Bill Gates

From: Pete Higgins
To: Bill Gates; Brad Silverberg
Cc: Bob Herbold; Brad Chase; Chris Peters; Hank Vigil; Mike Maples; Paul Maritz; Robbie Bach; Roger Heinen; Steve Ballmer
Subject: RE: Windows Preview Program and Office and ISVs
Date: Wednesday, January 04, 1995 9:43AM

I have been expecting this mail! We have thought about this and perhaps come to a predictable conclusion, although there's a pretty strong consensus. This will be discussed more at tomorrow's BOOP presentation. Our current beta plan is fairly standard, with a tech beta in March and marketing beta in May (assumes June ship date for windows. Move out if assuming August). Note that the marketing beta is the new CD program. IT doesn't meet your measurability hurdle, but is on the order of thousands, not hundreds of units. We haven't set a final date but would likely be a month or so earlier than the CD beta guidelines outline.

Why? We don't want to leak our whole feature set to competition this early. We have a controlled leak plan, but overall there are fewer features in '95, and much of it is pretty easy to copy. WE need to meter this news out carefully. We are already worried that the slip in Win95 will eliminate our time to market advantage versus Lotus, and they have been working on these versions for longer than we have. It also gives WordPerfect a better chance of simshipping. We're concerned anyway that we'll have a feature deficit--showing our cards as 5 months makes it worse.

Let's discuss tomorrow.

From: Bill Gates
To: Brad Silverberg; Pete Higgins
Cc: Bob Herbold; Brad Chase; Hank Vigil; Mike Maples; Paul Maritz; Roger Heinen; Steve Ballmer
Subject: Windows Preview Program and Office and ISVs
Date: Wednesday, January 04, 1995 9:07AM

Perhaps this isnt a concern worth doing something about but I raise it for people to consider. The more I have thought about this the more concerned I have gotten.

In a certain sense Windows 95 will be "on sales" starting in March with the preview program. My "trickle down" view if the market is that the 400k people who will be buying the preview product include the core users who influence most of the market [Actually we will have to be careful to work with the Channel to make sure the right people get included in the 400k]. The press will be writing about Windows95 extensively. Corporate evaluators will begin to ask "is this worth chaging for?" Os/2 users are among the hard core who will also buy Windows95 preview and try to make the comparison. The preview program is part of the reason I have gotten used to our August 95 date.

HOWEVER,

We believe the experience of using Windows 95 is far better when using applications written for Windows 95. If you dont have those then things like long names, short cuts, multitasking are far less interesting and impactful. What we are doing with the preview program is ensuring that the early impressions of Windows95 are not as positive as they should be because they will not have the applications that make it worthwhile. As far as I know there is no plan to preview Office95 or have other ISVs preview their applications to any measurable portion of the 400k users. [Anything less than 40k is considered 'not measurable in this context] Therefore people wont be that enthused about Windows95 and they wont see it doing most of the things Os/2 can't do and many things it can do. We are begging to have our 16bit non-preemption just discussed and touted extensively.

A POSSIBLE PLAN to MINIMIZE THIS PROBELM

First of all I dont know the mix between CD and Floppy for the preview program. I would suggest we force at least half of the preview program to be CD only. I dont know if there are 'select' try rights for anyone with the preview program or it you have to force us to do our COGS thing if you want a second copy - perhaps too complicated to have anything like that. Is the preview CD including the demo stuff and everything else we expect to have on the final Windows95 CD?

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The aggressive approach is to include Office95 upgrade applications (with timeouts and whatever limits are making us confident that people will come back and buy Windows95 - I seem to be more paranoid about this than anyone else is) on the Preview CD. I know they are beta level code. If the Preview CD is full because it really is a trial for the real CD (which I hope it is) then this forces us to put 2 CD into the preview CD sku but that we can still handle and have it cost less than the floppy SKU.

The most aggressive approach is to allow 3rd party ISVs who are part of our early ship program to also put their applications of this second CD.

I know this could all be very complicated but I am very worried about BOTH the issue of:

a) Do we make Windows95 look its best during preview

AND
b) Are we taking every opportunity to show off the great work we have done in Windows 95???