From: Paul Maritz
Sent: Sunday, January 5, 1997 11:09 AM
To: Bill Gates; Jim Allchin (Exchange); Ben Silver; Brad Silverberg
Cc: Aaron Comore
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
NC & Java Challenge
Jan 6, 1997

• Agenda:
  – Overview: Billg
  – "ZAW" Overview: Jimall
  – Java Efforts Overview: Bens
  – General Q&A
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
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
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
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
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
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?
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
• 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?
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