  
NDIS. Novell has licensed the code broadly in the industry to OEMs, ISVs  
and IHVs. Why isn't Novell pulling code from these other companies?

ACTION: Find out what other companies have licensed from Novell the IPX  
protocol/Netware redirector?

Corporate Strategy:

PR is only one component of the corporate communications stratgegy.. We need  
to rally the industry behind us so that they will be our advocates--OEMs,  
ISVs, international, sales, etc.

Our view: Novell's actions are hurting the industry, not just  
Microsoft--closing down innovation.

Support Strategy:

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As we did with the undocumented calls announcement, we need to explain the technology and rationale behind a licensing agreement---

what is a license?  
why do companies distribute licenses?  
what is novell upset about?  
what's a netware protocol? how does it work?  
who has licenses? why? what do you do with one?  
How has MS has been working with Novell over the years?  
what is MS willing to do re: NetWare support--handle all calls for  
Novell? Distribute Windows  
resource kits free to all wfw users?

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From: collinsh  
To: billg; bradsi; mikemap; paulma; steveb; tonya  
Cc: billmi; billp; collinsh; johnlu; jonl; martyta; pamelago; richt; russs;  
w-clairl; w-coll; w-pamed; w-rayb  
Subject: RE: novell and wfw  
Date: Wed, Oct 21, 1992 12:18PM

Pam, Colleen, and I have discussed the "state of PR" re: the looming Novell threat. We're alarmed over worst-case possibility. We need to be prepared for two levels of action, where No. 1 is what we're already doing and No. 2 is what we are unprepared for today:

1. Things roll along with Novell grumping and we get a few more dings in the press but ultimately things get resolved, if not this week then in a couple of weeks. In this case, we stay the current course: We find 8-10 good NetWare users who talk about how great this is for users (in process); we talk w/lab people and techeds on same issue and confirm that product is good for them on NetWare (Colleen/Ray -- start this); we talk w/lewis and a couple of other key analysts about how this is good for customers, and try to create a groundswell of "this is good for customer" stories to help prevent Novell from nuking us if things finally break down in a couple of weeks. We proceed w/launch as usual.

2. We prepare for Novell nuking us any time from noon Thur to noon Tue; we assume events of last week are a deliberate effort to sabotage the launch. Agency and I agree we should start scrambling now and not wait till possible noon Thur call -- we are NOT prepared now should they "Apple us" and file suit late Thur or, say, Fri at 5 p.m. w/all our key execs out of pocket in Euro or at company meeting or en route to NY; or if Novell does this the a.m. of the announce.

We need to assign a SWAT team to prepare for this possibility as otherwise we will not get focus during the last crazy days getting ready for the launch itself; and we need to develop a position on the biz/legal issues and folo w/whatever materials, response, press statement/release that we may deem necessary.

If you read all the press since Strategy Day, it's all been about how MS is out to kill them and LANtastic; sabotaging WFW launch is a not-so-unrational response -- esp. since they control many of the small net resellers who will want to sell WFW. It wouldn't take a lot of FUD to bring us to a halt. They'll position this again as big, bad MS -- can't trust 'em, can't do biz w/them, they're yanking us around, didn't even bother to test it w/NW, it'll break on NW and they'll blame us, etc.

Most of the issues are larger than PR itself. We need to get Steveb, Billp, Bradsi, TonyA, RussS or delegates in a room together NLT Thur a.m. Pam and I are ready to leap into this -- PE can be here in the a.m.; I can start working w/people today and also meet tomorrow. I suggest Tony drive getting the right people together ASAP, NLT thur a.m. MS-PCA 2558787

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The issues we need to have a POV on are:

1. What will MS do if Novell seeks an injunction? Would a judge likely grant one? What would be more reasonable steps a judge would do, short of that, and what would be our response? Do they have any ground to stand on re: license itself or testing issue? If the issue is testing or support, would MS offer to do this for Novell? If so, should we proactively offer to do it this week, as good guys interested in the customer? ("MS announced today that it will provide free support to all Novell users for the first X days after WFW ships, announced that it's making its KnowledgeBase available free to Novell, offered to send Y engineers to Provo to answer calls, etc.")
2. What are the legal and perceptual issues re: our failure to have Novell test product until last minute? Who else did we exclude from the beta who might ding us, and why? (Who else will call the press and say, "they cheated us too.")
3. In addition to direct public response WRT press, what will we do WRT resellers, customers, OEMs, international? Who will be in place to handle those communications? Esp. if this breaks late Friday.
4. Any other actions MS might take if Novell files suit or publicly threatens to, or otherwise takes a nasty hard line in public that would create serious FUD on Tue. What actions (legal or biz, not just PR) could MS take, and how would we position this publicly? What other proactive BIZ things could we do to fix this or make it clear that the issue is harmless to Novell and good for customers?

At minimum we need to have in our back pockets:

1. Updated Q&A addressing such issues as: why didn't we give them beta so they could test? Why is it incompat w/NW 4.0? How will we fix? Essentially address the things we need to re: "test" issue in contract. Why doesn't DR-DOS work and did we do anything to break it?
  - 1a. Add more to the "injunction" section where we flesh out some of the things judges are known to do short of "pull it off the shelves." Develop a position that shows worst-case almost never happens, and that plenty of rational solutions exist that would satisfy Novell and help customers.
2. Timeline from when we first signed contract to things like design previews where Drew Major was present; PDC and other devcons where we talked about it; good selection of clips over several months where NW support is described; damning Windows Mag article where their guy is bragging about NW client; etc. Show that they clearly knew about this. (Tony and billp were working on this for possible legal use, but we need a synopsis for possible press use.)
3. Relevant pages of contract where use is permitted in win3.1 products and consider showing or giving to the press.
4. Claire is composing notes on the road about editor opinions as to what Novell will do -- we'll throw these in the pot for consideration as well (should have by end of day today) -- what would our response to those actions be?

We may or may not use some of this but we need to have it ready to go and a team to deal with this.

5. Continue doing all the other "good for customer" stuff in Scenario 1.

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From: Tony Audino <tonya@microsoft.com>  
To: billg; bradsi; mikemap; paulma; steveb  
Cc: billp; collinsh; johnlu; jonl; martyta; russs; tonya; w-clairl  
Subject: novell and wfw  
Date: Wednesday, October 21, 1992 5:08PM

i talked with john edwards this afternoon. i have been trying to reach him since last friday. there was no softening in his tone about the issue in fact he was more belligerent than ever. he said that he has had his testing team running wfw thru the paces since he recd the product from me last thurs. according to him they are working around the clock. he said they have about 28 different configurations on which they are running wfw in conjunction with netware. they currently have 12 items on their list of concerns and they aren't finished yet. most of their concerns center around our use of a dedicated IPX driver in wfw vs their preference for the ODI driver. they have discontinued use of a dedicated IPX driver and are no longer supporting it. he mentioned 3 major concerns:

- 1) they cannot support our use of IPX in WFW; it will cause major support problems for them.
- 2) during driver detection we reload MSIPX and no longer use the ODI drivers. then reboot the system and it hangs. part of the problem is we bypass netconfig.sys. WFW works OK but some of the other novell services are hosed.
- 3) our use of dedicated IPX driver will cause of some their SPX apps to crash (this sounds like it may be the same issue as (2) but he mentioned it separately).

he said that his testers will be finished by tomorrow and he will call me from austin with a complete list of their concerns. at that time we can decide when/where our technical people can meet. he also mentioned that he is very concerned about receiving a shrink-wrapped package from me. this obviously means we are building the product and shipping it out to the channel. i told him we are preparing for our launch event but otherwise didn't comment on our building of the product. he also said that we have broken our pledge not to talk with the press since the story initially broke. he mentioned that his PR people have a list of at least 20 people in the press of have talked with people from MS UK about this issue. so he no longer feels obligated to stick with this pledge. he said he has had the press lined up at his door and hasn't talked with them but feels he may need to respond.

i think there is at least a 50/50 chance they are preparing a case for getting an injunction against us. edwards shows no signs of wanting to resolve this issue and continually mentions how we breached the agreement by not providing them with a version for testing until just the other day. we should be prepared for this worst case. billp is meeting with outside counsel today to brief them on the issue. clair will be arranging a time for PR and product people to meet to talk about a worst cast scenario and how we should respond. i'm trying to arrange a conference call between noorda and billg for thurs at noon. i'm waiting to hear back from noorda's office. i will send mail after talking with edwards tomorrow. i will also follow up with phil buggins in the UK to find out what if anything was said there.

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To: bradc bradsi  
Subject: win 3.1 beta  
Cc: lizsi w-pamed  
Date: Thu Nov 7 10:33:51 1991

if you are NOT sending dri the win3.1 beta or not giving them access that other developers have then we will have a HUGE HUGE major pr problem on our hands we cant go out and claim we are only trying to help customers and then trash dri...even if we do it in e devious and smart way and then have the press find out that ms has been cheating and lying say it isnt so ....we will have ZERO credabilty with the press

##### 150  
From bradsi Thu Nov 07 12:15:17 1991  
To: josephk richt  
Subject: RE: OS/2 2  
Date: Thu, 07 Nov 91 12:15:17 PST

i'm sure it will be no problem getting a resource on tool production. when doug comes over, it will be very very clear what the objective is. we need to think through strategy issues too, not just tactics. like issues related to ole 2 or things ihm might put in os/2 that we need to respond to.

##### 151  
From bradsi Thu Nov 07 12:15:47 1991  
To: davidcol philba  
Cc: sharonh  
Subject: Re: Win 3.1 Warning  
Date: Thu, 07 Nov 91 12:15:47 PST

i am out of town tomorrow. sorry.

>From davidcol Thu Nov 7 11:28:16 1991  
To: bradsi philba  
Subject: Re: Win 3.1 Warning  
Cc: sharonh  
Date: Thu Nov 7 11:27:35 1991

Bradsi, you may want to attend this. We will be dicussing the warning message win 3.1 will post when setup on non-MSDOS systems.

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>From ninamay Thu Nov 7 11:19:41 1991  
To: billp davidcol philba richab  
Cc: debrav kharrang ninamay petermi  
Subject: Re: Win 3.1 Warning  
Date: Thu Nov 07 11:19:01 PDT 1991

I have scheduled a meeting regarding the above for Friday, November 8, 1991, at 9am in the LCA Conference Room (8S/1073). If there are any conflicts, please let me know. Thanks.

Nina

##### 152  
From bradsi Thu Nov 07 12:16:24 1991  
To: davidcol lioneljo  
Cc: bobt lioneljo timbr  
Subject: Re: Toolhelp and Mansour Safai  
Date: Thu, 07 Nov 91 12:16:24 PST

he's glad to work on toolhelp.

>From lioneljo Thu Nov 7 11:31:41 1991  
To: bradsi davidcol  
Cc: bobt lioneljo timbr  
Subject: Toolhelp and Mansour Safai  
Date: Thu Nov 07 12:31:10 PDT 1991

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