



DOJ - Legal

From: Michael Fulton
To: Hank Vigil
Cc: Kelly Johnson
Subject: RE: Some thoughts on concurrency
Date: Wednesday, February 01, 1995 9:52AM

we'll meet next Wed Feb 8

From: Hank Vigil
To: Michael Fulton
Subject: RE: Some thoughts on concurrency
Date: Tuesday, January 31, 1995 8:33AM

we still need to do this. Let's make sure we keep it on the calendar

From: Michael Fulton
To: Hank Vigil
Cc: Kelly Johnson
Subject: RE: Some thoughts on concurrency
Date: Sunday, January 29, 1995 8:14PM

I would like to discuss in our 1:1 this week, 2p on Tues Jan 31.

From: Hank Vigil
To: Michael Fulton
Cc: Kathleen Schoenfelder
Subject: FW: Some thoughts on concurrency
Date: Wednesday, January 04, 1995 1:49PM

Any thoughts on the research questions?

From: Pete Higgins
To: David Meltzer (MKTG); Hank Vigil; Kathleen Schoenfelder
Subject: FW: Some thoughts on concurrency
Date: Tuesday, January 03, 1995 9:50AM

From: Bill Gates
To: Bob Herbold
Cc: Mike Maples; Pete Higgins; Steve Ballmer
Subject: Some thoughts on concurrency
Date: Tuesday, January 03, 1995 9:40AM

These are some thoughts to pass along to the people you are meeting with to discuss how we deal with concurrency.

There are several key things to keep in mind in this discussion:

- a) Competition. We dont know what Lotus will do. We hope they will also drop concurrency but they may not. We assume Novell will not drop concurrency. Some customers will abandon us because of this shift - the number will depend on how we handle the transition.
- b) Publicity. This will be a great hook for people to look at our share in applications and how we are now moving to take advantage of customers. It could be a real windstorm of criticism. We could really damage ourselves with respect to Office 95 upgrades. We cannot just change concurrency on the new product - we have to stop licensing old product with concurrency.
- c) Transition. Our policies are are very complex already. A transition plan is complexity on top of that but I dont see any way to avoid it.

I would like to see some of the following:

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a) Someone outside the company who can articulate the principle of 'fairness'. We should take an example of a company that uses concurrency to the maximum and doesn't really enforce the limits. We should take an example of someone doing the 24-hour a day license use around the world. This should be compared (by this outsider) to someone who just buys the software normally. The difference will be dramatic - a factor of 4 at least. Is this fair for some customers to be paying 4x as much as others? Another example we need to find and this 3rd party (or multiple of them) need to articulate is someone who put in a lot of overhead because of trying to deal with concurrency. The 3rd parties should come up with some estimate of the % of concurrency users who actually know they never violate the limitations. The basic fairness question includes: Why should small companies (down to the single person) pay more for software - 4x more - than large companies who can do these around the globe sharing things? Its to some degree a fairness thing.

b) Customers. We need customers who can speak to the following:

1. Its confusing
2. It works less and less with compound documents being sent around in email
3. We never know if we are following the rules
4. It creates a lot of overhead
5. Discount policies like Melp are the easiest thing to administer. We should make MELP even better I think to create news but we should take the credit for the full MELP discount which isnt widely known.

c) Other software companies. You have to be careful here and check with legal to make sure we behave correctly. We can only talk to companies that dont have products that compete with us I think. Perhaps the trade associates (SPA) can get involved here. Take companies that offer products that arent used most of the day - tools, specialized things, utilities, etc.. They would be destroyed by concurrent usage. SPA should do a poll of some kind about these things. Someone should estimate for various categories what full usage of concurrency would mean to the revenue in that category and what that means to R&D within that category. We should understand the landscape of what various people do. Some people have been referring to SAP concurrency and I am not sure what the exact situation really is there. Who areas of software use it and which dont? Who else will be willing to speak up on this issue? If we are alone its a disaster. Is there any group besides SPA that can help out? Someone should talk this whole thing over with Ken Wasch (or whoever runs SPA now) real soon and get his advice.

d) Survey. Do we really understand how widely used concurrent usage is? That is a key datapoint for this whole exercise.