

From: Chris Jones (WINDOWS)
Sent: Tuesday, July 02, 2002 10:00 AM
To: Steve Ballmer; Bill Gates
Cc: Toby Richards; Windows PC & Devices BLT; Senior Leadership Team
Subject: Follow Up from Windows Client BPR

Thanks for your feedback at the Windows Client BPR. Here's a summary of what we heard, actions we will take, and our revised goals for FY 03. Please let us know if there are things we missed.

Our Goals for FY 03

As a reminder, here are the goals for FY 03:

- 1) Win Against Linux and In Emerging Markets (rogersw)
- 2) Drive Revenue and XP Excitement (rogersw)
- 3) Turn the Corner on Longhorn (joepe)
- 4) Earn the Trust of Our Customers, Partners, and the Government (somase)
- 5) Invest in the Ecosystem (chrisjo/wpoole/rogersw)
- 6) Develop People and Organization (winblt)

Course Corrections & Added Emphasis

Here's the feedback we heard from you. We will checkpoint on each of these in the November Strategy Review or at the mid-Year Review.

- Linux Desktop Strategy (RogersW)
 - ⇒ Establish a "pulse" including marketplace, wins/losses, feedback loop with the field
 - ⇒ Ensure we have the right people on the problem
 - ⇒ Be concrete about our TCO story
 - ⇒ Finalize plan and strategy on HEWS
 - ⇒ Think about strategies that get our message directly to customers without requiring our field to be involved (e.g. PR)
- BRIC (RogersW)
 - ⇒ Rework the current strategy to incorporate the ministries and how to effectively socialize the proposal (invest ~ 9 months)
 - ⇒ Leverage the experience and groundwork of CraigMu
 - ⇒ Scale back WTC, review revised proposal with BillG and CraigMu
- Education/Government Strategy (RogersW)
 - ⇒ Develop a "Don't Lose" plan and policy for targeted markets, empowering the field to execute
 - ⇒ Start with EDGI approach and work on a policy level proposal that could be publicized outside our field organization
- Longhorn (JoePe/MWallent)
 - ⇒ Close on schedule, feature set, and cross company dependencies
 - ⇒ Think through the implications and risks of Longhorn storage
 - ⇒ Develop our SA plans for Longhorn
 - ⇒ Design our external Longhorn communication and messaging strategy
 - ⇒ Define key messages for Longhorn developers by segments
 - ⇒ Identify the thought leader on Help
- Incubation (WinBLT)
 - ⇒ What are the adjacent revenue streams? What incubation can we be doing that could really benefit from better together w/ Windows?
 - ⇒ What is the ultimate Windows camera? Windows devices?
 - ⇒ Think about this for LORG/MORG (EA customers)
 - ⇒ Work with MSN on SORG/Consumer services (PradyM)
- Other Areas
 - ⇒ Community: Identify the desktop IT Pro owner and develop strategy (ChrisJo)
 - ⇒ PSS: Develop outsourcing metrics and automatic call coding strategy (SomaSe)

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Follow up Meetings to Happen w/in Next 3 Months

In addition to the overall feedback, here are areas where we owe follow up in the next three months:

- Headcount and R&D Priorities (BrianV/WPoole)
 - ⇒ 2 hour meeting to discuss headcount reallocation
 - ⇒ Includes deinvestments, top priorities, pain points
- Networking Ecosystem (JawadK)
 - ⇒ Ecosystem: In depth conversation with BillG, PieterK, SteveB optional
 - ⇒ UPnP: Status update to CraigMu
- Big Switch/Turn It On (RogersW/DaveF)
 - ⇒ Close on messaging and strategy. This is underway, DaveF is going to take the lead on this with Support from RogersW.
- Other Areas
 - ⇒ Sync w/ Office on activation plan (RogersW)
 - ⇒ Identify BOL for holistic ecosystem strategy (including emerging companies) (WPoole)
 - ⇒ Define prescriptive guidance to company on Windows Update (SomaSe)
 - ⇒ Close on consumer premium plan & strategy (WinBLT)

Feedback for Next BPR

Here are some things we will act on for the next BPR:

- More Focus on the Core Areas. Less content, fewer slides, more drill into the hard problems.
- Improved View of Resource Allocation/Trade-Offs. We will be sure to make this clearer and also have come in with the trade-offs completed.

Please let us know if we missed any areas.

Thanks - Chris