
From: Mauricio Gonzalez de la Fuente
Sent: Sunday, May 20, 2001 1:27 PM
To: Kurt Buecheler
Subject: RE: Sports events

Cool - will clean up my schedule for the am

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

From: Kurt Buecheler
Sent: Sun 5/20/2001 1:04 PM
To: Mauricio Gonzalez de la Fuente
Cc:
Subject: FW: Sports events

you and I need to huddle on this one. ..Monday is fine, please think tonight and make some notes

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

From: Will Poole
Sent: Sunday, May 20, 2001 10:05 AM
To: Kurt Buecheler
Subject: FW: Sports events

if/when this comes up tomorrow I'd like you to be able to speak strategically and authoritatively about what should be done. I will hand it directly to you.

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

From: Will Poole
Sent: Sunday, May 20, 2001 10:04 AM
To: Bill Gates; Yusuf Mehdi; Bob Muglia
Cc: Jim Allchin; Hank Vigil; Will Poole
Subject: RE: Sports events

This one is not a distraction – it is a fundamental problem that we need to come up with a plan to address. I agree 100% that we need to find a way to get sports and other rich media content in our format and on our network. To do so we need to be able to monetize the content. We will not get it without paying serious \$ to the NBA, NFL, etc. – way beyond the \$ DMD has have for promoting the format. So while the formula is simple, the execution requires \$ and headcount to build a streaming service that either is part of our paid subscription service or is funded by ads sold against the content. Don't know if you saw my reply on this topic the other day – it's attached.

This problem is why I've been saying that the MSN/WindowsMedia.com issue goes way beyond common partner selection or look and feel issues of home pages and guides. We need to fix those for sure. But we have had a long term gap in our strategy that Real, and previously Yahoo, and now AOL, are exploiting more and more. We must either decide to get into the "license and monetize" content business, especially in sports, or we have to partner very seriously with someone else who is in that business. I know there is a large ESPN deal under discussion. This may well be the right answer for sports. There will still be other content categories to address though, ranging from music –which we have at least a handle on– to film to general entertainment. IMO we, unlike Real, should skip the smut, although it is and likely will be the most profitable streaming & steaming content category on the web. Rob was harshly questioned in front of the House Judiciary Committee last week by a representative who apparently had found lots of "barely legal" and "true teens" smut on RealGuide. He of course denied knowing anything about it, but nonetheless it was very nice to see him embarrassed so thoroughly in that forum.

I've attached the 3 slides from my BPR exhibit that address the content & MSN/DMD integration ideas

2/18/2005

Plaintiff's Exhibit

6971

Comes V. Microsoft

MS-CC-RN 00000705385
HIGHLY CONFIDENTIAL

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

From: Bill Gates

Sent: Sunday, May 20, 2001 9:21 AM

To: Will Poole

Subject: Sports events

I don't want to distract our view tomorrow but unless we can get a some portion of big time sports events to be broadcast exclusively in our formats I don't see how we change the current dynamic in the consumer space.

I think by having Office relate to our formats for key scenarios we can make progress in corporate but I am not seeing how we turn the corner in other spaces.

We have invested a lot in our format.

2/18/2005

MS-CC-RN 000000705386
HIGHLY CONFIDENTIAL