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Comes V. Microsoft

**From:** Jon DeVaan  
**Sent:** Friday, August 27, 1999 10:42 PM  
**To:** Steven Sinofsky  
**Subject:** FW: A theme, some problems and a number of bets

Yikes. Nothing like the simple 14 bet strategy.

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

**From:** Bill Gates  
**Sent:** Friday, August 27, 1999 10:23 PM  
**To:** Paul Maritz; Eric Rudder  
**Cc:** Business Leadership Team; Darryl Rubin; Butler Lampson; Craig Mundie  
**Subject:** A theme, some problems and a number of bets

Paul and Eric - Forward or edit or do whatever as you see fit.

The theme of "The new Web" is a good one. I think the best terms so far for this a iWeb- Intelligent Web or WebTalk. Both terms capture the phenomena we are trying to enunciate pretty well. In the next month I will probably write a memo called "The iWeb tidal Wave" or "The Webtalk tidal wave" saying that this time we have the chance to start the wave but it will come even if we don't.

We need a name that is OURS somehow even if it is not iWeb or Web Talk.

This theme captures the idea that: 1. What was pure software in the past will be primarily a service in the future with some software bits delivered to the client 2. The connections between these systems will be loosely coupled messaging with Schemas to define "contracts" between communicating sites/programs.

This theme is radical in terms of what it implies for Windows, and Office and our whole relationship with our customers. We need to provide a service broadly to knowledge workers where storage in the cloud and support and updates are an integrated offering.

This theme even suggests that some or all of what has been called MSN should be considered part of Windows Online and integrated in a better way for users.

What are the problems we face:

- P1. The worlds view of our weaknesses in the abilities
- P2. The complexity and cost of deploying our software
- P3. The complexity of how our state in spread across dozens of stores with different Uis and programming models
- P4. The complexity of understanding our APIs

We need to think how our efforts effect

- G1. Windows
- G2. Office
- G3. BackOffice
- G4. Tools
- G5. CCG.

The opportunity is to use the "The new Web" and new designs to carry our customers from today into this new world with more power and with lower cost. Competitors include Linux, AOL, SUN, IBM and many many many others.

Some bets we can make:

B1. New developer proposition. URT- COM+. VS 7. Loosely coupled message bus programming with our environment. Does it solve hosting and esite problems completely enough? Does it create a framework for logging/events/filters? Is the dataaccess part of this initiative clear? Do we ask people to mix new Apis and old APIs? What is the forms model? Does it exploit rich clients enough? We have a lot of great people on this and are moving as best we can. However the applications we want to depend on this and the elegance to start a movement towards us need a lot more work. How does software deployment work - where is the state was in the registry - is deployment cleared up from the SMS/Intellimirror/Darwin world? Can we provide connectors to that take existing web sites and make this fun from the start - an api to check weather, stock prices, look up books, that is super easy to use from our tools? Can we articulate

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how this kind of message based programming is much better? How much is schema a critical part of this bet and how do we ask other groups to play into that? Don't we need modeling tools as part of this?

B2. New Messaging based OS. Similar to above but take the OS services and uses Web approaches to unify the name space and storage APIs. Rick Rashid is probably the best thought leader on this. A group of 6 people working for David Stutz under Craig is doing some work in this area. You could say that MMLite is a bit in this area. Today we are not staffed to do this and we don't want to overdo it but I think it is important. Storage is an issue.

B3. Scaling for Esites. Can we take leadership on how people build Websites by fixing our sins and doing the best on scaling out. The missing pieces need to be considered by the Developer group and the Windows group. It is pretty urgent to have a form of this for now, 9 months from now, 2 years from now and 4 years from now.

B4. The Home. I combine a number of things in here. Assume the home has an amazing wireless Lan that can do video and audio and interface distribution. What user interface/ platform do we need to make the best device for the home including the most common activities? How do we project the applications power through the wireless network to any screen or even just to a phone. Assume that speech recognition is always available for the new social UI and visual recognition is sometimes available. The work to build the application for the home is being done by a team managed by Mike Paull under Rick Thompson with oversight by Craig Mundie. They will use B1 as their platform so this is an applications that depend on B1 being rich. This bet has to make UpnP real and make sure that \*lite gets evangelized so we don't get shut out of this space. The home environment probably has to have a conventional Windows UI as well as a new social UI. I would use the UI thinking of the Horvitz group and Tandy and Steve Capps as key elements in this project. This project also related to B5. A key question is how aggressive to get with appliance makers on \*lite and how to use open source for \*lite to bias people towards our messaging approach without giving away the store.

B5. The living room PC. This a combination of XBOX and future WebTV. It needs to relate to B4 in the sense that this box will evolve to project itself onto any screen using a Windows Terminal Server like approach. Interesting questions still about business model and relationship to Consumer Windows.

B6. Knowledge workers with a new application. This takes the Epad UI, Netdocs code base and Platinum as the basis of building the very best service based architecture for Knowledge workers. We will also want some of Tandy and Steve Capps UI thinking to get brought into this. Eventually this code base is also used to create the application we run on the PDA. This application shows a much simpler interface by making the UI editable and the concepts a lot simpler.

B7. Knowledge workers with Office. This takes Office and uses Platinum to create Office.Com which has some amazing free services for up to date users of Office which incents them to stay current and some additional services that are extra cost. This project also includes Hosting Platinum servers for email and collaboration. This service superset the roaming from B8 to include all Office state. There is a strong connection to our PDAs. For people who want rich admin flexibility and special collab apps they work over the net and we run those on our back ends with extra cost. Voice mail is extra cost.

B8. Continuous Windows/WinTone. This service delivers either Windows Terminal Server or Windows Back end services to Windows users. It is a strong extension of Windows Update where we guarantee a certain level of satisfaction and in a staged way for the drivers and applications to be certified and kept up to date using our Windows.Com site. This service can roam all Windows state. This group gets formed from the work being done in Consumer Windows but after Windows2000 ships we make it clear it cuts across business and consumer and we add resources to the effort to make sure we have an even richer architecture. We learn about this business by doing Windows Terminal Hosting building off of MSBPN as soon as we can. We offer free Webdrive in the next 12 months.

B9. Tablet PC/Notetaking/Reading. This effort takes the application in B6 and forks off to focus on the meeting/notetaking/ad hoc collaboration. It assumes great wireless networking. It also is involved in how scanning/OCR becomes part of the Office environment and we convince people to store their document digitally - not on paper. This is the Dick Brass group under Bob Muglia.

B10. Telephone/Speech API/Screen-Phone. We patent ideas related to how dialing a phone number will give you information on your phone. We create a platform for creating applications that have speech input. These start as mainly websites/applications that run on the server but also move down onto the client. This effort takes work from Resaerch (Dr. Who), Greg Faust's group, Harel Kodesh's group and does leadership work to make sure we lead in making the plain phone and the screen phone amazing clients for the new Web which need our platform for great applications. I have more ideas on this I should explain better. This also includes pdas/phones with cameras - still and video.

B11. Windows Online. We focus WIndowsOnline on providing rich services. We integrate Passport and Active Directory and become a leader in White page services and authentication over the net including password and voice identification. We offer services like ad serving, storage, scheduling, communications, notifications, rich profile roaming to all web sites. This service platform is attractive mostly to smaller web sites but we build to critical mass. Relationship to MSN and Continuous Windows.

B12. Front Office applications. We provide over the web Front Office applications - sales analysis, customer support tracking, purchasing, budgeting, HR tracking, and lots of other rich applications. We do this assuming the richness of the web. Is this what Mohsen has been working on? We might need to buy some companies to do this fully. Some work in this area is happening under Satya. Office is doing a contact manager. It could be aimed primarily at smaller businesses. Steve and I like this since it involves tackling new territory - it also creates some conflicts for us.

B13. Cheap devices other than phones?

B14. Do we need to start anew on a store for any of the above or do we have enough already?

I need to look through and think how we can use research people to help with any of these bets.

A cross matrix that looks at the relationships between these bets and with our major products would be key. For example

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showing how the schema stuff in B2 affects many others.

This is a bit rough - feel free to rework it as you see fit.

I hope some thinking jells more on some of these while I am gone.

I thought today was great. I spoke up a few times when I should not have but overall I thought it was a very good retreat to get people thinking.

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