From: Steve Ballmer

**Sent:** Tuesday, May 23, 1995 6:50 PM

To: brade; bradsi \( \text{bradsi} \( \text{@oxygen.itg.microsoft.sfs} \); jimall; paulma; richt

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Cc: billg \( \)billg \( \)oxygen.itg.microsoft.sfs \( \); joachimk

Subject: MSB 0013637: RE: Product feedback from my recent trip to PSS, DC and intergraph

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we do need an aggressive upgrade price from win 95 to NT in retail as well as select who should make sure that happens richt???

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From: Paul Maritz

To: Brad Chase; Brad Silverberg; Jim Allchin; Richard Tong; Steve Ballmer

Cc: Bill Gates; Joachim Kempin

Subject: MSB 0013637: RE: Product feedback from my recent trip to PSS, DC and intergraph

Date: Wednesday, May 17, 1995 6:39PM

In terms of our position on Windows NT as a desktop system:

- 1. It is clear that some customers would prefer us to come out and be more forceful in blessing Windows NT for the desktop but I think there is more to be gained in the near term by generally sticking (unless specific situation clearly warrants otherwise) to our somewhat vague & mealy-mouthed positioning (ably articulated by Bradc yesterday "Windows NT is for the most demanding apps... etc.") until we have Windows 95 safely launched and until we have the "shell update" to NT widely available. I know this frustrates some customers but if we make it more decisive in favour of NT, I worry about this getting out in the general market as a vote of no confidence in Win95.
- 2. Wrt putting Windows NT "on the same CD" as Windows 95 (or by implication giving it to OEMs at same royalty rate), I am not in favour of doing this unless someone can convince me that we will lose significant market share if we don't. One of our biggest challenges in the client OS business is to raise prices and Windows vs Windows NT presents us a real opportunity to "do an Intel" (raise prices by having two compatible products that coexist for a period, and being able to charge a premium for the new part). We may want to consider having reasonably aggressive "upgrade" pricing for Select customers for conversion of machines that come with Win95 but I think we should set a new, higher price for

Plaintiff's Exhibit

9560

Comes V. Microsoft

Windows NT and stick with it (just as we did with Windows vs MSDOS). If we bundle Win95 & Win NT, we are trapped at the Win95 price and it is much harder to move. As I said before, you can change my mind if you think there is a competitive risk - but I don't think so (provided we have the upgrade for large select accounts).

[BTW - there is no reason for the NT HC list not to be on the Web server - richt?]

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From: Steve Ballmer

Sent: Monday, May 15, 1995 10:21 PM

To: nathanm; paulma; peteh

Cc: billg; bradsi; craigfi; dwilling; jeffr; jimall; mikemap; paulbu;

rogerh

Subject: MSB 0013637: Product feedback from my recent trip to PSS, DC and intergraph

Welcome to your new jobs!

- 1. The postal service has been disappointed so far by the manageability of win 95 desktops and what they see in sms
- 2. They believe windows NT workstations may be more manageable but they find ourposition on WIn Nt desktops "mysterios" I gave them our standarad position but they said if you are serious why can we find information on your web serevre about win 95 hardware compatibility but not about win NT NT feels like a server product only to them
- 3. Are we thinking we will package win 95 and win NT with the 95 UI on the same CD I think we should I read in the press we are thinkign about changing the NT workstation price when win 95 shipos is that true I do not know that
- 4. I had many many people complin to me about how we help people mainatin and manage environmenst where they have multiple versions of our apps in deployment. The Postal service the navy and the air force all asked for some facility that would administratively let them decide that all their users would save documents in a given file forma rather than letting users decde so they could count on mail and servers passign documenst that everyone could read they want a swith that admins can set that says force excel5 for example to save in excel 4 format could we do this
- 5. Customers and the field on thsi trip and many others complain to em that we market to them instead of informing them ie too much of what we gives them shines on and slls around issues instead of helping them erally understand how to do what they need to do even

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if it means admitting to shortcomings in our products this theme is recurrent amongst our sales people and PSS peopel and customers less marketing more facts (technically accurate)

- 6.The army is trying to do master domain planning for win NT a domain is limited to 30000 names and they need many more what do they do what is our stratgey they would love to get some R&D person to discuss this with them as well as a host of UNIX and WIN NT integrations scenarios where they think we could learn and get our products right in their envornment Remember every tank has an sco UNIX system in it they do know a lot (iknow sco in tanks is scary)
- 7. If we want people to use our web browser and remote web connectivity to build internal corporate webs (the army is doign this) they think we need a win 3.1 implementation of our web browser much the way we have a win 3.1 exchange client
- 8. Versioning was a recurring theme in the government and at intergraph ALI of these document management suystems need versioning and people wonder withere of will have this or when and how we add versioning to sql server and nts erver
- 9. Intergraph ahs built NFS clinet and server for win nt they have also built a win NT batch scheduling facility they will not do a good job of sellign these I bet we could buy them cheap if we want them (ie they are good) Customers do ask for these thinsg what think somebody should chat with tommy steele they also have a translation facility for english to german and french and spanish and italian that they use for their docs could it help us???
- 10. PSS tells me that VB 4 was in beta in march btu has now disappeared is ti stll shippin in August as I think they thought not
- 11. Any product group that does QFE should follow the same processes as BSD There was aview in PSS DAD wanted to do QFE but with another process and the same with PSD I did not know DAD wanted to put a QFE process in place
- 12. PSS people all unanimously concurred that acme setup quality is very very poor many people think it is worse than "mac word" they also did not think we were improving it in office 95
- 13. there was a lot of concern in PSS Charlotte that the Visual FoxPro team was under schedule pressure and that they might ship before the product was really ready from quality standpoint
- 14. Is a full office 95 install really 40 MB larger than an Office 4.2 install PSS thought so but i could not find the data in infobase
- 15. there were many issues that had come up as a result of the win 95 preview and the goliath support we are doing for large accounts here are the ones peopel mentioned to me

----PSS thinks it will take an IT department an average of 1.5

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hours per workstation to upgrade a PC to win 95 over the network That does not include office 95 they say 45 minutes is a minimum that sounds high enough to me to put our large account upgrade targets at risk Also we apparently do not have an sms support for upgrading to win 95 at leats not for several months

- ---Win 95 does not support environment variables which makes it a step backward for many IT administrators why? Pss says it will beadded in memphis
- ----why do we not have any tools that we can give a user that checks his machine somehow pre a win 95 upgrade and then helps the user verify that the upgrade has happened successfully checking out printers and app compatibility is completely an ad hoc exercise for users and admin Certainly we could help them and consequently our PSs peopel support them with an upgrade install verification tool
- ----We will not have a dlc stack when win 95 ships worse than that tho is the stackwe are building does not support 16 bit emulators or other apps at all that means effectively i hink that our support story for sna networls is weak!!! worse yet our setup over the ibm 16 bit DLC stack is messy and always requires tweaking we will not look good in sna worlds potentially
- ----Did we really take the internet mail driver out of the win 95 box the value of the exchange client is reduced further out of the box by that Is it in plus i guess so but i want to say win 95 itself has soem mail value
- ---apparently win 95 is somehow not win 32s compatible at leats PSS says our win nt server admin tools will not work on win 95 there appears a problem in design but even if not won't those tools be important to have on win 95
- 16. Last but not least I hink visiting a PSS site is one of the most interesting valuable and himbling experience in etrms of gettign straight scoop on our products that I do I really really recommend two such visits per year for every WPG VP I will ask dwillign to try and engage and ste these up for the wpg folks on this mail ok???

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