From:	Greg Maffei [gregma]
Sent:	Wednesday, September 13, 1995 2:17 PM
To:	Brian Valentine (WGA); Dan Rosen; Jim Allchin; Paul Maritz
Cc:	Colleen Healy
Subject:	Collabra Software is negotiating, probably with Netscape
Importance:	High

I understand that Collabra is in discussions to sell itself and I believe that they are pretty far down the road with somebody, probably Netscape.

Collabra raised $5.9m during Q2-94 in a second round financing with a post-money valuation of $23m. Investors were Accel Partners; Institutional Venture Partners; Kleiner Perkins; Merrill, Pickard; Anderson & Eyre; and Mohr, Davidow Ventures. (In 1993, Collabra raised $2.8m in first round financing during Q1 with the same investors as above, except Accel Partners and Institutional Venture Partners.) Based on recent deals and the interest in the Internet, it would go for a lot more today.

Since it's private, there is very little financial data available. The company appears to be very small based on credit extended and the number of employees. Additional information is as follows: started in 1993; 31 employees; D&B rates it a B, moderate risk with average payments 2 days beyond terms (avg. industry is 14 days beyond terms); only 11 trade experiences w/ highest credit being $2,500.

There is some additional data (mostly product info) attached:

FINDING DOC

If we   have any interest in doing something/anything, we would have to move very fast.

gregma.

Overview of Collabra Software, Inc.

Location: Mountain View, CA
                             415-940-6400

Business Description: Develops data sharing and collaborative computing software for groups
                             to organize, discuss and disseminate data over existing corporate and
                             interenterprise e-mail networks.

Officers: CEO/Pres: Eric Hahn
                             CFO: Dave Kinser

Products: Collabra Share products are intended to make teams more effective,
                             collaboration more affordable and organizational learning automatic by
                             adding powerful data sharing and group conferencing capabilities to a
                             company's existing e-mail.

                             Collabra Share for Intelligent Messaging (V.2.0):
                             -$695 for 10 users
                             -E-mail app compatible w/PC-MS/DOC
                             -1995 release date
                             -Enables Banyan VINES users to notify other users of new forums or
                             send docs.
                             -Info is organized into a forum automatically and workgroup member
                             can participate in the forum using Collabra Share's graphical interface
                             or their existing e-mail sys.

                             Collabra Share Enterprise Extensions (V.2.0):
                             -$895
                             -1995 release date
                             -PC Communications Utilities compatible w/ Win 3.X.
                             -Network compatibility: Novell, Banyan, Win for Workgroups
                             -Supports MS Mail, cc:Mail, QuickMail & PROFs
                             -Allows unlmtd # of users to participate in forums via e-mail.
                             -Enables workgroups to organize into forums and participate.
                             -Intelligent agents can automatically capture info from news services or
                             link forum to critical data.

                             Collabra Share Workgroup Edition (V.2.0):
                             -$70/user: $795 for 10 users (no this doesn't make sense to me either);
                             $6,995 for 100 users
                             -same as above but for workgroup

Overview of Collabra Software, Inc. (cont.)

Excerpts from various reviews:

Pros: Excellent threading & organization (can collect message threads from outside databases. Agents understand format of this data & present it in the same threaded format as Share forums).

    Consistent interface for mail, notes, & newsgroup w/ one stop for reading and writing

    Powerful indexing and searches

Con: Weak support for remote users

    Tedious to add conference users

Differs from Notes in that Notes deals with structured data while Share does not ship w/ an API or let user define fields as w/Notes but handles unstructured text well. Its search engine helps wade through postings.

Relationship w/MS

Kicked off strategic partnership 4/94 at the EMA show. Strategy began last summer when Collabra outlined its plan to extend Share's agent tech to support MS Exchange. Also participates in a # of joint marketing activities & maintain a close technical dialogue.

Collabra Share uses MS Mail App Prgm Interface to leverage Exchanges' new msg routing service. Collabra Share provides direct access to MS Mail & Exchange directories for membership, admin & authentication.

Teamed w/MS in joint sponsorship at the Electronic Messaging Assoc (EMA) conference held in May 95 for the "Messaging Playground" showing Collabra products working w/ MS Exchange.

Strategic Partnerships

MS (see above), Novell (11/94 announced dev. partnership & agreement to add group conferencing capabilities to Groupware), Verity (from whom Collabra licenses its search engine), Banyan Sys (see products above), RSA

Valuation

In 94Q2, post-financing valuation of $23MM (after raising $5.9MM). This was a year ago, and with the recent attention placed on Notes and this sector in general, the value must have increased substantially. Unfortunately, the company will not disclose financials. In June, Gloria Glassman (corporate credit analyst) of MS, contacted the CFO who refused to make financial statement.

To come is a credit report & D&B run which may prove helpful although doubtful.