

From dwaynew Wed Jan 13 19:48:35 1993
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From: Dwayne Walker <dwaynew@microsoft.com>
To: billg bradsi jimall jonl mikemap paulma tonya
Date: Wed, 13 Jan 93 19:49:43 PST
Subject: RE: Novell
Cc: dwaynew

Jim

This is good mail. I personally agree with you. Novell is hitting us hard from all sides. You mail failed to mention that they are pushing FTC issues in the background against us, strong arming channel/resellers not to carry W4W or our networking products, attacking Windows NT hard in corporate accounts and more.

It's clear to me. We are at all out war with Lotus (especially on the Notes front), with Novell (DR-DOS, UNIXWARE and Netware) and with IBM OS/2 unit. The Apple attack ads are also getting through to people. And in general, UNIX is getting more momentum (NT PR and SDKs is slowing UNIX down some but we must still watch the UNIX longshots).

Novell is a serious threat to our entire business. I think we should strike back even harder then you suggest. I certainly agree that we should use the press, SDR, etc. to get their attention. If this fails, we need to "Take the Red Out".

Rumors are mounting again of a possible Novell/Lotus merger. This would be a big problem. Rememeber that Lotus will release Notes and additional 1-2-3 versions on UNIX this year (including on UNIXWARE).

Dwayne

From: Jim Allchin
To: Bill Gates; Brad Silverberg; Dwayne Walker; Jonathan Lazarus; Mike Maples; Paul Maritz; Tony Audino
Subject: Novell
Date: Wednesday, January 13, 1993 7:18PM

It is very clear to me that Novell is at war with us. The list of attacks they are making on us has reached an all time high.

We should discuss how MS as a whole should be treating Novell. I think that we should do the following:

1. Continue to try and make peace.
This means trying to resolve Access, WfW, and NT rights to ship code.
2. Continue telling the press and customers that we are dying to work with Novell for the sake of customers. "Ray won't return our phone calls as we beg on our knees." Sell customers against them. The comment from Ray is amazing. We should use that against them. "Ray clearly isn't thinking of customers..."

3. Disinvite them from the SDR and tell them why. Inviting a competitor to a NDA presentation regarding key technology that they can use against us doesn't make any sense. It also, as Brad said to me, signals that business isn't going on as usual here regarding Novell. We want some resolution on the issues in #1 and some commitments for the future.
4. Drive ahead quickly on the client side work.
5. Ensure that we have white papers prepared for NT as a client against UnixWare and for NT as a server against NetWare 4.0. In the latter paper it should point to the future to a new advanced DS in Cairo, etc.
6. Continue helping them on NT. This is to our advantage. However, I strongly suggest that even if we can't get rights on them letting us ship the code we should get an agreement from them that *they* will ship the code concurrent with NT's shipment. If we can't even get this from them, then we should use the press against them and we should pull back the NT code. This isn't asking for much from Novell -- just commitment that if we provide this support to them that they'll ship and support a product based on it.

Do you agree?

thanks,
jim

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From bradsi Wed Jan 13 19:55:35 1993
To: billg dwayne jmall jonl mikemap paulma tonya
Subject: Novell
Date: Wed Jan 13 19:55:34 1993

don't forget, ibm, sun, and apple are not invited to the
sdr either. as is very clear now, novell is as much of an os
competitor -- or more so -- as the others.

especially in the current situation, i do not feel comfortable
givng them an nda presentation on our os strategy and specific
details too -- not until they show some concrete signs of
cooperation or responding to our proposals.

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