From: Brian Shafer (AICG ITL)
Sent: Friday, January 30, 1998 3:36 PM
To: Lora Shiner
Subject: RE: Stuff for 3 year

Slides to have for backup - IE Intl Business Review Bradc

Overall market details, yus should print this and have it handy for reference - IE Share xls

Whole version for reference only - IE Intl Business Review Bradc

-----Original Message-----
From: Lora Shiner
Sent: Friday, January 30, 1998 3:14 PM
To: Kumar Mehta; Randy Haas
Cc: Brian Shafer (AICG ITL)
Subject: Stuff for 3 year

Brian: Copies of international Mid Year Review.

Kumar, Randy: Slide on why we will only reach 63% in 3 years
Slide on how we got to where we are? - Share growth to date
Update January 97 to Jan 98
Udated Corp # for Jan
Switch rate for year
4.0 Upgrade rate - check for Jan
Share by platform
Share assumptions

GOVERNMENT EXHIBIT 815

PENGAD-Bayonne, N.J.

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IE International business review

1/6/98

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IE share

	Intl	US	Total
• Jan 97	27.1%	20.0%	23.3%
• July 97	39.2%	29.0%	33.9%
• Jan 98	50.8%	42.0%	46.3%

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Top Goals - International

	Dec 97		June 98
	Goal	Result	
• IE share of ISPs users	50%	50%	65%
• Maintain leadership in PR		OK	->
• Platinum Channels	200	500	
• Channels in Channel Guide	500	1,200	
• Subs feedback			
• IE share of Org users			45%
• OE share			30%
• IE Start goals			TBD

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Where We Stand by June'98 - Top 20

8 tracking to 65% or more

(23% of base)

- UK
- Korea
- Sweden
- Spain
- France
- Italy
- Norway
- Denmark

6 we expect to reach 65%

(47% of base)

- Japan
  = 33% of Intl users
- Australia
- Taiwan
- Brazil
- Switzerland
- Netherlands
- Finland

6 not tracking

(30% of base)

- Germany
  = 18% of Intl users
- Canada
  = 5.6% of Intl users
- Austria
- Czech
- China/HK

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Japan: key focus area

- Depth - focusing on top 6 to get the following
  - Well positioned to get huge gains from OLS'smoving to internet-based services
  - Customized IE distribution, displaying IE4 banners, create IE4 page at their web, Communicating to NS users among subscribers to switch
  - Challenge to upgrade - most ISPs don't send out CDs to base
- Breadth important - over 60% of the dial up market
  - Doing direct e-mail campaign for IEAK and Mac IEAK
  - Incenting when certain IE distribution goals are met

Country	JAPAN
Current ISP Dial-up IE Share in Country	48%
Total Internet Users in Country (Domestic)	7,123,000
Projected Growth rate (Monthly)	6%
Total number of Access Providers in Country	700-800

ISP/OLS Ranking	Top 10 ISP Name	OLS Subs	Current # of Inet Subscribers	Growth per Month	IE Status	% of Installed base using IE	Current IE Users	% of New Users using IE	IE Users EO FY
1	Niftyserve	2,600,000	100,000	25,000	Preferred	52%	52,000	80%	172,000
2	NEC Biglobe/PC-Van	2,300,000	300,000	25,000	PC-Van Navigoator & IE	67%	201,000	100%	351,000
3	People/Asahi Net		360,000	10,000	Only IE	48%	172,800	100%	232,800
4	MSN		300,000	10,000	Only IE	55%	165,000	100%	225,000
5	Other OLS	250,000	100,000	10,000		50%	50,000	50%	80,000
6	IIJ	800,000	30,000	3,000	none	45%	13,500	100%	31,500
7	InfoWeb		350,000	6,000	Preferred	55%	192,500	100%	228,500
8	NEC/Biglobe		300,000	10,000	Preferred	67%	201,000	100%	261,000
9	So-Net		200,000	5,000	Preferred	47%	94,000	100%	124,000
10	Tokyo Internet	100,000	300,000	2,000	Preferred	45%	135,000	100%	147,000
11	NTT OCN		83,000	15,000	IE	45%	37,350	100%	127,350
Others	Other ISPs	4,700,000	4,700,000	282,000		45%	2,115,000	65%	3,581,400
Totals		10,750,000	7,123,000	403,000		48%	3,429,150	73%	5,561,550
Top ISPs		6,050,000	2,423,000	121,000		54%	1,314,150	92%	1,980,150
Total market									

CurrentShare	48.1%	*Current IE Market Share among listed ISPs*
ISP Coverage	73.0%	*Percentage of new internet subscribers receiving IE*
Projected Share	58.3%	*Projected IE Market share as of EO FY 1998*
Required Upgrades	640,100	*Number of existing users to upgrade*
Required Upgrades	9%	*as % of current user base*

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Germany: key focus area

- T-Online - the 800 lb gorilla
  - Represents huge share opportunity for Germany (Switch 50% of base to IE = 8% IE share)
  - Sub trying to do the right things
    - Got parity IE shipments last June
    - Dedicated technical MS SE with the account to customize browser
    - Offered DM1 mil in mkt money (about US560K) in exchange for OE commitment, and switcher program Efforts currently stalled
  - Head is personal friend of NS GM; likes playing MS and NS to T-Online's advantage
- Germany - trying to do the right things elsewhere
  - AOL - Spring '97 upgrade
  - Internet Services switcher program planned
  - Recently signed Nacamar to preferred IE from parity - another upgrade opportunity

Country	Germany
Current ISP Dial-up IE Share in Country	40%
Total Internet Users in Country (Domestic)	3,813,000
Projected Growth rate (Monthly)	5%
Total number of Access Providers in Country	N/A

ISP Ranking	Top 10 ISP Name	Current # of Subscibers	Growth per Month	IE Status	% of installed base using IE	Current IE Users	% of New Users using IE	IE Users EO FY
1	T-Online (pure IP)	1,600,000	50,000	Parity	32%	512,000	50%	662,000
2	Ounet	300,000	27,000	Only IE	65%	195,000	100%	357,000
3	AOL	400,000	15,000	Only IE	55%	220,000	100%	310,000
4	CompuServe	300,000	10,000	Only IE	60%	180,000	100%	240,000
5	Internet Services	210,000	15,000	Only IE	35%	73,500	100%	163,500
6	Nacamar	240,000	22,500	Preferred	17%	40,800	75%	142,050
7	Callisto Germany.Net	285,000	22,000	Parity	35%	99,750	50%	165,750
8	CyberNet	28,000	5,000	Only IE	65%	18,200	100%	48,200
9	Metronet	100,000	5,000	Only IE	60%	60,000	100%	90,000
10	XLink	80,000	8,000	Minor	20%	16,000	25%	28,000
Others	Misc	270,000	20,000	Parity	40%	108,000	50%	168,000
Totals		3,813,000	199,500		40%	1,523,250	71%	2,374,500
Top ISPs		3,543,000	179,500		40%	1,415,250	73%	2,206,500

Total market

CurrentShare	40%	*Current IE Market Share among listed ISPs*
ISP Coverage	71.1%	*Percentage of new internet subscribers receiving IE*
Projected Share	47.4%	*Projected IE Market share as of EO FY 1998*
Required Upgrades	882,000	*Number of existing users to upgrade*
Required Upgrades	23%	*as % of current user base*

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Intl NS Progress with ISPs?

Intl Exclusive NS ISPs

July '97	Now	Win
13 ISPs	6 ISPs	Sympatico (Bell Canada)
1.3 million users	511K users	5 ISPs
		182 K users

Country	Name		Monthly runrate of new users	Installed Base	Status
ISPs Not Shipping IE					
Japan	People/Asahi Net (Propetary	WIN	10000	360000	Signed IE4/OE as standard
Canada	Sympatico	ON THE WAY	na	325000	In negotiation now for IE preferred
Netherlands	World Access / Planet Intern	WIN	1600	150000	Moving to parity and H2 upgrades
Singapore	Pacific Internet		1000	100000	
UK	Virgin.Net	WIN	na	90000	Preferred IE4 now and H2 Upgrades
Canada	NetCom Canada	WIN	na	60000	Shipping IE 4
France	Club Internet	WIN	1600	55000	Shipping IE 4
Netherlands	NL Net		600	50000	
Switz	Telecom Blue Window	WIN	5000	50000	Shipping IE 4
Brazil	IBM Global Net		800	30000	
Korea	Korea Telecom (KORNET)	WIN	3000	25000	Shipping IE 4
Venez	Eldish		200	3000	
Venez	TRUENET		160	3000	
ISP Shipping Less than 60% IE					
Germany	T-Online		40000	1600000	Still Committed to Neutrality
Korea	Samsung Unitel		15000	520000	
Taiwan	Seednet	WIN	20,000	235000	Moving to preferred in April. Upgrades no
New Zealand	XTRA (NZ Telecom)		500	80000	Very NS focused but shipping IE
Brazil	Universo Online	WIN	6000	75000	IE now 52% share and 90% IE dist
Malaysia	Jaring		3000	70000	
Malaysia	TMNet		5000	40000	
Switz	Swiss Online		2000	33000	
Spain	Arrakis		2500	25000	
Spain	CTV		1500	15000	
Malaysia	Malaysia Online		300	5000	

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Browser source

Browser source	US		Germany		UK		Japan	
	July	Nov	July	Nov	July	Nov	July	Nov
	N=351	N=351	N=249	N=249	N=142	N=142	N=149	N=150
On line service / ISP	26%	19%	33%	28%	25%	14%	1%	1%
Downloaded it	18%	19%	29%	19%	19%	16%	40%	28%
Got it at work	14%	20%	8%	4%	22%	31%	9%	1%
Came with computer	14%	17%	8%	20%	10%	13%	17%	24%
Retail store	5%	9%	3%	12%	4%	5%	21%	22%
Came in mail or magazine	3%	4%	11%	9%	6%	14%	8%	14%
Gift	3%	4%	2%	6%	1%	2%	2%	2%
Other	3%	8%	2%	2%	1%	4%	2%	9%
Don't know	11%	0%	4%	0%	11%	0%	0%	0%

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Org - Primary Browser

Small Business	US			France			Germany			UK			Italy	NL	Sweden
Primary Browser	July	Nov	Mar	July	Nov	Mar	July	Nov	Mar	July	Nov	Mar	Mar	Mar	Mar
Base: have access	N=128	N=145	N=139	N=16	N=12	N=38	N=62	N=40	N=44	N=41	N=34	N=51	N=49	N=51	N=59
Netscape Navigator	40%	42%	45%			27%	40%	34%	27%	24%	49%	16%	10%	29%	46%
Microsoft Internet Explorer	10%	15%	13%			29%	7%	2%	16%	2%	9%	23%	30%	37%	25%
AOL Built-in browser	25%	26%	16%			0%	0%	41%	6%	2%	0%	2%	0%	0%	0%
CompuServe/CIS	11%	7%	3%			9%	21%	5%	3%	39%	21%	25%	0%	12%	0%
Mosaic	0%	1%	1%			0%	0%	0%	0%	7%	17%	7%	2%	4%	0%
Other	5%	2%	4%			16%	30%	17%	6%	11%	4%	2%	2%	2%	0%
Unsure	9%	7%	18%			17%	2%	1%	42%	15%	0%	25%	22%	14%	10%

Corporations >51 PCs	US			France			Germany			UK			Italy	NL	Sweden
Primary Browser	July	Nov	Mar	July	Nov	Mar	July	Nov	Mar	July	Nov	Mar	Mar	Mar	Mar
Base: have access	N=157	N=144	N=190	N=30	N=40	N=60	N=78	N=60	N=81	N=60	N=77	N=90	N=69	N=72	N=93
Netscape Navigator	56%	59%	49%	30%	43%	32%	67%	55%	58%	45%	58%	40%	19%	44%	51%
Microsoft Internet Explorer	8%	15%	28%	3%	16%	17%	5%	9%	18%	8%	14%	32%	57%	38%	34%
AOL Built-in browser	17%	11%	8%	0%	3%	1%	3%	1%	3%	2%	4%	2%	0%	0%	0%
CompuServe/CIS	10%	5%	6%	13%	21%	13%	15%	17%	7%	27%	20%	15%	1%	5%	0%
Air Mosaic	2%	4%	0%	3%	9%	7%	2%	0%	0%	3%	0%	3%	0%	0%	0%
Other	4%	5%	3%	11%	2%	10%	7%	17%	5%	8%	1%	2%	1%	0%	0%
Unsure	5%	3%	6%	40%	6%	20%	0%	1%	9%	8%	3%	6%	12%	10%	10%

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Logos - June 97

country	domain	link:http://www.microsoft.com/ie	Netscape Download links	MS/NS download links
WW	whole WWW	279,494	382,566	73.1%
Australia	au	5,007	3,622	138.2%
Canada	ca	1,631	3,332	48.9%
Finland	fi	1,315	2,024	65.0%
France	fr	460	1,535	30.0%
Germany	de	1,270	2,562	49.6%
Italy	it	3,185	2,511	126.8%
Japan	jp	1,159	2,339	49.6%
Netherlands	nl	350	833	42.0%
Norway	no	151	439	34.4%
Sweden	se	942	1,407	67.0%
Switzerland	ch	459	1,384	33.2%
United Kingdom	uk	11,818	7,251	163.0%
Intl domains		36,938	41,518	89.0%

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OS

	US		Germany		UK		Japan	
	July	Nov	July	Nov	July	Nov	July	Nov
Base: Total respondents	N=292	N=405	N=253	N=207	N=150	N=200	N=169	N=150
Beginning user	47%	58%	22%	41%	29%	61%	65%	63%
Intermediate user	35%	29%	51%	41%	50%	25%	31%	33%
Advanced user	17%	13%	27%	18%	21%	14%	2%	5%
Don't know	1%	1%	0%	0%	0%	1%	2%	0%
Male	59%	60%	96%	81%	84%	71%	91%	88%
Female	41%	40%	4%	19%	16%	29%	9%	12%
Access from Home only	51%	46%	49%	49%	28%	29%	53%	43%
Access from Work only	32%	34%	14%	34%	43%	56%	12%	21%
Access from both	17%	20%	36%	18%	29%	15%	35%	35%
Operating System used to access the Internet								
Win 3.x	38%	27%	36%	38%	45%	29%	10%	2%
Win 95	39%	48%	49%	51%	41%	45%	75%	83%
Mac	14%	14%	1%	4%	6%	9%	5%	14%
PowerPC	-	-	-	2%	-	3%	4%	

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Org Push - Tracking ECU

ECU - Appendix

Account Name	Approx # of Desktops	% of Desktops With Browser	Intranet	% Browser Share		IE - 40% - Why?	Standard Browser	Active Desktop in production	Active Channel in production	Reference Account		IEAK Licence?
				NS	IE					Leverageable	Public	
Account Name #1	10,000	90%	Yes	50%	50%	Note key issue (s)	Microsoft	Yes	Yes	Yes	Yes	Yes
Account Name #2			No				NCSP	No	No	No	No	No
Account Name #3							None	Pilot	Pilot			
Account Name #4												
Account Name #5												
Account Name #6												
Account Name #7												
Account Name #8												
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Account Name #49												
Account Name #50												

12/8/97 13:29 ECU Appendix

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Org Push - Tracking OCU

OCU - Appendix

Partners	Approx # of Technical Heads	% of Heads Internet Focussed	Approx # Desktops Influenced	% Focus Internet Content in their Business	Active Desktop actively used in solutions	Active Channels actively used in solutions	IE 4/5 Licence?	IE type Used in Solutions	Browser Recommended NS	Browser Recommended IE	IE if <50% Why?	Reference Solutions Leverageable	Reference Solutions Public
LAR													
LAR Name #1	100	10%	100000	10%	Yes No Pilot	Yes No Pilot	Yes No	Standard IE Customised	10%	90%	Side by side (5)	Yes No	Yes No
LAR Name #2													
LAR Name #3													
LAR Name #4													
LAR Name #5													
LAR Name #6													
LAR Name #7													
LAR Name #8													
LAR Name #9													
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Internet Partner Name #8													
Internet Partner Name #9													
Internet Partner Name #10													

OCU Appendix

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Backup - IE_INTL

- IE_INTL is the 6th most trafficked site on MSC

Avg. Daily Users	
ie	3,197,942
isapi	903,438
/ (root)	800,928
msdownload	789,409
search	715,285
ie_intl	649,072
gallery	348,672
japan	348,450
sitebuilder	303,885
support	287,707
products	274,505
regwiz	224,951
windows	214,705
windows95	212,895
msdn	201,195
kb	166,677
games	134,591
officefreestuff	114,820
ntserver	113,579
office	97,088

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	Total July 97	3561200.0%	FY98 Goal	35.612	Share of WW	Running Share
United States	30,000,000	29.0%	50%	8,700,000	51.81%	51.8%
Japan	5,718,000	40.0%	51%	2,287,200	9.87%	61.7%
Germany	3,244,000	29.0%	45%	940,760	5.60%	67.3%
Canada	3,000,000	33.0%	53%	990,000	5.18%	72.5%
United Kingdom	2,124,000	45.0%	50%	955,800	3.67%	76.1%
Korea	1,100,000	45.0%	64%	495,000	1.90%	78.0%
France	770,000	40.0%	51%	308,000	1.33%	79.4%
Australia	800,000	51.0%	-	408,000	1.38%	80.7%
Brazil	900,000	33.0%	60%	297,000	1.55%	82.3%
Taiwan	870,000	44.0%	60%	382,800	1.50%	83.8%
Sweden	800,000	40.0%	60%	320,000	1.38%	85.2%
Spain	715,000	36.0%	-	257,400	1.23%	86.4%
Netherlands	1,200,000	40.0%	55%	480,000	2.07%	88.5%
PRC/HK	500,000	40.0%	60%	200,000	0.86%	89.4%
Singapore	620,000	40.0%	50%	248,000	1.07%	90.4%
Finland	563,000	56.0%	70%	315,280	0.97%	91.4%
Denmark	515,000	35.0%	51%	180,250	0.89%	92.3%
Norway	497,000	40.0%	51%	198,800	0.86%	93.1%
Italy	485,000	50.0%	-	242,500	0.84%	94.0%
Mexico	427,000	40.0%	51%	170,800	0.74%	94.7%
Thailand	200,000	58.0%	75%	116,000	0.35%	95.1%
Austria	348,000	32.0%	-	111,360	0.60%	95.7%
New Zealand	287,000	48.0%	-	137,760	0.50%	96.2%
Switzerland	210,000	42.0%	-	88,200	0.36%	96.5%
Israel	226,000	28.0%	-	63,280	0.39%	96.9%
Malaysia	160,000	33.0%	-	52,800	0.28%	97.2%
South Africa	180,000	33.0%	-	59,400	0.31%	97.5%
Caribbean	120,000	41.0%	-	49,200	0.21%	97.7%
Russia	120,000	28.0%	-	33,600	0.21%	97.9%
Belgium	120,000	53.0%	60%	63,600	0.21%	98.1%
Poland	110,000	40.0%	-	44,000	0.19%	98.3%
Argentina	100,000	50.0%	-	50,000	0.17%	98.5%
Czech Republic	100,000	40.0%	-	40,000	0.17%	98.7%
Portugal	70,000	60.0%	80%	42,000	0.12%	98.8%
Peru	50,000	70.0%	-	35,000	0.09%	98.9%
Gulf	50,000	44.0%	69%	22,000	0.09%	99.0%
Turkey	82,000	62.0%	-	50,840	0.14%	99.1%
Indonesia	70,000	53.0%	-	37,100	0.12%	99.2%
Greece	60,000	35.0%	-	21,000	0.10%	99.3%
Egypt	60,000	44.0%	70%	26,400	0.10%	99.4%
Colombia	52,500	35.0%	55%	18,375	0.09%	99.5%
Venezuela	50,000	35.0%	-	17,500	0.09%	99.6%
Philippines	45,000	40.0%	-	18,000	0.08%	99.7%
Uruguay	40,000	25.0%	-	10,000	0.07%	99.7%
India	20,000	51.0%	69%	10,200	0.03%	99.8%
Hungary	22,000	44.0%	60%	9,680	0.04%	99.8%
Slovakia	25,000	40.0%	-	10,000	0.04%	99.9%
Slovenia	25,000	24.0%	-	6,000	0.04%	99.9%
Chile	25,000	27.0%	-	6,750	0.04%	99.9%
Ecuador	20,000	37.0%	-	7,400	0.03%	100.0%
Morocco	10,000	50.0%	-	5,000	0.02%	100.0%
	57,905,500			19,640,035	100.00%	

	Internet Users	Overall IE share estimates				Recent share data				
	Total Jan 98	Overall IE Jan 98	Jan 98 - IE4	Jan 98 - NS4	Jul-97	Variance	Hits Share ISPs	Delta	Hits Share ICPs	Delta	Other sources
United States	41,000,000	42%	9%	12%	29%	+13%				-42 0%	
Japan	9,370,000	51%			40%	+11%	48 0%	-3%			
Germany	3,813,000	46%			29%	+17%	40 0%	-6%	46 0%	0 0%	
Canada	3,390,000	43%			33%	+10%	46 0%	+3%			
United Kingdom	3,254,000	57%	18%	14%	45%	+12%	58 0%	+1%	54 0%	-3 0%	58 00%
France	1,200,000	53%	18%	10%	45%	+8%	59 0%	+6%	53 0%	0 4%	
Australia	1,200,000	50%	25%		40%	+10%	59 00%	+9%			37 20%
Sweden	1,000,000	50%			40%	+10%	63 0%	+13%	44 0%	-6 0%	38 10%
Taiwan	905,000	62%	44%	23%	51%	+11%	57 0%	-5%			
PRC/HK	900,000	40%			33%	+7%	44 0%	+4%			
Italy	870,000	63%			44%	+19%	57 0%	-6%	65 0%	2 0%	
Korea	814,900	50%			40%	+10%	50 0%	-0%			
Netherlands	715,000	50%			36%	+14%	50.0%	+0%	51.0%	1 0%	
Brazil	713,000	52%	30%	21%	40%	+12%	52.0%	+0%			
New Zealand	620,000	40%	23%	15%	40%	+0%					
Spain	563,000	62%			56%	+6%	60 0%	-2%	63 0%	1 0%	
Finland	515,000	37%			35%	+2%	47.0%	+10%	40 0%	3 0%	
Denmark	497,000	62%			40%	+22%	56 0%	-6%	64 0%	2 0%	
South Africa	485,000	58%	27%	18%	50%	+8%					
Norway	427,000	50%			40%	+10%	61 0%	+11%	51 0%	1 0%	
Mexico	403,372	70%	33%		58%	+12%					
Switzerland	348,000	51%			32%	+19%	60 0%	+9%			
Belgium	287,000	66%	38%	14%	48%	+17%	64.0%	-1%	66 0%	1 0%	
Singapore	275,000	50%	25%	22%	42%	+8%					
Austria	226,000	46%	19%	15%	28%	+18%	43 0%	-3%	36 0%	-10 2%	
Thailand	200,000	35%			33%	+2%					
Malaysia	180,000	33%			33%	+0%					
Caribbean	150,000	53%			41%	+12%					
Russia	134,000	69%			28%	+41%					
Argentina	120,000	70%	12%		53%	+17%	54 0%	-15%	80 0%	11 0%	
Israel	110,000	40%			40%	+0%					
Poland	100,000	50%			50%	+0%					
Czech Republic	100,000	63%	31%	11%	40%	+23%			69 0%	19 0%	
Colombia	100,000	66%	10%	3%	60%	+6%			65 0%	2 0%	
Turkey	85,000	65%			70%	-5%					
Venezuela	82,700	51%			44%	+7%					>70%
Portugal	82,000	81%			62%	+19%					
Greece	70,000	60%	31%	35%	53%	+7%	78 0%	-3%	82 0%	1 0%	
India	65,000	48%	22%	18%	35%	+13%					
Chile	60,000	50%			44%	+6%					
Peru	52,500	37%			35%	+2%					
Indonesia	50,000	35%			35%	+0%					
Gulf	45,000	40%			40%	+0%					
Philippines	40,000	25%			25%	+0%					
Uruguay	29,000	65%	39%	11%	51%	+14%					
Ecuador	25,450	44%			44%	+0%					
Egypt	25,000	40%			40%	+0%					
Hungary	25,000	33%			24%	+9%					
Slovakia	25,000	35%			27%	+8%			35 0%	2 0%	
Slovenia	20,000	58%			37%	+21%			36 0%	1 0%	
Morocco	10,000	50%			50%	+0%			58 0%	0 0%	
	75,776,922										

US	41,000,000
Non-US	34,776,922

42 0%
50 8%

50 6%

52 1%

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	Current Internet users		Jan 98 IE	Jan 98 IE4	Jan 98 NS	Jan 98 NS4	
United States		#REF!					
Japan		#REF!					
Germany		#REF!					
Canada		#REF!					
United Kingdom		#REF!					
Australia		#REF!					
France		#REF!	48 20%	5 90%	51 80%	6 10%	Sep-97 Decision Micro survey of 2 300 IS pros
PRC/HK		#REF!					
Italy		#REF!					
Korea		#REF!					
Taiwan		#REF!					
Sweden		#REF!					
Netherlands		#REF!					
New Zealand		#REF!					
Spain		#REF!					
Finland		#REF!					
Brazil		#REF!					
Denmark		#REF!					
South Africa		#REF!					
Norway		#REF!					
Switzerland		#REF!					
Belgium		#REF!					
Austria		#REF!					
Singapore		#REF!					
Mexico		#REF!					
Malaysia		#REF!					
Thailand		#REF!					
Caribbean		#REF!					
Russia		#REF!					
Argentina		#REF!					
Israel		#REF!					
Poland		#REF!					
Czech Republic		#REF!					
Portugal		#REF!					
Greece		#REF!					
Colombia		#REF!					
India		#REF!					
Chile		#REF!					
Peru		#REF!					
Turkey		#REF!					
Indonesia		#REF!					
Venezuela		#REF!					
Gulf		#REF!					
Philippines		#REF!					
Egypt		#REF!					
Hungary		#REF!					
Slovakia		#REF!					
Ecuador		#REF!					
Uruguay		#REF!					
Slovenia		#REF!					
Morocco		#REF!					

	Sub	Distr	97 revenues	browser	server	consulting
United States						
Japan						
Germany						
Canada						
United Kingdom						
Australia						
France						
PRC/HK						
Italy						
Korea	open in 98	Daou	$ 8 000 000	2500000	2000000	3500000
Taiwan						
Sweden						
Netherlands						
New Zealand						
Spain						
Finland						
Brazil	opened Oct98					
Denmark						
South Africa						
Norway						
Switzerland						
Belgium						
Austria						
Singapore						
Mexico						
Malaysia						
Thailand						
Caribbean						
Russia						
Argentina						
Israel						
Poland						
Czech Republic						
Portugal						
Greece						
Colombia						
India						
Chile						
Peru						
Turkey						
Indonesia						
Venezuela						
Gulf						
Philippines						
Egypt						
Hungary						
Slovakia						
Ecuador						
Uruguay						
Slovenia						
Morocco						

Regional HQ	Latam

	sub opened		Jun-96
United Kingdom	96		12
Germany	96		10
Canada	96		10
France	96		10
Singapore	96		10
Japan	96		9
Netherlands	96		5
Australia	96		3
Sweden	96		3
Switzerland	96		2
Spain	96		2
Denmark	96		2
Hong Kong	96		2
Chile	96		2
Finland	96		1

	presence through distrs
Argentina	
Austria	97
Belgium	
Brazil	97
Colombia	97
CzechRepublic	97
Greece	
Hungary	97
Israel	
Korea	98
Malaysia	97
Mexico	
NewZealand	
Norway	97
Peru	
Philippines	
Poland	97
Slovenia	
SouthAfrica	
Taiwan	
Thailand	
Turkey	
Russia	97

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		IE Users	fy97 Share	IE Users	Share of w/w	Share of ROW
NA	United States	30,000,000	29%	8,700,000	44.04%	
	Canada	3,000,000	33%	990,000	5.01%	8.96%
FE	Japan	5,718,000	40%	2,287,200	11.58%	20.69%
	Korea	1,100,000	45%	495,000	2.51%	4.48%
	Taiwan	870,000	44%	382,800	1.94%	3.46%
	PRC/HK	500,000	40%	200,000	1.01%	1.81%
Europe	Germany	3,244,000	29%	940,760	4.76%	8.51%
	United Kingdom	2,124,000	45%	955,800	4.84%	8.65%
	France	770,000	40%	308,000	1.56%	2.79%
	Nordic	2,375,000	43%	1,015,313	5.14%	9.19%
	Italy	485,000	50%	242,500	1.23%	2.19%
	Western Europe	2,663,000	44%	1,167,282	5.91%	10.56%
	EE	292,000	35%	102,784	0.52%	0.93%
LA	Brazil	900,000	33%	297,000	1.50%	2.69%
	Mexico	427,000	40%	170,800	0.86%	1.55%
	Spanish America	457,500	40%	183,000	0.93%	1.66%
SEA	Singapore	620,000	40%	248,000	1.26%	2.24%
	Rest of SEA	475,000	46%	218,500	1.11%	1.98%
SPR	Australia	800,000	51%	408,000	2.07%	3.69%
	New Zealand	287,000	48%	137,760	0.70%	1.25%
AMME	Israel	226,000	28%	63,280	0.32%	0.57%
	South Africa	180,000	33%	59,400	0.30%	0.54%
	Rest of AMME	372,000	46%	170,500	0.86%	1.54%
ISC	India	20,000	51%	10,200	0.05%	0.09%
		57,905,500		19,753,878	100%	100%

	Total	avg share	IE Users	Share of w/w	w/w share ex US
North America	33,000,000	31%	9,690,000	49.05%	8.96%
FE	8,188,000	42%	3,365,000	17.03%	30.44%
Europe	11,953,000	41%	4,732,438	23.96%	42.81%
ICON	4,764,500	41%	1,966,440	9.95%	17.79%
	57,905,500	39%	19,753,878	100%	100%

US	30,000,000	51.8%	8,700,000	44.0%
NON US	27,905,500	48.2%	11,053,878	56.0%

Region		Internet Users			IE Share			
		Jan-98	Dial-up users	Jul-97	Jan-98	Jan 98 - IE4	Jan 98 - NS4	Jul-97
Latin America	Mexico	**200,000**		200,000	**70%**	33%		58%
Latin America	Caribbean	**150,000**		120,000	**53%**			41%
Latin America	Colombia	**100,000**		70,000	**66%**	10%	3%	60%
Latin America	Argentina	**90,000**		120,000	**70%**	12%		53%
Latin America	Venezuela	**82,700**		50,000	**51%**			44%
Latin America	Peru	**52,500**	33,800	52,500	**37%**			35%
Latin America	Chile	**50,000**		60,000	**50%**			44%
Latin America	Uruguay	**29,000**		20,000	**65%**	39%	11%	51%
Latin America	Ecuador	22,000		22,000	**44%**			44%
	Total	776,200		714,500	60%			50%
Latin America	Brazil	**500,000**	500,000	500,000	**52%**	30%	21%	40%

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Jan-96
41%
53%
53%
32%
32%
23%
40%
40%

32%

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IE International business review

1/6/98

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Top Goals - International

	Dec 97		June 98
	Goal	Result	
• IE share of ISPs users	50%	50%	65%
• Maintain leadership in PR		OK	->
• Platinum Channels	200	500	
• Channels in Channel Guide	500	1,200	
• Subs feedback			
• IE share of Org users			45%
• OE share			30%
• IE Start goals			TBD

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Today's agenda

- ISP partnerships — MikeAld
- PR — Briansha
- Launch — Briansha
- Org push — Briansha/Hitos
- Content — LarsBa
- Not covered today
  - End User marketing
  - Web evangelism
  - How we work with subs

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Intl ISP Co-Mkt Update

Michael Aldridge

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ISP Status

	Jan 97 Goal	Jan 97 Result		June 98
• Intl IE share of ISP user base	50%	50%	👍	65%
• % of launch partners doing switching programs on their user base		71%	👍	
• Top ISPs shipping IE/OE at launch	50	107	👍	
• Convert top exclusive NS ISPs	10	9	👎	
• Internet E-Mail Share		N/A		30%

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ISP share tracking

Country	Germany
Current ISP Dial-up IE Share in Country	40%
Total Internet Users in Country (Domestic)	3,813,000
Projected Growth rate (Monthly)	5%
Total number of Access Providers in Country	N/A

ISP Ranking	Top 10 ISP Name	Current # of Subscribers	Growth per Month	IE Status	% of installed base using IE	Current IE Users	% of New Users using IE	IE Users EO FY
1	T-Online (pure IP)	1,600,000	50,000	Parity	32%	512,000	50%	662,000
2	Ounet	300,000	27,000	Only IE	65%	195,000	100%	357,000
3	AOL	400,000	15,000	Only IE	55%	220,000	100%	310,000
4	CompuServe	300,000	10,000	Only IE	60%	180,000	100%	240,000
5	Internet Services	210,000	15,000	Only IE	35%	73,500	100%	163,500
6	Nacamar	240,000	22,500	Preferred	17%	40,800	75%	142,050
7	Callisto Germany.Net	285,000	22,000	Parity	35%	99,750	50%	165,750
8	CyberNet	28,000	5,000	Only IE	65%	18,200	100%	48,200
9	Metronet	100,000	5,000	Only IE	60%	60,000	100%	90,000
10	XLink	80,000	8,000	Minor	20%	16,000	25%	28,000
Others	Misc	270,000	20,000	Parity	40%	108,000	50%	168,000
Totals		3,813,000	199,500		40%	1,523,250	71%	2,374,500
Top ISPs		3,543,000	179,500		40%	1,415,250	73%	2,206,500

Total market

CurrentShare	**40%**	*Current IE Market Share among listed ISPs*
ISP Coverage	**71.1%**	*Percentage of new internet subscribers receiving IE*
Projected Share	**47.4%**	*Projected IE Market share as of EO FY 1998*
Required Upgrades	**882,000**	*Number of existing users to upgrade*
Required Upgrades	**23%**	*as % of current user base*

Does not include switcher program impact

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Intl ISP Share Summary

- 6 countries ≥ 60% - UK, Sweden, Spain, Norway, Italy
- 7 countries ≥ 50% - Australia, France, Taiwan, Korea, Brazil,Netherlands
- 7 countries < 50% - Germany, Japan, Canada, Finland

	Installed Base	Current share	Monthly run-rate	% of distrib.	New IE users per month	Installed base June 98	IE users June 98	IE share June 98	Months to get to 65%	Upgrades needed to reach 65%	as % of current base
TOTAL TOP 20	21,432,552	50%	1,115,733	75%	833,398	28,461,952	16,000,256	56%	26	2,193,265	10%
Japan	7,123,000	48%	403,000	73%	294,300	9,541,000	5,194,950	54%	28	640,100	9%
Germany	3,813,000	40%	199,500	71%	141,875	5,010,000	2,374,500	47%	75	882,000	23%
UK	1,591,000	66%	77,000	69%	53,000	2,053,000	1,371,040	67%	0	0	0%
Canada	1,218,000	46%	7,960	57%	4,520	1,265,760	585,539	46%	Never	237,205	19%
Taiwan	905,000	57%	70,333	60%	41,858	1,327,000	762,800	57%	Never	96,350	11%
Korea	814,900	50%	86,100	88%	75,350	1,331,500	860,732	65%	0	4,743	1%
Brazil	713,000	52%	17,000	90%	15,220	815,000	459,920	56%	16	66,790	9%
Sweden	600,000	63%	34,500	93%	32,250	807,000	572,900	71%	0	0	0%
France	587,600	59%	34,400	93%	32,150	794,000	537,490	68%	0	0	0%
Netherl.	550,000	50%	8,550	62%	5,325	601,300	304,910	51%	Never	85,935	16%
China/HK	539,000	44%	28,100	87%	24,350	707,600	385,900	55%	12	70,540	13%
Australia	501,552	59%	3,000	87%	2,600	519,552	313,698	60%	33	5,861	1%
Italy	494,000	62%	33,000	81%	26,750	692,000	466,270	67%	0	0	0%
Norway	303,000	61%	8,700	94%	8,175	355,200	235,300	66%	0	0	
Spain	303,000	60%	40,500	84%	34,000	546,000	386,103	71%	0	0	0%
Denmark	290,000	56%	21,800	84%	18,400	420,800	272,400	65%	0	0	
Czech	273,000	34%	1,350	100%	1,350	281,100	100,374	36%	173	0	0%
Switzerl.	209,500	60%	6,150	73%	4,463	246,400	152,615	62%	13	7,545	4%
Austria	204,000	43%	14,050	71%	9,913	288,300	146,565	51%	47	40,830	20%
Finland	200,000	47%	7,800	97%	7,550	246,800	139,800	57%	8	20,620	10%
New Zealand	200,000	47%	1,900	71%	1,350	211,400	101,700	48%	280	35,710	18%

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Success Factors

- Many started co-marketing with ISPs a year ago
  - UK, France, Italy, Taiwan,
- IE4 Pre-Launch well-prepped partners
  - Used co-mkt agreements from us
    - Excellent launch programs with ISPs
    - Used pending IE launch PR and mkt. noise with co-mkt $$ to rally ISPs
  - Educated early - used beta programs; Intl deployment labs
    - Overcame the technical issues as early as possible
- Understood the value of switcher programs
  - Integrated in the co-mkt agreement template
  - Launch related mkt $$ and enhanced branding linked to switcher programs and OE
- Several countries did significant breadth ISP campaigns last year : France, Spain (and have a profiled database of their breadth ISPs).
  - France : ambitious client and server push with direct marketing, seminars, free training, enrollment into MSP.
  - Spain : direct marketing and free 90 days tech support on IEAK

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Switcher success stories

- **UK -**
  - **Demon** - one of UK's top 3 ISPs
    - MS gave US$100K Co-Mkt Money
    - Dropped 70000 CDs with IE4 magazine to users on Sept 30th
    - ***Results*** - ↑15 points in 4 weeks with a total gain 23 points since launch (73%)
  - **Global** - Magazine + CD to switcher base
    - MS provided US$45K of co-mkt money
    - Dropped 35,000 to base boosted share from 60% to 90%
  - **Virgin (Spring '98)** - huge opportunity 90,000 NS users
  - Planning AOL and CompuServe upgrades this spring
- **Netherlands**
  - **CompuServe** - 55,000 upgrade mailing with IE3 CD in CS magazine with end-user education in the form of "reviews" and "advertisement"
    - IE share increase on CS web site from 14% to over 41% in a few months - now 47%
  - **Planet Internet** planned this spring
- **Australia -**
  - OzEmail/Voyager
  - Telstra Big Pond

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Where We Stand by June'98 - Top 20

8 tracking to 65% or more	6 we expect to reach 65%	6 not tracking
(23% of base)	(47% of base)	(30% of base)
UK	Japan	Germany
Korea	= 33% of Intl users	= 18% of Intl users
Sweden	Australia	Canada
Spain	Taiwan	= 5.6% of Intl users
France	Brazil	Austria
Italy	Switzerland	Czech
Norway	Netherlands	China/HK
Denmark	Finland	

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Priorities

- Germany
- Japan
  - they catch a cold we get very sick
- Canada
  - get Sympatico and upgrade them

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Germany: key focus area

- T-Online - the 800 lb gorilla
  - Represents huge share opportunity for Germany (Switch 50% of base to IE = 8% IE share)
  - Sub trying to do the right things
    - Got parity IE shipments last June
    - Dedicated technical MS SE with the account to customize browser
    - Offered DM1 mil in mkt money (about US560K) in exchange for OE commitment, and switcher program. Efforts currently stalled
  - Head is personal friend of NS GM; likes playing MS and NS to T-Online's advantage
- Germany - trying to do the right things elsewhere
  - AOL - Spring '97 upgrade
  - Internet Services switcher program planned.
  - Recently signed Nacamar to preferred IE from parity - another upgrade opportunity

Country	Germany
Current ISP Dial-up IE Share in Country	40%
Total Internet Users in Country (Domestic)	3,813,000
Projected Growth rate (Monthly)	5%
Total number of Access Providers in Country	N/A

ISP Ranking	Top 10 ISP Name	Current # of Subscribers	Growth per Month	IE Status	% of installed base using IE	Current IE Users	% of New Users using IE	IE Users EO FY
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3	AOL	400,000	15,000	Only IE	55%	220,000	100%	310,000
4	CompuServe	300,000	10,000	Only IE	60%	180,000	100%	240,000
5	Internet Services	210,000	15,000	Only IE	35%	73,500	100%	163,500
6	Nacamar	240,000	22,500	Preferred	17%	40,800	75%	142,050
7	Callisto Germany.Net	285,000	22,000	Parity	35%	99,750	50%	165,750
8	CyberNet	28,000	5,000	Only IE	65%	18,200	100%	46,200
9	Metronet	100,000	5,000	Only IE	60%	60,000	100%	90,000
10	XLink	80,000	8,000	Minor	20%	16,000	25%	28,000
Others	Misc	270,000	20,000	Parity	40%	108,000	50%	168,000
Totals		3,813,000	199,500		40%	1,523,250	71%	2,374,500
Top ISPs		3,543,000	179,500		40%	1,415,250	73%	2,206,500

Total market

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Required Upgrades	23%	*as % of current user base*

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Japan: key focus area

- Depth - focusing on top 6 to get the following
  - Well positioned to get huge gains from OLS'smoving to internet-based services
  - Customized IE distribution, displaying IE4 banners, create IE4 page at their web, Communicating to NS users among subscribers to switch
  - Challenge to upgrade - most ISPs don't send out CDs to base
- Breadth important - over 60% of the dial up market
  - Doing direct e-mail campaign for IEAK and Mac IEAK
  - Incenting when certain IE distribution goals are met

Country	JAPAN
Current ISP Dial-up IE Share in Country	48%
Total Internet Users in Country (Domestic)	7,123,000
Projected Growth rate (Monthly)	6%
Total number of Access Providers in Country	700-800

ISP/OLS Ranking	Top 10 ISP Name	OLS Subs	Current # of Inet Subscribers	Growth per Month	IE Status	% of Installed base using IE	Current IE Users	% of New Users using IE	IE Users EO FY
1	Niftyserve	2,600,000	100,000	25,000	Preferred	52%	52,000	80%	172,000
2	NEC Biglobe/PC-Van	2,300,000	300,000	25,000	PC-Van Navigator & IE	67%	201,000	100%	351,000
3	People/Asahi Net		360,000	10,000	Only IE	48%	172,800	100%	232,800
4	MSN		300,000	10,000	Only IE	55%	165,000	100%	225,000
5	Other OLS	250,000	100,000	10,000		50%	50,000	50%	80,000
6	IIJ	800,000	30,000	3,000	none	45%	13,500	100%	31,500
7	InfoWeb		350,000	6,000	Preferred	55%	192,500	100%	228,500
8	NEC/Biglobe		300,000	10,000	Preferred	67%	201,000	100%	261,000
9	So-Net		200,000	5,000	Preferred	47%	94,000	100%	124,000
10	Tokyo Internet	100,000	300,000	2,000	Preferred	45%	135,000	100%	147,000
11	NTT OCN		83,000	15,000	IE	45%	37,350	100%	127,350
Others	Other ISPs	4,700,000	4,700,000	282,000		45%	2,115,000	65%	3,581,400
Totals		10,750,000	7,123,000	403,000		48%	3,429,150	73%	5,561,550
Top ISPs		6,050,000	2,423,000	121,000		54%	1,314,150	92%	1,980,150

Total market

CurrentShare	48.1%	*Current IE Market Share among listed ISPs*
ISP Coverage	73.0%	*Percentage of new internet subscribers receiving IE*
Projected Share	58.3%	*Projected IE Market share as of EO FY 1998*
Required Upgrades	640,100	*Number of existing users to upgrade*
Required Upgrades	9%	*as % of current user base*

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Intl NS Progress with ISPs?

Intl Exclusive NS ISPs

July '97
13 ISPs
1.3 million users

Now
6 ISPs
511K users

Win
Sympatico (Bell Canada)
5 ISPs
182 K users

Country	Name		Monthly runrate of new users	Installed Base	Status
ISPs Not Shipping IE					
Japan	People/Asahi Net (Propetary	WIN	10000	360000	Signed IE4/OE as standard
Canada	Sympatico	ON THE WAY	na	325000	In negotiation now for IE preferred
Netherlands	World Access / Planet Intern	WIN	1600	150000	Moving to parity and H2 upgrades
Singapore	Pacific Internet		1000	100000	
UK	Virgin Net	WIN	na	90000	Preferred IE4 now and H2 Upgrades
Canada	NetCom Canada	WIN	na	60000	Shipping IE 4
France	Club Internet	WIN	1600	55000	Shipping IE 4
Netherlands	NL Net		600	50000	
Switz	Telecom Blue Window	WIN	5000	50000	Shipping IE 4
Brazil	IBM Global Net		800	30000	
Korea	Korea Telecom (KORNET)	WIN	3000	25000	Shipping IE 4
Venez	Eldish		200	3000	
Venez	TRUENET		160	3000	
ISP Shipping Less than 60% IE					
Germany	T-Online		40000	1600000	Still Committed to Neutrality
Korea	Samsung Unitel		15000	520000	
Taiwan	Seednet	WIN	20,000	235000	Moving to preferred in April, Upgrades no
New Zealand	XTRA (NZ Telecom)		500	80000	Very NS focused but shipping IE
Brazil	Universo Online	WIN	6000	75000	IE now 52% share and 90% IE dist
Malaysia	Jaring		3000	70000	
Malaysia	TMNet		5000	40000	
Switz	Swiss Online		2000	33000	
Spain	Arrakis		2500	25000	
Spain	CTV		1500	15000	
Malaysia	Malaysia Online		300	5000	

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OE Progress

- 94% of launch partners have OE as their default mail client
- Linkage from the start
  - Integrated OE commitment in our July plan
    - Co-mkt agreement template
    - Upgrade programs
    - Enhanced branding criteria
  - Drove home importance at MGS with Intl ICU and WIN/IE PMs
- Provided Tools
  - ISP demo for OE (from Kim and Mike)
- Really needed e-mail measurement
  - Developed tool for ISPs to get per-user measurement proxy

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Next Steps

- IE ISP Share to 65%
  - Continue depth upgrade programs
  - Focus on Germany, Japan , and Canada
  - Breadth ISPs programs where important
    - Make the IEAK web site more accessible (Web site localization for Japan and other languages)
    - Share best practices and leverage US breadth tools
- Understand Intl E-Mail Share
- Try to leverage SBS programs to gain share in SORG

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Intl Kudos

- Kim Akers and Mike Nichols - OE
- Jose Alvarez - IEAK
- Dave Derwin - ICU

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BrianSha

- Focus Areas were:
  - PR
  - Launch
    - Overall Assistance to subs
    - Fulfillment
- Moving forward:
  - Completion of Launch
  - Organizational Push

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Results to Date vs Goals - PR

- Won Reviews, Awards, Good press overall.
  - Awards
    - Norway - IE 4.0 product of the year - PC Week
    - Taiwan - 4 of top 5 top "best Web sites" awards are IE channels
    - *Australia - Best Product 97, Best Technology Fusion*
    - Germany - "Choice of the Redaction" award, Ziff Davis
    - Japan - "Best of Comdex"
  - TV
    - Mexico - Sergiop on Televisa
    - UK, Canada, Italy, HK, Mexico, Taiwan...TV news coverage on IE 4 launch
  - Uniques
    - UK - Demon, first ISP in the world to ship IE4.
    - China - Four Publishing our whitepapers in IT press!
  - Japan - IE Won 48, IE tie 105, IE lose 27 Total IE articles = 180
    - *Nikkei - article: traffic up to 5.5 million page views a day, due to IE4*
    - Mainichi - traffic doubled due to IE4
  - High Partner Participation

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Results to Date vs Goals - PR

- Goals:
  - No Surprise Releases
  - No Screw-ups or leaks from subs
  - International Content up in US releases
- Subs Followed Recommendations
  - Reviewer's Workshop
  - Spin to Rude Q's
- Same negatives
  - Anti-MS, DOJ etc.
  - Big, Channels confusing, Cross-Platform
- Most Localized product in MS history
  - More versions
  - Localized to market, not language
  - Sim Ship

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Pre-Launch Situation

- Biggest worry - w/w bandwidth affecting downloads.
  - CDs therefore key for International success.

- Top Tactic - High physical distribution

  End users, ISP, ICP, OEM, Retail etc.

  1. Get "CDs" to subs (1-800 & IEAK) ASAP.

  2. "End Users" order CDs on web.

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Executing the Basics

- Results - High physical distribution
  - Fulfillment CDs
    - Over 20,000,000 Produced (1-800)
    - Built CDs for Select and MSDN to distribute
    - Built CD menu system used w/w
  - 1800 & IEAK CD image Server
    - 4,000 Logons
    - Peak at >100 Simultaneous downloads

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Executing the Basics

- Results - Order CD's on the Web w/w
  - A first for MS, Order IE in 24 languages, in 24 native languages, 60+ countries, all ASP all custom, & future proof.
    - Referrals for Japan (30K), Germany, Brazil, Korea
    - 100,000+ CD's ordered directly by others
    - Used for US Programs too (RYCE)
    - From concept to site in <20 days, still running.

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Retail

- Sub Custom Work
  - Japan - Outsourced retail to Distributors
  - Germany - Booklet with MS Press sold in book channels + $3 CD used for RYCE and sold as counter top item (50,000+ sold)
  - Taiwan - $3 CD sold in 7 Eleven stores sold 25,000 units in 12 days
  - Hong Kong - Similar CD sold 50,000 units in 100 stores (resellers, 7 Eleven and video rental chain)
- Bad News
  - Intl English IE Plus was Broken
    - Box re-work, Ram requirements change, ship in Early February
  - Planning of Plus could have been smoother
- Good News
  - IE4 in Retail Win95 boxes, yet another CD ;-)

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OEM - Good news

- OEM Focussed on IE now, results showing.
- How many OEM's do you recognize?
  - Today Tech, Ocean, Total Peripherals, Anabelle Bits, Optima
  - Legent, Tontru
  - Schadt, Peacok
  - Athena, CDC, Olidata, Video Computer, Executive
  - Trigem, LG, Hyundai, Daewoo, Seijn Computer Land
  - IPC, Digitek, Datamini, Compro
  - Fujitsu, ICL, Toshiba, Hitachi, Sony, Epson, Samsung, Sharp, Acer, SNI, Vobis, Olivetti
  - ***... all are pre-installing IE4!***

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What we are working to fix

1. Working with Dev to rationalize IE flavors
   - 11 flavors of IE CD, "all" of IE 4.01 is 268MB!

2. Working with Dev to have central ownership of ALL releases
   - RTW is the start, we are not done until all "customers' have IE available to them, in the form they need.
   - Examples

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US Team Kudos

- PR - **KevinU and Erin Brewer** ***(Intl PR)***
- Responsiveness to Subs - **CraigBe & Jeff Tran**
  - IEChamps Alias
- Security - **Michael Bernard**
- Website - **Emily Warn & Steve Clarke**
  - Security & everything else.

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Next Steps

- Finishing
  - Still Launching localized versions…
    - 4.01 IE and IEAK half complete
    - Win16 and Mac starting
    - Working through 4.01 CD releases
    - Retail refresh
- Starting
  - Organization Push

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Org Push - Just Getting Started

- Overall Goal - IE at 65% (45% in Orgs)
  - Will define specific sub by sub goals based on situation.
  - All indications are...Basically the same situation as US.
  - Getting data from subs to confirm - Japan.
- What some subs have already been doing
  - Korea - Recent ECU campaign for IE 4 with direct marketing to top 700 accounts and a seminar offer.
  - UK - Shipped IEAK with keycode to all Select customers. Has the basis of an account SWAT team. Some Direct Marketing to ORGs already done.
  - France - ~ 60% browser share in ECU accounts. Completed significant campaign which included an Intranet CD. ECU account managers had goals to visit their accounts and sell them on the the benefits of IEAK. Plans in H2 for 250 seminars targeted at small businesses in partnership with France Telecom.
  - Taiwan - Running "IE 4.0 in the Intranet" seminars since august with IEAK promotions. Notified all Win 95 and NTW MOLP accounts of IEAK benefits and availability. Inserted IEAK licensing forms in all MOLP packages. Distributed licensing forms through events and conferences.

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Org Push - Just Getting Started

- Where we are so far
  - Fixed data points in MYR slide set
  - Built additional appendix MYR slides
  - Sent Recommended Marketing Plan to Regional VP's
  - Shooting for buy-in now as part of MYR:
    - ECU tracking additional IE metrics.
    - Budget being available for Corporate IE programs.
    - Ensuring the sales teams are aware of and motivated by IE goals.
    - Encourage GM's to include IE in incentives Working on final measurement
  - Met with Windows PM's
  - European ECU Directors Meeting
  - Hitoshi focussing on FE

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IE Deployment Status in ORG - Japan

- Today's IE Share (installed base)
  - LORG Strategic: 45%
  - LORG Named: 42%
  - LORG Breadth: 40%

Source: MYR Slide page 20

Accont Type	Total Desktops	# Destkops w/ Browser	% Destkops w/ Browser	Desktops w/ IE	IE Share	Desktops w/ NS	NS Share
Strategic	737,000	517,200	70.2%	232,000	44.9%	285,200	55.1%
Named	601,778	361,067	60.0%	152,424	42.2%	208,643	57.8%
Breadth	1,164,432	582,216	50.0%	232,900	40.0%	349,316	60.0%
Total	2,503,210	1,460,483	58.3%	617,324	42.3%	843,159	57.7%

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Source: MSKK Atlas

Detailed Deployment Status - Strategic Accounts

Total Desktops	# Desktops w / Browser	Internet Explorer		Nescape		Opportunities
		Deploying	Deployed	Deploying	Deployed	
737,000	517,200	173,500	58,500	31,600	253,600	219,800
		33.5%	11.3%	6.1%	49.0%	29.8%

Source: MSKK Atlas

Account Name	# PC Desktops	# Desktops w/ Browser	% Deskotps w/ Browser	# Desktops w/ IE	IE Share (%)	# Desktops w/ NS	NS Share (%)
NIPPON TELEGRAPH AND TELEPHONE CORPORATION	140,000	128,000	91.4%	48,000	37.5%	80,000	62.5%
HITACHI, LTD.	80,000	30,000	37.5%	10,000	33.3%	20,000	66.7%
TOSHIBA CORPORATION	50,000	40,000	80.0%	10,000	25.0%	30,000	75.0%
MITSUBISHI ELECTRIC CORPORATION	25,000	10,000	40.0%	4,000	40.0%	6,000	60.0%
FUJITSU LIMITED	50,000	50,000	100.0%	15,000	30.0%	35,000	70.0%
NEC CORPORATION	56,000	50,000	89.3%	***30,000***	***60.0%***	20,000	40.0%
MATSUSHITA ELECTRIC INDUSTRIAL CO.,LTD.	45,000	15,000	33.3%	***10,000***	***66.7%***	5,000	33.3%
The Nomura Securities Co., Ltd.	8,000	2,000	25.0%	***1,000***	***50.0%***	1,000	50.0%
Nissan Motor Co., Ltd.	20,000	20,000	100.0%	***20,000***	***100.0%***	-	0.0%
CANON INC.	30,000	20,500	68.3%	500	2.4%	20,000	97.6%
Meiji Mutual Life Insurance Company	50,000	50,000	100.0%	***50,000***	***100.0%***	-	0.0%
Bridgestone Corporation	7,000	7,000	100.0%	***7,000***	***100.0%***	-	0.0%
Sony Corporation	25,000	21,500	86.0%	1,500	7.0%	20,000	93.0%
Toyota Motor Corporation	25,000	25,000	100.0%	***15,000***	***60.0%***	10,000	40.0%
The Sanwa Bank Limited	10,000	1,100	11.0%	***1,000***	***90.9%***	100	9.1%
Tokyo Electric Power Company	18,000	10,000	55.6%	1,000	10.0%	9,000	90.0%
Yasuda Fire & Marine Insurance Company, Ltd. (The)	3,000	3,000	100.0%	***3,000***	***100.0%***	-	0.0%
Fuji Bank, Limited	2,000	1,500	75.0%	***1,000***	***66.7%***	500	33.3%
Bank of Tokyo-Mitsubishi	10,000	2,000	20.0%	***1,000***	***50.0%***	1,000	50.0%
East Japan Railway Company	3,000	3,000	100.0%	***3,000***	***100.0%***	-	0.0%
Nippon Life Insurance Company	5,000	-	0.0%	-		-	
Ministry of Posts and Telecommunications	75,000	27,600	36.8%	-	0.0%	27,600	100.0%
Total	**737,000**	**517,200**	**70.2%**	**232,000**	**44.9%**	**285,200**	**55.1%**

Source: MSKK Atlas

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Org Push - Getting Started

- Next steps
  - Wait for feedback on plans & measurement suggestions
  - Follow-up with ECU on plans
  - Tighten OCU Plan
  - Better understand how to influence OCU in subs

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Org Push - Programs

Objective	Program	Target	Description	Owner	Key Metrics	CU		US Programs availability	
						ECU	OCU	Contents	Schedule
Motivate Field Forces	IE and IEAK Training	MS Sales Rep	Focus benefit of IEAK for corporate desktops.	PM	# of Sales rep trained	X	X	TBD	TBD
Increase Awareness	Org Momentum PR Push	Key press Key Editors	Introduce WW deployment status of IE40 and create safe choice image. Demo IEAK Wizards	PM	# of reached press/editors & articles	X	X	News Release	From 97/12
	Add IEAK in existing ads	ECU/OCU customers	Leverage IEAK AD with other MS' Internet Products (e.g. IEAK overview with URL on IIS AD)	PM	# of IEAK Web hits	X	X	N/A	N/A
Increase Knowledge & Consideration	Collaboration of TSB (Technical Solution Briefing)	ECU/OCU IT decision makers	New contents of TSB • Desktop with client strategy • Knowledge mgm	OCU Mktg. PM	# of customers reached & deployed	X	X	TSB materials • Desktop • Knowl mgnt	97/3-4 97/3 97/4
	Collaboration of TSB (Technical Solution Briefing)	Key VARS & OCU Partners	New contents of TSB • Spin messages to VARs • Business value of IE • Power & control of IEAK	PM OCU	New IEAK Licences to VARs # IE Desktops from this VARs Influence	X	X	TSB materials • Desktop • Knowl mgnt	97/3-4 97/3 97/4
	Collaboration of CSB (Corporate Solution Briefing)	MORG Customers	Add new contents for IE business value on CSB	OCU Mktg. PM	# of customers reached & held seminar	X	X	Appropriate TCB materials	97/3 4
	IEAK Eval CD	All Named Accounts Top 20% Select Accounts.	Provide the IEAK Eval CD to customers, Follow-up, Track and Incent internal staff on new Licences	PM ECU	# of additional IEAK Licences # of desktop deployments in those accounts	X	X	4.01 IEAK CD	ASAP
	Collaboration of MSDA	OCU - SORG customers	Add new contents for IE business value on MSDA	OCU Mktg. PM	# of customers reached & held seminar	-	X	Appropriate TCB materials	97/3 4
1:Few: Drive Deployments	IE Choice	NSCP ONLY LORG Accounts	Identify NSCP Only Accounts, Identify specific blockers and return when adressed. Review and rank issues and send key blockers to IIM	ECU/OCU	Turn >50% of NSCP only to Choice or IE	X	X	US Program not needed	ASAP
	Create IE Deployment SWAT team	ECU/OCU Sales Rep PM/R&D	Understand all the deployment issues of IE with MS' cross functional team and provide their solutions for smooth deployments	PM	# of customers reached & desktop deployed	X	X	IE Strike team	N/A
	Create IE Deployment SWAT team	MS Sales Rep Partners	Understand all the deployment issues of IE with external partners and provide their solutions for smooth deployments	ECU OCU		X	X	Deployment tool Case Studies CD	FY98 Q3 FY98 Q3
1:Many: Drive Deployments	Safe Choice Promotion (in PR, Seminars, Web)	ECU/OCU Customers	Reduce all the concerns and convince customers for IE deployment • Support hot line • Free deployment classes • Case studies	PM ECU/OCU	# of customers reached & desktops deployed	X	X	Deployment tool Case Studies CD	FY98 Q3 FY98 Q3
	IEAK Trial Direct Mails to SELECT & Open License accounts	ECU/OCU Customers	As above but broader scope based on learning, & resolution to key blockers.	PM ECU/OCU	# of licences for IEAK and desktop deployments	X	X	IE/IEAK 90 days Trial CD	First Program +90 Days

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Org Push - How we help

- Max leverage of Demo and Evaluation capabilities of 4.01 IEAK
- Make IEAK Evaluation database available
- Increase IE and IEAK content in TSB/CSB's
- TCO/ROI Studies - US team ;-)
- Intranet Value TSB
- Programs in planning stage:
  - 1:many training on IEAK
  - IEAK Customer & Partner workshops and/or content

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Org Push - Early Measurement & Incentive suggestions

- An account is not "standardised" on IE until:
  - IE deployment => country IE share (from hits).
  - Customer is an IEAK licensee.
- Each ECU Account Manager to deliver 2 references:
  - One for internal referencing
  - One for PR release.
- Make IE deployment the .5 swing factor in July ratings.
- Internal competition for Account teams based on deployment & switchers.
- Use the IEAK Eval database as a simple way to track progress.

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LarsBa

- Active Channels
- Channel Guide
- Search Bar
- IE Web site
- Default Start page

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Active Channels - Numbers

- 500 Platinum Channels from 63 markets at launch (Goal: 200)
- 400 Platinum Channels in Channel Guide
- 200+ Gold Channels in Channel Guide (Goal: 200)
- 1135 Basic Channels in Channel Guide (12/17)
- 20-200% increase in Traffic reported from ICPs
  - Spiegel 20%, NZ Business Review 200%

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Promotion value added 10-30% to IE Marketing budget

- Print advertising, Online advertising, Migration to our products, Air time, CD manufact. and distr., Exclusive content (games, titles), Direct mail
- Adding approximately $10M to IE Marketing

Country	CG Platinum	CG Platinum	CG Gold	CG Basic	CG Total	CG traffic	Netcaster	Promo Value	Search Bar	Search traffic
Japan	6	6	9	25	40	21800		$ 565,000 00	4	60000
Germany	11	11	6	102	119	4200	8	$1,365,500 00	6	13000
Canada	10	9	14	90	113	4900		$ 100,000 00		
UK	10	10	23	137	170	5400	2	$ 800,000 00	6	25000
Australia	9	9	11	20	40	2400	6		6	8000
France	12	11	4	21	36	2400		$ 875,000 00	6	

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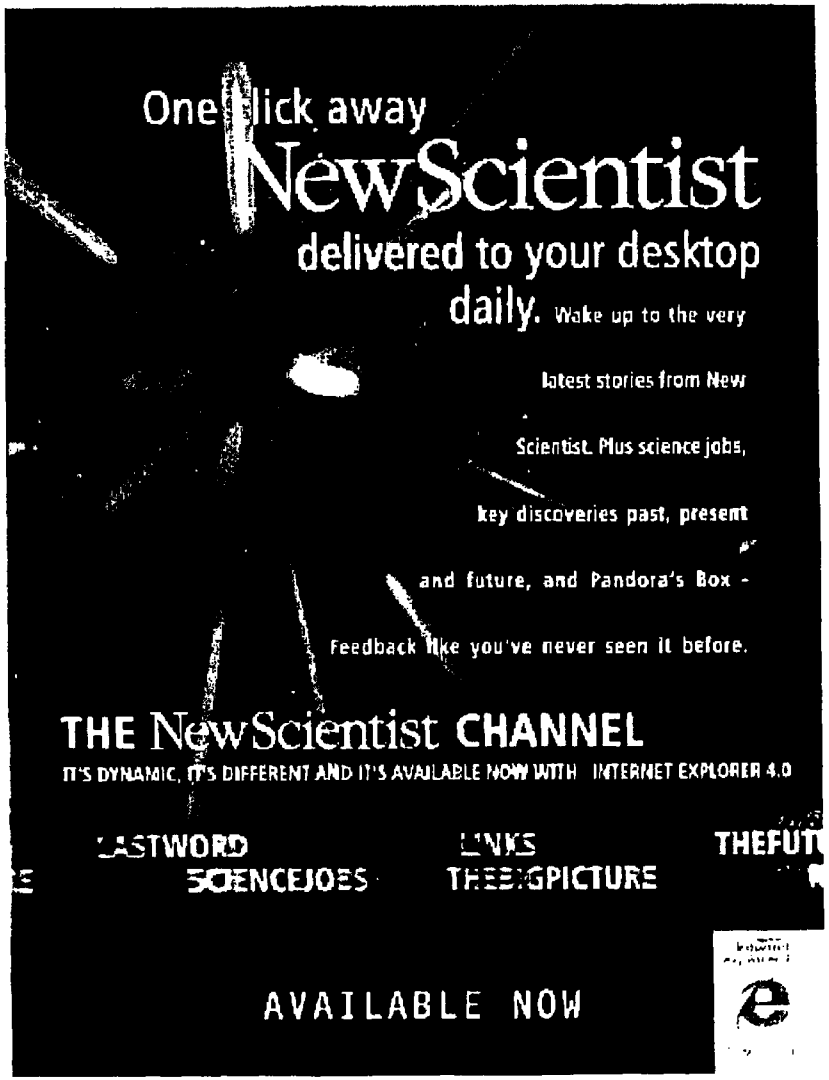

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Netscape

- 24 International Netcaster channels (1/12) - Australia 6, UK 2, Germany 8, Hongkong 3, Japan 5
- Channel Finder:
  - no multi-lingual, multi-country search.
- Netcaster localized only to German and Japanese.
- No local bookmarks.
- Few pre-populated folders pointing to old or no information
- No local Netcenter - the start page is a localized subset of www.netscape.com.
- InBox Direct has 27 International content providers

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Active Channels - Lessons learned

- WW design is possible
- When we optimize for USA we make mistakes
  - Hard coded content
  - Cached content
  - Hard wired contracts
- Evangelism is weak WW
  - Localization (AndreasT) did all the evangelism and training
- We could have gotten more from the ICPs

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Active Channels - Next steps

- Enforce existing technology commitments
  - 1st round of quality control already done by Localization for subscription method and NS logos
  - 2nd round will dive into more detail (DHTML, other IE logos, ActiveX..)
- Enforce existing promotional commitments
  - Use version 2 of the Channel Guide as a reminder
  - CG contract renewal/negotiation in April/May
- IE5 planning and spec review
  - Suggested to use local HMCs as the distribution medium for content partners, also adds immediate user value = retention

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Channel Guide - Numbers

- 600 Premium (an additional 350 is not yet live) and 1135 Basic Channels from International
- UI Localized into 24 languages
- 63 market specific views of a WW database (1-1 relationship between channel bar and channel guide)
- 60% of traffic from International

Country	Traffic
USA	64912
Japan	21764
Taiwan	11830
Brazil	6988
UK	5314
Canada	4860
Korea	4476
Italy	4335
Germany	4137
Spain	3102
Hongkong	2831
Sweden	2764
Netherlands	2746
Australia	2396
France	2324
China	1282

Add Others...
November Daily Average

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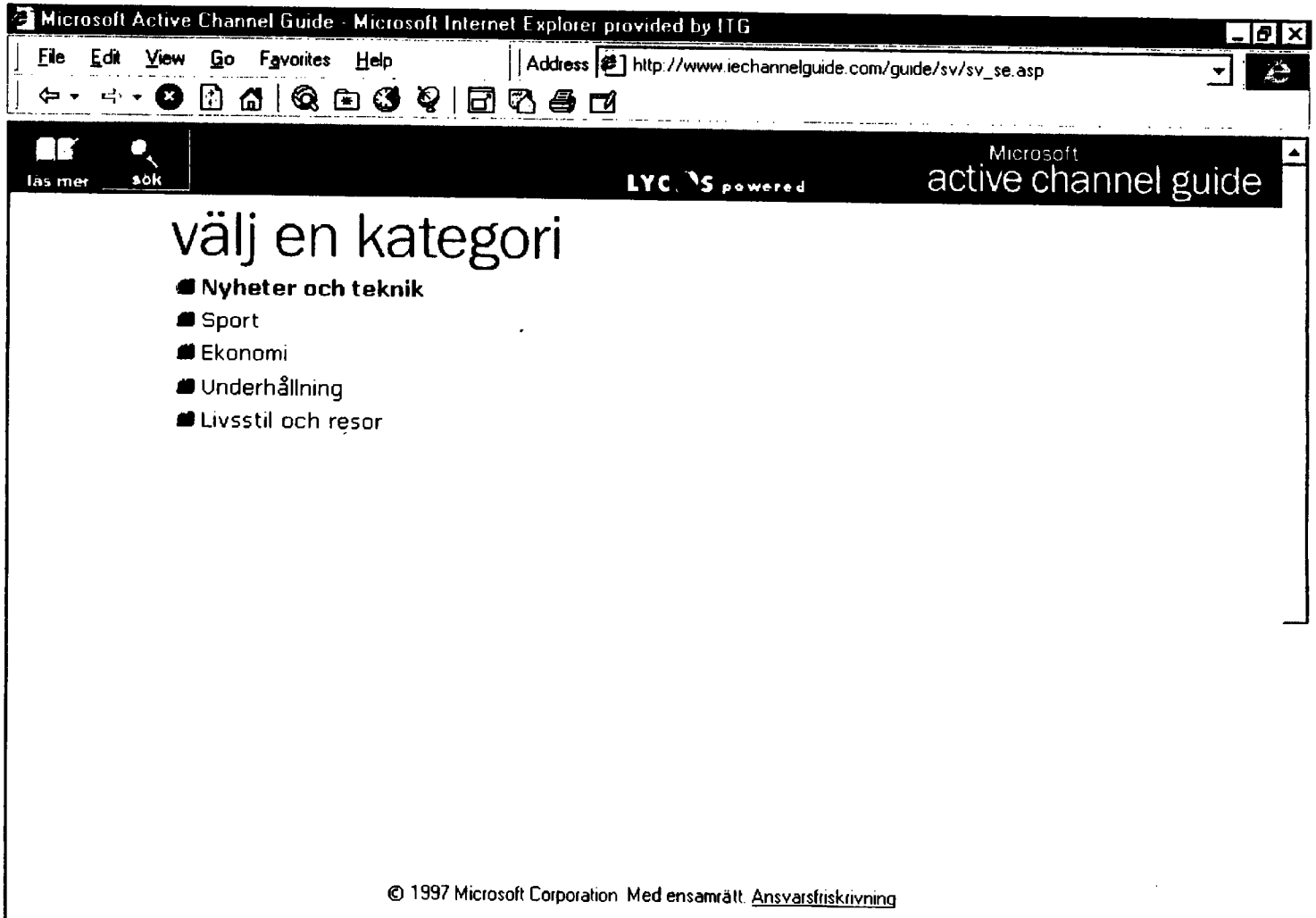
Swedish Channel Guide



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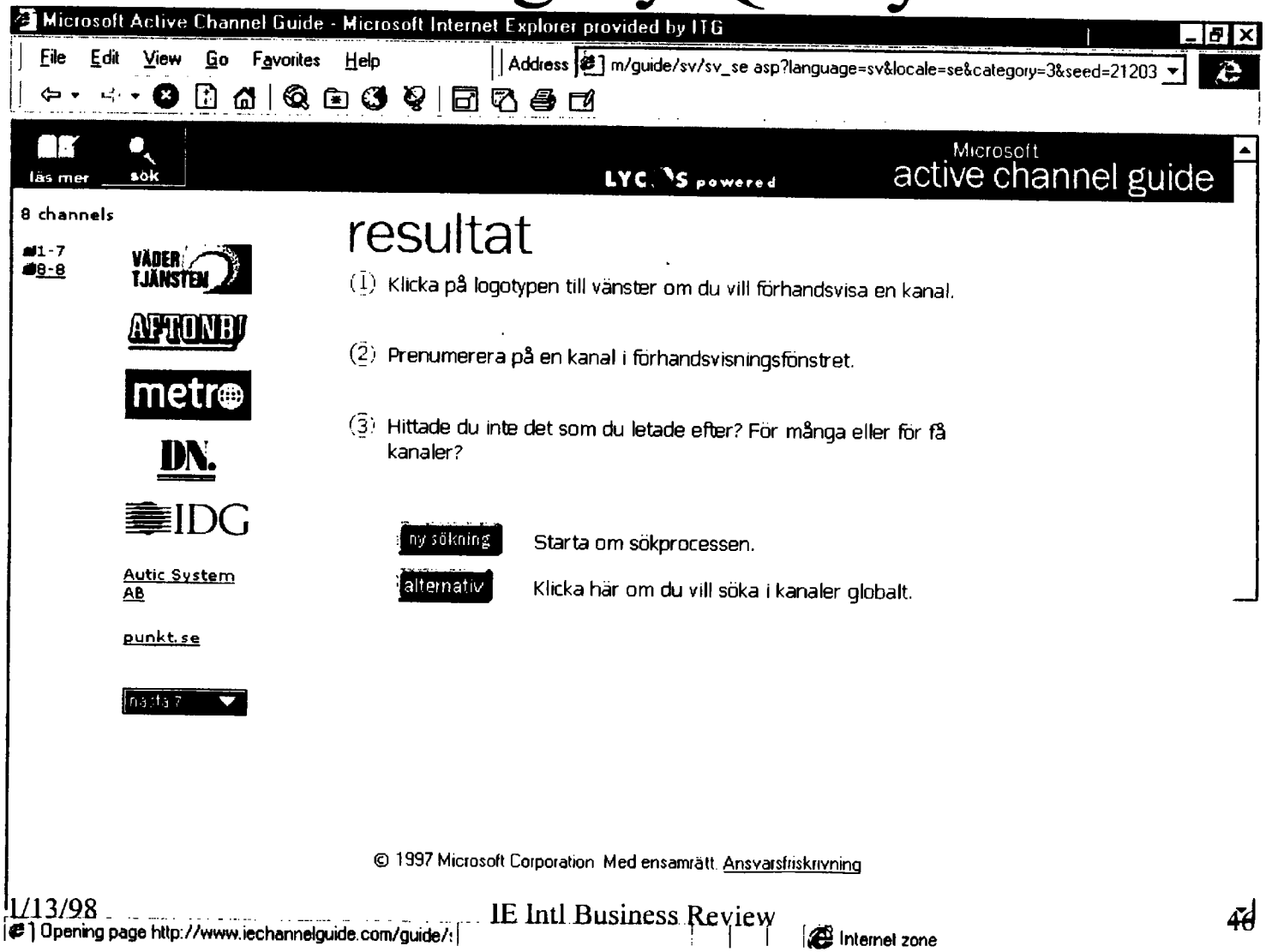
Category Query



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Channel Guide - Netscape

- No local view
- The 24 local channels are in the International section in the US Channel Finder
- No language/country search tool

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Next Step

- Quick fix for International with limited partner promotions
- New WW design in late February adds promotions and ads to all Channel Guides
- Merge with HMC?

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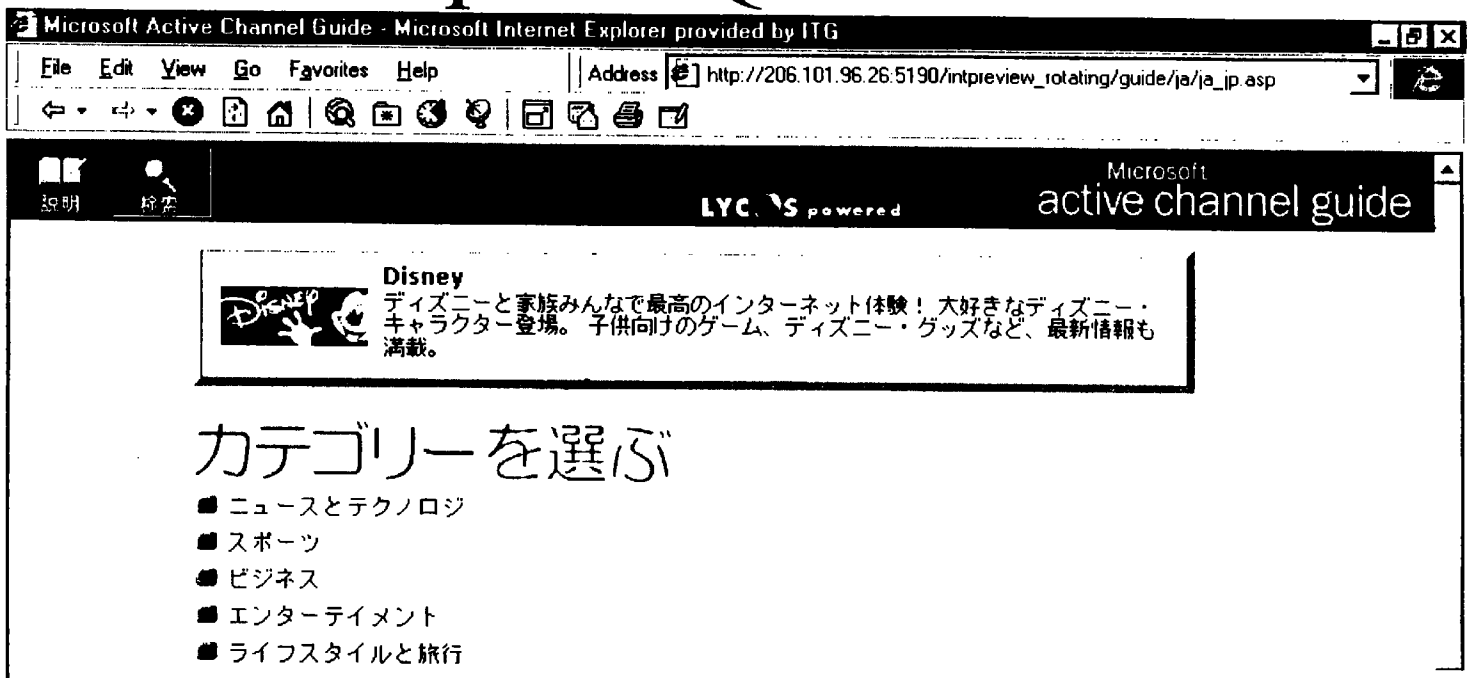
Japan - Quick Fix



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Channel Guide version 2

guide | help | feedback | LYCOS powered | Microsoft active channel guide

active channel guide

December 12:
E! Online

Sample Heading
Text for promotions or current information to go here. Text for promotions or current information to go here. Text for promotions or current information to go here. Text for promotions or current information to go here.

Get your channel into the Active Channel™ Guide!

Try Outlook Express this Holiday Season and "Say Hello to Win" a new color printer or PC!

Send us your feedback!

preview one of five featured channels below

FOX NEWS

News & Technology:
What's hitting the headlines today? Fox News is our featured channel today, with all the news you can use.

search for an active channel

Language:
English

Country:
USA

Category:
All Categories

Keywords:
You can further refine your search by adding keywords or phrases

search

Click here amazon.com™
EARTH'S BIGGEST BOOKSTORE

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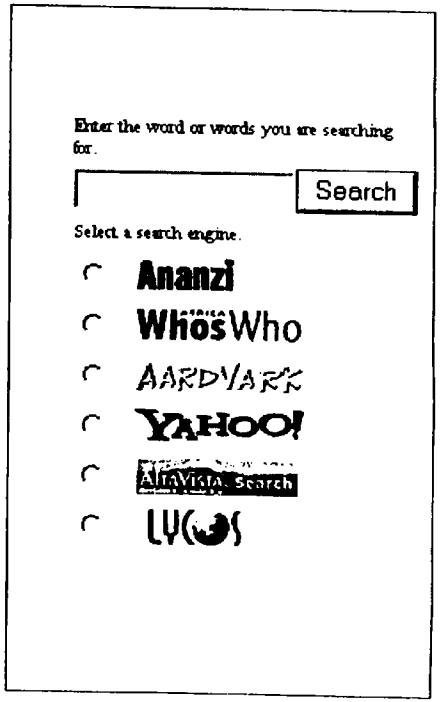
Search Bar

- Results
  - We asked for more in International, even exclusive logo
  - 33 country specific search bars are now live (Goal: top 10 subs)
  - Nordic will get automatic competitive upgrade messages from Euroseek.
  - Daily traffic looks good - Japan 60k, UK 25k, Germany 13k, Sweden 10k
- Netscape
  - Navigator has search links in the product, but no search bar
  - Local links point to Excite "not ready yet" web site



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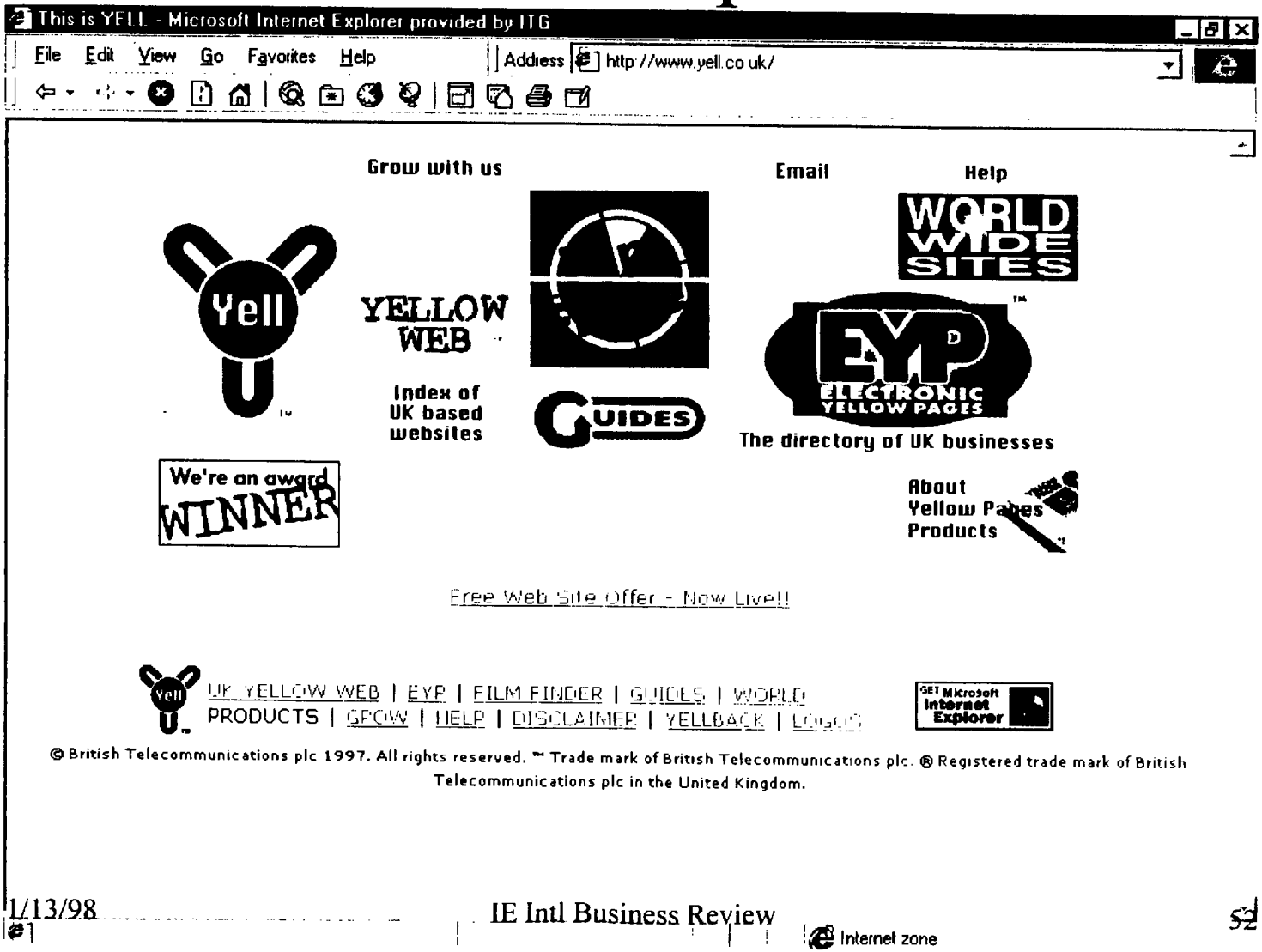
UK Search partner



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IE Web site

- Small subset of the IE site
  - Key compontents
    - Download pages
    - IEAK
    - Core IE Product information
    - Core OE product information
- All tier1 languages done by Preview 2
- Localized into 23 languages
- 6th most trafficked site on Microsoft.com
- Next step
  - Review the specs for next redesign

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Japanese IE site

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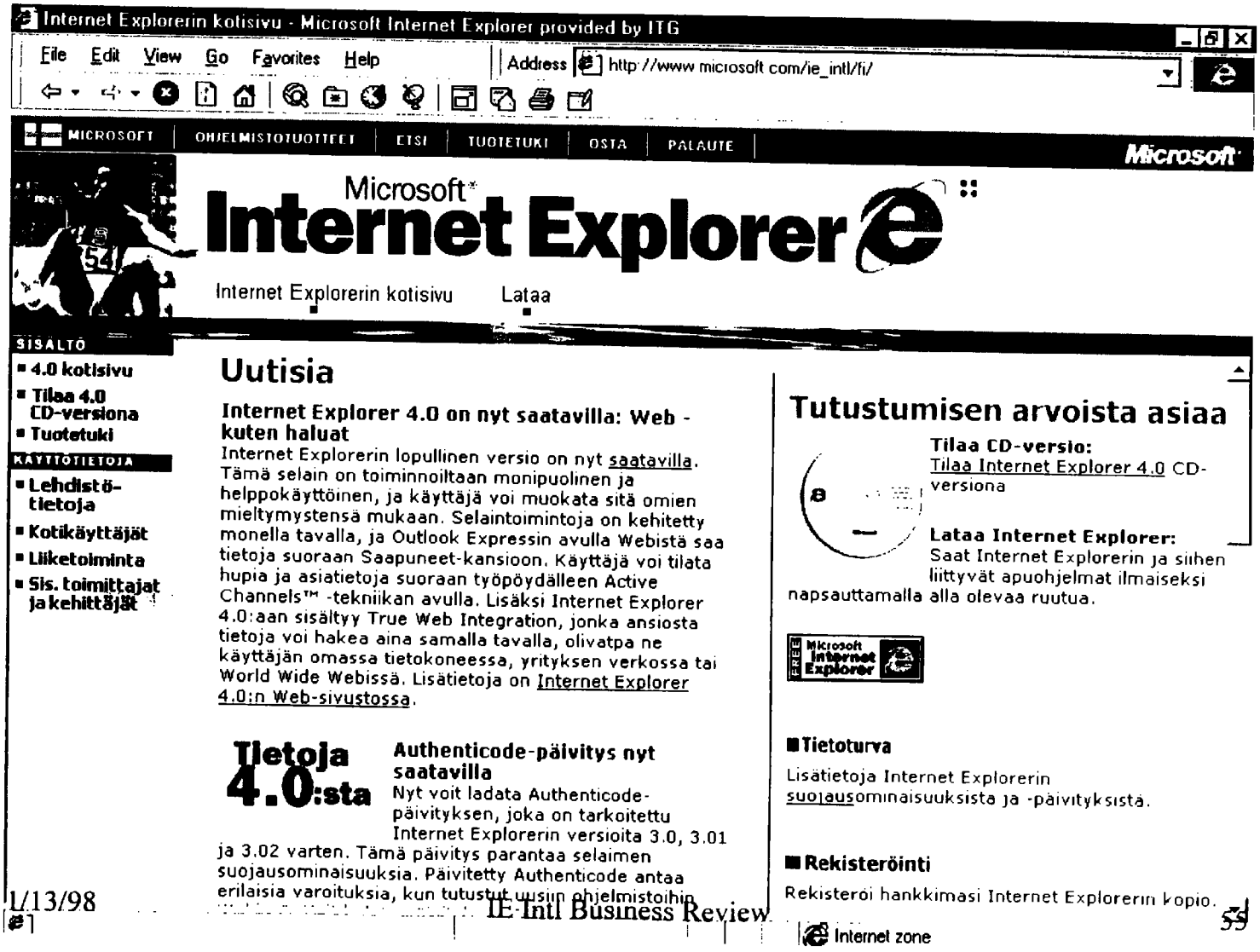
Finnish IE site



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IE Start - Results

- Simplified design localized into 23 languages
- Four types of default start pages
  - Simplified localized design hosted by us
  - Simplified localized design tweaked or completely rebuilt and hosted by sub
  - English language browsers pointing to HMC
  - Local browsers pointing to local MSN
- Six Start pages are now owned locally, more to come, Japan is only sub pointing to MSN today

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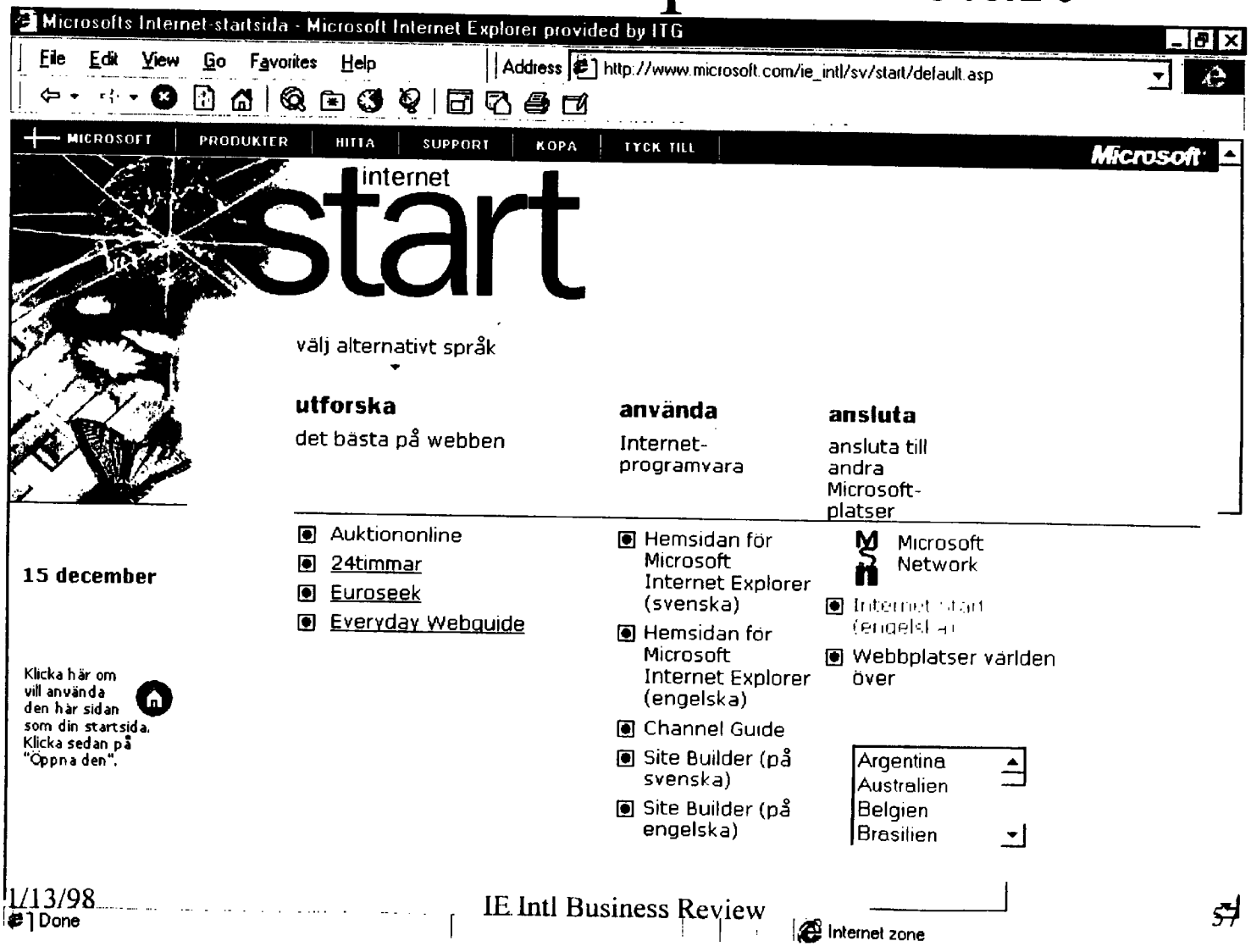
Swedish Simplified start



1/13/98 IE Intl Business Review 57

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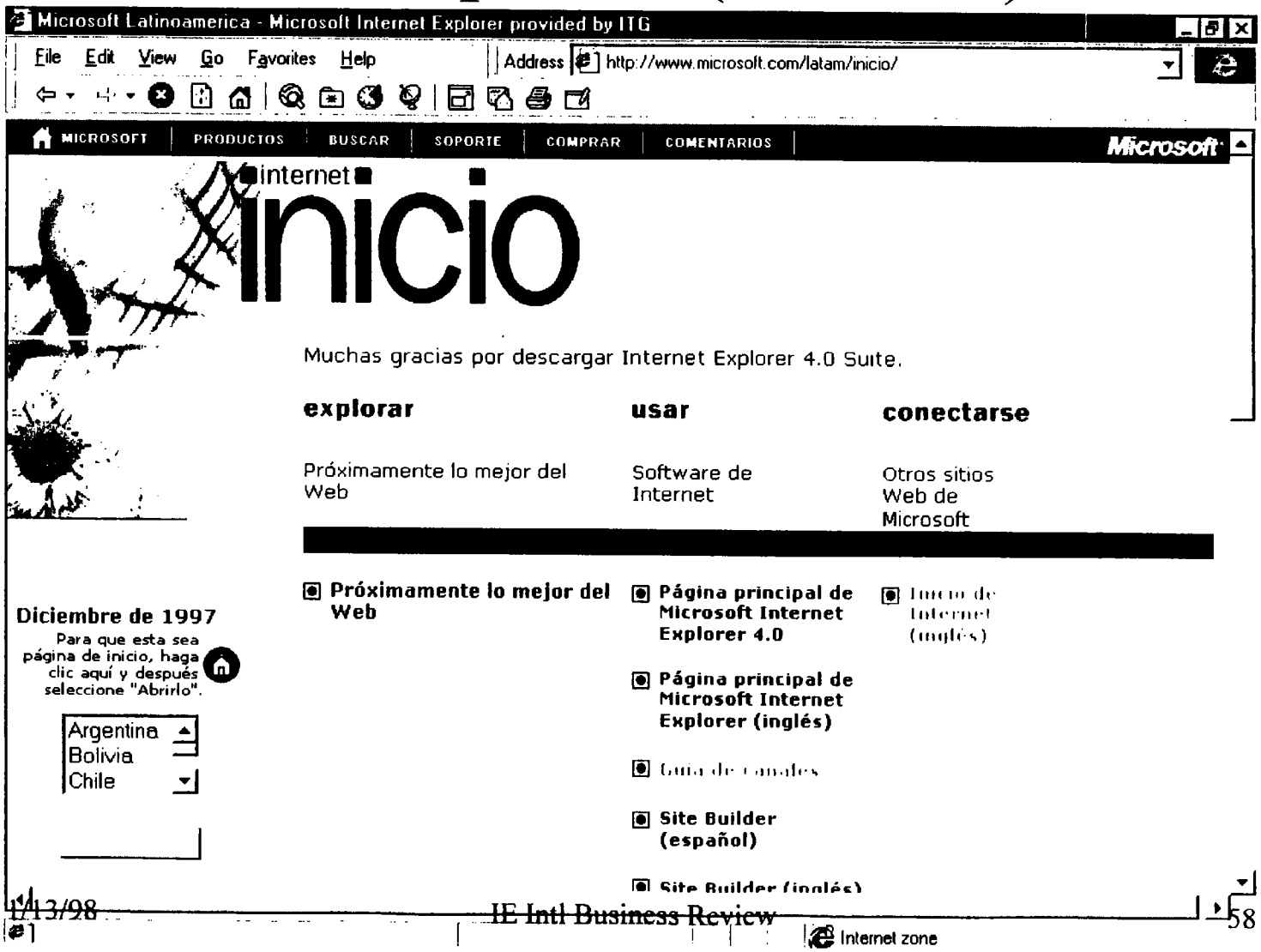
LatAm Simplified (tweaked) start



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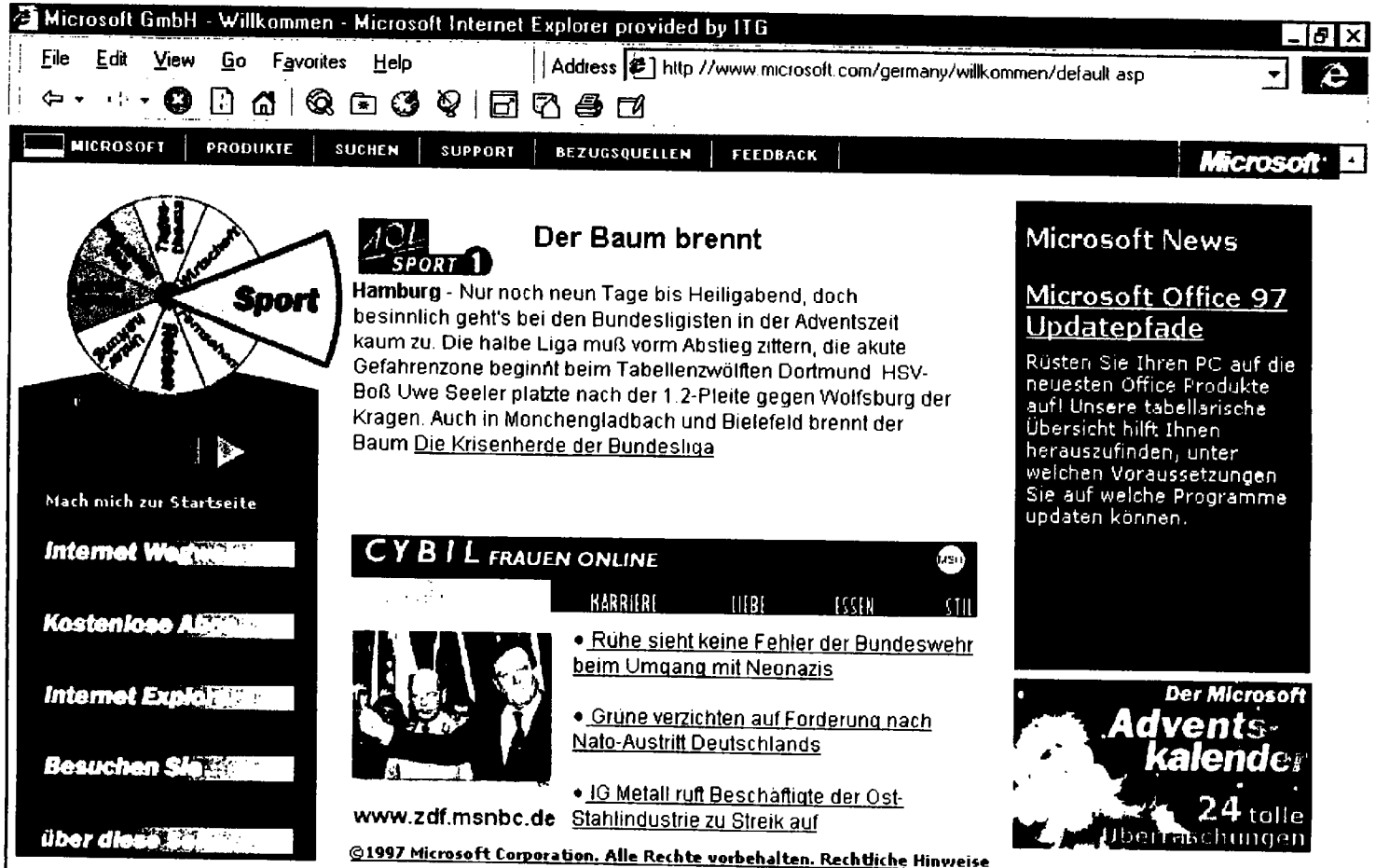
German Customized start



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Japanese MSN start

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Traffic

Market	Traffic	Type	Resources	Technology	Partners
Japan	248,116	MSN	MSN	No	No
Germany	4,800	Local	No	No	Yes
Canada		HMC	N/A	N/A	N/A
United Kingdom		HMC	N/A	N/A	N/A
Australia		HMC	N/A	N/A	N/A
France	6,400	Local	No	No	Yes
USA	800,000	HMC	HMC	Yes	Yes
Italy	5000	Local	No	No	No
Sweden	1300	Simplified	No	No	No
Brazil	900	Simplified	No	No	No
Denmark	400	Simplified	No	No	No
Belgium (Dutch)	300	Simplified	No	No	No
Russia	150	Simplified	No	No	No
China	130	Local	No	No	No
Greece	120	Simplified	No	No	No
Norway	120	Simplified	No	No	No
Finland	100	Simplified	No	No	No

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Netscape

- No localized default start page
  - Localized language version of www.Netscape.com (12 languages)
  - No local Netcenter

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What do we know?

- If it is an important strategy for USA -
  - It's equally important for International
- Existing design
  - Little end user value, low traffic, no local resources, not a technology showcase, not leveraging partners
- Subs want a "portal"
  - Dublin meeting made that clear
- We already did the hard work
  - We have the biggest brands
  - We did the Channel Guide

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If we go ahead

- February-March
  - Development of packaged solution and business guidelines
- April-May
  - Rollout in International with regional workshops
- June-July
  - RTM

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Kudos

- Local Subs
- Andreas Traem and his Irish team
- Joe Oswald, Joyce O'Neill
- Emily Warn
- The Channel Guide team
- Will Poole
- Richard Billson

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Back-up

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IE share

	Intl	US	Total
• Jan 97	27.1%	20.0%	23.3%
• July 97	39.2%	29.0%	33.9%
• Jan 98	50.8%	42.0%	46.3%

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Browser share data

	Jan. 98	Jul.97
• Subs overall estimate	50.8%	39.2%
• Hits on ISPs web sites	50.9%	
• Hits on top web sites	52.6%	

- Other public numbers
  - 3rd party surveys, search engines…
- ECU account tracking (starting now)
- Call-downs (not planned)

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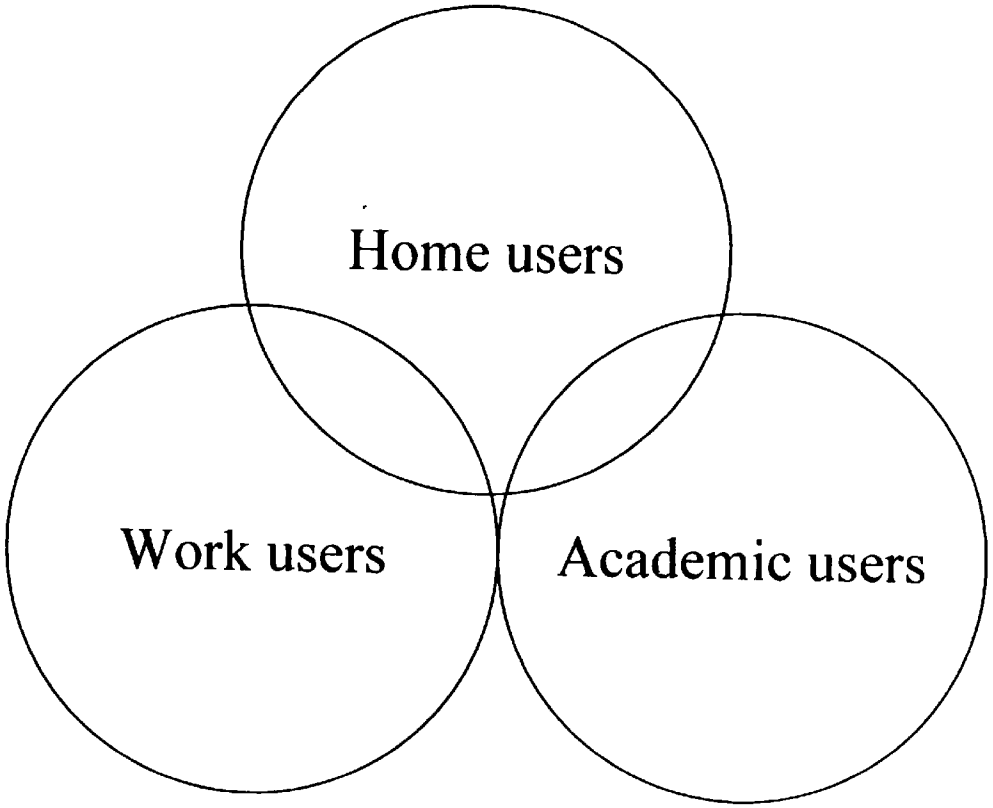
Browser share estimates



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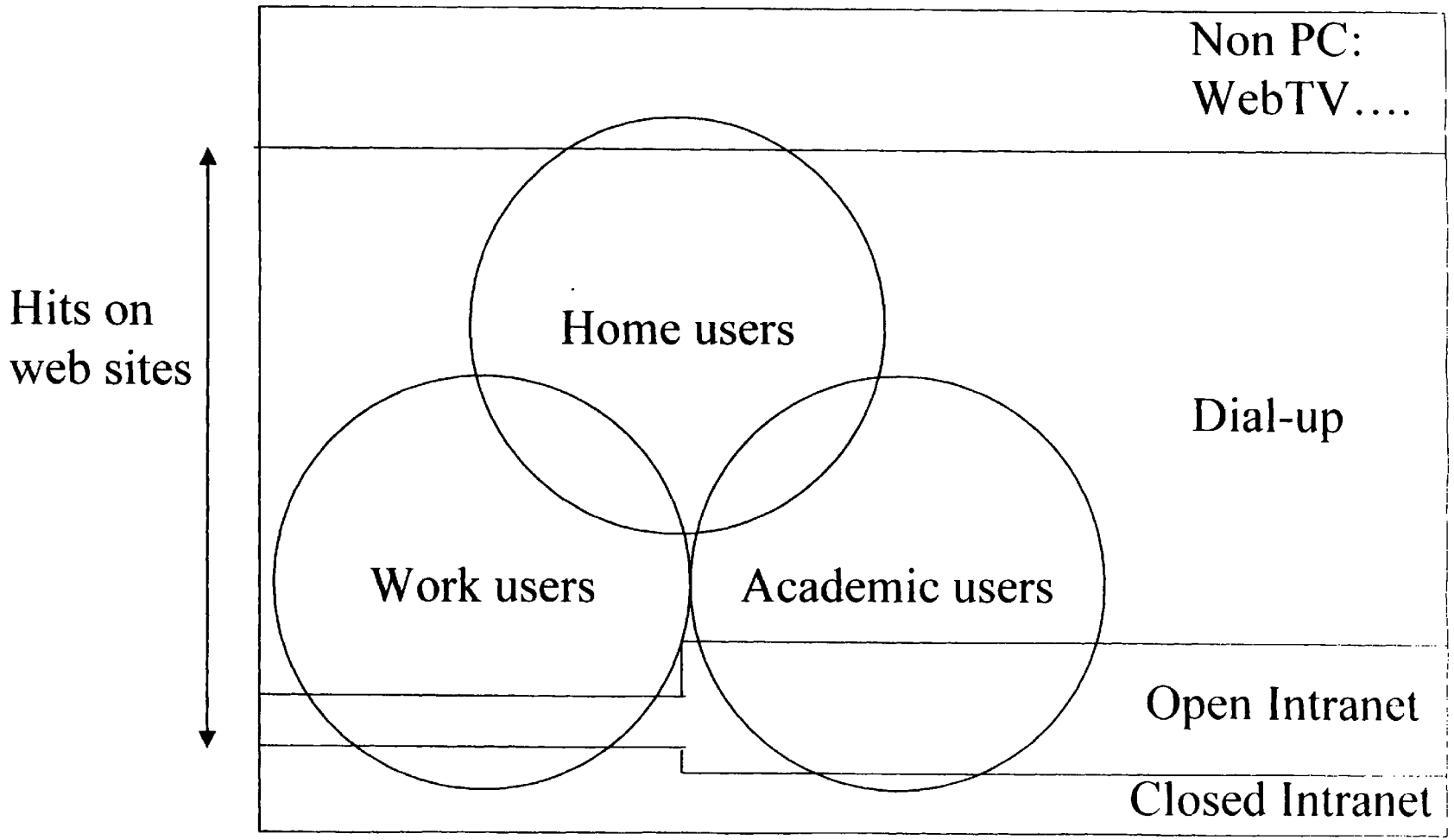
Browser share estimates



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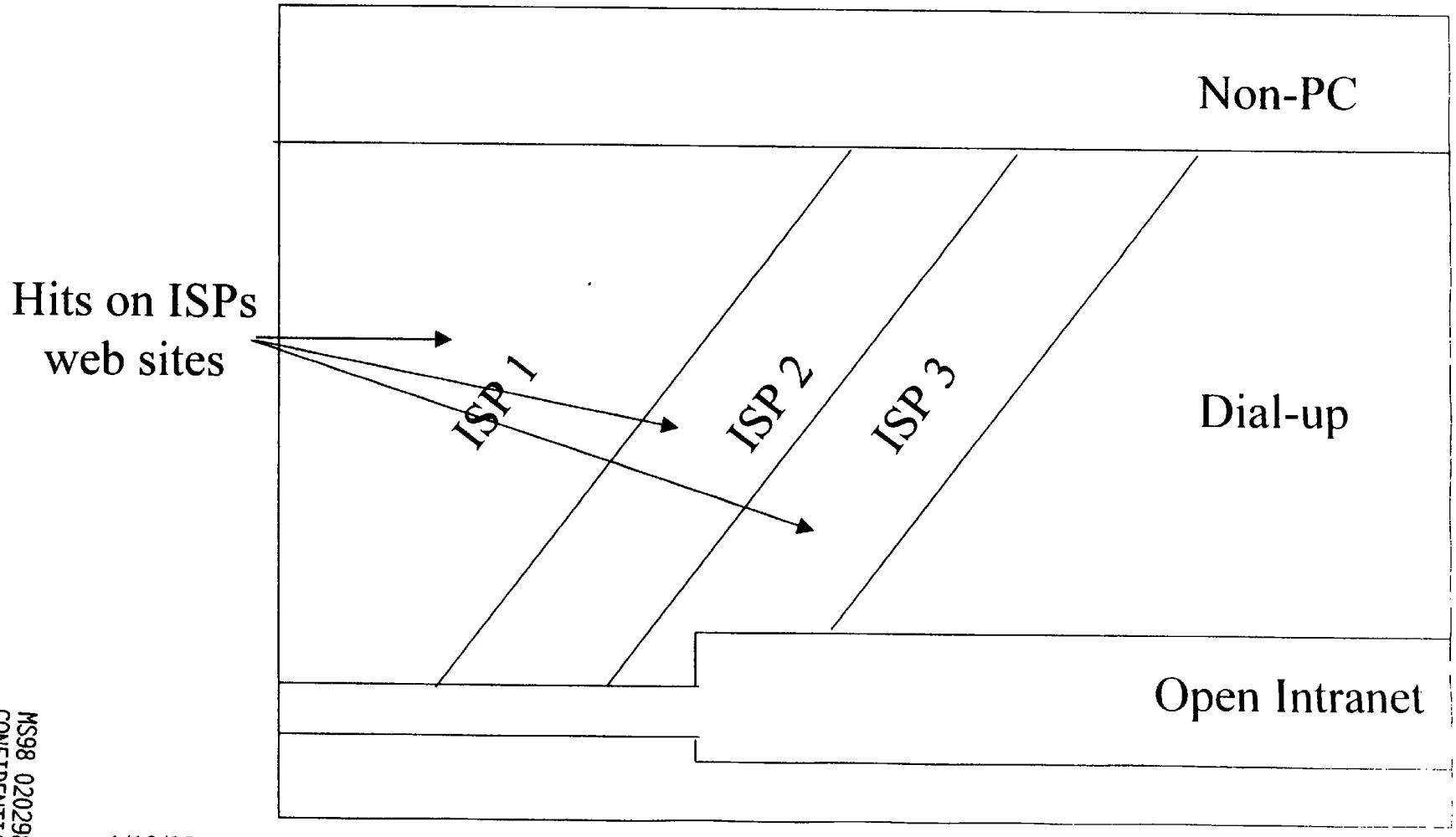
Browser share estimates



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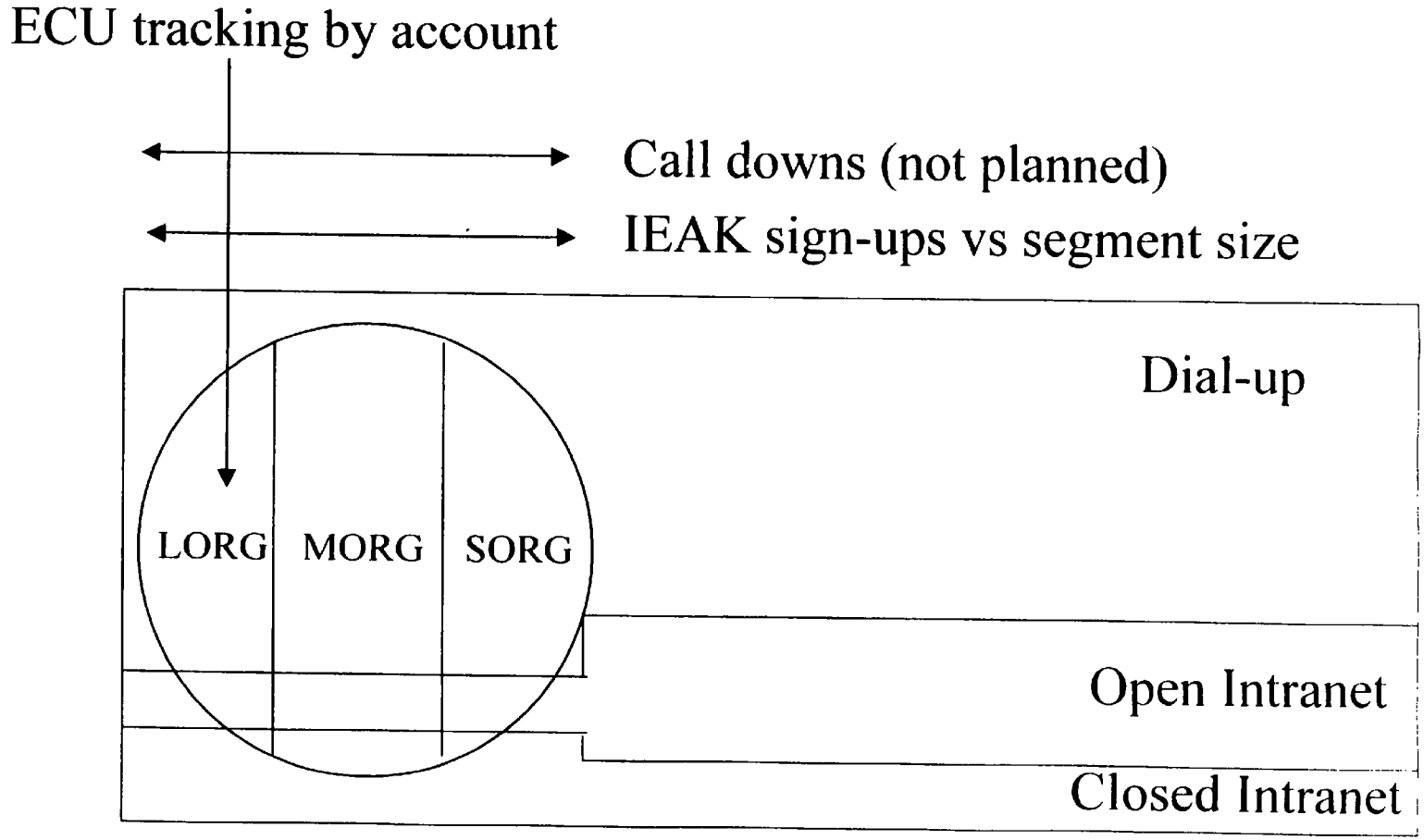
Browser share estimates Organizations



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Browser source

Browser source	US		Germany		UK		Japan	
	July	Nov	July	Nov	July	Nov	July	Nov
	N=351	N=351	N=249	N=249	N=142	N=142	N=149	N=150
On line service / ISP	26%	19%	33%	28%	25%	14%	1%	1%
Downloaded it	18%	19%	29%	19%	19%	16%	40%	28%
Got it at work	14%	20%	8%	4%	22%	31%	9%	1%
Came with computer	14%	17%	8%	20%	10%	13%	17%	24%
Retail store	5%	9%	3%	12%	4%	5%	21%	22%
Came in mail or magazine	3%	4%	11%	9%	6%	14%	8%	14%
Gift	3%	4%	2%	6%	1%	2%	2%	2%
Other	3%	8%	2%	2%	1%	4%	2%	9%
Don't know	11%	0%	4%	0%	11%	0%	0%	0%

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Org - Primary Browser

Small Business	US			France			Germany			UK			Italy	NL	Sweden
Primary Browser	July	Nov	Mar	July	Nov	Mar	July	Nov	Mar	July	Nov	Mar	Mar	Mar	Mar
Base: have access	N=128	N=145	N=139	N=16	N=12	N=38	N=62	N=40	N=44	N=41	N=34	N=51	N=49	N=51	N=59
Netscape Navigator	40%	42%	45%			27%	40%	34%	27%	24%	49%	16%	10%	29%	46%
Microsoft Internet Explorer	10%	15%	13%			29%	7%	2%	16%	2%	9%	23%	30%	37%	25%
AOL Built-in browser	25%	26%	16%			0%	0%	41%	6%	2%	0%	2%	0%	0%	0%
CompuServe/CIS	11%	7%	3%			9%	21%	5%	3%	39%	21%	25%	0%	12%	0%
Mosaic	0%	1%	1%			0%	0%	0%	0%	7%	17%	7%	2%	4%	0%
Other	5%	2%	4%			16%	30%	17%	6%	11%	4%	2%	2%	2%	0%
Unsure	9%	7%	18%			17%	2%	1%	42%	15%	0%	25%	22%	14%	10%

Corporations >51 PCs	US			France			Germany			UK			Italy	NL	Sweden
Primary Browser	July	Nov	Mar	July	Nov	Mar	July	Nov	Mar	July	Nov	Mar	Mar	Mar	Mar
Base: have access	N=157	N=144	N=190	N=30	N=40	N=60	N=78	N=60	N=81	N=60	N=77	N=90	N=69	N=72	N=93
Netscape Navigator	56%	59%	49%	30%	43%	32%	67%	55%	58%	45%	58%	40%	19%	44%	51%
Microsoft Internet Explorer	8%	15%	28%	3%	16%	17%	5%	9%	18%	8%	14%	32%	57%	38%	34%
AOL Built-in browser	17%	11%	8%	0%	3%	1%	3%	1%	3%	2%	4%	2%	0%	0%	0%
CompuServe/CIS	10%	5%	6%	13%	21%	13%	15%	17%	7%	27%	20%	15%	1%	5%	0%
Air Mosaic	2%	4%	0%	3%	9%	7%	2%	0%	0%	3%	0%	3%	0%	0%	0%
Other	4%	5%	3%	11%	2%	10%	7%	17%	5%	8%	1%	2%	1%	0%	0%
Unsure	5%	3%	6%	40%	6%	20%	0%	1%	9%	8%	3%	6%	12%	10%	10%

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Logos - June 97

country	domain	link:http://www.microsoft.com/ie	Netscape Download links	MS/NS download links
WW	whole WWW	279,494	382,566	73.1%
Australia	au	5,007	3,622	138.2%
Canada	ca	1,631	3,332	48.9%
Finland	fi	1,315	2,024	65.0%
France	fr	460	1,535	30.0%
Germany	de	1,270	2,562	49.6%
Italy	it	3,185	2,511	126.8%
Japan	jp	1,159	2,339	49.6%
Netherlands	nl	350	833	42.0%
Norway	no	151	439	34.4%
Sweden	se	942	1,407	67.0%
Switzerland	ch	459	1,384	33.2%
United Kingdom	uk	11,818	7,251	163.0%
Intl domains		36,938	41,518	89.0%

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OS

	US		Germany		UK		Japan	
	July	Nov	July	Nov	July	Nov	July	Nov
Base: Total respondents	N=292	N=405	N=253	N=207	N=150	N=200	N=169	N=150
Beginning user	47%	58%	22%	41%	29%	61%	65%	63%
Intermediate user	35%	29%	51%	41%	50%	25%	31%	33%
Advanced user	17%	13%	27%	18%	21%	14%	2%	5%
Don't know	1%	1%	0%	0%	0%	1%	2%	0%
Male	59%	60%	96%	81%	84%	71%	91%	88%
Female	41%	40%	4%	19%	16%	29%	9%	12%
Access from Home only	51%	46%	49%	49%	28%	29%	53%	43%
Access from Work only	32%	34%	14%	34%	43%	56%	12%	21%
Access from both	17%	20%	36%	18%	29%	15%	35%	35%
Operating System used to access the Internet								
Win 3.x	38%	27%	36%	38%	45%	29%	10%	2%
Win 95	39%	48%	49%	51%	41%	45%	75%	83%
Mac	14%	14%	1%	4%	6%	9%	5%	14%
PowerPC	-	-	-	2%	-	3%	4%	

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UK Plan

- Focus on their three key depth ISPs for switcher programs
  - CompuServe, AOL, Virgin
- Breadth program...
  - Currently profiling all breadth ISPs
  - Direct e-mail
    - Special briefing on MS Client/Server and invite to join ISN
    - Sign up for ISN
      - Requires IEAK license agreement
      - UK ISN Welcome kit
        - » IEAK
        - » Beta CDs, Discounts on Training etc
        - » Creating regular newsletter to inform on new MS technologies

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How did we help?

- ID Key Focus Areas for Launch
- Drove ICU IE/OE focus at MGS
- Linked switcher programs with IE Launch programs
- Drove US to get WW focus for pre-launch programs
- Managed Intl IE license agreements
- Worked to make infrastructure Intl friendly
- Share best practices

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Need from you

- Final agreements ready 3 months prior to launch
- Build-in budget for Pre-launch Intl ISP programs
  - Need IEAK Deployment labs both here and in at least two Intl locations
  - Dedicated Intl Beta Support and better WW PSS prep
  - Why?
    - Accelerates Intl ISP adoption
    - Improves information sharing for Redmond, the customer, and the subs

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Intl AOL/ Compuserve

- AOL

	User Base	IE Share	% inet users
AOL UK	300K	45%	20%
AOL Germany	400K	55%	12%
AOL Canada	130K	30%	10%
AOL France	80-100K	50%	17%

- Compuserve

CS UK	400K	78%	25%
CS Germany	300K	60%	8%
CS France	87K	74%	15%
CS Netherlands	60K	47%	11%
CS Switzerland	55K	75%	25%
CS Australia	23K	40%	5%
CS Belgium	20K	56%	16.5%
CS Mexico	N/A		

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Brian's Back-up

Communications

Organization-focused		Audience/topic	
ICU	ICUIMGR	ICU Intl directors and managers	
	ICU-INTL	all ICU Intl people	
Windows Mktg	WDESKMGR	Windows Desktop Marketing Managers	
	WDESKPM	Windows Desktop Product Managers	
IE marketing	WWIEM	IE marketing people	NEW
ADCU	ADCUALL	all ADCU people US and Intl	
	WWADCUMG	ADCU managers	
Dev tools mktg	DDPMWW	all Dev tools marketing people	

Specific topics		Audience/topic	
Platform evangelism	WWPLATMK	Platform mktg (WinDNA, Com, Java)	NEW
Content evangelism	WWIE	CDF, DHTML, SBN	
Developer Events	WWDEVEVE	all people working on Dev events	NEW
IE Technical Info	IECHAMPS	SEs	

General info		Audience/topic	
General info	WWIMM	Phased out	DEAD
	DEVNEWS	Internet and Developer News (used to be IPTD News)	

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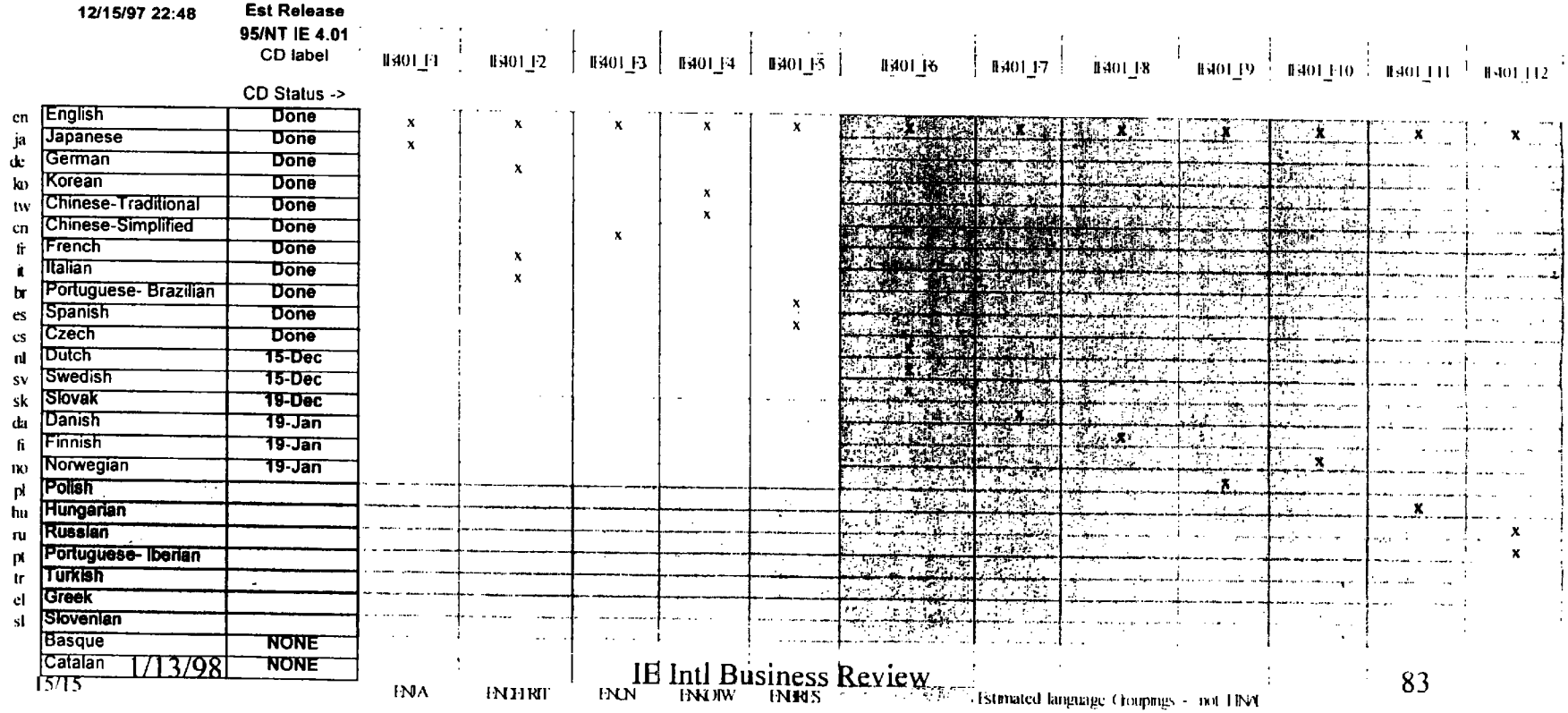
Final & Draft - CD Plans for 4.01

- Multi-lingual fixed
- CD for more than just IE
- \\KIWIINTL\IE4FINAL



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Org Push - Measurement

- Some doubts on data
  - What is in MYR:
    - Slide 1 - Topline NS Data, Rev, share, mktg $, Heads
    - Slide 2 - PC Base and Shipments
    - Slide 6 - Overall IE Share, Dial-up base
    - Slide 14 - Reported Marketing spend for "Internet"
    - Slide 16 - OCU - Depth Partner counts, market and share, MS and NSCP
    - Slide 19 - ECU - Topline IE share in Strategic, Named and Breadth Accts
    - Slide 20 - ECU - Top 50 accounts Browser standard
  - What we are asking for:

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Org Push - Tracking ECU

ECU - Appendix

Account Name	Approx # of Desktops	% of Desktops With Browser	Intranet	% Browser Share NS	% Browser Share IE	IE IE - 30% Why?	Standard Browser	Active Desktop in production	Active Channel in production	Reference Account Leverageable	Reference Account Public	IEAK Licence?
Account Name #1	10,000	90%	Yes	50%	50%	Note key issue (s)	Microsoft	Yes	Yes	Yes	Yes	Yes
Account Name #2			No				NCSP	No	No	No	No	No
Account Name #3							None	Pilot	Pilot			
Account Name #4												
Account Name #5												
Account Name #6												
Account Name #7												
Account Name #8												
Account Name #9												
Account Name #10												
Account Name #11												
Account Name #12												
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Account Name #45												
Account Name #46												
Account Name #47												
Account Name #48												
Account Name #49												
Account Name #50												

12/8/97 14:29

ECU Appendix

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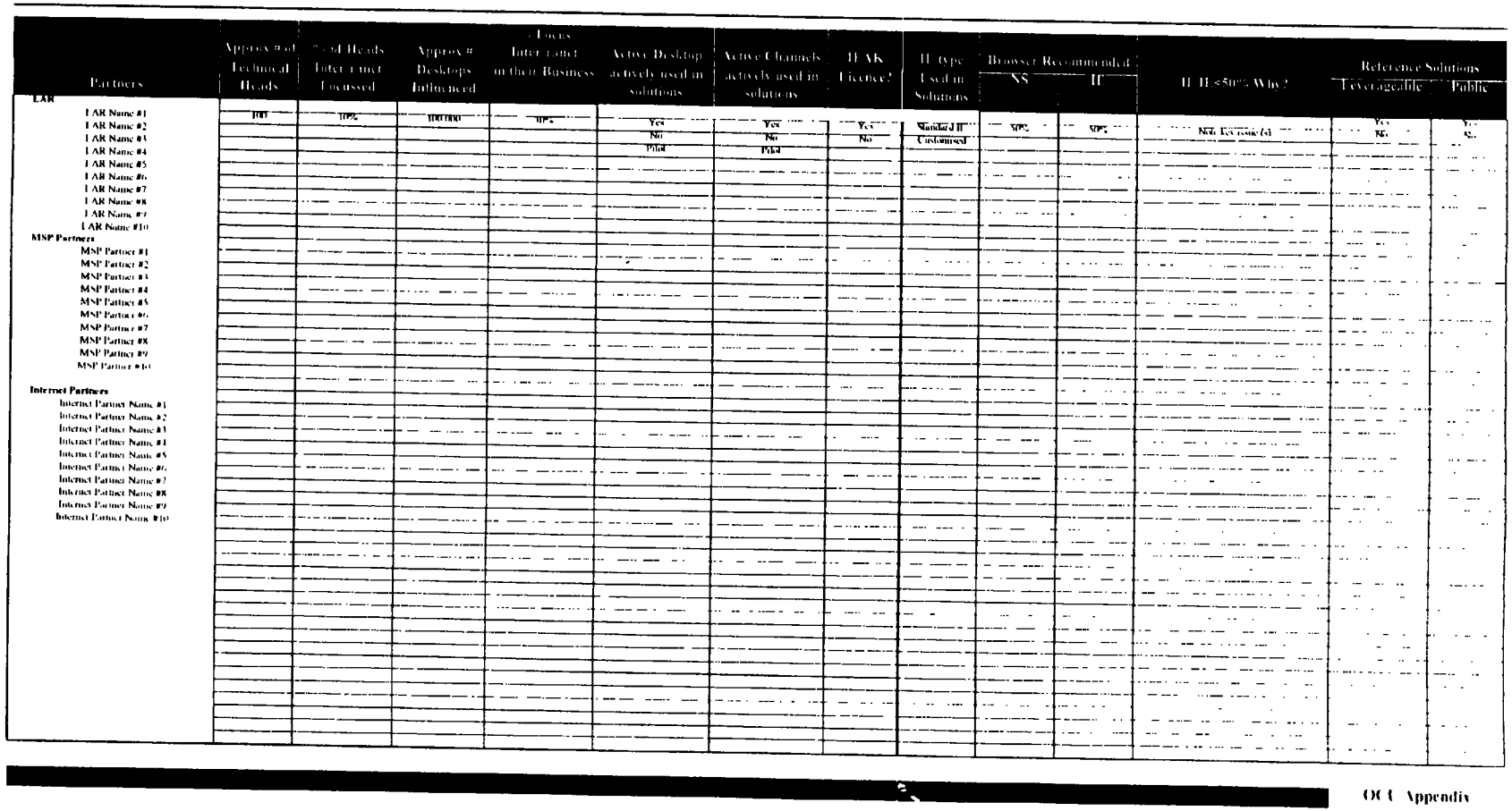
Org Push - Tracking OCU

OCU - Appendix



Partners	Approx # of Technical Heads	% of Heads Inter-r.net Focussed	Approx # Desktops Influenced	Focus Inter-r.net in their Business	Active Desktop actively used in solutions	Active Channels actively used in solutions	IEAK Licence?	IE type Used in Solutions	Browser Recommended NS	Browser Recommended IE	IE IE<50% Why?	Reference Solutions Leverageable	Reference Solutions Public
LAR													
LAR Name #1	100	10%	100 000	10%	Yes	Yes	Yes	Standard IE	50%	50%	Non-Key issue(s)	Yes	Yes
LAR Name #2					No	No	No	Customised				No	No
LAR Name #3					Pilot	Pilot							
LAR Name #4													
LAR Name #5													
LAR Name #6													
LAR Name #7													
LAR Name #8													
LAR Name #9													
LAR Name #10													
MSP Partners													
MSP Partner #1													
MSP Partner #2													
MSP Partner #3													
MSP Partner #4													
MSP Partner #5													
MSP Partner #6													
MSP Partner #7													
MSP Partner #8													
MSP Partner #9													
MSP Partner #10													
Internet Partners													
Internet Partner Name #1													
Internet Partner Name #2													
Internet Partner Name #3													
Internet Partner Name #4													
Internet Partner Name #5													
Internet Partner Name #6													
Internet Partner Name #7													
Internet Partner Name #8													
Internet Partner Name #9													
Internet Partner Name #10													

OCU Appendix

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Org Push - ECU/OCU Strategy

- Internal Public tracking of Measurements
  - Status emails, Website, Contest
- Focus on standardization & switchers
- Deliverable Plan
  - Provide a menu of US and local programs, subs can choose what will assist them most as appropriate.
  - Deliver components required not in US menu.
  - Focus on tracking and deliverables.
  - Consistent local and w/w corporate PR.

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Org Push - Recommended Tactics

- Use the appendix slide criteria for tracking
- Identify and answer key blocks to standardization
- Start new specific efforts to boost actual deployment results short-term.
- Aggressively drive IT department trials and/or usage of IE and IEAK.
- Leverage existing programs or communications targeted at corporates (CSB, TSB, or local programs)
- Regularly promote standardization wins, switchers, deployment milestones, implementation of Active Desktop or Channel technology in PR.

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Specific actions for ECU to consider

- Measure and track, understand your market
  - Complete the Appendix ECU slide as part of MYR prep -->.

- Aggressively drive IT department trials and/or usage of IE and IEAK.
  - Key account IT departments should be trialing IE & IEAK.
  - Identify and incent specific deployment opportunities.
- Identify and answer key blocks to standardization
  - What specifically is holding up deployment in key accounts.
- Implement deployment Squads with SE's and MCS staff
  - The UK has implemented something similar
- IEAK evaluation version should be in all top accounts
  - Are named accounts IEAK licensees? If not why not?
  - UK distributed keycodes and IEAK's to Select customers, this is now even easier with this eval version.
- Raise awareness of IEAK - the business benefits
  - MS ECU staff should have greater understanding of IEAK functions than of IE itself. Integrate IEAK into TCO efforts.
- Actively feed corporate standardization wins, switchers, or deployment milestones into PR

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Measurement & Incentive suggestions

- An account is not "standardised" on IE until:
  - IE deployment >= country IE share (from hits).
  - Customer is an IEAK licensee.
- Each ECU Account Manager to deliver 2 references:
  - One for internal referencing
  - One for PR release.
- Make IE deployment the .5 swing factor in July ratings.
- Internal competition for Account teams based on deployment & switchers.
- Use the IEAK Eval database as a simple way to track progress.

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Retail

Credited WW Region	(All)
Fiscal Quarter	(All)
Pricing Level	(All)

MS Sales Licenses

Product Family	Credited WW Area	Fiscal Month	Total
WIN95/ISK BUNDLE	North America	November, 1997	40,887
		December, 1997	33,090
		January, 1998	20,441
	North America Total		94,418
	Europe	November, 1997	93,542
		December, 1997	50,961
		January, 1998	14,775
	Europe Total		159,278
	Far East	November, 1997	39,952
		December, 1997	24,900
		January, 1998	832
	Far East Total		65,684
	ICON	November, 1997	16,578
		December, 1997	9,198
		January, 1998	2,082
	ICON Total		27,858
WIN95/ISK BUNDLE Total			**347,238**

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Retail

IE Bundle Monthly Run-Rates

	Win95	WinNT	
w/w	200-300K	>500K	
FE	25	50	
Eur	45	150	
ICON	15	35	
NA	200	400	

IE Plus Sell-in

NA	158,000	
ROW	9,000	WRONG
	167,000	

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Country	Platinum	CG Platinum	CG Gold	CG Basic	CG Total	CG traffic	Netcaster	Promo Value	Search Bar	Search traffic
Japan	6	6	9	25	40	21800		$ 565,000 00	4	60000
Germany	11	11	6	102	119	4200	8	$1,365,500 00	6	13000
Canada	10	9	14	90	113	4900		$ 100,000 00		
UK	10	10	23	137	170	5400	2	$ 800,000 00	6	25000
Australia	9	9	11	20	40	2400	6		6	8000
France	12	11	4	21	36	2400		$ 875,000 00	6	
USA	35	35	41		76	65000	100			
Argentina	8	8	2	17	27	660				
Austria	9	4		47	51	570				
Belgium (Dutch)	6	8		22	30	730			7	
Belgium (French)	4				0	400			7	
Brazil	10	10	4	31	45	6990			7	
Chile	10	10	9	4	23	180				
China	7	7		9	16	1290			4	
Colombia	6	6		5	11	320				
Croatia	3	4		14	18	160				
Czech Republic	10	10	3	26	39	280			6	
Denmark	10	10		43	53				7	3000
Finland	9	9		10	19	760			7	1700
Greece	10	10	1	14	25	580			6	
Hong Kong	7	6	7	25	38	2840				
Hungary	5	8		1	9	130			6	
India	6	5	5	14	24	218				
Indonesia	10	9	14	12	35	410				
Ireland	10	6		7	13	210				
Italy	10	10	1	55	66	4340			6	12000
Korea	9	9	16	1	26	4480			7	9000
Malaysia	9	2		4	6	350				
Mexico	10	10	1	13	24	830			5	
Middle East	6	6			6					
Netherlands	10	9		41	50	830		$ 100,000 00	7	10000
New Zealand	10	7		18	25	550				
Norway	10	10		27	37	830			7	
Peru	6	1		16	17	110				
Poland	10	1		8	9	330			6	
Portugal	9	10	3	14	27	520			6	
Russia	10	5	2	12	19	850			6	4000
Singapore	7	2		5	7	620				
Slovenia	2	2	1	4	7	120				
South Africa	9	8	3	11	22	490			6	6000
Spain	11	10	9	43	62	3110			6	7000
Sweden	10	9	3	37	49	2770		$ 145,000 00	7	10000
Switzerland (French)	2				0	270			7	
Switzerland (German)	6	7	3	34	44	740			7	
Taiwan	10	10	13	11	34	11830			6	9000
Thailand	10	9		11	20	260		$ 307,000 00		
Turkey	10	10	4	1	25	510			6	
Uruguay	5	6		3	9	200				
Venezuela	10	8	1	4	13	160			6	

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Backup - IE_INTL

- IE_INTL is the 6th most trafficked site on MSC

Avg. Daily Users	
ie	3,197,942
isapi	903,438
/ (root)	800,928
msdownload	789,409
search	715,285
ie_intl	649,072
gallery	348,672
japan	348,450
sitebuilder	303,885
support	287,707
products	274,505
regwiz	224,951
windows	214,705
windows95	212,895
msdn	201,195
kb	166,677
games	134,591
officefreestuff	114,820
ntserver	113,579
office	97,088

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Backup - Search

- Things we asked for:
  - Active Channels, Dynamic HTML and ActiveX.
  - IE as standard browser
  - Logo on home page and other pages
  - Competitive upgrade messages
  - Ads
  - SBN promotions
  - Press release
  - Reporting

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Backup - Netcaster channels

- Australia
  - ABC, Equity World, Gamespot, Fairfax, The Trading Post, ZD Net
- Germany
  - AOL, Der Computerland, Financial News Network, Golem Computer Mag, SFB Online, rp-online, Spektrum der Wissenscaft, TV Spielfilm
- Japan
  - Asahi Newscast, G Search, Life and Weather, Paprika, Tabinari
- Hongkong
  - HK tracknews, Job Asia, NextMedia
- UK
  - A2B Travel, Soccer & Rugby

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Local Portal competition

- MSN Countries
  - Canada: AOL, Canoe, CitySearch, e-Design
  - France: Yahoo, Altavista, Nomade, Mygale
  - Germany: AOL, T-Online, Lycos, Bild. Focus
  - Japan: Yahoo, Goo, Digital Garage (Infoseek)
  - UK: Yahoo, Infoseek, Excite, LineOne, Yell
- Overall
  - Local National Telcos with many users and resources: Telia, T-Online etc
  - Local early content aggregators
  - Local big media companies can get their act together: Bonnier, Nihon Keizai (Nikkei), TF1 etc

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