

Memorandum

To: Paulma, Jimall, Bobmu, Davidv, Richt, Bradc, Pgross.
CC: Todn, Cwillis, Morrisb, Jonro
From: Garyvot, Platform Marketing Team
Date: 8/12/97
Re: Windows DNA - The framework for the next generation of applications

Situation

Microsoft is in a major platform battle. At stake is who will power the next generation of distributed, Internet/intranet, global electronic commerce applications. Sun, Oracle, IBM, and Netscape are exploiting the Internet technology shift to attack Windows. Each of them has launched major platform initiatives based on Java, CORBA, and the Web.

At the PDC in September, we will launch a unified Windows platform initiative to roll up our various product and technology messages into a comprehensive story. The goal is to win the Internet/intranet positioning battle with competitors and to prove innovation in the Windows platform.

The working name for this initiative is *Windows Distributed Network Architecture* or "**Windows DNA**." (In focus group research, "DNA" was associated with positive attributes like building blocks and underlying structure—we have scheduled more testing to validate this).

We are not proposing that Windows DNA become the top-level, overarching vision for Microsoft. Instead, our objective is to establish Windows DNA as the solutions framework that enables the next generation of applications and then tie this framework back to the overarching vision. We assume this new overarching vision could center on "The Digital Nervous System," so are using as a placeholder the concept: "Enabling the Digital Age."

A measure of success will be if the field and Microsoft's third party advocates are armed with a single set of platform "vision" and strategy presentations that any representative who deals with developers and business customers can confidently deliver. To be successful in the current platform war, *we must get back to the simplicity of messages we had in 1990-1992*

What is Windows DNA?

Windows DNA is the unification of our Windows and Internet platform efforts in a single solutions framework for distributed applications. It subsumes what we used to call Active Platform and "DAA." (DAA was a code name presented at the March SDR). A critical success factor for Windows DNA that developers understand it is based on today's technologies and evolves with them, not something we may ship 18 months from now. We intend to make the immediate availability of Windows DNA a competitive advantage.

There are several technology pillars to Windows DNA.

1) Windows desktop and server including distributed services and BackOffice

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Plaintiff's Exhibit

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- 2) Microsoft's Internet platform including IE, IIS and Java
- 3) COM and component services
- 4) Development tools from Microsoft and third parties

Windows DNA is not limited to Microsoft products; it is also a standard bearer for the community of third party developers and integrators who add value to the Microsoft platform.

Windows DNA will succeed with customers because of its openness and extensibility through COM, its end-to-end integration, and because of the best-of-breed implementations of its core products.

Emerging Application Paradigm

We assume that customers will make a number of key shifts in how they build applications.

- 1. More application delivery over the Web and the Internet
- 2. Migration from a 2-tier client/server to *n*-tier architecture (particularly to achieve scale and centralized management of applications and data)
- 3. Use of "cooperating components" to partition applications and processing
- 4. HTML + scripting as a mainstream programming model
- 5. Demand for better integration with existing applications and data
- 6. Delivery of "offline" and mobile applications

Windows DNA is designed to provide customers with the best infrastructure and tools to take advantage of these shifts

Audiences

To be successful, we must sell Windows DNA to a wider audience than the traditional developer to which we directed our tools and systems evangelism efforts in the past. There are two new audiences to address: platform decision makers and industry influencers. Platform decision-makers include business and technical managers who control application development strategy in corporations, integrators, and ISVs. Industry influencers include press, analysts, financial analysts, and the venture capital community. For this later audience we must demonstrate how Windows DNA creates new technical and financial opportunities for developers and for the industry as a whole.

What Does Windows DNA Do for Customers?

Windows DNA provides our customers with three things:

- 1. Name the set of services that Microsoft is building into the overall Windows platform to enable the next generation of applications
- 2. Expresses a set of benefits that customers derive from using our platform
- 3. Provides the "points of light" that define how customers should build applications that exploit the power of Microsoft's platform

For customers, Windows DNA fundamentally answers the question "how does it all fit together?" A preliminary mapping of benefits to points of light is given here:

Opportunities & Challenges	Technologies	Benefits	Points of Light
<ul style="list-style-type: none"> • More responsive organizations • Electronic commerce 	<ul style="list-style-type: none"> • COM and COM3 • UI Services • MM Services 	<ul style="list-style-type: none"> • Rich user experience • "Web" simplicity • Internet reach and 	<ul style="list-style-type: none"> Build DNA Applications <u>Use</u> • IE Controls, DHTML on

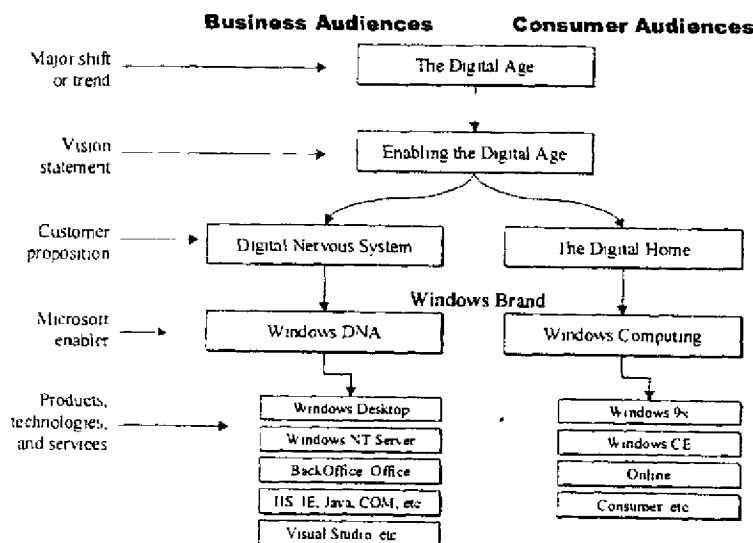
<ul style="list-style-type: none"> • Doing business directly with customers and suppliers • "JIT" services • Etc 	<ul style="list-style-type: none"> • HTML + Scripting • Transactions • Mail and Collaboration • Replication • Data Access • Data Management • Message Queuing • Directory • Security • Networking • Systems Management • Etc. 	<ul style="list-style-type: none"> connectivity • Low touch, low cost computing • Robust, scalable • Evolutionary • Builds on existing investments • Etc. 	<ul style="list-style-type: none"> the client • Components • Win32 • BackOffice <p><u>Build</u></p> <ul style="list-style-type: none"> • COM-based apps using DCOM, MTS, MMQ • Web-based apps using IE, IIS, ASP <p><u>Leverage</u></p> <ul style="list-style-type: none"> • Directory services • Security services • Networking services • Management services • Connectivity services • Etc.
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Branding and Message Hierarchy

When discussing Microsoft's platform messages today, "complex" is a word that customers and analysts frequently use. Microsoft has too many platform messages and we must develop one simple, all encompassing concept or brand—as Sun has done so successfully.

The logical brand for this is "Windows." Therefore, Windows DNA should be a component or sub-brand of the Windows brand, targeted at the developer, VAR/consultant and corporate IS/IT audiences. Windows DNA can help us extend the Windows brand beyond the desktop

Windows DNA is an umbrella concept that rolls up tools, systems products, Windows and IE into overall Microsoft platform benefit proposition. It conveys that we have a coherent strategy for



distributed computing and the Internet beyond "winning the browser wars."

Windows and Windows DNA should tie back to an overall Microsoft company vision. This vision should be empowering and capture our philosophy of computing as a positive force. It must be broad enough to work for both business and consumer audiences. Given "The Digital Age" as a working concept, we get a message hierarchy for business customers as in the following diagram:

We envision "The Digital Age" as a near/medium-term company vision. It captures the issues that

customers are dealing with today, such as the Internet/intranet, integration of client/server and the Web, electronic commerce, and convergence of PCs and electronic entertainment. As such, it may only have a horizon of 2-3 years. We may also choose in the future to articulate a longer-term "10-year vision" similar to Information at Your Fingertips. If so, these things should flow into one another.

Although not an important deliverable for the PDC, there could be a corresponding hierarchy of messages for the consumer audience. For example, we could express the same concept as "The Digital Home" or "The Digital Lifestyle," with "Windows" as the enabler

Competitive Environment

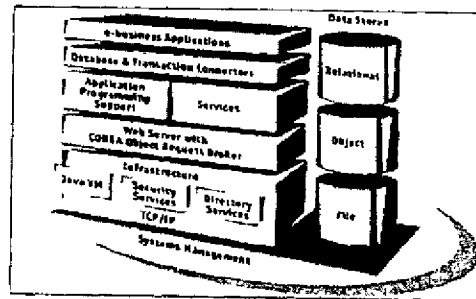
We are in the midst of a difficult and critical battle for the hearts and minds of developers and platform decision-makers in corporate accounts and solution providers. It will take a sustained effort by the entire company to win.

Our major competitors have launched the following Internet/NC platform initiatives:

- IBM Network Computing Framework (NCF—diagram at right)
- Oracle Network Computing Architecture (NCA)
- Sun . "Java for the Enterprise"
- Netscape Open Network Environment (ONE)

In a narrow sense, Windows DNA competes with these initiatives. It will help the field sell effectively against Sun, IBM, Oracle, and Netscape. But it goes far beyond this as a tool for conveying Microsoft's platform strategy and repositioning the competition and the entire "network computing" category. As a concrete expression of our vision for the future of distributed

computing/Internet, Windows DNA presents an alternative model that embraces the Windows PC and builds on the PC revolution. It establishes a new set of criteria that the competition is so far failing to meet.



Draft Positioning and Benefits

The key to differentiating Windows DNA is to embrace the "PC revolution" and the benefits of the Internet. Windows DNA should bring together the benefits of powerful, low cost, standardized computing with the ubiquitous communications and reach of the Internet. A draft message framework is given here based on recent platform research on messaging:

Concept	Making It Possible	Making It Work	Making It Easier
What it means	Use technology to create business and competitive advantage	Extend existing investments in people, technology and organization	Reduce complexity to lower computing costs
Support points	<ul style="list-style-type: none"> • Exploit advances in new technology such as the Internet • Connect people and information together at the right time • Electronic commerce • Get people working together • Etc. 	<ul style="list-style-type: none"> • Works with existing investments in applications and data • Based on open, industry standard protocols • Broad choice of tools • Universal access to data on any platform • Etc.. 	<ul style="list-style-type: none"> • Centralized management and control of applications and data • Runs on industry standard hardware • Low-cost ubiquitous computing • Zero install • Built-in distributed application middleware • Application lifecycle support (repository, team development, etc)

Marketing Strategy and Tactics

Our goal is to use "Windows DNA" to set evaluation criteria and prove platform innovation. We will drive synergy with product messages and use the architecture as a "secret sauce" to help win positioning battle with competitors.

To win, we need clarity and consistency on core messages and hard issues including cross-platform, security, Java. Credible ISV and OEM partners can help. We will use Memphis, NTS, "COM3," IE4, Tools, MTS, Java, etc. to prove we lead in innovation. We will arm and mobilize the machine: MS field and outside advocates, our developer "friends"—the silent majority, and prove it by design wins.

We have a more detailed marketing plan available and are kicking off the cross-divisional effort to sync on PR and marketing for the PDC.