

From pcmgatel!russs Sun Jul 12 10:25:11 1992
 From: russs
 To: paulma
 Cc: russs, bradc, bradsi, jonl, richt
 Subject: RE: reminder to write - (long)
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>From the PC Week article and our sniffing it seems Novell is preparing a strong attack in corporate accounts, the LAN reseller and OEM channel based around 2 new products:

- NetWare 4.0 client shell which includes 4.0 API and peer services
- NetWare Lite 2.0 built around 4.0 client shell with Windows UI

*Novell is going to have a powerful story in corporate accounts revolving around:

- the fact that they have more connectivity options. This is there current ad campaign. They are stressing Univel and that they connect DOS, Unix, Windows,..... They claim to even be putting NetWare Lite 2.0 on Unix.

- their admin story. They will tie all the domain admin functions to the NetWare 4.0 client shell via API (like directory service, wksta backup). They will claim an advantage for backing up, s/w distribution, etc. We know this functionality is coveted by corp MIS. If it is real and works, it will constitute a strong reason for MIS to consider Novell's desktop solution.

It is risky for them though to say their admin stuff is incompatible with MS-DOS. More likely they will push DR-DOS, but not build technical dependencies on it and concentrate on getting 100% of desktops with NetWare 4.0 shell.

*In OEM channel they will compete on price. The bundling of NetWare 4.0 shell or NetWare Lite 2.0 plus DR-DOS will be compelling, not only because of price, but because it reduces buying and pre-installation costs for OEM. As long as "MS-DOS is the standard" argument works, we have leverage, but if the dam breaks with one major OEM pre-installing net ready PCs with DR-DOS/NetWare 4.0 it is a big threat.

* In LAN reseller channel they will push hard with DR-DOS and NetWare Lite 2.0. Here the customer often has no influence/doesn't care which DOS gets installed, it is purely a reseller choice. Since these resellers are in Novell's pocket it is very tough to compete with a low price, and a strong product that they market heavily.

What we should do:

- crank DOS 6.0/DOS 7.0/Chicago PR. I would position these as a logical succession of soon upcoming products. The obvious thing to do is plug Chicago DOS-Windows tie in. We should also plug the Windows integration in WFW (UI, VxDs) because they can't duplicate these. The risks to this kind of strategy are that we obsolete DOS 6.0 before it ships, and/or Chicago looks too closed (my feeling is that even though corp accounts don't want DR-DOS they don't want us to make Windows dependent on MS-DOS. Its a competition thing - they want to know that Novell can compete. We may get push back on Chicago because of this.) Even with these risks we may have to play the Chicago card sooner rather than later.

- put together a convincing admin story for corp accts based on NT domains, NT registry, Win Login, Hermes, Cairo admin APIs. We have not articulated how all these pieces fit together. We can do the PR part of this, but even more important is getting the sales force in the face of MIS. This should

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be pulled together and presented at NSM in August so field can hit the road.
We must do soon because LAN standardization can occur rapidly if accounts
buy into the Novell admin story.

- do a Web deal, get a NCP VxD on 3.1, get strong NetWare client/server
support on NT. Novell will beat on fact that client in WFW is "old"
technology and doesn't support directory service API, etc. I personally
think this is the biggest PR and corp account risk we have. They will
completely take away our Novell connectivity story if people buy into their
position. I don't understand our directory service API strategy anymore,
but at a minimum we have to concoct some story about how WOSA will connect
to their ds. (hopefully in Chicago time frame). DS is the corp acct admin
holy grail (with some reason) and for accts that move to NetWare ds the
NetWare client in WFW will be not only inadequate, it will be worthless.

- one good thing coming out of this: Novell is apparently going to say that
peer services has a role in corp accts (see PC Week). It will be a big help
for them to legitimize peer services. The way we take advantage of this:
ship product first and have a peer soln to sell before they do. We must
ship WFW in October.

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