Erik Stevenson (LCA)

From: Cameron Myhrvold
Sent: Tuesday, September 10, 1996 8:43 AM
To: Christophe Daligault
Subject: RE: selling IE to the Enterprises Germany

I'm glad to see things are much better than I realized. I agree that right now it appears corporate accounts are our biggest exposure. I still think we should have some standard way of measuring share. People made up numbers for their FY plans this year and how do you know they won't do the same for next year?

Do you think people are really meeting their evangelism and content goals?

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From: Christophe Daligault
Sent: Monday, September 09, 1996 7:36 PM
To: Cameron Myhrvold
Cc: Christophe Daligault
Subject: RE: selling IE to the Enterprises Germany

- I see you want to help me and I thank you for that
- Is it possible there is a lot more going than you may be aware of. I just realized that you are not on any of our aliases. Pls let me know if you want to be on them.
- Things are going well in most places wrt to everything the ICU totally controls, and harder where there are dependencies on other CUs. What I worry the most about is that Nestcape is now focused on corporate accounts and we are not, and i thought this was what you wanted to discuss.
- A few words on where we are :
  - So far we've won the reviews in all countries where we have launched so far (only one nasty artcile in HK)
  - We have more than 100 non-US real good active web sites up and running and are starting to evangelize for the Active Desktop. Lars in my team is 100% focused on driving evangelism activities, there is a special alias, a private web site where subs internet evangelists can get support and advice.
  - We are tracking IE logos by domain on a monthly basis and all subs have now they 1:many logo/evangelism program, leveraging off the Site Builder Network.
  - BillG gave us and add'l $3 M to boost the IE 3 launch in europe and japan and do top content deals or ISP co-marketing (and we are doing it, though europe has a rather slow start, F, G, I have not launched yet).
  - All the US press or developer events are more than reasonably well leveraged outside of the US.
  - At retail, many subs did creative things, such as the Word Internet bundle in Japan, or just letting the ISPs create and push their own retail product with IE in it (Spain, Sweden). I have tons of great stories for you if you are interested. But the good news is that we are going to bundle the IESK with the Win 95 retail box and this will be the promotion that all countrie will run, with Office 97 slipping to Q3, I have no worry about getting exposure and channel funds.
  - About 20,000 developers and webmasters have been trained or attended at least a day-long seminar to date (we want to get to 100,000)
- Now w.: to susb goals, they got their first set of goals back in April (in the planning memo I wrote for Brad)
  1. Browser share : 35% market share in the US. Other countries should have higher goals. Countries where Netscape is not active yet should aim for 80% share.
  2. Exclusive licensing of Internet Explorer to top 5 Access providers in country (those who make up at least 50% of the Internet access in your market).
  3. Logo'd web sites : 15 of the top 30 public web sites in each country should recommend Internet Explorer for best viewing and be branded IE web sites.
  4. Developers trained on ActiveX equals to 50% of your MSDN subscribers
  5. 30 % of your existing Solution Providers have at least one Internet MCP
  6. IIS deployement vs NTS (I asked DBSD to add something here, but they did not)

<<File: Internet Planning Memo - final.doc>>

- and we refreshed them in July (new or updates are in italics)
  1. Browser share : 30% market share in the US by December, *50% by June 97*. Other countries should have higher goals. Countries where Netscape is not active yet should aim for 80% share.
     - Licensing of Internet Explorer as preferred or exclusive browser to top 5 Access providers in country (those who make up at least 50% of the Internet access in your market). *Do intensive co-marketing to gain new users.*
     - *Intranet : 50% of Select accounts standardize on IE* - 30 % of your existing Solution Providers have at least one Internet MCP
     - *Download : massive trial - get at least 30% of existing Internet user base to download IE 3.0 within 3 months of launch.*
     - *OEM : no OEM licenses Netscape. Do co-marketing to increase awareness of IE (sort of "IE inside").*
     - *Retail : achieve 40% share with IESK and Plus (vs Netscape retail browsers)*
  2. Drive adoption of the IE 3/ActiveX platform
     - Developers trained on ActiveX equals to at least 50% of your MSDN subscribers
     - Top showcase sites : 15 of the top 30 public web sites in each country should recommend Internet Explorer for best viewing *and implement ActiveX controls (and the active IE logo)*

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3. Presence on the web
   - *Massive presence of IE logo. Today they have in average 100 times more logos than we do. You must have thousands of static IE logos (as many IE logos than Netscape's in your country domain).*
   - *Improve local web site to actively promote downloads and be primary communication channel to Internet community.*
   - *Have 5 local Active themes ready for Plus launch (Nov).*
4. *Introduce our Internet server platform*
   - *Short term goals : identify top 1-3 retailers and 1-3 systems integrator/SP. Enroll them into Merchant Server beta and workshop.*
   - *Longer term : Normandy and Merchant server evangelism, recruit and train SP channel, design wins. Goals to be refined next quarter.*

   Budget recommendation to achieve these goals
   1. at least 5% of your total marketing budget dedicated to Internet marketing
   2. at least 4% of total marketing budget dedicated to developer marketing, ActiveX evangelism and Dev tools (see TomB April memo)
   3. *at least 25% of OEM marketing funds dedicated to Internet*
   4. *at least 10% of channel funds dedicated to Internet*

- But I realize that only the subs IDCU have seen the refreshed list. I guess it is high time to go and present at the next SteveB RegDir meeting and then go to the regional GM meetings - probably after we've passed this through Steve
- The other thing we need to sort out, short term is business model, staffing and ownership for Normandy and Merchant, I see subs are wasting time today over territory issues (IPTD mktg vs DBSD mktg), while this is really not important as opposed to setting up the sales channel for these products. Alfredo and I are drafting a proposal this week, will pass through bradc, and we may need your help.
- I really want to do major co-marketing campaigns with ISPs and OEMs this Xmas. Bjorn has started to talk to markSor. i wish we'd have a proposal to discuss right now, but Bjorn's been sick last week.
- As distribution is getting under control , content evangelism, with the Active Desktop coming up, is going to take the bigger part of our focus and I am not sure we have the right staff and skills in place to do a good job. This will depend on the final business model (not decided yet) : paulma seems to want to get away from early plans, free and open to all - and charge somethign for the millions of eyeballs we will give ICPs access to. We may end up with big overlap with MSN (and many more millions of users).

From: Cameron Myhrvold
Sent: Monday, September 09, 1996 9:19 AM
To: Christophe Daligault
Subject: RE: selling IE to the Enterprises Germany

Of course we do not need a measure to know we are losing. I'm not suggesting this as a first step to "prove" we need to do something since we know NetScape is leading everyhwere. But, if you are Steveb or even a GM don't you need some metrics to focus your people and don't you need a measure to see if what you are doing is actually working?

How can we expect them to do well if we don't show them the target? And the harder it is to see the target, the easier it is to miss.

What should our goals be for the Internet?

1.) Win distribution
- Get ALL top ISPs to license and distribute IE on a preferred basis (I believe I own this and think it's going very well - we will have this locked up before the end of the year)
- Get all OEMs to ship IE on all machines - lose no deals to NetScape (I think this is going well in NA and FE but I worry about Europe. I hear SNI is bundling NetScape...)
- Get decent retail distribution and co-marketing funds/rebates for the IESK (this is terrible today) I'd make this a major goal for our channel folks

2.) Win product reviews/press
- Win all product reviews (or 80%+)
- Favorable press vs. NetScape with press and analysts
  - Regular press and analyst tours 1x/qtr WW

3.) Win content
- Get top 20 sites ww and in each country (local language) to support IE and Active-x and display logo on their page
- Get 50% of these top 20 sites to host on NTS/IIS and show logo
- Get SP channel really engaged with IE and tools strategy to convert our developers/SPs to active-x

There are a lot more tactics you can list but I think these are key areas to win in. I am trying to win with ISPs but who is trying to win with content/web sites? What guidance are we giving people in the subs? Are our retail/channel people engaged?

From: Christophe Daligault
Sent: Friday, September 06, 1996 7:17 PM
To: Cameron Myhrvold
Subject: RE: selling IE to the Enterprises Germany

- I agree that numbers in YB are a joke, but if we want to improve our position in the enterprise, I stick to my 4 points below
- do we need to measure IE share well to know that Netscape is eating our lunch in top accounts ? How many intranet projects have we identified in ECU in each country ? How many of our SPs are able to manage these projects ???
- the US has the share drive program that seems to work somehow, the rest of the world cannot replicate because sales force comp is different
- that said, we are doing the OS Tracker in F, G, UK, J and Oz 3 times a year. in other countries, we are trying to build a program to track traffic on top local 5 sites, Alfredo is driving, the problem we have is find the right measurement tool (nobody uses IIS)

From: Cameron Myhrvold
Sent: Wednesday, September 04, 1996 8:06 AM
To: Christophe Daligault
Subject: RE: selling IE to the Enterprises Germany

A fundamental question is how we are measuring IE marketshare. I look at the numbers in the yellow book and think they are ridiculous. Are we giving guidance to the subs about how to do this? Can we measure it independently and run a program like Chriswild did for MS-DOS upgrades (his sales challenge)?

I am going to pick up ICPs in the U.S., but not people like Ford who are managed by the field but people like C|Net, Starwave, Lycos, Hotwired, etc.

Outside the U.S. we need much better coordinated activities for both ISVs and ICPs.

Cam

From: Christophe Daligault
Sent: Tuesday, September 03, 1996 7:29 PM
To: Cameron Myhrvold
Cc: Christophe Daligault
Subject: RE: selling IE to the Enterprises Germany

My suggestions, (top of my head, may need some fine-tuning). I think we need :
1. a clear message from Steveb with new set of goals/objectives that are really measurable and add the metrics to MYR
   IE / IIS deployement, Normandy beta sites
   SP recruiting and training,
   number of Intranet projects supported by SEs, MCS, local DRG and vertical sales as total % of projects
   setup an Intranet product support organization and offering (this may be happening already, need to check on that)
2. a big boost to the Internet SP recruiting activities that are going on, maybe we should make better use of our web site and exploit the 150,000 names of so we got from the Site Builder program, qualify them and match them with distis + offer support
3. a coordinated sales campaign (DBSD and IPTD agree to synchronize, simplify messages and provide support projects identified through very wide sales campaign). Pascalm and I discussed this this week-end. Again, we should make better use of our web site, have a good-sized group of telemarketers to identify and qualify projects, then match up with SPs, then track progress status all online. Same stuff as we tried for Win 95 corp migration, which DBSD is now ressucitating, maybe using same infrastructure.
4. we don't have a channel to sell to orgs in their ICP capacity (i.e. Disney, or Ford), this is not same internal customer and we don't even know who sell them the Unix stuff, I think this means we need to expand OCU mission.

As side comment, I don't know why, but Steveb never considered IPTD had any role to play in the Intranet scenario, for a long time he wanted DAD to drive it.

From: Cameron Myhrvold
Sent: Tuesday, September 03, 1996 8:23 AM
To: Christophe Daligault
Subject: FW: selling IE to the Enterprises Germany
Importance: High

As before do not forward, but i welcome your comments and suggestions. This does not look good.

From: Georges Nahon
Sent: Tuesday, September 03, 1996 6:20 AM
To: Cameron Myhrvold
Subject: FW: selling IE to the Enterprises Germany
Importance: High

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From: Andreas Koerner
Sent:

To: Georges Nahon
Subject: AW: selling IE to the Enterprises Germany
Importance: High

Karl-Heinz goes after the developer community. Thomas Koll owns OCU and ECU (acting). Looks like the LA sales people need support. I discussed this with Karl-Heinz and his people and they decided to come up asap with an easy to handle/sell IE agreement for the top 500 accounts and possibly launch a series of IE related events handled by the regional offices. I told them I would help if needed and if my limited resources allow. What concerns me for the months to come is that Netscape already have 10 persons here in Germany which means **more headcount** than MS´s PNS and IDCU. And they will double up! So I guess no matter how hard we work they will have more presence.

From: Cameron Myhrvold
Sent: Friday, August 30, 1996 8:04 PM
To: Georges Nahon
Subject: RE: selling IE to the Enterprises Germany

this is terrible. What does Karl-Heinz say to this?

From: Georges Nahon
Sent: Thursday, August 29, 1996 6:48 AM
To: Cameron Myhrvold
Subject: selling IE to the Enterprises Germany

With 10 people in Germany, NSCP is pushing hard with the top 500 accounts and according to a rumour that Andreas collected, they have sold navigator to something like 80% of these accounts.
Most of them can use IE free as part of the select agreement but they do not know it.
Andreas told me that there does not seem to be any push from MS since the IDCUs are focussing on the developpers and the ECU seems not to push in every circumstance.
This all needs to be checked but it raises an important issue about who should be pushing IE in the large accounts.
To answer one of your questions of yesterday, maybe a part of NSCP's browser revenue is now coming from large accounts.
Also Siemens Nixdorf signed a WW licensing deal with NSCP for their browsers.

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