From: Steven Sinofsky
Sent: Thursday, August 31, 2000 2:15 PM
To: Kevin VanFlandern
Cc: Arthur De Haan
Subject: RE: Star Office via OEM?

Spoke with kenmy—I think we are fine and don't need to do these.

You did the right set (SO v. O2000) in a super timely way. THANKS!

-----Original Message-----
From: Kevin VanFlandern
Sent: Thursday, August 31, 2000 1:43 PM
To: Ed McCahill
Cc: Baris Cetinok; Ken Myer; Ross Smith; Arthur De Haan; Steven Sinofsky
Subject: RE: Star Office via OEM?

Ed, we are going to redo these numbers based on your current request. The testing work will have to be pushed out till 9/07 and should take ~ 2days to get the data. I want to go ahead and write out the request explicitly so there is no confusion, please let me know right away if there are any problems with the work item so there is no lost time, I doubt we'll get another pass at it.

One other thing to consider here is the Office 2000 numbers and how they compare. If those numbers are needed as well, it essentially doubles the time matrix (see below). Though that may seem unattractive in that regard I think the Star Office data alone is not extremely valuable since it does not help to identify an advantage or disadvantage of using Star Office. It really just informs OEMs what they can expect for perf from Star Office on there new machines with WinME. I know for us over here, seeing the comparison data of the different Office suites itself is what makes the entire data set valuable. My recommendation is that if we do this pass at all, that we get both sets of data at the same time.

You want the following tests performed

- Boot- Boot the application and background shell simultaneously to a blank document. Since star office has a background shell that keeps most of the core DLL's in memory loaded the best way to compare it to Office applications is to boot an application in star office from the desktop by opening a blank binary document from that application.
- Open- Open a typical binary document from desktop (see boot for explanation). The typical document is taken from the Word Benchmark suite and converted into Start Office Write 5.2 format.)Note we are not doing HTML open tests unless specified. You should also note Star Office traditionally beats Office in HTML boot because there feature set is significantly less than Office's)
- Save As - Open a typical Binary Star Office 5.2 document modify it slightly and Save it as a new filename. This will invoke the Save As code for Star Office. (Note not HTML conversion or Open to HTML and save to HTML, or Resave tests are being performed here)

On the Following Hardware:

- The closest hard ware we have to what you requested are PIII 500 with 64 MB of Ram, 1+ gig of disk space available at test run time using FAT32 unless otherwise specified.

Operating Systems:

- Windows 98 Second Edition (configured as above) vs.
- Windows ME RTM

Office Suites (Star Office 5.2 only):

Application Targets:

- Write (word Processing)
- Calc (spreadsheet)
- Impress (presentation)

Time Estimate Matrix: (note we will perform six iterations between each boot unless the percent of the average that the STDEV represents (Percent standard deviation) is less than 10% with four iterations. In that case we will stop at four iterations)

	s				
	/ s	/ e		W	
	/ e	/ t	/c	W	M
	/ r	/ i	/ l	9	E
	/ p	/ r	/ a	8	
_____	_I___	__W__	___C____		"
Boot	X6	X6	X6		"
_____	_____	_____	_____		"
Open	X6	X6	X6		"
_____	_____	_____	_____		"
Save	X6	X6	X6		"
_____	_____	_____	_____		

```
T (time = 15 minutes)
O (OS's = 2)
S (scenarios = 3)
I (Iterations = 6)
A (Application = 3)

((T*O*S*I*A = 1620)/60) = - 27 hours
```

(note double time matrix for adding Office 2000 numbers)

Thanks,
KevinVF
(x31339)

—Original Message—
From: Ed McCahill
Sent: Tuesday, August 29, 2000 5:23 PM
To: Kevin VanFlandern
Cc: Baris Cetinok; Ken Myer; Ross Smith; Arthur De Haan

Subject: RE: StarOffice via OEM?

Kevin, our sole objective is to find out if WinME - the target OS of the OEM division for non-business PCs - causes a slower performance of StarOffice 5.2 than does Win98 (from which the OEM division is rapidly transitioning their OEMs now that ME is available).

Target hardware should be similar specs to a PC sold for <$1,000 at retail today, since that's where the OEMs are preinstalling StarOffice 5.2. One such system with StarOffice is the Sony VAIO J100 Minitower which includes the Intel Celeron Processor, 600 MHz, 64MB RAM,15.0 Gig Hard Drive. More details at: http://shop.compusa.com/cgi-bin/live/cozone/catalog/html/singleprod.jsp?BV_SessionID=@@@@123726 8417.0967594598@@@@&BV_EngineID=calijdkjjegbgfbmhcgecfef.0&pro d_id=PCVJ100. This would be a realistic config we'll be competing against.

Re: the WinME testers, we went there first, but were told that the group was disbanded so we turned to you. You bring up a great point about the performance of Office on similar OS'. If we had that data as a benchmark, it would be a great help. Do you have it? the OEMs aren't going to dig deeply into the test data so we really just need some basic talking points we can use to get the focus of their interest/licensing on Works and/or Office.

Ed

—Original Message—
From: Kevin VanFlandern
Sent: Tuesday, August 29, 2000 3:32 PM
To: Kevin VanFlandern; Ed McCahill
Cc: Baris Cetinok; Ken Myer; Ross Smith; Arthur De Haan
Subject: RE: StarOffice via OEM?

FYI here are the Min reqs off the web.

System Requirements for Windows Me

VGA or higher resolution monitor
Pentium 150MHz processor or better
32MB of RAM or better
Minimum 295MB free hard-disk space
CD-ROM drive
28.8 Kbs modem or faster with current Internet connection
Sound card
Speakers or headphones
Microsoft Mouse or compatible pointing device

—Original Message—
From: Kevin VanFlandern
Sent: Tuesday, August 29, 2000 3:14 PM
To: Kevin VanFlandern; Ed McCahill
Cc: Baris Cetinok; Ken Myer; Ross Smith; Arthur De Haan
Subject: RE: StarOffice via OEM?

Ok we just looked at the minimum requirements for WinME and it is a P5 150 mhz or higher. The tests we did were on a P5 133 mhz machine with 32 mb of RAM. That means we would need to redo all of our tests. Ed, did you have a target hardware platform that you wanted to have these run on as well as the template for the test cases?

KevinVF

-----Original Message-----
From: Kevin VanFlandern
Sent: Tuesday, August 29, 2000 1:10 PM
To: Ed McCahill
Cc: Baris Cetinok; Ken Myer; Ross Smith; Arthur De Haan
Subject: RE: StarOffice via OEM?

Ed we are moving forward with your request to do boot, open, and Save on (word processor) Write, (spreadsheet) Calc, and (presentation) Impress as outlined in your spread sheet. There are a few concerns I have here some about where this work belongs but more importantly what we are trying to accomplish exactly.

Currently you are asking for numbers that compare Start office on one OS verses another (Win98 vs WinME), which is really something the system folks would be better suited to provide. Their harness is specifically designed to show the differences in the way an application runs on one OS verses another, while our system is more for comparing two apps on the same OS. The only reason it makes sense for us to continue doing the work at this point is that we have already gathered half the data, created the needed docs, and come up with a sounds methodology to extract these times for each app. Having said that it has cost us two full person weeks to get the data we got so far, and will cost another 1.5 work days to complete the work.

One of the reasons getting the right folks to gather this data is so important is that they will ask the right questions so that you get all the data you need. For example as an OEM if you showed me numbers for Star Office 5.2 on Win98 vs WinME and said look how much slower it is on WinME, I would ask "well how do I know WinME isn't just slower?" . Actually it seems like a logical conclusion, since Star Office hasn't changed, but the OS is radically different. What I would want to see is that other application of a comparable size and functionality do much better on the transition to WinME from Win98 than the Star Office apps do.

So here are a list of questions I would ask as an OEM trying to make this decision some perf related and some not:

- How does Star Office perform routine operation compared to MS Office?
- What does the memory footprint or working set impact of the Star Office vs MS Office look like?
- What does the typical install of MS Office and Star Office disk footprint look like?
- What is the registry footprint impact on Star Office vs MS Office?
- How easy is it to mass replicate Star Office compared to MS Office (can I use an imager, what about PIDS?)

- When I install Star Office how do my other unrelated application perform?
- When I install Star Office and shut it down, what of Star Offices is still running?
- And of course what is the price delta?

Has somone thought through these questions? What is the planned answers for them if they are asked?

Kevin

-----Original Message-----
From: Ed McCahill
Sent: Monday, August 28, 2000 5:27 PM
To: Kevin VanFlandern
Cc: Baris Cetinok; Ken Myer
Subject: RE: StarOffice via OEM?

Kevin, sorry for the confusion. I've created a simple template that outlines our needs.
<< File: StarOffice Performance Metrics template.xls >>
They are very focused on StarOffice 5.2 performance on our OS, not vs. Office. Please let me know if you have any questions or need clarification. Thanks for working to squeeze us in your schedule. It will make an immediate marketing impact if this data proves the rumor to be true!
Ed

-----Original Message-----
From: Kevin VanFlandern
Sent: Monday, August 28, 2000 5:08 PM
To: Ed McCahill
Cc: Baris Cetinok; Ken Myer
Subject: RE: StarOffice via OEM?
Importance: High

I can't stress enough how time constrained our team is right now. Ed I think you miss interpreted my response as saying we were going to run the WinME numbers, I was saying we weren't. Doing this will require more time, each test takes 20 + minutes to run not including setup time, it is a long and meticulous process. Can you please provide a subset of the tests we provided you and the applications being run to contain precisely the data you would like to see so that there is no lost time here? Now that we know what we are looking at, and how to get the data, if we can get the test set down enough, this may be something we can get by EOD Wednesday.

Thanks,
KevinVF

<< Message: RE: StarOffice via OEM? >>
-----Original Message-----
From: Ed McCahill
Sent: Monday, August 28, 2000 4:24 PM
To: Kevin VanFlandern
Cc: Baris Cetinok; Ken Myer
Subject: FW: StarOffice via OEM?
Importance: High

Kevin, the key component for the OEM world is missing from this file. We really need just a very simple set of data: StarOffice 5.2 (only) performance results running on Win98 and on WinME. We've heard StarOffice 5.2 runs slower on WinME than on Win98 and we need to confirm this internally before we can communicate this to the OEMs.

Is there a chance you could run some fast numbers for us on the limited titles I note in red above? We can put it to immediate use with our OEMs. Thanks!

Ed McCahill
OEM Product Manager
Microsoft Office 2000
425.936.6619

-----Original Message-----
From: Kevin VanFlandern
Sent: Friday, August 25, 2000 4:25 PM
To: Sandy Murti; Candace Grisdale; Cameron Turner; Ed McCahill
Cc: Baris Cetinok; Ken Myer; Ross Smith; Grant George; Michael Angiulo
Subject: RE: StarOffice via OEM?

<< File: Star Office vs Office 97.xls >>
Here are the initial results, I will be looking into seeing if there are some mail and db studies that would be worth doing since the functionality on these programs are pretty radically different. Please send mail or call me with questions.

Thanks much,
KevinVF

-----Original Message-----
From: Sandy Murti
Sent: Wednesday, August 23, 2000 12:38 PM
To: Candace Grisdale; Cameron Turner; Ed McCahill; Kevin VanFlandern
Cc: Baris Cetinok; Ken Myer; Ross Smith; Grant George; Michael Angiulo
Subject: RE: StarOffice via OEM?

Here's the Office Prod Plng deliverable: a feature comparison analysis between MS Office and StarOffice 5.2. Please feel free to contact me with questions.

- Sandy

<< File: StarOffice Feature Comparison.doc >>

-----Original Message-----
From: Candace Grisdale
Sent: Thursday, August 17, 2000 3:00 PM
To: Cameron Turner; Ed McCahill; Kevin VanFlandern; Sandy Murti
Cc: Baris Cetinok; Ken Myer; Ross Smith; Grant George; Michael Angiulo
Subject: RE: StarOffice via OEM?
Importance: High

Cameron/Sandy et al: Thanks very much for this. Edmc and team have just sent a customer ready ppt (blessed by LCA) that we'll use for high-level comms with OEMs...how soon could we pull off the two deliverables below? It's getting hot down here on the competitive front, so any acceleration would be greatly appreciated. Thanks again.

-----Original Message-----
From: Cameron Turner
Sent: Thursday, August 17, 2000 2:18 PM
To: Candace Grisdale; Ed McCahill; Kevin VanFlandern
Cc: Baris Cetinok; Ken Myer; Ross Smith; Grant George; Michael Angiulo
Subject: RE: StarOffice via OEM?
Importance: High

SandyMur has agreed to take this on. Sandy, can you give Candace and Ed an ETA?
Thanks!
Cameron

-----Original Message-----
From: Candace Grisdale
Sent: Wednesday, August 16, 2000 3:36 PM
To: Ed McCahill; Kevin VanFlandern; Cameron Turner
Cc: Baris Cetinok; Ken Myer; Ross Smith; Grant George
Subject: RE: StarOffice via OEM?

Hi all. I am compelled to jump in here. We are facing inroads by StarOffice that none of us prefers to see. Our sales teams need both deliverables (feature matrix and the performance testing on WinME vs. Win98SE) in order to respond to this recent activity. We've been waiting for a couple of weeks now - can you get these done right away? Say, within 5 business days? We can't afford to have our team lacking the key knowledge to respond to OEM Qs.

-----Original Message-----
From: Ed McCahill
Sent: Wednesday, August 16, 2000 10:35 AM
To: Kevin VanFlandern; Cameron Turner
Cc: Baris Cetinok; Ken Myer; Candace Grisdale; Ross Smith; Grant George
Subject: RE: StarOffice via OEM?

Right now we have StarOffice making inroads (i.e. signed OEM agreements) at Gateway, Sony, eMachines and Everex. The first three OEMs are large apps customers of ours and this puts our business at noticeable risk. With Sun charging nothing for royalty, they could very easily leverage some of these OEM brand names onto other OEMs' PCs. Signed agreements create legitimacy and we should expect other OEMs such as Compaq to follow suit if they can get something that appears viable for no cost. Without something quantitative to show the four OEMs above and to use to sell against StarOffice at other OEMs', we've got nothing but opinions to go on. That gives us a very weak hand against Sun.

I respect your current resource constraints, but we really need your help to deliver good factual information here so we can compete for this business. Any chance you can move it higher in the priority queue ASAP?

Ed McCahill
OEM Product Manager
Microsoft Office 2000
425.936.6619

-----Original Message-----
From: Kevin VanFlandern
Sent: Wednesday, August 16, 2000 10:14 AM
To: Ed McCahill; Cameron Turner
Cc: Baris Cetinok; Ken Myer; Candace Grisdale; Ross Smith; Grant George
Subject: RE: StarOffice via OEM?

Unfortunately very little progress has been made on this. Out of our priority list, this falls very low right now for two reasons, the general feeling is that our time is better spent on Office applications right now since we are so close to ship as far as performance is concerned, and two these kinds of tests are very expensive time wise since we can not automate our competitors applications. .

What is your impression of the need for this, and do you have any other options for getting this data?

Thanks,
KevinVF

-----Original Message-----
From: Ed McCahill
Sent: Tuesday, August 15, 2000 3:24 PM
To: Kevin VanFlandern; Cameron Turner
Cc: Baris Cetinok; Ken Myer; Candace Grisdale; Ross Smith
Subject: RE: StarOffice via OEM?
Importance: High

Cameron & Kevin, can you give me a quick progress report on the feature matrix and the performance testing on WinME vs. Win98SE? Any ETAs yet? Thx!
Ed

-----Original Message-----
From: Ed McCahill
Sent: Friday, August 04, 2000 8:16 AM
To: Kevin VanFlandern; Cameron Turner; Ross Smith
Cc: Baris Cetinok; Ken Myer; John Jendrezak
Subject: RE: StarOffice via OEM?

Kevin, thanks for agreeing! Best bet for getting it is to download it from Sun's site: http://www.sun.com/products/staroffice/

Ed

-----Original Message-----
From: Kevin VanFlandern
Sent: Thursday, August 03, 2000 5:05 PM
To: Cameron Turner; Ed McCahill; Ross Smith
Cc: Baris Cetinok; Ken Myer; John Jendrezak
Subject: RE: StarOffice via OEM?

Agreed, though if one of you has a suggestion on where to get the latest Star Office 5.2 bits in a hurry, that would help expedite things.

Thanks,
KevinVF

-----Original Message-----
From: Cameron Turner
Sent: Thursday, August 03, 2000 2:59 PM
To: Ed McCahill; Kevin VanFlandern; Ross Smith
Cc: Baris Cetinok; Ken Myer; John Jendrezak
Subject: RE: StarOffice via OEM?

That is do-able. To be clear, my team can create a competitive feature matrix which should be useful, it sounds like Kevin is your man for actual perf. numbers.
CT

Created with Office 2002 Beta I

-----Original Message-----
From: Ed McCahill
Sent: Thursday, August 03, 2000 2:59 PM
To: Cameron Turner; Kevin VanFlandern; Ross Smith
Cc: Baris Cetinok; Ken Myer; John Jendrezak
Subject: RE: StarOffice via OEM?

Cameron, our time frame is, ideally, mid-August. Since the recent launch of StarOffice 5.2, the OEM division has seen Sun license it to Gateway, Sony, and a couple of other OEMs. With WinME soon to ship as well, it would be very helpful if we could get performance data for StarOffice 5.2 on both Win98 and on WinME.

We hear that SO 5.2 runs really slowly on WinME. We need to be able to verify that and, if possible, quantify it so we can share it with the OEMs. That may be enough to slow Sun down. Thanks!

Ed McCahill
OEM Product Manager
Microsoft Office 2000
425.936.6619

-----Original Message-----
From: Cameron Turner
Sent: Thursday, August 03, 2000 2:39 PM
To: Kevin VanFlandern; Ross Smith
Cc: Baris Cetinok; Ed McCahill; Ken Myer; John Jendrezak
Subject: RE: StarOffice via OEM?

We were going to wait until the StarPortal launch before doing a full competitive review, but my team could do a feature matrix in the short term. What is your timeframe?

Created with Office 2002 Beta I

——Original Message——
From: Kevin VanFlandern
Sent: Thursday, August 03, 2000 1:54 PM
To: Ross Smith
Cc: Baris Cetinok; Ed McCahill; Ken Myer; John Jendrezak; Cameron Turner
Subject: RE: StarOffice via OEM?

We haven't gotten any for 2000 yet though we were planning on doing a round of competitive studies and Star Office was on the list. This work was slated for Mid September, do we need numbers sooner than that? Here are the last numbers we ran against star office.
<\\btbench\results\competition\star office comparison\Star Office vs Office 97.xls>

——Original Message——
From: Ross Smith
Sent: Wednesday, August 02, 2000 4:22 PM
To: Kevin VanFlandern
Cc: Baris Cetinok; Ed McCahill; Ken Myer; John Jendrezak; Cameron Turner
Subject: FW: StarOffice via OEM?

Kevin ?

——Original Message——
From: John Jendrezak
Sent: Wednesday, August 02, 2000 4:22 PM
To: Cameron Turner; Ross Smith
Cc: Baris Cetinok; Ed McCahill; Ken Myer
Subject: FW: StarOffice via OEM?

Cameron/Ross,

Do either of you have any performance data on Star Office vs. Office2000?

——Original Message——
From: Ken Myer
Sent: Wednesday, August 02, 2000 3:55 PM
To: John Jendrezak
Cc: Baris Cetinok; Ed McCahill
Subject: RE: StarOffice via OEM?

I'll check.

John,

Who can you point me to that could support a benchmark performance test of Office 2000 versus Star Office 5.2 under WinME? We have an OEM sales issue that we need to find a solution for, in support of Richard Fade's sales team efforts. Recently, a couple of smaller OEM's have cut agreements with Sun/Star Office and we want to provide them with great tools to effectively compete and overcome the Sun efforts.

—Original Message—
From: Ed McCahill
Sent: Tuesday, August 01, 2000 10:05 AM
To: Ken Myer
Cc: , Baris Cetinok
Subject: FW: StarOffice via OEM?

Ken, do you know anyone in the Office product group who can run some basic performance tests for us? The results will appear very biased, but at least we could have a benchmark for Win98 vs. WinME performance of StarOffice. Critical issue here is that Sun appears to be targeting consumer PCs where WinME will be pervasive. Lousy performance strengthens our position vs them. I don't really care about Win2k performance at the moment, so maybe you can pull a favor from one of your peers over there???

—Original Message—
From: John Kalkman
Sent: Tuesday, August 01, 2000 9:33 AM
To: Ed McCahill
Cc: Richard Fade
Subject: RE: StarOffice via OEM?

No Windows Me labs exist since RTM. Everything is Whistler. I've talked with OS PG in the past. They do not perf test apps. It would have to be DAD.

—Original Message—
From: Ed McCahill
Sent: Monday, July 31, 2000 1:52 PM
To: Richard Fade
Cc: Candace Grisdale; Joseph Krawczak; Ken Myer; Richard Fade's Direct Reports; Baris Cetinok
Subject: RE: StarOffice via OEM?

Richard, DAD has copies of StarOffice 5.2 and is reviewing the product with a goal of having a formal "Office 2000 vs. StarOffice 5.2" response published to http://dadweb/ this week. For WinME performance testing, it should be the WinME group who tests it, not DAD, as it will lack credibility if DAD tests it and says performance is slow. **Perhaps JohnKalk can arrange for a test by the WinME lab??** Gary Kelley apparently heard from eMachines that performance was really slow so I was referring to Gary's comment, not our own observations here in DAD.

We will have an OEM customer-ready PPT deck in the hands of your org by Wednesday this week. Other tools and competitive info will follow shortly thereafter. Already today we have some useful items on http://dadweb/competition.htm if your team wants to have a look.

Lastly, I'll make sure your team is copied on future competitive reports.

Ed

—Original Message—
From: Richard Fade
Sent: Friday, July 28, 2000 4:23 PM
To: Candace Grisdale
Cc: Joseph Krawczak; Ken Myer; Richard Fade's Direct Reports

Subject: FW: StarOffice via OEM?

Candace please note the comments below re Star Office Win Me and Win 2000 compatibility

Ed can you be sure the product group (confirm who will do this) has copies of Star Office 5.2 (which his the newest product and available for free download on their web site) and has tested Win Me and Win 2000 performance ?

Ed this is an interesting write up - I don't know why I received it as a cc from Jason Kap in our policies group (?)please be sure MNA sales (richard fade directs is the best alias to mail) receives any of these updates directly in the future

—Original Message—
From: Ed McCahill
Sent: Friday, July 28, 2000 10:51 AM
To: Sean Pickton; Ken Myer
Cc: John Vail; Jason Kap
Subject: RE: StarOffice via OEM?

Sean, here's the latest news on StarOffice:

Gateway: GW has virtually no presence in LORG desktops. To help overcome that problem, they have enlisted Sun, who has great LORG relationships, as an Agent so that when Sun sells their servers and workstations into LORGs, they also recommend and try to sell GW E-Series (LORG) PCs. Since GW & Sun don't compete at all, it helps fill holes in each others' lines. You can check out their GW's high-end E-4400 and see how they distribute StarOffice:
<http://www.gatewayatwork.com/prod/cp_e4400_Config.shtml>

A few notes:
1. GW is not licensed by MS for Office into LORGs (read: E-Series)
2. GW offers StarOffice for free as either preinstalled or as drop in the box - customer choice.
3. StarOffice 5.1 is the current versions hipping and it is listed on the website as incompatible with Win2k.
4. GW also offers Corel WP Office 2000 as an adder for $99.
5. The volume of StarOffice from GW is incredibly small - nearly all sales are thru Sun as agent.
6. Sun has a few engineers co-located at GW's Irvine, CA facility doing s/w engineering (for preinstalls).
7. It is assumed by the MS GW Account Team that GW gets the bits for free and that Sun provides the support.

Sony: Sony does have an agreement with Sun to include StarOffice on its lowest cost consumer desktop the $799 PCV-J100. This particular model is the only Sony desktop that is not covered by our Word royalty license with Sony because the $14 royalty is too high a cost to burden a low cost PC with. Sony isn't paying any royalty to Sun and they are not preinstalling it. Not sure yet on who pays for COGS and support. I asusme Sun pays for support, but don't know on COGS. Here's how

the offer is promoted on their Sony Direct website:
<http://vaiodirect.sel.sony.com/cgi-bin/compass.cgi?level=cat&dest=Desktops>

A few notes:
1. This just started shipping last week.
2. Sony ships 8-10k units per month of this model, which represents 10-15% of total US PC shipments for them.
3. Works is the real loser here as this would normally be a Works PC at that price.
4. Sony has no plans to ever preinstall StarOffice. They won't commit the engineering resources to it.
5. Sony has a 3-month review agreement with Sun, after which they can walk away or expand coverage based on their customer research feedback.
6. Taka, the MS OEM Acct Manager, believes Sony is just using this as a negotiating ploy against us.

eMachines: For the past several months, eMachines has offered StarOffice withs their low-end eTower (starting at $399) and their high-end eMonster (starting at ~$899) which is aimed at Gamers. See: <http://www.e4me.com/>. With the introduction of WinME in a month or so, eMachines plans to discontinue StarOffice because the StarOffice performance degrades so badly on WinME. Also, it hasn't been perceived as an asset to their product or their brand. I got this info from Gary Kelly who has until recently been the account manager for eMachines. One last FYI, they still ship only Works on their laptop line.

Everex: First of all, these guys fly below our radar, being mostly a consumer PC manufacturer without a stellar reputation. They preinstall Lotus SmartSuite as an option on their low-end eXplora Lite desktops, their mid-range eXplora multimedia desktops, and on their high end StepPremier home/business desktops. No sogn of StarOffice anywhere at this point, however they preinstall Lotus due to a royalty that is reportedly in the $5 range, so they'd be an obvious candidate for Sun to target.

Net, I believe that Sun is looking for the areas where we are not already licensed and they may be targeting some of our weaker competitors. Interestingly, Lotus & Corel don't require per-system royalty agreements, have no min commits, and very low royalty rates - the polar opposite of how we go to market. They are highly vulnerable to a lower priced competitor, which is Sun in this case. We need to keep a close watch on them to make sure they don't try to erode our business. I think in the short run Works has more to be concerned about that Word or Office.

Ed

-----Original Message-----
From: Sean Pickton
Sent: Thursday, July 20, 2000 5:15 PM
To: Ed McCahill; Ken Myer
Cc: John Vail
Subject: StarOffice via OEM?

Just spoke w/ someone in Investor Relations, they said that Sun referenced StarOffice 5.2 will be on some OEM machines. I think that Sony, Gateway, eMachines and Everex were mentioned. Do you know about any of the specifics?

From: Steven Sinofsky
Sent: Thursday, August 31, 2000 2:38 PM
To: Arthur De Haan
Subject: RE: Star Office via OEM?

Just needed to do a little "benchmark 101" education to marketing. It happens every release.

-----Original Message-----
From: Arthur De Haan
Sent: Thursday, August 31, 2000 2:33 PM
To: Steven Sinofsky
Subject: RE: Star Office via OEM?

Thanks for killing this.

Created with Office 10 (build 2021.2)

-----Original Message-----
From: Steven Sinofsky
Sent: Thursday, August 31, 2000 2:15 PM
To: Kevin VanFlandern
Cc: Arthur De Haan
Subject: RE: Star Office via OEM?

Spoke with kenmy—I think we are fine and don't need to do these.

You did the right set (SO v. O2000) in a super timely way. THANKS!

-----Original Message-----
From: Kevin VanFlandern
Sent: Thursday, August 31, 2000 1:43 PM
To: Ed McCahill
Cc: Baris Cetinok; Ken Myer; Ross Smith; Arthur De Haan; Steven Sinofsky
Subject: RE: Star Office via OEM?

Ed, we are going to redo these numbers based on your current request. The testing work will have to be pushed out till 9/07 and should take ~ 2days to get the data. I want to go ahead and write out the request explicitly so there is no confusion, please let me know right away if there are any problems with the work item so there is no lost time, I doubt we'll get another pass at it.

One other thing to consider here is the Office 2000 numbers and how they compare. If those numbers are needed as well, it essentially doubles the time matrix (see below). Though that may seem unattractive in that regard I think the Star Office data alone is not extremely valuable since it does not help to identify an advantage or disadvantage of using Star Office. It really just informs OEMs what they can expect for perf from Star Office on there new machines with WinME. I know for us over here, seeing the comparison data of the different Office suites itself is

what makes the entire data set valuable. My recommendation is that if we do this pass at all, that we get both sets of data at the same time.

You want the following tests performed

- Boot- Boot the application and background shell simultaneously to a blank document. Since star office has a background shell that keeps most of the core DLL's in memory loaded the best way to compare it to Office applications is to boot an application in star office from the desktop by opening a blank binary document from that application.
-
- Open- Open a typical binary document from desktop (see boot for explanation). The typical document is taken from the Word Benchmark suite and converted into Start Office Write 5.2 format.)Note we are not doing HTML open tests unless specified. You should also note Star Office traditionally beats Office in HTML boot because there feature set is significantly less than Office's)
-
- Save As - Open a typical Binary Star Office 5.2 document modify it slightly and Save it as a new filename. This will invoke the Save As code for Star Office. (Note not HTML conversion or Open to HTML and save to HTML, or Resave tests are being performed here)

On the Following Hardware:

- The closest hard ware we have to what you requested are PIII 500 with 64 MB of Ram, 1+ gig of disk space available at test run time using FAT32 unless otherwise specified.

Operating Systems:

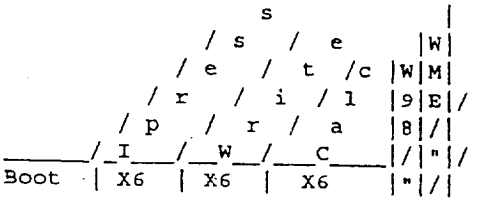
- Windows 98 Second Edition (configured as above) vs.
- Windows ME RTM

Office Suites (Star Office 5.2 only):

Application Targets:

- Write (word Processing)
- Calc (spreadsheet)
- Impress (presentation)

Time Estimate Matrix: (note we will perform six iterations between each boot unless the percent of the average that the STDEV represents (Percent standard deviation) is less than 10% with four iterations. In that case we will stop at four iterations)



Open	X6	X6	X6	
Save	X6	X6	X6	

T (time = 15 minutes)
O (OS's = 2)
S (scenarios = 3)
I (Iterations = 6)
A (Application = 3)

((T*O*S*I*A = 1620)/60) = - 27 hours

(note double time matrix for adding Office 2000 numbers)

Thanks,
KevinVF
(x31339)

—Original Message—
From: Ed McCahill
Sent: Tuesday, August 29, 2000 5:23 PM
To: Kevin VanFlandern
Cc: Baris Cetinok; Ken Myer; Ross Smith; Arthur De Haan
Subject: RE: StarOffice via OEM?

Kevin, our sole objective is to find out if WinME - the target OS of the OEM division for non-business PCs - causes a slower performance of StarOffice 5.2 than does Win98 (from which the OEM division is rapidly transitioning their OEMs now that ME is available).

Target hardware should be similar specs to a PC sold for <$1,000 at retail today, since that's where the OEMs are preinstalling StarOffice 5.2. One such system with StarOffice is the Sony VAIO J100 Minitower which includes the Intel Celeron Processor, 600 MHz, 64MB RAM,15.0 Gig Hard Drive. More details at: http://shop.compusa.com/cgi-bin/live/cozone/catalog/html/singleprod.jsp?BV_SessionID=@@@@1237268417.0967594598@@@@&BV_EngineID=calijdkjjegbgfbmhcgecfef.0&prod_id=PCVJ100. This would be a realistic config we'll be competing against.

Re: the WinME testers, we went there first, but were told that the group was disbanded so we turned to you. You bring up a great point about the performance of Office on similar OS'. If we had that data as a benchmark, it would be a great help. Do you have it? the OEMs aren't going to dig deeply into the test data so we really just need some basic talking points we can use to get the focus of their interest/licensing on Works and/or Office.

Ed

—Original Message—

From: Kevin VanFlandern
Sent: Tuesday, August 29, 2000 3:32 PM
To: Kevin VanFlandern; Ed McCahill
Cc: Baris Cetinok; Ken Myer; Ross Smith; Arthur De Haan
Subject: RE: StarOffice via OEM?

FYI here are the Min reqs off the web.

System Requirements for Windows Me

VGA or higher resolution monitor
Pentium 150MHz processor or better
32MB of RAM or better
Minimum 295MB free hard-disk space
CD-ROM drive
28.8 Kbs modem or faster with current Internet connection
Sound card
Speakers or headphones
Microsoft Mouse or compatible pointing device

-----Original Message-----
From: Kevin VanFlandern
Sent: Tuesday, August 29, 2000 3:14 PM
To: Kevin VanFlandern; Ed McCahill
Cc: Baris Cetinok; Ken Myer; Ross Smith; Arthur De Haan
Subject: RE: StarOffice via OEM?

Ok we just looked at the minimum requirements for WinME and it is a P5 150 mhz or higher. The tests we did were on a P5 133 mhz machine with 32 mb of RAM. That means we would need to redo all of our tests. Ed, did you have a target hardware platform that you wanted to have these run on as well as the template for the test cases?

KevinVF

-----Original Message-----
From: Kevin VanFlandern
Sent: Tuesday, August 29, 2000 1:10 PM
To: Ed McCahill
Cc: Baris Cetinok; Ken Myer; Ross Smith; Arthur De Haan
Subject: RE: StarOffice via OEM?

Ed we are moving forward with your request to do boot, open, and Save on (word processor) Write, (spreadsheet) Calc, and (presentation) Impress as outlined in your spread sheet. There are a few concerns I have here some about where this work belongs but more importantly what we are trying to accomplish exactly.

Currently you are asking for numbers that compare Start office on one OS verses another (Win98 vs WinME), which is really

something the system folks would be better suited to provide. Their harness is specifically designed to show the differences in the way an application runs on one OS verses another, while our system is more for comparing two apps on the same OS. The only reason it makes sense for us to continue doing the work at this point is that we have already gathered half the data, created the needed docs, and come up with a sounds methodology to extract these times for each app. Having said that it has cost us two full person weeks to get the data we got so far, and will cost another 1.5 work days to complete the work.

One of the reasons getting the right folks to gather this data is so important is that they will ask the right questions so that you get all the data you need. For example as an OEM if you showed me numbers for Star Office 5.2 on Win98 vs WinME and said look how much slower it is on WinME, I would ask "well how do I know WinME isn't just slower?". Actually it seems like a logical conclusion, since Star Office hasn't changed, but the OS is radically different. What I would want to see is that other application of a comparable size and functionality do much better on the transition to WinME from Win98 than the Star Office apps do.

So here are a list of questions I would ask as an OEM trying to make this decision some perf related and some not:

- How does Star Office perform routine operation compared to MS Office?
- What does the memory footprint or working set impact of the Star Office vs MS Office look like?
- What does the typical install of MS Office and Star Office disk footprint look like?
- What is the registry footprint impact on Star Office vs MS Office?
- How easy is it to mass replicate Star Office compared to MS Office (can I use an imager, what about PIDS?)
- When I install Star Office how do my other unrelated application perform?
- When I install Star Office and shut it down, what of Star Offices is still running?
- And of course what is the price delta?

Has somone thought through these questions? What is the planned answers for them if they are asked?

Kevin

-----Original Message-----
From: Ed McCahill
Sent: Monday, August 28, 2000 5:27 PM
To: Kevin VanFlandern
Cc: Baris Cetinok; Ken Myer
Subject: RE: StarOffice via OEM?

Kevin, sorry for the confusion. I've created a simple template that outlines our needs.
<< File: StarOffice Performance Metrics template.xls >>

They are very focused on StarOffice 5.2 performance on our OS, not vs. Office. Please let me know if you have any questions or need clarification. Thanks for working to squeeze us in your schedule. It will make an immediate marketing impact if this data proves the rumor to be true!
Ed

-----Original Message-----
From: Kevin VanFlandern
Sent: Monday, August 28, 2000 5:08 PM
To: Ed McCahill
Cc: Baris Cetinok; Ken Myer
Subject: RE: StarOffice via OEM?
Importance: High

I can't stress enough how time constrained our team is right now. Ed I think you miss interpreted my response as saying we were going to run the WinME numbers, I was saying we weren't. Doing this will require more time, each test takes 20+ minutes to run not including setup time, it is a long and meticulous process. Can you please provide a subset of the tests we provided you and the applications being run to contain precisely the data you would like to see so that there is no lost time here? Now that we know what we are looking at, and how to get the data, if we can get the test set down enough, this may be something we can get by EOD Wednesday.

Thanks,
KevinVF

<< Message: RE: StarOffice via OEM? >>
-----Original Message-----
From: Ed McCahill
Sent: Monday, August 28, 2000 4:24 PM
To: Kevin VanFlandern
Cc: Baris Cetinok; Ken Myer
Subject: FW: StarOffice via OEM?
Importance: High

Kevin, the key component for the OEM world is missing from this file. We really need just a very simple set of data: StarOffice 5.2 (only) performance results running on Win98 and on WinME. We've heard StarOffice 5.2 runs slower on WinME than on Win98 and we need to confirm this internally before we can communicate this to the OEMs.

Is there a chance you could run some fast numbers for us on the limited titles I note in red above? We can put it to immediate use with our OEMs. Thanks!

Ed McCahill
OEM Product Manager
Microsoft Office 2000
425.936.6619

-----Original Message-----
From: Kevin VanFlandern
Sent: Friday, August 25, 2000 4:25 PM
To: Sandy Murti; Candace Grisdale; Cameron Turner; Ed McCahill

Cc: Baris Cetinok; Ken Myer; Ross Smith; Grant George; Michael Angiulo
Subject: RE: StarOffice via OEM?

<< File: Star Office vs Office 97.xls >>
Here are the initial results, I will be looking into seeing if there are some mail and db studies that would be worth doing since the functionality on these programs are pretty radically different. Please send mail or call me with questions.

Thanks much,
KevinVF

-----Original Message-----
From: Sandy Murti
Sent: Wednesday, August 23, 2000 12:38 PM
To: Candace Grisdale; Cameron Turner; Ed McCahill; Kevin VanFlandern
Cc: Baris Cetinok; Ken Myer; Ross Smith; Grant George; Michael Angiulo
Subject: RE: StarOffice via OEM?

Here's the Office Prod Plng deliverable: a feature comparison analysis between MS Office and StarOffice 5.2. Please feel free to contact me with questions.

- Sandy

<< File: StarOffice Feature Comparison.doc >>

-----Original Message-----
From: Candace Grisdale
Sent: Thursday, August 17, 2000 3:00 PM
To: Cameron Turner; Ed McCahill; Kevin VanFlandern; Sandy Murti
Cc: Baris Cetinok; Ken Myer; Ross Smith; Grant George; Michael Angiulo
Subject: RE: StarOffice via OEM?
Importance: High

Cameron/Sandy et al: Thanks very much for this. Edmc and team have just sent a customer ready ppt (blessed by LCA) that we'll use for high-level comms with OEMs...how soon could we pull off the two deliverables below? It's getting hot down here on the competitive front, so any acceleration would be greatly appreciated. Thanks again.

-----Original Message-----
From: Cameron Turner
Sent: Thursday, August 17, 2000 2:18 PM
To: Candace Grisdale; Ed McCahill; Kevin VanFlandern
Cc: Baris Cetinok; Ken Myer; Ross Smith; Grant George; Michael Angiulo
Subject: RE: StarOffice via OEM?
Importance: High

SandyMur has agreed to take this on. Sandy, can you give Candace and Ed an ETA?
Thanks!
Cameron

—Original Message—
From: Candace Grisdale
Sent: Wednesday, August 16, 2000 3:36 PM
To: Ed McCahill; Kevin VanFlandern; Cameron Turner
Cc: Baris Cetinok; Ken Myer; Ross Smith; Grant George
Subject: RE: StarOffice via OEM?

Hi all. I am compelled to jump in here. We are facing inroads by StarOffice that none of us prefers to see. Our sales teams need both deliverables (feature matrix and the performance testing on WinME vs. Win98SE) in order to respond to this recent activity. We've been waiting for a couple of weeks now - can you get these done right away? Say, within 5 business days? We can't afford to have our team lacking the key knowledge to respond to OEM Qs.

—Original Message—
From: Ed McCahill
Sent: Wednesday, August 16, 2000 10:35 AM
To: Kevin VanFlandern; Cameron Turner
Cc: Baris Cetinok; Ken Myer; Candace Grisdale; Ross Smith; Grant George
Subject: RE: StarOffice via OEM?

Right now we have StarOffice making inroads (i.e. signed OEM agreements) at Gateway, Sony, eMachines and Everex. The first three OEMs are large apps customers of ours and this puts our business at noticeable risk. With Sun charging nothing for royalty, they could very easily leverage some of these OEM brand names onto other OEMs' PCs. Signed agreements create legitimacy and we should expect other OEMs such as Compaq to follow suit if they can get something that appears viable for no cost. Without something quantitative to show the four OEMs above and to use to sell against StarOffice at other OEMs', we've got nothing but opinions to go on. That gives us a very weak hand against Sun.

I respect your current resource constraints, but we really need your help to deliver good factual information here so we can compete for this business. Any chance you can move it higher in the priority queue ASAP?

Ed McCahill
OEM Product Manager
Microsoft Office 2000
425.936.6619

—Original Message—
From: Kevin VanFlandern
Sent: Wednesday, August 16, 2000 10:14 AM
To: Ed McCahill; Cameron Turner
Cc: Baris Cetinok; Ken Myer; Candace Grisdale; Ross Smith; Grant George
Subject: RE: StarOffice via OEM?

Unfortunately very little progress has been made on this. Out of our priority list, this falls very low right now for two reasons, the general feeling is that our time is better spent on Office applications right now since we are so close to ship as far as performance is concerned, and two these kinds of tests are very

expensive time wise since we can not automate our competitors applications. .

What is your impression of the need for this, and do you have any other options for getting this data?

Thanks,
KevinVF

-----Original Message-----
From: Ed McCahill
Sent: Tuesday, August 15, 2000 3:24 PM
To: Kevin VanFlandern; Cameron Turner
Cc: Baris Cetinok; Ken Myer; Candace Grisdale; Ross Smith
Subject: RE: StarOffice via OEM?
Importance: High

Cameron & Kevin, can you give me a quick progress report on the feature matrix and the performance testing on WinME vs. Win98SE? Any ETAs yet? Thx!
Ed

-----Original Message-----
From: Ed McCahill
Sent: Friday, August 04, 2000 8:16 AM
To: Kevin VanFlandern; Cameron Turner; Ross Smith
Cc: Baris Cetinok; Ken Myer; John Jendrezak
Subject: RE: StarOffice via OEM?

Kevin, thanks for agreeing! Best bet for getting it is to download it from Sun's site: http://www.sun.com/products/staroffice/

Ed

-----Original Message-----
From: Kevin VanFlandern
Sent: Thursday, August 03, 2000 5:05 PM
To: Cameron Turner; Ed McCahill; Ross Smith
Cc: Baris Cetinok; Ken Myer; John Jendrezak
Subject: RE: StarOffice via OEM?

Agreed, though if one of you has a suggestion on where to get the latest Star Office 5.2 bits in a hurry, that would help expedite things.

Thanks,
KevinVF

-----Original Message-----
From: Cameron Turner
Sent: Thursday, August 03, 2000 2:59 PM
To: Ed McCahill; Kevin VanFlandern; Ross Smith
Cc: Baris Cetinok; Ken Myer; John Jendrezak
Subject: RE: StarOffice via OEM?

That is do-able. To be clear, my team can create a competitive feature matrix which should be useful, it sounds like Kevin is your man for actual perf. numbers.
CT

Created with Office 2002 Beta I

-----Original Message-----
From: Ed McCahill
Sent: Thursday, August 03, 2000 2:59 PM
To: Cameron Turner; Kevin VanFlandern; Ross Smith
Cc: Baris Cetinok; Ken Myer; John Jendrezak
Subject: RE: StarOffice via OEM?

Cameron, our time frame is, ideally, mid-August. Since the recent launch of StarOffice 5.2, the OEM division has seen Sun license it to Gateway, Sony, and a couple of other OEMs. With WinME soon to ship as well, it would be very helpful if we could get performance data for StarOffice 5.2 on both Win98 and on WinME.

We hear that SO 5.2 runs really slowly on WinME. We need to be able to verify that and, if possible, quantify it so we can share it with the OEMs. That may be enough to slow Sun down. Thanks!

Ed McCahill
OEM Product Manager
Microsoft Office 2000
425.936.6619

-----Original Message-----
From: Cameron Turner
Sent: Thursday, August 03, 2000 2:39 PM
To: Kevin VanFlandern; Ross Smith
Cc: Baris Cetinok; Ed McCahill; Ken Myer; John Jendrezak
Subject: RE: StarOffice via OEM?

We were going to wait until the StarPortal launch before doing a full competitive review, but my team could do a feature matrix in the short term. What is your timeframe?

Created with Office 2002 Beta I

-----Original Message-----
From: Kevin VanFlandern
Sent: Thursday, August 03, 2000 1:54 PM
To: Ross Smith
Cc: Baris Cetinok; Ed McCahill; Ken Myer; John Jendrezak; Cameron Turner
Subject: RE: StarOffice via OEM?

We haven't gotten any for 2000 yet though we were planning on doing a round of competitive studies and Star Office was on the list. This work was slated for Mid September, do we need numbers sooner than that? Here are the last numbers we ran against star office.
<\\btbench\results\competition\star office comparison\Star Office vs Office 97.xls>

—Original Message—
From: Ross Smith
Sent: Wednesday, August 02, 2000 4:22 PM
To: Kevin VanFlandern
Cc: Baris Cetinok; Ed McCahill; Ken Myer; John Jendrezak; Cameron Turner
Subject: FW: StarOffice via OEM?

Kevin ?

—Original Message—
From: John Jendrezak
Sent: Wednesday, August 02, 2000 4:22 PM
To: Cameron Turner; Ross Smith
Cc: Baris Cetinok; Ed McCahill; Ken Myer
Subject: FW: StarOffice via OEM?

Cameron/Ross,

Do either of you have any performance data on Star Office vs. Office2000?

—Original Message—
From: Ken Myer
Sent: Wednesday, August 02, 2000 3:55 PM
To: John Jendrezak
Cc: Baris Cetinok; Ed McCahill
Subject: RE: StarOffice via OEM?

I'll check.

John,

Who can you point me to that could support a benchmark performance test of Office 2000 versus Star Office 5.2 under WinME? We have an OEM sales issue that we need to find a solution for, in support of Richard Fade's sales team efforts. Recently, a couple of smaller OEM's have cut agreements with Sun/Star Office and we want to provide them with great tools to effectively compete and overcome the Sun efforts.

—Original Message—
From: Ed McCahill
Sent: Tuesday, August 01, 2000 10:05 AM
To: Ken Myer
Cc: Baris Cetinok
Subject: FW: StarOffice via OEM?

Ken, do you know anyone in the Office product group who can run some basic performance tests for us? The results will appear very biased, but at least we could have a benchmark for Win98 vs. WinME performance of StarOffice. Critical issue here is that Sun appears to be targeting consumer PCs where WinME will be pervasive. Lousy performance strengthens our position vs them. I don't really care about Win2k performance at the moment, so maybe you can pull a favor from one of your peers over there???

—Original Message—
From: John Kalkman
Sent: Tuesday, August 01, 2000 9:33 AM
To: Ed McCahill
Cc: Richard Fade
Subject: RE: StarOffice via OEM?

No Windows Me labs exist since RTM. Everything is Whistler. I've talked with OS PG in the past. They do not perf test apps. It would have to be DAD.

—Original Message—

From:	Ed McCahill
Sent:	Monday, July 31, 2000 1:52 PM
To:	Richard Fade
Cc:	Candace Grisdale; Joseph Krawczak; Ken Myer; Richard Fade's Direct Reports; Baris Cetinok
Subject:	RE: StarOffice via OEM?

Richard, DAD has copies of StarOffice 5.2 and is reviewing the product with a goal of having a formal "Office 2000 vs. StarOffice 5.2" response published to http://dadweb/ this week. For WinME performance testing, it should be the WinME group who tests it, not DAD, as it will lack credibility if DAD tests it and says performance is slow. **Perhaps JohnKalk can arrange for a test by the WinME lab??** Gary Kelley apparently heard from eMachines that performance was really slow so I was referring to Gary's comment, not our own observations here in DAD.

We will have an OEM customer-ready PPT deck in the hands of your org by Wednesday this week. Other tools and competitive info will follow shortly thereafter. Already today we have some useful items on http://dadweb/competition.htm if your team wants to have a look.

Lastly, I'll make sure your team is copied on future competitive reports.

Ed

—Original Message—

From:	Richard Fade
Sent:	Friday, July 28, 2000 4:23 PM
To:	Candace Grisdale
Cc:	Joseph Krawczak; Ken Myer; Richard Fade's Direct Reports
Subject:	FW: StarOffice via OEM?

Candace please note the comments below re Star Office Win Me and Win 2000 compatibility

Ed can you be sure the product group (confirm who will do this) has copies of Star Office 5.2 (which his the newest product and available for free download on their web site) and has tested Win Me and Win 2000 performance ?

Ed this is an interesting write up - I don't know why I received it as a cc from Jason Kap in our policies group (?)please be sure MNA sales (richard fade directs is the best alias to mail) receives any of these updates directly in the future

—Original Message—

From:	Ed McCahill
Sent:	Friday, July 28, 2000 10:51 AM
To:	Sean Pickton; Ken Myer

Cc: John Vail; Jason Kap
Subject: RE: StarOffice via OEM?

Sean, here's the latest news on StarOffice:

Gateway: GW has virtually no presence in LORG desktops. To help overcome that problem, they have enlisted Sun, who has great LORG relationships, as an Agent so that when Sun sells their servers and workstations into LORGs, they also recommend and try to sell GW E-Series (LORG) PCs. Since GW & Sun don't compete at all, it helps fill holes in each others' lines. You can check out their GW's high-end E-4400 and see how they distribute StarOffice:
<http://www.gatewayatwork.com/prod/cp_e4400_Config.shtml>

A few notes:
1. GW is not licensed by MS for Office into LORGs (read: E-Series)
2. GW offers StarOffice for free as either preinstalled or as drop in the box - customer choice.
3. StarOffice 5.1 is the current versions hipping and it is listed on the website as incompatible with Win2k.
4. GW also offers Corel WP Office 2000 as an adder for $99.
5. The volume of StarOffice from GW is incredibly small - nearly all sales are thru Sun as agent.
6. Sun has a few engineers co-located at GW's Irvine, CA facility doing s/w engineering (for preinstalls).
7. It is assumed by the MS GW Account Team that GW gets the bits for free and that Sun provides the support.

Sony: Sony does have an agreement with Sun to include StarOffice on its lowest cost consumer desktop the $799 PCV-J100. This particular model is the only Sony desktop that is not covered by our Word royalty license with Sony because the $14 royalty is too high a cost to burden a low cost PC with. Sony isn't paying any royalty to Sun and they are not preinstalling it. Not sure yet on who pays for COGS and support. I asusme Sun pays for support, but don't know on COGS. Here's how the offer is promoted on their Sony Direct website:
<http://vaiodirect.sel.sony.com/cgi-bin/compass.cgi?level=cat&dest=Desktops>

A few notes:
1. This just started shipping last week.
2. Sony ships 8-10k units per month of this model, which represents 10-15% of total US PC shipments for them.
3. Works is the real loser here as this would normally be a Works PC at that price.
4. Sony has no plans to ever preinstall StarOffice. They won't commit the engineering resources to it.
5. Sony has a 3-month review agreement with Sun, after which they can walk away or expand coverage based on their customer research feedback.
6. Taka, the MS OEM Acct Manager, believes Sony is just using this as a negotiating ploy against us.

eMachines: For the past several months, eMachines has offered StarOffice withs their low-end eTower (starting at $399) and their high-

end eMonster (starting at ~$899) which is aimed at Gamers. See: <http://www.e4me.com/>. With the introduction of WinME in a month or so, eMachines plans to discontinue StarOffice because the StarOffice performance degrades so badly on WinME. Also, it hasn't been perceived as an asset to their product or their brand. I got this info from Gary Kelly who has until recently been the account manager for eMachines. One last FYI, they still ship only Works on their laptop line.

Everex: First of all, these guys fly below our radar, being mostly a consumer PC manufacturer without a stellar reputation. They preinstall Lotus SmartSuite as an option on their low-end eXplora Lite desktops, their mid-range eXplora multimedia desktops, and on their high end StepPremier home/business desktops. No sogn of StarOffice anywhere at this point, however they preinstall Lotus due to a royalty that is reportedly in the $5 range, so they'd be an obvious candidate for Sun to target.

Net, I believe that Sun is looking for the areas where we are not already licensed and they may be targeting some of our weaker competitors. Interestingly, Lotus & Corel don't require per-system royalty agreements, have no min commits, and very low royalty rates - the polar opposite of how we go to market. They are highly vulnerable to a lower priced competitor, which is Sun in this case. We need to keep a close watch on them to make sure they don't try to erode our business. I think in the short run Works has more to be concerned about that Word or Office.

Ed

-----Original Message-----
From: Sean Pickton
Sent: Thursday, July 20, 2000 5:15 PM
To: Ed McCahill, Ken Myer
Cc: John Vail
Subject: StarOffice via OEM?

Just spoke w/ someone in Investor Relations, they said that Sun referenced StarOffice 5.2 will be on some OEM machines. I think that Sony, Gateway, eMachines and Everex were mentioned. Do you know about any of the specifics?