From nathanm Sat Apr 6 00:22:45 1991
To: billg bradsi jimall mikemur paulma steveb
Subject: RE: operating system focus and the lowend

Date: Sat Apr 06 01:23:15 PDT 1991

To a large extent I agree with Jim.

Clearly we need to have the low end Windows based server, and I presume that this is underway (is it?).

Given that we have super easy to use Windows Servers, the question at that point is why not stick some or all of this into Windows itself?

Technically, we want to move to a distributed OS - and this means forgetting a lot of this artifical separation between server machines and network clients. Some machines may be configured in a optimum way for one use or another, but the huge disparity in capabilities that we see today just gets in the way of users and ISVs. Today we consider a machine without a GUI display to be a weird configuration - a "headless server". In the future we want peer services everywhere, and a machine without out will be a "sub-peer node" or some other slightly deragatory term.

The only barriers are:

- We have already scared Novell a lot with Win-N. Making them an enemy of Windows is not good (although not fatal either).

Note that this does NOT argue against what Jim advocates - it only says that we keep it very quiet until the last moment. This is an ideal au fait complait. You develop the nice open hooks in Win-N, and in parallel develop the peer pieces and Windows Server.

I think that we could pull this off IF AND ONLY IF the resulting bundle of peer services is very slick and nice. Then we can fall back on the moral high ground of thinking of the user etc.

One reason for stealth here is not so much keeping Novell from knowing (although that is important). At present if word leaked that we were bundling our PRESENT Lan Man with Windows, people would recoil in horror at the thought of what that could mean for poor old Windows - multi-hour installation? 25 disks? a whole booklet on configuring your buffer sizes? (I saw that recently and was amazed). No matter what we said, we have little credibility on making a bundled OS - Net combo

MS 5061628 CONFIDENTIAL that would be good - so we be very secretive until we one that will surprise people with how good it is.

- It works best if the net hardware is bundled with the machine. The ideal thing would be to get a couple of influential OEMs to put ethernet on the motherboard (of some models at least). When you combine this with an OS that has the net stuff built in, it starts looking very attractive.

We could probably convince some people to do this. The trick would be that up front they would have little confidence in us (especially if we kept our plan confidential, as we would have to). They would do the bundle only on the basis that we would be a good net client for Novell as well as other uses. Then, presto chango, they discover that we have a whole super easy to install and use low end network which would leverage this well, starting the trend across the board (no pun intended).

- There is a revenue issue. The question is whether you have a low end server product left afterwards - depending on how hard core Jim is being, the answer could be yes or no. This could obviously impact that potential revenue. Of course it is hard to count any kind of a "loss" from today since we are sure not selling that many Lan Mans and in fact most people hard core enough to buy Lan Man today would not settle for this anyway and would still go with Lan Man. Simply increasing the price of Windows overall to get this added value might not work because it might cause some people not to upgrade etc.

Nathan

From davidds Sat Apr 6 00:45:03 1991

To: winperf

Subject: windows task switch

Date: Sat Apr 06 00:43:49 1991

>From robwi Fri Apr 5 20:07:16 1991

To: davidds michaele

Cc: philba

Subject: windows task switch

Date: Fri Apr 05 20:05:21 PDT 1991

MS 5061629 CONFIDENTIAL