Erik Stevenson

From:	Jim Allchin
To:	Bill Gates; Brad Silverberg; David Thompson; John Balciunas; John Ludwig; Mike -- Maples; Paul Maritz; Steve Ballmer; Steve Madigan
Cc:	Bill Pope; Jim Allchin; Tony Audino
Subject:	Novell
Date:	Tuesday, August 11, 1992 7:01PM

Tony, bill, and I met with Novell today. In particular, Rob Hicks (legal), Jan Newman (servers), John Edwards (clients), Jack Blount (relations), and Dan Kigler (sp?) (works for Jack).

The purpose was to discuss the development agreement and the development projects with Novell. We were not sure how the meeting would go, but after the resync required about our positions, we were able to make some good progress.

The bottom line: We can do the deal (all 5 projects) if we agree that the source and NCP spec is used for client use only. We receive their source code as a licensed work so we have our own destiny in our hands as necessary.

The schedule for this is as follows:

- this week: commitment from Novell that SPX, IPX, and SAP is in the public domain (or not). (Can you believe they didn't know?)
- August 20th: comments back from Novell about the draft they received today. These should be minor. (However, I'm not betting anyone on this!)
- August 21th: billp sends updated drafts back to them including a rework that I have to do of the Dev. project 4. involving Cairo.
- Sept 1th: contract signing

Tony will work with jonl, etc. on a possible announcement strategy.

We also received a copy of their "standard" NetWare Technology Licensing Program which I will ask Tina to copy and send out to you. It's mainly FYI so that you can see how they view things.

General:

1. I think we should do this deal. No it's not perfect. We can't use the code nor spec to clone them. However, we do get a "perfect" NetWare client with no royalties and almost no strings attached. We get code for the upcoming NetWare 4.0 product -- clearly a major restructuring for them. This would be hard for us address using anyone other than Novell for some time.

2. We should think through what we want to do with Web IF this deal gets signed. We probably want to purchase their server side code, but not pick up their client side.

3. Other info gathered:
   - they still think we are not putting effort into DOS. I told them we were. "We know it's your cash cow, but we thought everything was Windows and NT."
   - they will fight us hard in the DOS area, I believe.
   - they understand we will fight them on any API they promote

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on Windows that we think is core to our future. I suggested
that they disclose their plans and work with us as we did
on the Licensing API. Otherwise, I told them it would be
suicidal for them.
- Ignoring Drew Majors and Kevin Kingdom in development, Edwards
        is the smartest marketing person I know within Novell.
jim