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To: Dennis Conley@Info Sys@IM Hou
 Cc:
 Bcc:
 From: Vaughn Rhodes@Desktop@PCMkt Hou
 Subject: re: Blackbird
 Date: Wednesday, January 04, 1995 10:24 AM
 Attach:
 Certify: N

 Dennis,

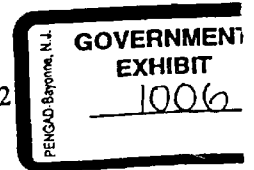
The Blackbird publishing tool for the Microsoft Network is not yet available. Microsoft is still in early development on it. They currently plan to release an alpha version of the tool to developers in March or April when they hold their first Blackbird developers conference in Redmond. In Q395 they plan to release the software developers toolkit. Importantly, the Blackbird technology requires code support on both the client and server side, so even with a finished developers tool, which may not be ready until 96, no Blackbird-based solutions can be delivered until the back-end software is ready and loaded. Microsoft is not providing an estimate of when the complete system will be ready to go. Because everything related to the Microsoft Network requires Windows 95, and because Windows 95 is now delayed to August at the earliest, I would estimate Q296 before any Blackbird-based information delivery is possible.

One important point to keep in mind: it is not a given that the Microsoft Network will be shipped with Compaq PCs. Compaq is in the process of developing a comprehensive online strategy. As part of this strategy, we may be asking each of the online services to submit proposals, which we would then evaluate on a variety of criteria. Based on that evaluation, we may be selecting one online service to be a "preferred partner" which would receive prominent placement on our PC screens (and otherwise). The other "losing" online services could then either be given less prominent placement (buried within a folder) or possibly even be excluded completely.

One of the important criteria by which we will evaluate each of the online services is revenue sharing. Microsoft continually asserts that the Microsoft Network is part of the operating system, and hence will ship with every copy of Windows 95. Given that stance, they see no reason to compensate Compaq in any way for our "bundling" their online service client. All other online service companies provide significant compensation to Compaq for each Compaq customer that signs up to their services.

Hope this information helps. I'd like to keep abreast of the projects that your group is working on that relate to consumer online issues, and I'll keep

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you updated too. There is a b-mail group address "Online Issues" that is used to communicate online issues throughout the company. I've added your name to the list. Any mail you send to this address will go to a large list of people who have requested to be on that list.

Regards,

--Vaughn

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