

From: Brad Chase  
Sent: Monday, November 30, 1998 1:21 PM  
To: Mauricio Gonzalez de la Fuente  
Subject: FW: AOL deal with SUN relative to Netscape

pls research this and get back to me

i think i know the answers to most questions but i do not know which article is best and some of the term issues too. i want to be accurate for bill  
thanks

-----Original Message-----

From: Bill Gates  
Sent: Monday, November 30, 1998 12:44 PM  
To: Brad Chase  
Cc: Greg Maffei; Paul Maritz; David Cole; David Vaskevitch  
Subject: AOL deal with SUN relative to Netscape

Is there an article somewhere that explains the deal between SUN and AOL better?

Certainly the merger is a bad thing for us (except to the degree it helps people understand how unjust the whole DOJ case is). The movement of AOL into the JAVA platform camp against us is a bad development.

I am confused about what happens to the people here and what products AOL ends up keeping.

I am confused about the "three year term".

Apparently AOL will keep all the server development employees but exclusively turn the sales of these products over to SUN which pays a royalty for 3 years with a minimum payment of \$350M. Or do the employees move to SUN as part of the deal?

SUN seems to have constructed a no-lose deal for itself with the \$500M of equipment sales.

What happens at the end of the 3 years?

It is unclear to me how SUN will sell these products. Do various Netscape sales people get moved to SUN or do they get laid off?

I have seen articles where they say they will keep developing Kiva and Netdynamics as separate products but that makes no sense

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