

# Office Advisory Council

Pre-Forum II Visit
Office Product Team

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## **Meeting Objectives**

- Outline next steps ongoing evolution of Microsoft Office
  - Input from OAC instrumental in planning
  - OAC+Office is a design partnership
  - Feedback: include experts from OAC representative companies. So we are.
  - Not a feature-list, announcement, or product roadmap / schedule
- Current status
  - Closing Office9 product plans and making key technology investments
  - Gathering early feedback on investments

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Welcome to our first on-site session of the Office Advisory Council. INTRODUCE yourselves and say what you work on.

Back in May we held the inaugural meeting of the Office Advisory Council. This is a unique new partnership where we have involved a small number of valuable corporate partners to help ensure that the next release of Office is a valuable addition to your IT infrastructure. We have definitely recognized how important Office has become and how critical it is to corporate America. Our traditional focus on individual productivity for end-users and championing that led us to our current market position. Although we have no intention of giving up on that focus, we are expanding our customer focus to include first had the IT infrastructure of corporations.

The meeting today is all about continuing the design partnership between your company and the Office team. After the first meeting, the attendees felt that it would be helpful to involve more people from your company as we drill down on areas, since the expertise is distributed across the corporation. To that end we're meeting on site today to give you some details on the plan that is evolving.

Right now we've just completed our first engineering milestone which means that we have made some of the key architectural investments. We're here to get feedback on these investments.

This session is not about announcing the full feature-set of the new Office or about a particular time frame. The OAC is an ongoing, long-term partnership that allows us together to think long-term about the Office product.

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#### Agenda

- Direction
- Designing for Innovation
- Technology Investments
- Design Sketch
- Drill Down (this visit)
  - > HTML Document Creation
  - Web Based Corporate Reporting

Please Understand
All material is Highly Confidential

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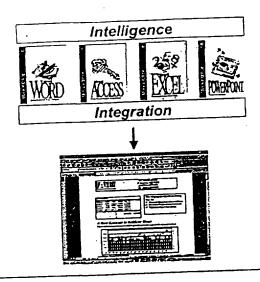
Today we will first spend some time going over the state of the Office product as we see it. As you will hear, we are evolving the role of Office to become more critical in the areas of collaboration, communication, and coordination between teams. This is especially critical as the nature of the corporate desktop changes to include more electronic mail and web technologies.

We'll also spend a few minutes going over the design and engineering process for Office. This is important because as members of the OAC you are an integral part of this process. You're seeing things as they unfold, so in some ways you're seeing all the tradeoffs we make along the way. You might think this is a little like watching sausage being made, rather than the Julia Child baking you're used to seeing—Presto! Here's a new release of Office.

The feedback we got from the last forum is that the issues of TCO and Personal Productivity (making individuals more productive) are tops in importance. They are also fairly well understood. So to expand the design partnership, we will spend time today on two areas that generated the most wide open conversations at Forum I-HTML and Corporate Reporting.

The OAC is unique at Microsoft and we want to be able to continue this. But in order to do so we need to make sure that the information presented does not make it out into the general marketplace. The key members of the OAC, your representatives, signed a non-disclosure agreement. We hope that all of your will honor the spirit of this work and not discuss the contents of this meeting outside this room. This stuff is all DOUBLE SECRET.

## Office Core Competencies



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When we look back to Office 4.0, which when we shipped was really just a new version of Word and coupon for new releases of Excel, PowerPoint, and Access:-), we see that our value proposition was that integration and intelligence were key to productivity.

To that end we pioneered OLE in-place editing, consistent menus and toolbars, as well as IntelliSense (features like autocorrect and background spelling).

It really took us through Office 97 to deliver on the promises our marketing folks made back in 1990. But we think we've finally delivered on those promises with Office 97. As you will see, it takes several releases to really deliver since you cannot get real customer and user feedback integrated into the product until you ship it and have real-world use for some period of time.

We like to think of this all as "Office is the place you do your best work." This means that to us, Office is the central software for a desktop PC that users interact with.

## What Is Starting To Change?

- Online viewing versus printed output
- PC becoming communication device
  - Browsing, email becoming greater focus
- Focusing on groups/teams
- Pervasive connectivity
- Browser becoming a run-time
- Enterprise administration and deployment über alles.
- Office competitors are different

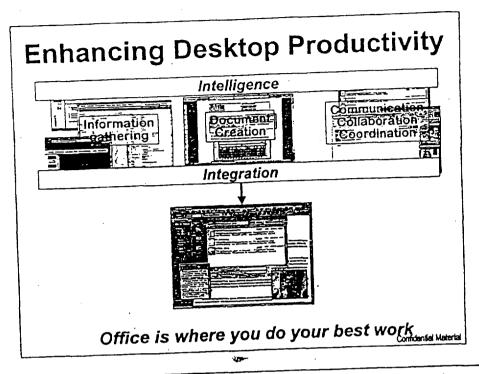
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If you look at the state of things today, there's a world filled with hype--Java, Browsers, NCs, etc. All of these new technologies promise to change the landscape overnight. As we know, things never happen quite as fast as the pundits predict, which is good because it gives us all time to understand the real benefits of each of these changes.

But right now there are some key aspects of the knowledge worker's desktop that are absolutely changing. In some companies this is happening now, some are planning, and some are still sifting through all the technologies. In the Office team, we spend lots of time visiting customers and learning about technologies so we can help provide an Office that moves forward with the needs of users and new technologies.

...go through and talk a little about how each of the above are changing

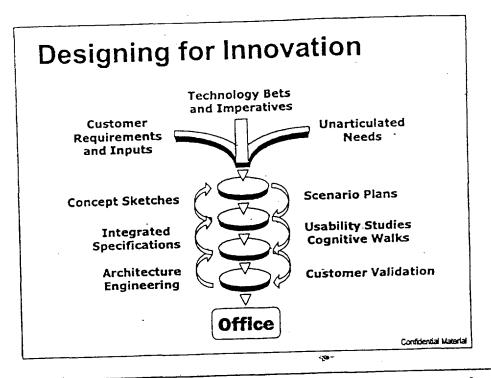
A key thing for the Office product is that our traditional competitive landscape has radically altered. We no longer really have competitors in the traditional suite category. Rather our competitors are really ourselves (Office 4, 95, 97) or new entrants into the IT landscape such as Netscape and Oracle.



As many of you have started to notice a whole new series of tasks is starting to add to the time you spend in front of your PC. We now use email/scheduling much more than we used to (as we are seeing in our instrumented versions of Office and usage studies). We're starting to see the use of web technologies for information dissemination become a mission critical aspect of many corporations. At first the web was a way to put out an online company manual or other static information—but things are evolving now to include critical project and collaborative information.

We think that for these sorts of tasks to be super valuable, Office needs ot be part of them. For users to create information that is part of these collaborative scenarios, they will need the ease of use and familiarity of Office to help them. This is the driver that led to the inclusion of Outlook in Office 97--the recognition that email has become a critical aspect of desktop computing.

Moving forward the tasks of creating information and collaborating in this connected "web" world is going to be another key driver of desktop computing. And again, Office is going to be there to help make these transitions by leveraging the investment users already have and making the new stuff easy to use and access.



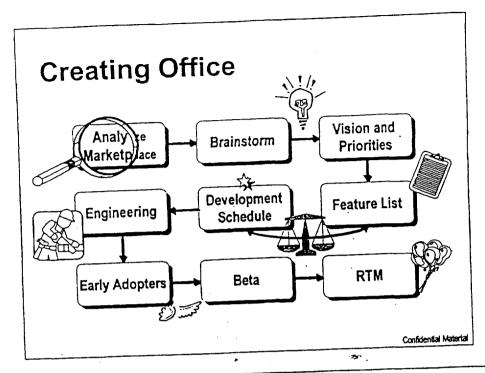
It is important to look at how we work to arrive at what goes into a release of Office. This is a mature process that leads to world class engineering. It used to be that whoever could scream the loudest or code the fastest got their features in the product, regardless of what users wanted or how well it worked. We used to call this "testosterone based development". Things are worlds different now.

First, we have some key inputs that start the process going.

- •Customer requirements like "don't change the file formats" and "fix bugs" come in through lots of channels.
- •We also make some big bets on technologies, such as we did with Outlook and electronic mail or HTML output in Office 97.
- •There are also customer needs that customers haven't yet figured out how to ask for. That's because they're experts in their job, not in building desktop productivity software. It takes lots of research and prototyping to develop features in this area. Excel's pivot tables are a good example of a feature that made analyzing information worlds easier when no one was directly asking for that sort of feature.

Then we take those inputs and put them into a very dynamic process where we are constantly testing and validating the ideas in many ways. Use your favorite stories from a site visit, usability test, etc.

Talk about the specification process and use of OfficeWeb for Office9. This is a key lead in for how the web changed things.



I just want to give you a quick idea of the steps in the process of building Office. It is good to understand this because Office is a complex product with lots of people working on it (don't say how many though).

This is just basic product cycle stuff to gloss over.

A key step is in developing the feature list and schedule. This is a balancing act since we always have a finite number of programmers and time. So we're always thinking up more stuff than we can do and we need to prioritize things. We use the customer input and validation from the previous slide to help make these tradeoffs.

At the first OAC forum we had some general areas of investigation. Since then we have created a vision document for the product, which we posted on the private officecouncil microsoft.com web site for review. We've gotten some great feedback from OAC members on this.

At this point we're through the first infrastructure milestone for development. We've got a basic feature list and a rough schedule. We're refining this right now.

No we're not sure when we will ship, though of course we'd like to ship sometime next year if we can.

- Administration / Deployment (TCO)
- ♦ HTML Document Creation
- Outlook and Outlook Integration
- Web Collaboration and Solutions
- Web-Based Corporate Reporting
- Personal Productivity
- Performance, Compatibility, and Robustness

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Building on the statement "Office is where you do your best work" we have a vision for Office9 that focuses on delivering the best execution of an integrated suite of internet-centric communication and collaboration productivity tools for creating, sharing, synthesizing, and analyzing business information. A mouthful.

To build this product we have decided to focus on some core technology investments we are making. This along with some possible features in these areas was discussed at length at the first OAC meeting in Redmond in May. What was emphasized for us is just how important the administration aspects of Office are, and our investments are tailored accordingly.

We won't spend time discussing the last point, because we consider that an imperative. We want to be even faster, more compatible, and more robust this release than we ever were before. We always know things aren't as great here as they could be, and we have recognized the fact that the bar for Office keeps getting higher as it becomes more mission critical. Fyi, our target machine for Office9 will be exactly the same as it was for Office 97—which is a 16MB Pentium running Windows 95 or a 32 MB Pentium running Windows NT 4.0. Depending on what other software you might be running (which mail client, browser, etc.) and how often you run things at the same time you might want to consider raising that baseline. More memory always helps. What we have found is that more and more people are running things simultaneously which is something that has changed from past releases.

Let's spend a little time drilling down on each of these areas a little bit.

# Administration and Deployment (TCO)

Technology Investments

- Self-repairing applications
- Total remote administration
- Support roaming users
- Update and patch automatically
- Load components on demand
- Corporate customization and rollout

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Read the vision document for more information on this.

You're going to get asked lots of questions about this area. If you aren't sure of the answer just promise to get back in email.

# HTML Document Creation

- Enable universal viewing
  - > Browser is the viewer
- HTML becomes a primary document format for Office documents (web pages)
  - Word, Excel, PowerPoint, Access Forms/Reports, Outlook Mail
  - > Round trip all view and edit state
- Support browsing at today's fidelity
  - > Evolve public standard to support much higher fidelity

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See the recent billg/paulma slides for more information for you.

The basic goal of making it so Office can create HTML documents is so that Office becomes the tool in the online world that everyone can use to create documents (some say pages) that anyone can view anywhere--internet, intranet, extranet. This is just like in the paper world where office is the universal tool for creating printed documents.

This is quite a radical step for us—we are building in the ability for Word, Excel, and PowerPoint to allow HTML to be the native file format. This means that you can save something on a web server in HTML and then open it in the browser to read it, which is what we expect people to do, or you can open it in the editor to make changes.

The HTML document will contain all the necessary editing state to reconstruct the document for editing. This is what our binary formats do today. We'll also make it easy for Windows to always open the file in the right tool for editing by marking the HTML document with a tag that says who generated the document.

Office will do a good job creating documents for IE3 and Navigator 3. This is hard to do, but users will always see the text and basic formatting in those browsers. With IE4/Nav4 and the new W3C standards for style sheets and two-d positioning we will have great documents in those browsers.

Over time we will continue to work with the browser team to make using IE a fantastic standards-based experience. We love Nav too and hope they follow,

# HTML Document Creation

- Easiest creation of highly leveraged web documents using familiar tools
- Advantages
  - Universal viewing
  - Publish format same as edit format
  - Server-side processing
  - Develop "apps" leveraging browser runtime
  - > Mail and infrastructure understand HTML
  - > Third parties can manipulate documents
  - Archival format
  - Version to version compatibility

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The use of HTML instead of our binary file formats opens up a whole new world of document processing applications.

Although the HTML format will be a somewhat larger and slower than binary, there are lots of benefits to this format. This is like the transition to GUI--the benefits of Windows, Icons, Menus, Pointer (WIMP) were so large that people were willing to put up with the "slowness" compared to DOS keystrokes.

Now if you don't think HTML is for you just yet in your corporation, then don't worry. First we're not changing the file format in Office 97 so there will be a whole bunch of new features, including the improved administration, that will allow total interoperability with Office 97 documents.

Even if you choose to use HTML as a "publish" format you will benefit from the high fidelity and high quality HTML pages created in Office9.

Now's a good time to talk about Office Web and how having documents in HTML has changed our own internal specification process.

#### **Outlook and Outlook** Integration

- Seamlessly integrate
  - Messaging, document creation, and information analysis and synthesis
- Traditional documents become mail and discussion enabled
  - Every application enabled "WordMail"
  - Embedded discussions
  - Easier storage model
- Comprehensive internet connectivity
  - > SMTP, POP, IMAP, IDAP, Vcard, ICAL, S/MIME, etc.
- Apply intelligence to synthesis of personal information and document creation

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You'll probably have lots of folks that want to spend a huge amount of time on outlook. This is a a big hole.

Best thing to do is explain how we're working on some of the key scenarios people asked us to fix from the first release of Outlook:

performance

administration

internet protocol support (not reliant on Exchange server)

We do recognize there are other mail clients, particularly Notes, and will continue to work well with them. We will be innovating in the integration of mail and document creation with Outlook however.

We'll probably have a special OAC session on outlook so punt until then.

#### Web Collaboration

Technology Investments

- Extend Office beyond the desktop to web servers
  - > Internet or Intranet
  - Integrate with FrontPage and BackOffice
- Make it as easy to publish to the web as it is to print today
- New collaborative documents
  - > Document + threaded discussions / comments
  - > Integrate with existing infrastructure
- Living document repository (corporate asset)
  - > Find, publish, comment, subscribe, notify
  - Manage with FrontPage and others

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One of the key things we feel the web enables document creators to leverage is a unified place to put documents/pages that are easy to find, and manage. To help out those cool scenarios we are building some new functionality on top of Office in the form of additional services on top of a web server.

First and foremost we have to make it as easy to "post" documents to a web server as it is to print or save to a LAN server today. By leveraging FrontPage server components on the server we will make this very easy (Note: FP works on Unix and Apache as well as Netscape servers. If you don't have that we will support HTTP PUT as well).

The next level of support, as you will see in the demonstration, is a way of creating a new type of enhanced page—one where the comments and annotations are attached to the page as you are browsing. This is not like other collaborative environments where there is little integration. This is merging the best of collaboration with the best of document creation. The cool thing is that we will leverage your existing threaded store—NNTP or Exchange (Notes uses NNTP). That way you can view these annotations within the browser or you use the rich thread views in your standard threaded discussion viewer (Notes, Outlook, Outlook Express, Communicator).

These documents will just be on a normal web server that you can manage with FrontPage (plus Visual Source Safe). We get asked quite often from yourselves and others about document management. In looking at this we are really thinking that the infrastructure required is such that third parties can fill this in best as we continue to integrate via ODMA which we do today. Over time we think the OS file system will continue to improve in this front. Office9 will likely have exclusive locking, and we'll look to third parties for versioning support such as PC Docs. Note this will be a big point of discussion so ask lots of questions of the OAC rather than debate.

#### **Web Solutions**

Technology Investments

- Browser is the runtime
- Solutions development
  - > Office for forms creation
- ♦ End-user scripting
  - > Create engaging web documents easily
  - > Builds, transitions, banners in Word, Excel
  - > Date/Time counter
  - > Hover and activate regions for notes
  - > Annotation helpers (send comments, etc.)

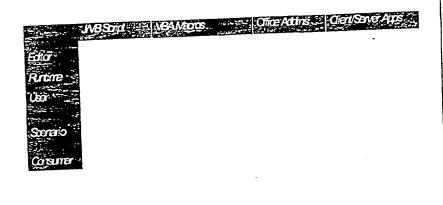
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Another big area for building on the web server will be in solutions. First and foremost, we will have new object model support for all of the new functions in Office through VBA. And none of the Office 97 objects will be changed so there is full solutions compatibility. We will do better than we did in Office 95 to 97 transition.

Scripting (VB and Java Script) is the programming model in the browser that can drive Dynamic HTML. Both IE and Navigator support scripting and a common set of runtime services. Scripting, unlike Java, has been making a real splash on actual web pages. It is simple and makes web pages a little more lively. For solutions it enables very simple implementations of things like client side field validation in forms, or more sophisticated driving of OLE objects in VB Script.

As all Office documents are HTML, you'll be able to add scripting to HTML documents very easily. The "development" environment will allow full editing of HTML and debugging with the browser.

## Office Solutions Strategy



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The programmable solutions for Office are broadening to include a larger target audience as well as a richer set of runtime services.

With VBE the key is that the runtime is the powerful set of Office objects--so the application runs an is driven by VBA. This scenario is focused on the full vertical solution as well as tools for custom edit-time behavior (in Word or PowerPoint for example).

Scripting allows you to run your solution in the browser. You have a smaller set of runtime services, along with ActiveX controls on IE4, but you get the distribution of the browser. This scenario is mostly focused on the viewer of presentation of the document and getting a richer experience--more web-like.

Web-Based Corporate Reporting

Technology Investments

- Deliver high quality reporting and analysis over web infrastructure
- Beyond static / snapshot publishing
  - > Enhanced Pivot Tables
  - Multidimensional analysis
  - > Server-side computation
  - > Distribution of interactive reports
  - > Great integration with SQL for C/S
- Reporting leverages browser runtime and BackOffice
  - > Build key reporting components

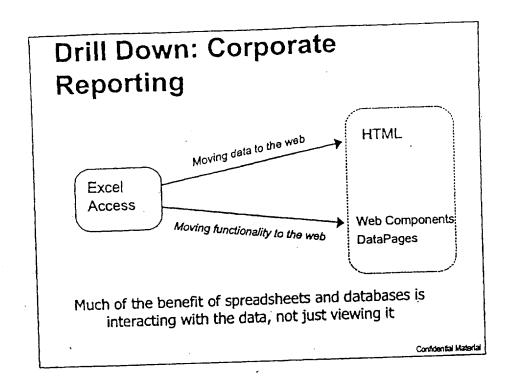
## **Personal Productivity**

Technology Investments

- ♦ File management
  - Expanded role due to HTML document creation
- Improve Office Assistant
  - > Integrate with browser and desktop
  - Customize AnswerWizard
  - > Improve user experience
- User-interface intelligence
  - > Act on key user events
  - > Easier customization
  - Better corporate management
- ♦ Improve consistency and integration Confidental Material

#### Prototype Sketch Drill Downs

HTML Document Creation
Web Based Corporate Reporting

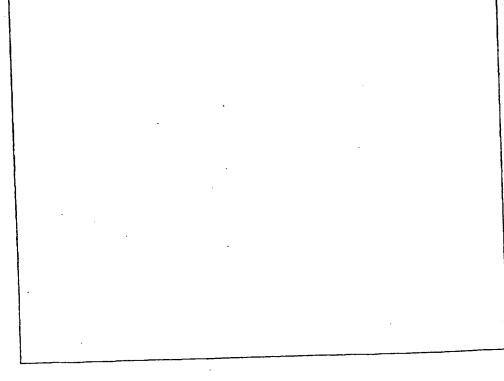


## Access: DataPages

- DataPages- What are they?
  - Access Forms and Reports for the Web
  - > Database authoring environment for Trident
- Scenarios
  - > Data Entry: Online order entry
  - Interactive reporting: Sales reports drilling down Region to Customer to Orders
  - Mailing interactive report containing data

## DataPage Design

- Easy to design
  - > Live data in design WYSIWYG
  - Page/Control Wizards and Themes
  - Data Assistant, Smart Toolbox, Source/Structure View, Prop Sheet
- Extensibility
  - Building on Internet Explorer 4.0's data binding controls
  - Integrate other MS controls
  - Shared Scripting Environment-VSE

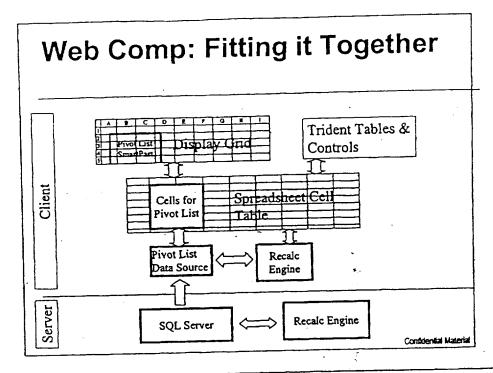


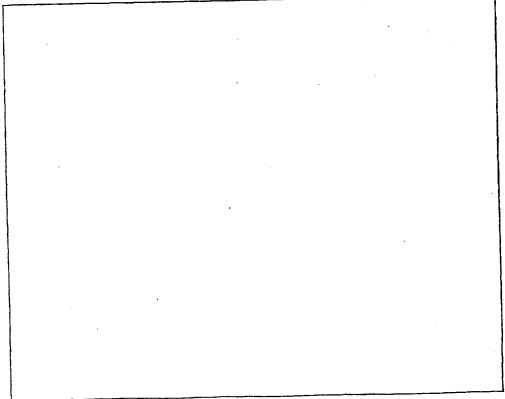
## **Excel: Web Components**

- Spreadsheet/Reporting for the Web
  - Active Viewing: Sort, Filter, Recalc, Chart, Query, Pivot
  - Integrate Spreadsheet and DB functionality
  - > Run in the browser, on the server
  - > Extend Trident, html pages
  - > Extensible, programmable, flexible, reusable
- Author in XL or Access Data Pages

#### **Excel: HTML Publish**

- Dynamic viewing: bring spreadsheet data and functionality to the web.
- ♦ Publish to:
  - > HTML
  - > HTML w/ script for AutoFilter/Sort
  - > Web Components
- Down-level browser support
- Easy to republish





#### **Drill Down: HTML**

- HTML as default format is for webcentric workgroups and authors
  - > Documents published and shared via web
  - Primary goal is to build the web in an ongoing way
- ◆ Top Tier will publish to HTML, not default
  - Large documents, high end features (data access, VBA), mobility of single file
- Individual user can publish to HTML or use binary

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Moving to HTML gives us additional benefits over our binary format, but we give people the choice.

#### HTML and TCO

- Office 97's Binary Format Remains Unchanged
  - New features roundtrip, no structured editing
  - > Enterprise-wide editing (95+97+9) uses binary
- HTML Adds a New File Format, But
  - > Users gain universal viewing
  - > Users gain server-side/third party support
  - > Users/Admins can still stick with binary

This slide is pretty self-explanatory			
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#### Office-Wide Support

- Major technologies for Office-wide HTML I/O support
- Building on CSS
  - Character formatting
  - > Paragraph Properties
  - > Office Styles
  - > Page Setup/Print options
  - > Header/Footers

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In moving to HTML as a file format, our primary goal is to embrace the current HTML standard and make support for it a more integrated part of all of the Office applications.

We plan to leverage CSS heavily for features that require the flexible formatting and positioning that CSS provides. In addition to writing to the current CSS standard, we are defining a limited number of CSS extensions that allow us to preserve more of the document data that is relevant for viewing in the browser, and we plan to propose these extensions to the IE team and the W3C so that future browsers will provide support for reading this new CSS.

#### Office-Wide Support

- ◆ Leveraging XML
  - OLE Document Properties
  - Document Settings
  - > OfficeArt: Shape Definition
  - Excel: Pivot Tables, Query Tables, Names, Data Validation, Conditional Formatting

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For data in the document that doesn't have a viewing component and can be expressed as simple name/value pairs, we plan to use XML as the language to save this information:

XML is a new data format that stands for Extensible Markup Language, and is currently in review with the W3C as a new standard for internet data exchange. Choosing XML allows us to add data to the documents in a standards-compatible fashion.

#### Office-Wide Support

- Office Binary: what we do with items that do not require HTML or XML representation
  - > VBA project
  - > OLE Object edit data
  - > Command bar customizations
  - > Embedded Fonts

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For document content that has no viewing component and isn't useful to express in a text based format, we intend to keep that content in a separate binary file. This reduces the size of the data, and allows us to preserve document content that is lost today in saving to HTML.

#### **OLE and ActiveX Support**

- Round-trip of OLE 2.0 objects
- ◆ Improved ActiveX support
  - IViewObject controls
  - Design Time Controls
  - > Word HTML controls

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We support creating HTML documents that contain OLE 2.0 style objects (like Visio drawings). When saved to HTML, the representation of the object is converted to a browser compatible image, and then we preserve the edittime date for the object. When you load the document back into Office, the object is re-created allowing you to edit the OLE object again.

We improved our ActiveX support by adding support for some new types of controls that have become more common and that aren't currently supported by Office '97.

# **Unified HTML Representation**

- File Properties
- Shared Document State information:
- OfficeArt Shapes
- Hyperlink UI and persistence
- Web Themes
- Clipboard Support for CF\_HTML
- Preview in Browser
- Consistent HTML options

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In moving to HTML as a file format, we believe it is important to unify the representation of common document elements across all of the Office applications.

We think it is necessary to concentrate on providing a consistent user interface and implementation for features related to HTML throughout the Office applications.

#### Word and HTML

- WYSIWEB
  - > What you see, is what everyone browses
- ♦ 99 44/100ths of Word's features fully round trip as HTML
  - > Formatting characters, paragraphs, pages
  - > Tables (new support for nested tables)
  - > Revisions, comments, fields
- Editing user-interface tuned to webcentric when editing HTML

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The Web is a whole new world for most of our users. Today, getting documents up on the web is a complex task that few end-users understand.

Users are frustrated that they have no control over visual fidelity once the document leaves the confines of Word. If they are not the person who converts the document to HTML, they have no idea what it will look like until it is posted onto the Web server.

We like to call the future of creating HTML files in Word, WYSIBEB. No surprises. We think it is really important to retain this high fidelity going to and from HTML.

Because Word is a comfortable place for people to create documents, we are concentrating on making the UI for HTML editing tuned to the Web.

#### PowerPoint and HTML

- Exceptional tool for sophisticated 2D layout and easy "site" creation
- ◆ Today's Browsers (3.0): Publish model
- ◆ Full visual fidelity in level 4 (Nav4, IE4)
  - > 2D layout, text, animation, multi-media
- All editing information fully round trips in HTML
- New all-in-one view that mirrors web page output (frame sets)

#### Wrap-Up

- Office is broadening to play a core role in communication, coordination, and collaboration in a web environment
  - > HTML
  - > Web-based corporate reporting
  - Collaboration and Solutions
- Major investments in TCO, Outlook, and Productivity
- Today's Goal: Show you what we're thinking in preparation for Forum-II

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That wraps up our presentation. I hope that this has provided a clearer picture of how we would like to evolve the role of Office to become more critical in the areas of collaboration, communication, and coordination in the corporate environment.

What we would like to do now is answer any questions about this presentation, particularly questions that you have about Corporate Reporting, the Office Web Server or collaboration, and HTML in Office. Our goal is not to discuss the intricacies of these areas now, but to make sure that you understand them enough to think about how they might impact the things you do in your corporate environment today, as well as how the things you do should impact our design and implementation.

The OAC representative from your company, name, is the person that already has solid communication line with our team. Please take some time in the next month to tell them your thoughts, concerns, or ideas so that they can best represent you when they come to Redmond in October. At that time, with this small team of representative, we spend a lot more time having roundtable discussions about the impacts and concerns that need to be clear as we move forward.

Thank you again for being a part of this special project.

