From: Alec Saunders
Sent: Tuesday, January 31, 1995 5:48 PM
To: blakei; bradc; mikecon
Cc: bens; bobfou; ericst; johniu
Subject: Frosting and Ohare

Bob has completed a study on Frosting and Ohare. In this study he
called down to two groups and asked them questions about Frosting, and
their intent to buy. One group was a control – these folks were asked
about the existing frosting feature set. The other was asked about
frosting with ohare. Ohare was described as "one-button access to the
internet, including internet email, newsgroups, and an integrated World
Wide Web Browser".

Top line:

(1) When Ohare was included in the mix of features it was the most
popular feature. 47% rated their interest in Ohare as "very
interested". This is a strong feature. 43% rated their interest in
the system agent as "very interested" and 37% rated their interest in
additional disk compression as "very interested" also.

(2) When asked how many would definitely purchase frosting if Windows
95 was $100 and frosting was $50, 16% replied definitely to frosting
and 30% replied definitely to frosting with ohare. Including ohare in
our product can nearly double sales.

Based on a quick and dirty analysis (Suzi is working on the real
forecasts) frosting without ohare represents a $63MM opportunity, and
with Ohare a $120MM opportunity. We're talking about $57MM difference.
It appears that as many as 1.5MM frosting customers will buy it for
the internet access. One model suggests that we should charge the
internet service provider a bounty for each customer. If we charge the
ISP a $40 bounty for each sign up, this might represent another $60MM
in revenue.

Ohare could mean as much as $120MM in incremental revenue from frosting.

I think we should do this. There are issues to work out with MSN, but
the opportunity is large.

Alec.

From: Alec Saunders

Sent: Saturday, February 04, 1995 12:04 PM

To: bens; blaket; bradc; mikecon

Cc: bobfou; encst; jonnlu

Subject: RE: Frosting and Ohare

I need this info much sooner than 3/15 Ben. Ali Baba content is due
2/15. Packaging starts 3/1. Most of our channel collateral is
currently being developed.

I think we need to

(a) commit to ohare in the frosting box, period. The extensions and
clients in themselves are compelling, even without 1 button sign up.
We shouldn't just give your stuff away — it's better than the free
stuff, and it's the only 100% integrated into Windows 95 internet
clients out there.
(b) work to understand the MSN schedule, and commit to them that we
will use MSN as soon as it is ready. This means that if they are not
ready when we ship we need to have a strategy for getting folks onto
the net. This could be a setup wizard to simply help configure TCP/IP
and broad evangelism of this wizard to ISP's without a commitment to
ship individual-ISP components in the box, or it could be a full blown
arrangement with an ISP.

I think we can have our cake and eat it too. We should be able to make
a strong commitment to MSN, AND meet customers needs with alternate
internet service providers until MSN is available. Let's not lose
track of the fact that we win whenever a customer uses Windows to
access the internet, whether they use MSN or not.

—————

From: Ben Slivka
To: Alec Saunders; Blake Irving; Brad Chase; Mike Conte
Cc: Ben Slivka; Bob Foulon; Eric Straub; John Ludwig
Subject: RE: Frosting and Ohare
Date: Friday, February 03, 1995 10:58PM

I met with abay, aaronco, dbayer of the MSN over IP ("Rome") group
yesterday, and they are (as might be expected) pretty upset about the
idea that we would support one-button signup with someone other than
MSN over IP.

They're going to work hard over the next 4-6 weeks to educate me about
their schedule and risks.

I told them that we're going to need to make a go/nogo decision about
O'hare in frosting by mid-March, since we have to make packaging and
positioning decisions by then for a 6/15 RTM.

My team is proceeding on the assumption that we will sign up an external
ISP for one-button signup (I'm visiting Vint Cerf @MCI on 2/22), and that
O'Hare will be in the Frosting package. BUT, it is possible that either
we won't find a suitable ISP, or that the Rome group will convince us that
we should wait and just use them — in either case, we would have to
pull O'Hare out of frosting. So, the key question for you marketing guys
is: What is the latest date at which we can make the go/nogo decision on
including O'Hare in Frosting. I'm assuming 3/15/95 until I hear otherwise.

Also, I don't think we're going to do a "bounty" arrangement with any ISPs
— bradsi and others are not fans of this.

Thanks!
--bens
———
From: Blake Irving
To: alecs; bradc; mikecon
Cc: bens; bobfou; encst; johnlu
Subject: RE: Frosting and Ohare
Date: Friday, February 03, 1995 2:58PM

The numbers definitely point to a solid reason to put Ohare
functionality in the frosting box. The $57 MM is plenty of reason to do
it without setting expectations for a $120 MM increment .

As I understand our strategy (at least for Marvel) we were basing
revenue stream from ISP's on gross transactions, and not one time
bounty. Do ISPs expect to pay this $, or do we risk and ISP crying
"extortion!" I can hear it now, not only does Microsoft want to offer
Marvel for free in the Windows 95 box and cannibalize my business, they
want to me to pay them $40 for the folks that they don't reach. So....
I think the additional $60MM won't happen.

Alec, you pointed out we need to sit down with the Marvel team to
rationalize product strategies post haste.   With Ohare in the Frosting
box, this should be done immediately.

few of questions:
Can this be done without effecting current frosting schedule?
Does this change the positioning of the product? (if it's a lead
feature as the research suggestes, might want to think of broadening
the target and position of the product)
To what extent c...es it affect the bom? at least a disk and some minor doc

From:	Ben Silvka
Sent:	Monday, February 13, 1995 10:51 AM
To:	Tim Harris; Kathie Flood
Cc:	Thomas Reardon; Arthur Blume
Subject:	FW: new web viewer software

O'Hare is the code name for our Internet Client, and we plan to
ship it in the Win95 "frosting" package, which sim-ships w/Win95.
The Netscape enhancements are on our "do if we have time" list —
if you can send us a prioritized list of HTML enhancements that
you think will make HTML a better publishing languuage, that would
really help us prioritize our work.
Let me know if you want to see specs, and I can also add you to the
ohareusr alias and give you access to our Web browser — we
started with the Spyglass Mosaic code, and will be feature complete
on 3/15.
—bens

From: Tom Anderson
To: bens

From: Tim Harris
Sent: Saturday, February 11, 1995 11:49AM
To: toma
Cc: kathief
Subject: new web viewer software

We are in the process of writing proposals for the internet work we
are planning on doing this year and were wondering if you could give
us information on what web viewer we are going to be supporting in
windows 95 and what features it will support. Mainly we are
interested in knowing if better layouts like the ones available in
Netscape will be supported or any other new features we can exploit.
Also when do you expect to release a viewer, is it shipping with windows
95?

Thanks,
Tim