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From: Paul Maritz
Sent: Sunday, January 05, 1997 11:09 AM
To: Bill Gates; Jim Allchin (Exchange); Ben Slivka; Brad Silverberg
Cc: Aaron Contorer
Subject: overview slides for Billg/NC&Java session with 14+'s on Monday

Here is draft of slides for Billg to use on Monday pm. I will introduce with first slide, hand over to Billg, then have Jimall (or designee) present on ZAW, Bens on Java, then we will do Q&A.

We should probably discuss these topics at Monday am Exec Strategy session, since there are fair number of issues, particularly wrt Java.



nc & java 12-96a.ppt

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NC & Java Challenge

Jan 6, 1997

- Agenda:
 - Overview: Billg
 - “ZAW” Overview: Jimall
 - Java Efforts Overview: Bens
 - General Q&A

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Key Platform Challenge

- NC & Java are platform challenges:
 - possible emergence of a set of API's and underlying system software that lead to lesser or no role for Windows
 - puts our other (server & apps) businesses at a disadvantage

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Scenario: Emergence of a new API

- Sun AWT provides base cross-platform API
- Navigator/NetOne provides:
 - additional API's
 - a volume platform for ISVs & Corps to target, since runtime gets shipped with Navigator
- NC's
 - could provides additional volume
 - have no MS system software involved

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Response summary

- Increase IE share
 - integrate with Windows
- Lower TCO:
 - “Zero Admin Windows”
 - Office improvements
- Take HTML & Java Leadership
 - Extend HTML
 - Offer best Java runtime & tools
 - enough x-platform to be competitive
 - integrate Java RT & Windows:
 - encourage access to unique Windows functions
 - performance
 - great Java RAD tools

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Responses: increase IE share

- Situation:
 - approx 15-20% market share, most of it on W95 platform
- Key strategies in place:
 - Competitive product:
 - IE3 good, but missing Mac, W3.1 (being filled in next 2 months), UNIX slipping
 - Differentiate thru Windows integration
 - Get Websites to target:
 - Sitebuilders/logo program starting to work
 - little compelling unique content, MSN exception
 - Content offers (WSJ, ESPN):
 - good (250K sign ups, logo on sites), but not decisive

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Responses: increase IE share

- Key strategies, contd.:
 - Channels:
 - ISP's: have signed most up, but conversion only starting to happen:
 - AOL 650K downloads to date
 - predict 5m users by 3/97
 - OEM: missed June deadline, OSR2 not shipping on majority of machines yet
 - Corporate: mixed results
 - still large Nscp momentum
 - threat from Communicator

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IE share issues

- Shipping IE4
 - Does it go into next W95 release?
- Converting existing Nscp users
 - ISP bounty program
 - creating compelling reason for W32 users?
- Corporate share:
 - IE4 benefit
 - Communicator response
 - how to position combination of IE & Outlook as response
 - how to actually manage future evolution of IE & Outlook
 - how to use / position "Web connector" feature of Exch 5.0
 - Renewed major corporate campaign?

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Java runtime as a Platform

- Key strategies:
 - encourage (extended) HTML use
 - keep Web content people viewing HTML (plus scripts) as safest “LCD”
 - encourage use of Dynamic HTML (Trident)
 - Java:
 - Offer “standard” Java runtime to be competitive,
 - basically redistribute whatever Sun gives us in near term
 - Expose as much of Windows as we can to Java developers via extensions to AWT
 - Ship the best Java RAD tool(s)
 - with extensions to language where we can

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Java Issues

- Getting our VM/Tools used
 - ie. increase IE share
 - Getting our VM/runtime to work with Navigator
- Getting RAD tools shipped
- Mac/Unix support for IE & extended HTML (Trident)
- Relationship with Sun
- “HTML as LCD” impacts strategy to position Outlook as client for collaboration:
 - ie. Is safest way to develop forms/groupware is to do it as Exchange server side script ?

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TCO/Simplicity & NC

- ZAW / NetPC is our primary platform response
- Goals:
 - Dramatically reduce “cost of ownership/complexity” for users:
 - initial focus on corporate, connected scenario’s
 - Key concepts:
 - automate/eliminate “change” wherever possible:
 - eg. OS/applications installation/update
 - use centralized storage wherever possible
 - centralized administration
 - work for “laptops” too

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TCO/Simplicity & NC

- Secondary response
 - Deliver lowest “hardware cost” solution via Hydra
 - Windows “terminal” support

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TCO/Simplicity & NC

- Issues:
 - Delivering on ZAW
 - ZAW is delivered on NT5.0
 - requires upgrade first
 - lack of Win95 story
 - Applications (esp. “Office”) participation
 - when/how do we deliver it?
 - How do we deal with “down-level” OS’s
 - continued complementary relationship with Citrix

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