

DRAFT PLEASE DO NOT FORWARD

To: Hank Vigil, Robbie Bach, Brad Chase,
From: John Sage
Re: Office/Chicago leverage
Cc: Eva Camp, Mark Kroese, Russ Stockdale
Date: 5/16/94

Objective

One of the central challenges for the Office team in FY95 is to leverage the Chicago launch in order to generate momentum for the new versions of our desktop applications. At the same time, we want to help drive widespread acceptance and adoption of Chicago by introducing a 32 bit version of the new Office shortly after the Chicago launch. The objective of this memo is to outline some possible areas for co-marketing and to raise the discussion of how best to realize synergies and efficiencies between our two teams.

Overview

I start with the presumption that we want to create a linkage between Chicago and the new "Office 95" (final name TBD)—a connection that suggests the two just "go together" in the way Lotus has positioned the linkage between Notes and SmartSuite. The core question is how explicit we want/need to make this connection between the two products. We need executive direction to tell us whether to make the linkage an implicit "Level 1" connection (e.g. behind the scenes stocking promos, joint PR calls, complementary positioning, packaging, etc.) or an explicit "Level 2" connection (e.g. all of the Level 1 plus joint advertising, end-user marketing, cross promotions, etc.)

I have reviewed the Chicago marketing plans and have identified most of the areas where I believe there could be leverage between the two products. There are many Office 95 marketing programs that have yet to be defined so this list is skewed pretty heavily in favor of Office riding on Chicago's coattails. Note: For purposes of brainstorming, I have assumed that *all* tactics are "fair game" and have explicitly not eliminated possibilities that Legal may view as high-risk.

Suggestions for Marketing Leverage

Outlined below are several specific recommendations/plans for working together in a number of key areas. Both Level 1 and Level 2 activities are included in these suggestions (Level 2 activities are denoted by an arrow bullet.) I've laid out these suggestions in a way that maps pretty closely to the Chicago marketing organization so that the respective leads can evaluate the appropriate tactics.

Product Positioning and Messaging

- Link Office 95 and Chicago positioning. If Chicago "makes the possibilities of computing easier for everyone (final Chicago positioning TBD)" then Office 95 must tie into this core theme. Tie into Chicago message development process and message testing.
- Ensure that Office 95 reinforces key Chicago messages: 1) Easier "computing that's easier for everyone; 2) Faster "get your work done faster"; 3) Accessible "get easier access to all kinds of info and 4) Compatible "works with and improves your system today."
- We need to address how the Office "Beyond" messages will co-exist with the key Chicago messages outlined above. We need to work together to ensure that the Chicago and Office messages complement and enhance one another.
- Adopt naming and packaging conventions for Office 95 that are consistent with Chicago. Ensure that conventions don't sub-optimize Office WW business.

Plaintiff's Exhibit

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- Prepare demoable features in Office 95 that support Chicago integration and synergy.
- ⇒ Develop and evaluate advertising creative that communicates different degrees of linkage between both products. Prepare media schedules that help extend reach and frequency of both products. Run joint ads reinforcing Chicago/Office synergy
- Prepare PR schedules and plan in complementary way so that editorial community picks up the complementary links and connections between both products.
- Revise EBC presentations to reflect common elements b/t Office and Chicago

"First-Wave" Adoption-- Reaching IEUs in advance of Office 95 launch

- Give the 6-7 million early adopters with Chicago-capable hardware an early "heads-up" about Office 95. As the Chicago "Early Evaluation Program (EEP)" rolls out 3-4 months prior to launch (M7 release), there is an excellent opportunity to let early evaluators know about the pending release of the defining Chicago app--Office 95. We should have a pointer or billboard to call attention to Office 95.
- Timing of the Office PR "leak" strategy is crucial. We must develop a plan that generates early PR momentum for Office 95 but which does not cause sales of Office 4.x to stall.
- There will be pressure for Office to have a beta earlier than normal given the desire to show Office apps to early evaluators of Chicago. If not the Office beta, we must have some sort of "early trial/eval" vehicle to show Office on Chicago. It could be an autodemo, a VBA mock-up, crippled code, etc. that will let IEUs preview Office 95 during the Chicago long-lead PR efforts. We need to work with PR, Prog. Mgmt and Product Planning to develop milestones for beta/preview releases.
- Use "Upgrade Buddy" program to gain exposure to early adopters and the second layer of people they influence. A simple mention or "billboard" in the first two million boxes carrying the Upgrade Buddy program notice would provide excellent exposure for Office 95. This tactic may constitute a "Level 2" idea since it is somewhat public.
- Gain mention of Office 95 in the "Chicago World Tour", a series of technical seminars running in the months after the Chicago launch. These seminars will be an excellent time for us to seed our trial and evaluation vehicles with a key group of influentials.
- Visual ties to Office 95 in scheduled Chicago IEU and VAR/SP ads.

Distribution and Retail

- ⇒ Leverage Chicago push into new outlets to increase distribution of Chicago Office applications. Possibly develop low-cost Office trial vehicle that is either free or very low cost to ensure viability in non-traditional retail environments (e.g record stores)
- Ensure that Chicago team carries Office 95 "preview message" on pre-release reseller account calls (4-6 months prior to RTM)
- Offer free subscription to MS-Plus to users buying Chicago and Office together.
- Link Office 95 into Chicago reseller training programs and 20-city training tour
- Link Office 95 into distributor and ATC training and scheduled "Chicago Days"
- Link Office 95 into MS field training and RSM presentations
- Reinforce Chicago after launch through corresponding Office 95 activities
- ⇒ Run Chicago promotion featuring Office-related premium (e.g. \$50 off Office 95 when available, etc.)

"Next Wave" Plans--Reaching IEUs, and Fringe IEUs with Chicago-capable hardware

- Chicago defines next wave audience as those who "tend not to upgrade their operating systems and who have some degree of relative influence..." Our biggest

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opportunity is to harness the huge visibility push Chicago is making with non-enthusiasts to raise the profile of Office 95.

- Ride Chicago team's "next wave" advertising and PR efforts to reach mass market. Non-traditional advertising and PR vehicles will be instrumental in reaching a broad base of new users. To the extent that we can use these efforts to also introduce new Chicago customers to the value/benefits of *our* 32-bit office suite, we can achieve incredible leverage.
- ⇒ Review Chicago direct marketing plan to see if there are possible ties for Office (e.g. visuals, box shots, premium offers, etc.) We would like to better understand the timing and content of Chicago direct efforts so that we can look for possible overlaps and optimize for reach and mutual benefit.

Corporate Transition and Large Account Adoption

- Where appropriate, Office should be involved in major account trial and evaluation programs. Would like to explore Office beta seeding in Chicago "marquis" accounts and coordinated trial in remainder of top 200 worldwide accounts.
- Include mention and positioning of Office in Chicago Technical Workshops being held in district offices and subsidiaries.
- Ensure Office participation in Large Account "Chicago Council" to assist with corporate rollout and technical product issues.
- Leverage "virtual transition team" (e.g. CATM, PSS, Seminars and WWT) to convey Office 95 message as part of core activities.
- Cultivate early trial among MIS managers in medium and large accounts. Tie into Chicago "Early Experience Program (EEP)" with topline positioning with Office.

Solution Provider Adoption and Recommendation

- I have not seen the most recent plan for reaching SPs and VARs. The Chicago team is reaching out to a large base (1.5K) of 3rd parties and involving the channel to help these efforts prior to launch. If Office can piggyback on any of these efforts (e.g. the "PEEK" early look program) we can help Office 95's development message and positioning.
- Leverage outreach programs aimed at MES and ATCs. Tack Office 95 message onto Chicago at training venues such as Enterprise Inside Track, TechEd, DevCast, BizCast, etc.
- There is more work to be done to figure out the leverage points with the "front office" and "back office" marketing efforts being planned.

Conclusion and Next Steps

Independent of any specific programs or tactics, we assume that Office 95 will share a look and feel and overall positioning that is consistent and complementary with Chicago. We will emphasize and reinforce Office/Chicago linkage through packaging, sales and training collateral, messaging, and product positioning. So the key question facing our teams now is the degree to which we make an explicit connection between Office 95 and Chicago. Here's what needs to happen moving forward:

- ✓ Drive meeting with Brad, Hank and Robbie to review recommendations
- ✓ Review recommendations with respective Chicago team leads
- ✓ Hold offsite brainstorm meeting to generate "the big idea" for Chicago/Office leverage
- ✓ Gain executive approval for Chicago/Office leverage plan Develop Office master PR calendar with specific "leak strategy" tied to Chicago PR efforts
- ✓ Revise leverage plan as appropriate
- ✓ Review plan with Office and Chicago teams
- ✓ Publish leverage plan

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