
From: Antoine Leblond
Sent: Thursday, July 27, 2000 10:32 AM
To: Office Shared Feature Teams Full Time
Subject: FW: Next version of Office to be shown at the Microsoft Financial Analysts Meeting

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

From: Steven Sinofsky
Sent: Wednesday, July 26, 2000 10:45 PM
To: Office Product Team Distribution
Subject: FW: Next version of Office to be shown at the Microsoft Financial Analysts Meeting

Tomorrow Microsoft is hosting a few hundred Wall Street analysts, institutional investors, and members of the broad reach media at the annual Financial Analyst Meeting.

Given the huge importance of the Office product to the success of Microsoft (51%), we are choosing to show a demonstration of Office10 (25 features in less than 5 minutes of end-user excitement). This is a dramatic step for us since we are doing a public disclosure of the product very early. We are likely going to see significant press coverage of this demonstration. We are calling this a "technology preview" of the "next release of Office".

A key part of what we will say about Office10 is that it builds on the success of Office 2000 and that customers that are on Office 2000 + Windows 2000 will have a very straight forward time migrating to the new release. It is important for our current sales efforts that we not defocus customers too much. We know it is much harder for end-users when releases are skipped.

This is probably a gentle reminder of the importance of 3/2/01 as well. On to beta2.

As always if there are any questions please feel free to send mail or stop by,
Steven

Sent using Microsoft Office Beta 1

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

From: Steven Sinofsky
Sent: Wednesday, July 26, 2000 10:39 PM
To: GMs of Subsidiaries; Global Desktop Applications Product Mgrs; BPG Marketing Directors (Exchange DL); Office Experts Team; DAD Talking Points Dist List; Glenn Rodewald; Sloan Crayton; FM Personnel (extended); WEG Communication Contacts; Mich Mathews; Orlando Ayala; Jeff Raikes; Andrew Lees; Peter Cray; Sherri Bealkowski
Subject: Next version of Office to be shown at the Microsoft Financial Analysts Meeting

THIS INFORMATION IS MICROSOFT NDA ONLY

Tomorrow, at the annual Financial Analyst meeting in Redmond, Washington, Microsoft will show an early technology preview of the next version of Office. Key press will be in attendance, so press coverage will likely result. It's important to remember that this is an early technology preview, not a formal product announcement, and that the primary objective for FY01 is to aggressively pursue our Office 2000 sales goals as driven by the key marketing initiatives discussed at MGS. The purpose of this mail is to provide an overview of the key messages, rude Q&A, and a customer-ready slide you can use to address questions of your customers and partners. More extensive information on the next version of Office will be provided as development cycle progresses.

I am very sensitive to our collective desire to focus our selling and communication efforts on the excellent combination of Windows 2000 + Office 2000. I know that showing our unreleased product, in a public forum, creates some challenges with customers. We made a decision to show the next release of Office to the analyst community because we feel the need to articulate a clear path and a future for Office is critically important to our business. I want to emphasize that we

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Plaintiffs' Exhibit
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will clearly stress the fact that there are huge benefits to Windows 2000 + Office 2000 and that the fastest path to the technologies we will show is to deploy our current products and gain the benefits of those while we finalize development of the next release. Customers that take the time to deploy Office 2000 and Windows 2000 will be in a much better position to seamlessly realize the benefits of the next release.

If there are any questions on the communication strategy or our plans, please do not hesitate to ask me. Below you will find detailed information as well as customer-ready NDA information on the technology preview. Over the next 6-8 weeks you will see additional communication from us about the next release, including information on the Beta and other details.

Key Messages at the Financial Analyst Meeting:

- The presentation at the Financial Analyst meeting is an early technology preview of the next version of Office.
- The next version of Office will extend productivity innovations and benefits to end users of all types, whether they are working in large organizations, small businesses, or at home.
- Microsoft demonstrated technologies that make it easier for users to learn new features and use existing features more effectively, simplify the process of working with others, and new tools that make it easier to store, access and analyze relevant business information.
- The next version of Office will continue to build on the foundation of Office 2000 with innovations that meet customers' needs.
- The next version of Office takes an important step in delivering on Microsoft's .NET vision.

Messages

For more details on these messages, please see the following document:



FAM messages - final.doc (42 K...

Press Release



Office FAM Press Release.doc (...)

NDA Customer-Ready Slide:

Please review the slide notes for this slide in order to be clear on the direction we want to provide customers. This builds on the live demonstration by providing a single slide overview of the investments we made in the next release.



Customer-Ready Slide.ppt (106 ...)

Rude Q&A (Microsoft Confidential):



FAM -Rude Q&A-final.doc (37 KB).

Tech Beta 1 & beyond

Tech Beta 1 will be sent to a select group of 3000 customers shortly. The purpose of this initial beta is to gather key feedback for the development team. Beta 2 will be sent to a broader group of customers later this fall. Further details for including your customers & partners in the beta 2 process will be provided later this quarter.

If you are not able to open the attachments included in this email, please go to [\\wpa\public\office\officefutures](http://wpa/public/office/officefutures). For contact information please go to <http://dadweb/pr>.

Office Has a Strong Future Ahead – Financial Analyst Meeting

1) The presentation at the Financial Analyst meeting is an early technology preview of the next version of Office.

2) The next version of Office will extend productivity innovations and benefits to end users of all types, whether they are working in large organizations, small businesses, or at home.

3) Microsoft demonstrated technologies that make it easier for users to learn new features and use existing features more effectively, simplify the process of working with others, and new tools that make it easier to store, access and analyze relevant business information.

- The next version of Office will be more intuitive and easier to use, improve communications and productivity for knowledge workers, and provide advanced tools that will enable better decisions.
 - Examples include new formatting options and work views, the ability for users to easily access data that is stored on the Web and have that data updated with the click of a button, and an online library of sample documents that integrate directly into Office.

3) The next version of Office takes an important step in delivering on Microsoft's .NET vision.

- The next version of Office will be an exciting opportunity for our customers and partners as we move towards Microsoft's .NET vision -- a future productivity and communications service designed to meet the needs of 21st century knowledge workers.
- Technologies were previewed today that will enable users to truly interact with the Web, including the ability to easily access data that is stored on the Web and update that data with the click of a button and an online library of sample documents that integrate directly into Office.

4) The next version of Office will continue to build on the foundation of Office 2000 with innovations that meet customers' needs.

- There are still many user needs that need to be addressed, including making it easier for users to work with others, interact with data, and simply be more productive.
- We are constantly talking with our customers about their needs and are excited to be working on new solutions for them in the next version.

**For Release Noon PDT
July 27, 2000**

**Microsoft Previews Next Version of Office
At Company's Annual Financial Analyst Meeting**

REDMOND, Wash. — July 27, 2000 — Microsoft Corp. previewed the next version of Microsoft® Office today at the company's annual Financial Analyst Meeting in Redmond, Wash. Microsoft demonstrated technologies that make it easier for users to learn new features and use existing features more effectively, simplify the process of working with others, and provide new tools that enable users to store, access and analyze relevant business information. Microsoft also demonstrated how the next version of Office will enable users to truly interact with the Web using Web-based services. The new version will extend innovations and benefits to Office users of all types, from business and home users to IT managers.

“The next version of the world's leading desktop productivity suite will be an exciting opportunity for our customers and partners as we move toward our Office.NET vision,” said Steven Sinofsky, senior vice president of Microsoft's Business Productivity Group. “The innovations we previewed today will make it easy for our customers to include Web services in their everyday use of Office applications and work seamlessly with others.”

Microsoft previewed technologies that will make Office more intuitive and easier to use, improve communications and productivity for knowledge workers, and provide advanced tools that will enable better decision-making. Examples include new formatting options and work views, the capability to easily access data stored on the Web and have that data updated with the

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click of a button, and an online library of sample documents that integrate directly into the Office suite.

About Microsoft

Founded in 1975, Microsoft (Nasdaq "MSFT") is the worldwide leader in software, services and Internet technologies for personal and business computing. The company offers a wide range of products and services designed to empower people through great software — any time, any place and on any device.

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For more information on Microsoft Office:

<http://www.microsoft.com/office/>

Note to editors: If you are interested in viewing additional information on Microsoft, please visit the Microsoft Web page at <http://www.microsoft.com/presspass/> on Microsoft's corporate information pages.

Office Futures

Laying the groundwork with Office 2000

- ◆ Extensive integration of web technologies
- ◆ Departmental collaboration & information Sharing
- ◆ Powerful deployment & administration tools for IT Professionals
- ◆ Providing developers with a powerful solutions platform
- ◆ Broadening the definition of end-user productivity

Slide transition – Now that we've covered off on some of the key technologies and benefits for Office 2000, I want to give you an idea of where we're going with the next version of Microsoft Office. One of the best indicators of what to expect in a future release is to take a close look at the key technology investments that were made in the current product. Office 2000 is no exception to this rule. In fact, if you want to get the types of benefits you'll find in the next version of Office, your best solution is to deploy Office 2000 today. Let me give you a few examples:

• **Extensive integration of web technologies** – with Microsoft Office 2000, we made a truly significant commitment to the web with the adoption of HTML as a standard file format, as well as support for CSS & XML, so that any user with a web browser could view your work. In addition, we made significant progress in terms of supporting standards for sharing data over the web as well as early integration of web services. Moving forward, you can expect us to deliver on even greater solutions for sharing information and communicating through web technologies & services.

• **Departmental collaboration & Information Sharing** – Office 2000 also provides organizations with the built-in solutions for working against workgroup collaboration servers – whether they are web servers running Windows Server and the Office Server Extensions or enterprise messaging servers like Microsoft Exchange. The next version of Office will focus even more attention on providing users with tools that enable users to share information & collaborate easily with less up front effort.

• **Powerful deployment & administration tools for IT Professionals** – with Office 2000 we really went the extra mile to establish the core technologies that will enable us to help organizations get Office deployed faster and with fewer costs. Technologies like the Windows Installer integration & Custom Installation Wizard, self-repairing applications, & single worldwide executable are just a few of the technologies that led Gartner Group to determine that Total Cost of Ownership (TCO) comparison between Office 2000 to Office 97 determined that overall TCO for Office 2000 customers decreased by 9% for a savings of at least \$1200 per user per year. We will continue to carry on our commitment to providing IT pros with the tools they need to get the most value out of Office with less cost.

• **Providing Developers with a Powerful Solutions Platform** – Office 2000 brought solution developers a wide array of new technologies and tools for creating even more powerful solutions with richer integration & greater extensibility than ever before. Innovations like the Office Web Components and Data Access Pages enabled developers to create an entirely new class of rich, data-bound custom solutions for the browser. In addition, new tools available in Microsoft Office Developer make it even easier to get solutions developed and deployed. The next version of Office will undoubtedly provide solutions developers with even greater flexibility and power for creating web-based solutions with greater ease and in less time.

• **Broadening the definition of end user productivity** – finally, whether you're an end user working at home, a small business or in a large organization, Office 2000 was the first release of Office to really focus on providing an entirely new level of end user productivity by enabling a whole new category of web-based productivity scenarios. In light of our recent announcements around Forum 2000 regarding Microsoft's vision for Office.NET technologies you can expect that the next version of Office will represent a major step in the direction towards realizing the vision for Office.NET.

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Office.NET – pg. 2-3

Financial Analyst Meeting-Specific

What did you show at the Financial Analyst Meeting?

Microsoft previewed the next version of Office at the Financial Analyst Meeting. This early technology preview demonstrated technologies that make it easier for users to learn new features and use existing features more effectively, simplify the process of working with others, and new tools that make it easier to store, access and analyze relevant business information. Microsoft also demonstrated how the next version of Office will enable users to truly interact with the Web using Web-based services.

Did you show everything that will be new in the product?

No, only a very small subset of technology was shown.

Is Office or the desktop productivity space dead?

There is still a lot of room for growth in the desktop productivity space. There are still many user needs that need to be addressed, including making it easier for users to work with others, interact with data, and simply be more productive. We're constantly talking with our customers about their needs and are excited to be working on new solutions for them in the next version.

Based on the recent earning's release, many think Office's performance is slowing. Did you provide the first preview of the next version of Office at the annual Financial Analyst Meeting because of the recent earnings announcement?

Office 2000 has been the most successful release of Office ever in terms number of licenses sold since launch. In addition, we are seeing very healthy deployment rates by customers. In fact, data shows that the deployment rate is twice that of Office 97.

Next Version of Office

When will the next version of Office be available?

It's too early to share specific details, but following our typical product lifecycle, you can expect the next version of Office to be released in 2001.

What else will be included in the next version of Office?

We're not providing any more details today on the next version of Office. We showed a very small subset of features in this early technology preview. However, the next version of Office will extend innovations and benefits to Office users of all types, from business and home users to IT managers.

Will the next version of Office be called Office 10? Office 2002?

Office 10 is the code name for the next version of Office. We're not sharing naming details today.

Is beta 1 available?

No, beta 1 is not available at this time.

How many people will receive beta 1?

Beta 1 will be a technical beta and will be sent to a very small subset of existing Office customers.

How are you addressing security issues in the next version of Office?

We'll continue to enhance the security in Office with each new version of the product. We take security very seriously and you can expect more security enhancements in the next version of Office. We'll share more details at a later date.

Do you plan to open any of the source code of the next version of Office as Sun is planning to do for StarOffice?

We do not think open source is compatible with the level of service, product consistency, and vendor relationships customers expect from us. With over 120 million Office customers around the world and Office's support of over 30 languages, the challenges of maintaining an open source model significantly exceed even the largest available program today. As with any customer feedback we will continue to watch this closely and focus on addressing customer needs.

Will the Office Registration Wizard be included in the next version?

The Office Registration Wizard was included in US and Canadian retail and academic products with the release of Office 2000 SR-1 after a successful pilot program in several other countries. We'll continue to expand the use of the ORW to enable easy registration for Office users.

Why is Msft starting to rollout the next version of the product now when people are still upgrading to Office 2000? Hasn't Office 2000 only been available for just over a year?

Office 2000 has been available since June 1999 and we've been very pleased with Office 2000 deployments. Today we showed an early technology preview of the next version of Office, which is still in development. This is following the traditional Microsoft product lifecycle and we expect the next version of Office to be available in 2001.

Office.NET

What is Office.NET?

Microsoft announced Office.NET, a future productivity and communications service designed to meet the needs of 21st century knowledge workers. The Office.NET experience will deliver major new innovations to benefit customers in four areas. A new natural user interface will streamline how customers interact with the service. A new architecture, based on smart clients and services, will provide rich functionality, performance, and dynamic delivery. Universal collaboration services will enable anyone to collaborate with people inside and outside their companies. Office.NET services will extend anywhere, any time, and on any device, along with personalization capabilities to enable a new level of freedom and control.

Will the next version of Office be Office.NET?

The next version of Office will be an exciting opportunity for our customers and partners as we move towards our Office.NET vision. Office.NET is not a product, but a future productivity and communications service designed to meet the needs of 21st century knowledge workers.

When will Office.NET be available? Will .NET technologies incorporated into next version of Office?

Microsoft will deliver on the Office.NET vision over time. The next release of Office will begin incorporating .NET capabilities.

When will Office.NET replace traditional Office?

Microsoft will deliver on the Office.NET vision over time. The next release of Office will begin incorporating .NET capabilities.

What are the differences?

Office.NET is based on the new .NET platform and is delivered as a service; Office is a Windows productivity suite. The next release of Office will begin incorporating .NET capabilities. The full delivery of Office.NET will occur over multiple releases.

What is Netdocs?

These technologies, over time, will be incorporated into a number of Microsoft services, including Office.NET and Windows.NET, and subscription-based consumer services.

How much will you charge for Office.NET?

We are not announcing specific pricing or feature delivery at this time.

Are you confident that this Office.NET annuity/subscription model will generate similar level of revenues/profits as compared to traditional Office biz?

The new .NET platform will enable new types of valuable and compelling services that are not possible today. These services will provide us a healthy basis for continued revenue growth.

Whom do you think will be your first/initial customers for Office.NET and why?

We expect that many users will benefit from the .NET experience; given what customers are telling us what they want/need in terms of future productivity and communications services, we see a broad range of users over time.