From: Ben Waldman
Sent: Tuesday, June 09, 1998 3:45 AM
To: David Cole
Subject: RE: Mac IE 5

One of the other things I've been spending a lot of time on is mktg budget -- it's been really tough -- yusuf doesn't really want to give up much. My worry is that a lot of the thinking behind the win IE mktg budget doesn't apply to the Mac, since they are in such different situations with market share. For example, we still need to do sustaining work with IE4, since it was received so badly, and 4.01 addresses some perf and bugginess issues. I also believe that there is awareness problem with Mac IE (something we've seen firsthand when talking to our corporate customers about office), and that we need to combat this with print ads, online ads, and a polybag promo. As Yusuf explained to me, the Windows strategy, this year, is to not focus on switchers at all, and focus on getting new users, given the high PC run rate. So they won't do any work on awareness, switching, or trials, and instead will focus on ISPs, corporate marketing, education, and co-marketing with partners who use our IE control. While that may be fine when you have the share that Win IE has, on the Mac, our share, excluding AOL, is still at 6%, so I think there's a higher marginal value to activities like focusing on switchers, building awareness, CD samples and polybag promotions, even print ads (which cost millions on Windows, but only $300K or so to do well on the Mac)

One cool thing we wanted to do is try to attach to Apple's new iMac (consumer Mac with a weird design in a see through blue case -- check out apple's web site). The 'i' stands for Internet, and we want to do some joint IE promo with Apple (Jodi's already talking to the head of Apple's MarCom about this), but with funding like this, it's not really possible, so we may lose a great opportunity to attach to a huge Apple push.

I finally did get Jobs to say good things about IE 4, though (as opposed to "you can always switch to Nav"). Check out \\benw \movies\iMac&IE.mov.

I'm going to try hard and sync IE 5 with the Win product (though I wonder, if sim-ship is so important, why the win guys don't plan their schedule that way, and instead just ask everyone else to match their schedules -- given the late start and minimal dev resources on Mac IE, it makes things really tough), and then IE6 with the next Mac Office. I want to work with the MacWorld show management to get at least part of a keynote to launch Mac IE 5 -- I think we'll have a bit of sway with them because of our success at last January's show's keynote.

One thing I forgot in the list below is size and speed. We can easily improve boot time by doing a lot of the same stuff that Office has done (delayed init, not linking to DLLs, and only loading them as necessary, ordering functions), and I hope other things as well. I also have a few people looking at Trident and seeing if we can port that/get that running on the Mac, to ensure identical rendering fidelity with Windows, and eventually get us out of the rendering business (but size/speed are scary). Even if we don't use Trident, we want to componentize, so that IE, the new mail app, and Office's HTML help use the same DLL.

Yes, January 1999. Yes, Mac users upgrade less (another reason we need to focus more on switcher stuff on the Mac), but I think that a lot of pent-up upgrading will be released this year with the iMac and the fast G3 Macs -- Apple certainly isn't extending its base, but at least they're getting their current IB to upgrade.

Ben

-----Original Message-----
From: David Cole
Sent: Monday, June 08, 1998 10:22 PM
To: Ben Waldman
Subject: RE: Mac IE 5

sounds like a good general start. talk with yusufm's people about languages.

it's been really hard to get any share on the Mac, partly the anti-MS sentiment, partly because Mac people don't upgrade as much (just impression, I have no data), and partly because we didn't spend the promotional $ since it was out of sync with Win32.

I think you have to a) sync with Mac Office, or b) sync with Win32 IE, or c) decide to spend some $ on marketing.

btw: I assume you mean launch in Jan 99, not 98.

GOVERNMENT EXHIBIT 594

-----Original Message-----
From: Ben Waldman
Sent: Monday, June 08, 1998 6:45 PM
To: David Cole
Subject: RE: Mac IE 5

Sorry I have not gotten back to you on Mac IE 5 yet -- I have been in a "fire drill' since Friday morning, spending hours on the phone with legal, Apple and lots of MS people re including IE 4.01 on Apple's iMac, using our ICW, ISP relationships, etc. (But bottom line is that if we can get this all to work out, a side effect

will be that we'd be the only browser on the Mac's hard disk).

IE 4.01 shipped in mid-May, and the team has started investigating and spec-ing IE5, meeting with PMs in Chris Jones' org a bunch. I have a review of Mac IE 5 plans scheduled next Wed in San Jose, and can provide more details then, but the broad overview is

1) Launch in January 1998, at Macworld, meaning ship sometime between January and March.
2) Product goals

- Support key MS strategies -- DHTML, Win-Office9 viewing, XML (depends on schedule), no VBScript
- Do some innovative UI stuff -- want to understand all the end-user customer research and usability that the Win IE team has done, and perhaps do some more -- what are the problems that end-user face today in using a browser--what tasks are hard to accomplish, what tasks do people not even try to do -- searching, favorites mgmt, etc. Also, does it make sense to put the office assistant into IE -- I don't think the dev cost is that big -- it would be mainly UA work (Netscape can't do that). Any work would be coordinated with Eric Berman's team to ensure that it would be useful for win IE later, that work wasn't be duplicated, etc.
- Do some "Mac-only/Mac-first" stuff so that we can position the product that way to Mac IEUs and make them feel special -- things like drag/drop install, self-repairing apps, the UI stuff from above, random Apple technology, etc.
- Throw in some features that key ISVs want -- i.e. go to FileMaker (leading Mac database vendor) and ask them what they want in a browser -- is it cheap, can we do it, and would they then use Mac IE as their browser, etc.
- Office integration -- can we do something that will make users of Office want to use IE -- in the Office 2001/IE 6 timeframe, clearly yes, but maybe there's something in the IE5 timeframe. The Office Assistant is one example here.

If we can do drag/drop install in IE5, we'll redo the Office CD, to include IE in the default installation.

One big issue is intl -- we localize Mac IE in a lot of langs now, and I wonder if we should cut a few. Today, we do IE in the 7 Mac Office languages (English, Spanish, German, French, Italian, Spanish, Swedish) + 3 more (Danish, Dutch, and Brazilian Portegeuse). Communicator does all these plus Korean (!). (It does nav std in all these langs, and does pro in only english and french). Each lang is about $500K (but the savings to MS would be less, since that amount is IE and OE, and we're not doing a free OE anymore). So, it's not clear to me that all these are worth it, so I wanted to talk to someone in your org to get their perspective.

Obivously, this is all top level, and not detailed -- we have a long list of brainstormed ideas that are getting whittled down, and as part of the developement strategy, I've told them that we need to have specs and a complete development schedule before we start any work (there were no specs before). But it is getting fleshed out -- I would like full-time development to start no later than mid-July or 8/1 at the latest.

Once I meet with the guys in San Jose, it would be great if I could go over this stuff with you and Chris also to get your feeback and ideas.

What do you think?

Ben

-----Original Message-----
From: David Cole
Sent: Friday, June 05, 1998 10:59 AM
To: Ben Waldman
Subject: Mac IE 5

Can you give me a status of what is happening with Mac IE5. What is the schedule, what's the status, what are the key things you plan on doing? thanks