



From: Jon Reingold
Monday, August 25, 1997 10:10 AM
To: Executive Staff
Subject: FW: Corel Office for Java--Internal Update

FYI -- The latest summary from DAD on Corel's announcement discontinuing Corel Office for Java. Has gone to the field already.

Sent via WordMail and Outlook 97 on Windows 95 via Exchange Server 5.0

-----Original Message-----

From: Kirstin Larson (Office)
Sent: Friday, August 22, 1997 4:37 PM
To: Jon Reingold; Richard Fade; Jon Reingold
Cc: Vince Mendillo; Robert Crissman; Dennis Tevlin; Matthew Price; Jon DeVaan; Kirstin Larson (Office); DAD Office
Subject: Leads
Corel Office for Java--Internal Update

This is for internal info only. Public Q&A has been distributed to the field.

What do you think of Corel's announcement to stop development of COJ?

We think it makes a lot of sense, as customers never really demanded a suite written in Java--customers really don't care what language is used to write their applications. In addition, products offering subset functionality "lite suites" have historically been rejected by customers--it is just difficult for a vendor to arbitrarily choose a subset of features given the diversity of users out there (i.e. accounting dept. needs a different subset than your mktg dept). We think a better strategy is to build general purpose software that is customizable by the administrator (what we have now), and eventually is smart about customizing itself based on user needs. For example, we have already announced technology for the next version of office that provides "components on demand," meaning that code might be installed as a use invokes a command.

What is Remagen?

This is enabling tool which will let existing applications written for Windows to run on multiple platforms. We believe Corel is licensing the technology from Visigenic which has product called VisiBroker for Java. Visibroker is a client and server-side CORBA 2.0 Object Request Broker (ORB), basically middleware that facilitates cross-platform communication among distributed objects and client applets. A competitor to Citrix Systems and New Moon Technologies

What do you think about it?

Microsoft is pleased that Corel recognizes the momentum behind Windows NT and has decided to refocus their development on the Windows platform. We're beginning to see more and more businesses choosing Windows NT Workstation as their standard corporate desktop because of its stability, performance and manageability. In fact, 6 out of 10 IT managers are now deploying Windows NT to run business productivity applications. Corel targeting the Windows platform allows the largest installed base (100M Win32 desktops) to take advantage of their new application initiatives

What do you think about Corel's new focus on 'Groupweb' applications?

It is not clear what Corel is focused on with 'groupweb' applications. Office 97 has tightly integrated web technology in all of its applications as a natural extension to regular document creation. In Office 97, this web integration helps users communicate and collaborate by allowing them to insert hyperlinks and publish documents to the web without any additional training.

So, you are not planning to offer a Java suite?

We have no plans to port Office 97 to Java. We will continue to look at customer needs first and then use the most appropriate technology to meet these needs. It is of little concern to customers which programming languages are used in the product since they just want great tools that help them get their work done. Customers have historically rejected "lite" suites which give them a subset of functionality, and therefore have not been asking for a Java suite.

How does this affect Office?

This has no immediate affect for Office. We believe from the scattered and inconsistent reports from Corel that this does not represent a threatening or feasible strategy.

What is the latest on Corel retail share?

Corel share continues to decline from their one-time high last summer. The latest share data from PC Data (June) shows their suite market share in channel to be 34% (to our 62%) at retail.

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PCData Market Share
Report.xls

How is their financial position?

Uncertain. With WordPerfect revenues showing a steady decline and their core graphics business not as robust as it once was, they what seems to be insurmountable challenges to bring the business back to healthy levels.

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