From: John Gailey
To: Bill Street; OREM:RLRICHARDS@OREM.ORM-CORP
Date: Mon, May 4, 1998 2:03 PM
Subject: Re: DOJ Inquiry

Competitive products:
Exchange Messaging Server
Outlook97 (part of Office97)
Outlook98 (including Outlook Express)

Is MS marketing its product in any way that you suspect is unfair or anticompetitive,
They give away Outlook97/98 as part of IE4 and Office97. They currently give away Outlook98
independent of any other product offering. MS tells customers that to fully utilize the Office97 product
family, they must use the Outlook client. Then they state that to fully utilize the Outlook client, they must
use the Exchange Messaging Server - which of course requires NT.

Has MS engineered any of their products (Windows, NT, IE, etc.) to either disable or otherwise affect the
performance of GroupWise,
Yes. Outlook98, when installed in a standard configuration, will break existing installations of GroupWise
5. They do this by modifying the MAPI messaging middleway so that it is no longer compatible with
GroupWise 5. They also did this with the shipment of Office97 - when Office97 shipped, a new version of
MAPI was shipped and installed by Office that would break certain functionality of GroupWise. We had
to resolve this with an update to the GroupWise shipping product.

Has MS disparaged or said anything untrue about GroupWise in any public statements or in statements
to customers,
Yes - refer to the most recent attack of GroupWise 5.5 by Microsoft, in which many untruthful things were
stated.

Other items that we might want to pass on to the DOJ?
Both Outlook98 and GroupWise will take advantage of capabilities built into IE4 (if installed.) For
example, both products use the native HTML rendering engine of IE4 for mail display. Outlook98 also
uses HTML creation capabilities to add value to their product offering over GroupWise. GroupWise
development contacted MS on how we could also use this functionality and were told that, while this
capability was provided within IE4, it was not exposed for third party products because it was "not ready
for prime time". Outlook98, a shipping product, is using this capability but GroupWise is not allowed to.
This is an obvious disadvantage to Novell.

Also, Microsoft continues to ship new versions of MAPI, a defacto industry standard for messaging
products, in their new product releases, including Office97 and Outlook98. We are denied the ability to
ship these newer versions and are not allowed to test our products on these newer version (which often
break us as described above.) Microsoft apparently uses this to their advantage. The currently and only
version of MAPI is 1.0. Many of our customers come to us asking when we will support MAPI 2.0. When
we ask Microsoft about 2.0, we are not given any information. Yet our customers continue to hear that a
MAPI 2.0 is in the works and that we don't support it. (More FUD from Microsoft??)

Microsoft also ships a variety of system DLLs that are usually re-distributable by third-parties, such as
Novell. One such DLL is COMCTL32.DLL, which includes functionality such as button bars, etc. When
IE4 and Outlook Express came out, a new COMCTL32.DLL was shipped with it that provided an updated
look and functionality for these features. GroupWise uses this DLL to provide this kind of functionality.
With our desire to use the new functionality, along with the market pressure to provide the same
functionality as IE4 and Outlook Express, we asked MS for the ability to re-distribute this new DLL (they
granted this right for previous versions of the DLL.) We were denied this right and told that the only way
we could distribute and therefore rely on this DLL was to ship and install IE4. We fought them on this for
about 6 months and finally gave up and tried to write our own implementation for the new functionality.
Finally, based on industry pressure, MS agreed to allow re-distribution of the DLL and we are now

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utilizing it. However, it cost us much in time and resources to fight MS, implement our own, and then finally go back to using the system DLL.

Hope this helps. I'll send more as I think of them.

- John Gailey

>>> Ryan Richards 04/30 5:07 PM >>>
Don,

As you know, the Department of Justice is investigating Microsoft to determine whether any of its practices are anticompetitive. In response to DOJ requests, Novell has provided information over the years and recently about how MS affects Novell's business. Nearly all facets of Novell's business have been adversely affected in some way by MS marketing, sales, and development practices that we regard as unfair or anticompetitive. In follow up to our responses to the DOJ, a team of three attorneys and an economist from the DOJ will be here in Orem on May 7 on a fact finding mission.

I was in a meeting this morning with David Bradford, Glen Richart, Mike MacKay, Bob Juneman, Steve Carter and others discussing what we can provide to the DOJ while they are here. We discussed many of Novell's products and how MS is competing with Novell in those product's markets. We spent some time talking about GroupWise and what MS has done to disadvantage MS. Steve Carter left the meeting with a couple of action items about which he will be contacting you, John.

Aside from those, however, I would be very grateful if you could you please provide me with a brief description of those things that MS has done to harm GroupWise or which has given MS an unfair advantage. Specifically, could you briefly describe:

- what products MS has that compete with GroupWise,
- whether MS is marketing its product in any way that you suspect is unfair or anticompetitive,
- whether they have engineered any of their products (Windows, NT, IE, etc.) to either disable or otherwise affect the performance of GroupWise,
- have they disparaged or said anything untrue about Border in any public statements or in statements to customers,
- anything else you can think of that we might want to pass on to the DOJ?

I know this may seem repetitive to the conversation we had with Mike Wilson, Julie Ralston and the others this week, but the team coming out next week may not yet have heard from them and may not have the benefit of information from that meeting.

If you are able to provide me with any such information, could you also be available for a few minutes some time on the 7th to answer questions they might have?

The fact that DOJ representatives are coming and the fact that we have provided them information are both very confidential and should not be discussed with anyone outside Novell.

Thanks very much for your attention to this. I know you have real work to do, but this is extremely important to Novell.

All the best,
Ryan