From:	johnlu
Sent:	Monday, July 17, 1995 10:18 AM
To:	thomasre
Subject:	FW: Netscape

From:	<paulma>
Sent:	Monday, July 17, 1995 9 17 AM
To:	chrisjo@microsoft.com; bens@microsoft.com; johnlu@microsoft.com
Subject:	FW: Netscape

From:	Paul Maritz (Exchange)
Sent:	Monday, July 17, 1995 9:17 AM
To:	Dan Rosen (Xenix)
Cc:	Nathan Myhrvold (Xenix)
Subject:	RE: Netscape

Right.

From:	Dan Rosen (Xenix)
Sent:	Friday, July 14, 1995 8:42 AM
To:	Paul Maritz (Exchange)
Cc:	Nathan Myhrvold (Xenix)
Subject:	RE: Netscape

Paul,

Want to make sure we are clear here. Given your message, I understand that you don't see the need to continue discussions with Netscape at a "strategic" level. You would like to see them separately license things like STT and DocObj, and believe that they will support NT and compete in both browser and Internet server products. Right?

Dan

From: Paul Maritz
To: Dan Rosen
Subject: RE: Netscape
Date: Thursday, July 13, 1995 12:47PM

They are beating the door down to use URL.DLL and RNA.DLL, we don't have to offer them anything for that.
I think they will be compelled to use DocObj - there are just too many documents in Word etc format that they have to support the read-only runtimes and DocObj is the obvious way to do this.
Wrt to them building on top of our browser, I am very sceptical that they would agree to this. Their histroy is to closely bound up with the browser - this is after all Andresson's company.

On the server front, it is our intention to build up a full offering (transactions, billing, etc.) and integrate it very well with BackOffice on the one hand, and with our public network offerings (video, etc.) on the other.

From:	Dan Rosen (Xenix)
Sent:	Thursday, July 13, 1995 10:25 AM
To:	Paul Maritz (Exchange)
Subject:	RE: Netscape

Paul,

They may be willing to give us a client advantage, if we give them the server advantage. They are definitely willing to adopt and use all of
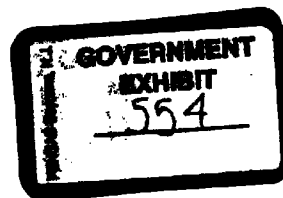
the Win95 tools (e.g. URL.DLL and RNA.DLL) and to adopt DocObj. We
potentially could agree to license them our browser (OEM) and let them
build on top of it (I have not proposed this to them).

To get these types of concessions, we need to lock down what they want
from us that we are willing to give. This is the server stuff. We
still lack internal agreement about that. We now understand that their
profitability will come from their $5K (going to $1K) commerce server.
I need help from Jim and J understanding where that product begins and
Gibraltar ends.

Next step: reach agreement that we can cooperate in the server and tie
it to client concessions. If no agreement, we should gear up to compete.

Dan
_____

From: Paul Maritz
To: Dan Rosen
Subject: RE: Netscape
Date: Thursday, July 13, 1995 9:35AM

My thoughts: we originally hoped that there was some way to leverage a
  relationship with Netscape based on a business model whereby they
would be prepared to cede the client to us or at least give us some
major advantage, if we could give them some major advantage in the
server area.

They are not prepared to give us a significant client advantage
(either for O'hare or for MSN), so we should treat them as an ISV,
but not much more.

On STT, I still think that it probably makes sense to take the risk
and do a fairly open deal with them in order to get our protocols
widely adopted.

_____
From: Dan Rosen
Sent: Thursday, July 13, 1995 9:02 AM
To: bobmu; chrisjo; jallard; jimall
Cc: nathanm; paulma
Subject: RE: Netscape

If we believe we can "dethrone" Netscape from this role, it makes
sense to do so. At the moment they have tremendous momentum in the
Internet server (and client) market, and seem to be accelerating.
After their IPO (probably in August), they will have the resources
to go even faster.

I fear that if we choose to compete with their core profit driver
(there commerce/merchant server, we will push them strongly toward
Sun. This is risky.

On the other hand, we could have them use NT as a preferred solution
and accelerate the acceptance of NT as a core piece of Internet
infrastructure, where we both win. Later, particularly if they
stumble, we always have the potential to reassess our position.

We need to decide on this in the next week.

Dan
_____
From: Jim Allchin
To: Bob Muglia; Chris Jones; James 'J' Allard; Dan Rosen
Cc: Paul Maritz; Nathan Myhrvold
Subject: RE: Netscape
Date: Thursday, July 13, 1995 7:39AM

I have a different perspective.

I think we must sell a packaged product "commerce server" which is the
a new edition of the Internet Server. (Some of you may not be
aware of our ideas on packaging the Internet Server into two pieces:

Internet Server: Publishing Edition and Internet Server: Internet
Access Edition.   What I would like to see is a Internet Server:
Commerce Edition.)

We should NOT turn this basic package over to Netscape.   That doesn't
  make any sense to me.   There will be significant money in this
area.   However, after we have this horizontal platform, then I
hope we will get tons of ISVs tailoring it for flowershops, drug stores,
etc.   This is the SP opportunity assuming customization is easy
using Office, VBA, etc.

jim

From: Bob Muglia (Exchange)
Sent: Thursday, July 13, 1995 7:02 AM
To: Chris Jones (Exchange); James 'J' Allard (Exchange); Dan Rosen   (Xenix)
Cc: Jim Allchin (Exchange); Paul Maritz (Exchange); Nathan Myhrvold   (Xenix)
Subject: RE: Netscape

I'm sure you're not missing anything. The key to this being a
successful arrangement is to define the area where Netscape can add
significant value and build a strong business.

If they can become an ISV/SP on top of our Internet platform, then we
  could both mutually benefit. I talked to Dan about this on tues and
was supportive of the idea of working with Netscape to get them to
build   a "commerce server" of some type on top of our Internet Server.

I don't think their focus should be on infrastructure pieces
(encryption,   etc.) as that will absolutely have to be in our core products.
  Long term, there isn't much value in these components unless they
think   they're in the platform business (which Dan says they deny).

I think we should try to talk to them about having Netscape create a
complete product which lets somebody setup shop on the Internet -
billing, connections to inventory systems, etc.

That's an area which I don't think we want to get into. So many of
the   solutions will require customization, it's really more of a
business for an SP.

We should see if we can get Netscape to agree that a structure like
this   is interesting to them - we assume the platform role, inlcuding
security work, they add value on top of this. If this is interesting
to   them, then I think we should consider inviting Netscape up in the
next couple of weeks for a full disclosure on our Internet products.
  We're less then a month from beta so the cost on this is pretty low
at this point.

bob

From: James 'J' Allard (Exchange)
Sent: Wednesday, July 12, 1995 8:53 PM
To: Bob Muglia (Exchange); Chris Jones (Exchange); Dan Rosen (Xenix)
Cc: Jim Allchin (Exchange); Paul Maritz (Exchange); Nathan Myhrvold   (Xenix)
Subject: RE: Netscape

i don't knwo exactly what this means. as i understand it, their
commerce server is their communications server+ssl, period. we have source
rights to ssl, perhaps barksdale doesn't knwo this. the contract that
psd   did doesn't appear to limit us to client in any fashion.

it's not clear that we could open the webserver architecture to them
to   do the development work in an independent or high-performance
fashion, and first pass appears to be on the order of man-months of
work, perhaps weeks. what would we "trade" for them to do the work?
what does "replace netscape's communication server" mean - would they
 kill their server product ? just kill their nt effort?

i'm interested/open to having them become a premier gibraltar isv, but
i fear i'm missing something

From: Dan Rosen (Xenix)
Sent: Wednesday, July 12, 1995 6:39 PM
To: Bob Muglia (Exchange); Chris Jones (Exchange); James 'J' Allard
(Exchange)
Cc: Jim Allchin (Exchange); Nathan Myhrvold (Xenix); Paul Maritz   (Exchange)
Subject: Netscape

I just completed a call with Jim Barksdale. Cutting to the chase, the
one thing he would like most from us is a relationship around his
"Commerce Server". This would run as a merchant/enterprise offering on
top of NT and Gibraltar (replacing Netscape's "communications server").
 There are several things we can get in exchange, but first we need to
know if this is something we can and want to do. They are ready to
move quickly on this.

I'd like to outline terms on this and get their folks up ASAP to nail   down.

Dan