UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA,

PLAINTIFF,

V. : C.A. NO. 98-1232

MICROSOFT CORPORATION,

DEFENDANT.

STATE OF NEW YORK, ET AL.,

PLAINTIFFS,

V. : C.A. NO. 98-1223

MICROSOFT CORPORATION,

DEFENDANT.

_ _ _ _ _ _ _ _ _ _ _ _ _ MICROSOFT CORPORATION,

COUNTERCLAIM-PLAINTIFF, :

V.

DENNIS C. VACCO, ET AL.,

COUNTERCLAIM-DEFENDANTS. : JANUARY 13, 1999 ----X WASHINGTON, D.C.

VOLUME 37-B

TRANSCRIBED DEPOSITION EXCERPTS

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(DEPOSITION EXCERPTS OF A. STEVEN RYS.)

- Q. IS IT IMPORTANT TO AMERITECH TO BE ABLE
 TO ALLOW THE CUSTOMER A CHOICE OF BROWSER IN
 CONNECTION WITH ITS OFFERING OF INTERNET ACCESS
 SERVICES?
 - A. YES.

MR. FESSEL: OBJECTION. FORM. BY MS. DEMORY:

- Q. AND WHY IS THAT?
- A. CUSTOMERS ARE MORE WILLING TO TAKE A SERVICE IF THEY'RE COMFORTABLE WITH THE INTERFACE, AND THE INTERFACE BEING THE SOFTWARE.

 SO, IF YOU'VE GROWN UP OR LEARNED A PARTICULAR PIECE OF SOFTWARE, IT DOESN'T BEHOOVE AMERITECH TO FORCE YOU TO TAKE ANOTHER ONE.

LET ME CLARIFY BECAUSE I THINK THIS IS
IMPORTANT. THE REASON WE WANTED TO GIVE ONE
BROWSER, REGARDLESS OF WHETHER IT BE IE OR
NETSCAPE, IS WITHIN THE BROWSER THERE ARE CERTAIN
FIELDS THAT NEED TO BE POPULATED THAT TALK TO THE
NETWORK, THAT SAY "I AM A SPECIAL KIND OF
CUSTOMER, I NEED TO BE ROUTED A CERTAIN TYPE OF
WAY," AND OUR SOFTWARE IS CUSTOMIZED TO DO THAT.

SO, WHEN WE DOWNLOAD THIS SOFTWARE,
THERE ARE NO MISTAKES BECAUSE ALL THE DATA AND

INFORMATION ARE PUT IN THE FIELDS.

CUSTOMERS CAN THEN TAKE THAT

INFORMATION AND PUT IT ON THEIR BROWSER. BUT

IT'S VERY DIFFICULT TO GO INTO AN EXIST (SIC)

BROWSER THAT A CUSTOMER HAS AND START TYPING

THROUGH THEIR FILES. IT'S NOT USUALLY DONE.

IT'S NOT BY--THE INDUSTRY DOESN'T REALLY LIKE TO

DO THAT.

THEY WOULD RATHER PROVIDE A CUSTOMER WITH A PIECE OF SOFTWARE AND THEN HAVE THE CUSTOMER CUT AND PASTE WHATEVER THEY NEED AS OPPOSED TO MESSING WITH THE--SO THAT'S THE IMPORTANCE OF PROVIDING THE CUSTOMER WITH SOFTWARE.

- Q. WHEN WE WERE TALKING EARLIER ABOUT THIS EXHIBIT THAT WAS AN E-MAIL, YOU MENTIONED SOME--MICROSOFT TRIAL EXHIBIT 648--YOU MENTIONED THAT THERE WAS SOME PROBLEMS (SIC) WITH THIS PARTICULAR VERSION OF THE NETSCAPE SOFTWARE WORKING WITH JAVA-ENABLED PAGES, I BELIEVE.
- A. RIGHT. I DON'T THINK THIS SPECIFICALLY
 WAS A JAVA-RELATED ISSUE. THE QUESTION WAS
 ASKED, "WHAT WAS BETTER ABOUT IE AS OPPOSED TO
 NETSCAPE," AND I SAID THE ONE THING THAT STANDS
 OUT WAS IE'S ABILITY TO HANDLE JAVA MORE QUICKLY

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THAN A NETSCAPE. BUT THAT'S NOT WHAT THIS DOCUMENT -- THIS DOCUMENT IS JUST TALKING ABOUT SOME OVERALL TECHNICAL ISSUES.

- O. AND DO YOU RECALL AT OR AROUND THE DATE OF THIS E-MAIL, AUGUST 10TH, 1997, AMERITECH INTERNALLY DEBATING WHETHER IT SHOULD KEEP NAVIGATOR AS THE DEFAULT BROWSER?
 - Α. YES.

(EXCERPT.)

- AND WHAT WAS THE REASON THAT AMERITECH Q. WAS DEBATING THE ISSUE OF HAVING NAVIGATOR BE THE DEFAULT BROWSER?
- Α. WE THOUGHT THAT IF WE CONTINUED TO HAVE THEM AS A DEFAULT, WE WOULD LOSE ANY OPPORTUNITIES FROM MICROSOFT TO DO SPECIAL PROMOTIONS OR GET INTO EXPENSE SHARING OR SOMETHING LIKE THAT. SO WE DIDN'T WANT TO ALIENATE EITHER COMPANY.

AND WE ALSO DIDN'T WANT TO, YOU KNOW, HINDER OUR RELATIONSHIP WITH NETSCAPE, EITHER, BY DROPPING IT BECAUSE THE SOFTWARE HAD PERFORMED FINE FOR US--IT WAS SATISFACTORILY PERFORMING FOR THE RELATIONSHIP WITH NETSCAPE WAS US. SATISFACTORY. SO THOSE WERE KIND OF THE THINGS WE WERE JUGGLING.

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	Q.	. A	ND	WHY	WAS	IT	IMPOR	TNAT	TO	CONTINUE	TC
HAVE	Α	GOOD	RE	ELAT	IONSI	HIP	WITH	вотн	CON	MPANIES?	

A. WELL, OUR FEELING WAS THAT ANY ONE
PLAYER DOMINATING THE INDUSTRY WOULD THEN MAKE IT
MORE DIFFICULT FOR US TO GET OUR PRODUCT OUT IN
THE FUTURE.

BECAUSE IF THERE IS--IF YOU DON'T HAVE
KIND OF A FULL COMPETITIVE ENVIRONMENT, THEN
PEOPLE DON'T ANSWER YOUR PHONE CALLS AND PEOPLE
DON'T CALL BACK AND HELP YOU.

AND THERE WAS A LOT OF COMPETITIVE

NATURE AROUND THE BROWSERS, AND WE SAW A DIRECT

RELATIONSHIP TO THE RESPONSIVENESS OF BOTH

COMPANIES DURING THAT TIME PERIOD.