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**From:** Jim Allchin  
**Sent:** Wednesday, January 07, 2004 8:40 AM  
**To:** Eric Rudder  
**Subject:** FW: losing our way...

Fyi: In the spirit of sharing my deep concerns, etc. Please don't forward.

jim

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**From:** Jim Allchin  
**Sent:** Wednesday, January 07, 2004 8:38 AM  
**To:** Bill Gates; Steve Ballmer  
**Subject:** losing our way...

This is a rant. I'm sorry.

I am not sure how the company lost sight of what matters to our customers (both business and home) the most, but in my view we lost our way. I think our teams lost sight of what bug-free means, what resilience means, what full scenarios mean, what security means, what performance means, how important current applications are, and really understanding what the most important problems are customers face are. I see lots of random features and some great vision, but that doesn't translate into great products.

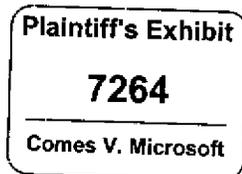
I would buy a Mac today if I was not working at Microsoft. If you run the equivalent of VPC on a MAC you get access to basically all Windows application software (although not the hardware). Apple did not lose their way. You must watch this new video below. I know this doesn't show anything for businesses, but my point is about the philosophy that Apple uses. They think scenario. They think simple. They think fast. I know there is nothing hugely deep in this.

[http://www.apple.com/ilife/video/ilife04\\_32C.html](http://www.apple.com/ilife/video/ilife04_32C.html)

I must tell you everything in my soul tells me that we should do what I called plan (b) yesterday. We need a simple fast storage system. LH is a pig and I don't see any solution to this problem. If we are to rise to the challenge of Linux and Apple, we need to start taking the lessons of "scenario, simple, fast" to heart.

jim

6/15/2005



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