

DOJ - Legal

From: Pate Higgins  
To: bill gates  
Cc: mike maples  
Subject: RE: Marketing Word, Excel and Office  
Date: Thursday, May 20, 1993 10:45AM

I am going to schedule some time with you in a couple of weeks to review the Year of the Office marketing plan and to discuss these marketing issues overall. We can also do a review of the PC Expo stuff we're preparing for you while there's still some time to work on it. I'll bring Hank along.

Referring to your mail below, there are cases where there's disagreement, cases where you're right, and cases where I think there's an information lag.

From: Bill Gates  
To: Mike Maples; Pete Higgins  
Cc: Chris Peters; Hank Vigil; Lewis Lavin; Steve Ballmer  
Subject: Marketing Word, Excel and Office  
Date: Friday, April 30, 1993 1:03PM

I am really wonder if we get the marketing groups to be empowered to do important stuff. I am sure they are doing good things I dont know about but its certainly not enough and its not allowing us to avoid commodization.

As far as I can tell:

- they dont do anything to try and dissuade OEMs from bundling like any survey data (when I ask for something like this I wait 9 months with no message of any kind and then I find out nothing is going to be done. I ask for very little and I wish they would send me some mail when they decide I am not going to get it). I set a goal of having data to discourage oems from bundling.

[MikeMap sent you a summary of what has happened with this. Arguably it's a little hard to do a study the OEM won't help you with. However, we're re-starting with new names we're getting from OEM's].

- they dont do anything that makes them feel raising price is a mistake. They must have been involved in the plan to deal with competition by raising price.
- they dont understand the financial situation of our competitors and drive strategy around that.
- they dont talk about our features in a clever way. Heard any good terms lately? I havent and I dont know of any for the new versions. Unacceptable.
- they dont talk about our approaches of getting customer input in a clever way. Ever seen a slide talking about the number of calls we take and how we use those?
- they dont try and come up with using our support as a competitive advantage.
- they dont write slides for anyone to use for anything. I want to sell our applications but there is no one thinking about it. If there were there would be a message. Once there is a message I will type the slide myself.
- they take ideas like saying we lead the way with Windows commitment and are staying ahead and decide that its not a good message instead they say you will get a 15% raise if you use software or something like that. Whenever I want to rub in our commitment to Windows I am told "don't do it". Maybe because they like to spend money on business press the idea of being ahead is too complex.
- they dont come up with features that are heavily marketable. When is the last time you saw a memo from them on winning features?
- they dont use EBCs as an opportunity to sell to customers.
- they dont come up with plans to win in segments like education. When did you ever see a plan on how we do in a segment and how to win?
- they dont suggest using an affinity with systems to do aggressive things like demo disks or applets
- they dont write up cases where we lose and analyze how to do better but they do take random wins and send them around without enough data to do anything about it. I actually do realize there are customers who buy from us and receiving a few random wins without information is as stupid as any mail I ever get.
- they dont get lots of visible customer endorsements (apparently they feel it is hard - like the mail I sent about excel and accounting firms)

- they dont get involved in the systems work on Windows APIs on UNIX to prove platform independence. They allow competition to paint us as not believing in multiple platforms.
- they dont believe in leaking features in a way to build excitement or else you would already be reading about it and I would be allowed to even show something to give a glimpse. We only missed 10 chances for this this week alone (I was in Europe).
- they dont seem to know what kinds of customers we do good or bad with

Fundamentally they dont get up and come up with hard core ways for us to get over 60% share.

Because of the lack of the above price is becoming our only way to drive share.