Exhibit 29

I. Values, Purpose, Vision and Mission

A. Values

Novell Business Applications has defined its values as stated below.

Customer - We place the customer first. We understand their perspective, learn from their experience, and respond to their needs.

Employee - Novell Business Applications' employees are critical to our success. We encourage diversity, balance, continuous learning, creativity, critical thinking, leadership development, and decisiveness. We expect commitment, mutual respect, cooperation, teamwork, integrity, and results. This will create an environment where employees are empowered to do their jobs, and are accountable and rewarded for their contributions.

Communications - We communicate both inside and outside the division, group and company in an open, clear, consistent, and honest manner.

Quality - We develop and market the highest quality software products in the world. We strive to continually improve our processes, efficiency, and productivity.

Leadership - Through responsible leadership, effective strategy, breakthrough technology innovations and execution, we will continue to increase our worldwide growth and profitability, thereby achieving revenue and income objectives.

Partner - Novell Business Applications recognizes the key role of our partners, such as the PerfectFit Partners, in delivering solutions to our customers.

B. Purpose

Novell Business Applications' statement of purpose is:

We increase individual productivity and group effectiveness through innovative network applications.

C. Vision

Novell Business Application's vision is:

Novell business applications will help redefine the way people worldwide use desktop applications, by expanding the application paradigm from a desktop to a pervasive computing focus.

Novell business applications will be recognized for their high quality, high performance, integration and ease of use. They will help users to focus on work through extensive task automation. They will exploit new technologies and provide innovative breakthroughs. They will integrate with advanced network and access services provided by other Novell products, especially GroupWare. These business applications will facilitate groups working together. They will enable users to access key information, including that accessed through public networks. They will lower the cost of ownership in any size network by revolutionizing software distribution, licensing and management. Novell business applications will stimulate deployment of vertical, custom solutions built on the core components of these applications.

D. Mission

The mission for Novell Business Applications is:

By 1998, Novell Business Applications will provide component-base applications fully integrated with NetWare and advanced access services, enhancing personal productivity and access to key information, facilitating group communications and enabling systems integrators to build custom vertical solutions.

II. Three Year Objectives

Novell Business Application's objectives are outlined below:

A. Revenue

1. General Novell objective

a. Growth equal or greater than market, grow earnings more rapidly than revenues.

2. Division objective

a. Grow revenues from $520M in 1995 to $820M in 1998, a 16% CAGR.

b. Grow income from $42M in 1995 to $144M in 1998, a 51% CAGR.

B. Market Share

1. General Novell objective

a. We will be #1 or #2 in every market we chose to serve.

2. Division objectives

a. Become the #2 in suite market share (annual shipment quantity) in 1995 and hold that position through 1998.

b. Go from a #1 tie in the stand alone word processing market to a clear #1 position in 1996 through 1998. Be #2 in overall word processing market.

c. Go from a #3 position in the spreadsheet market to the #2 position by 1998.

C. People

1. General Novell objective

   a. Best working environment, hire best people.

   b. Empower, develop and reward employees.

2. Division objective

   a. Consistently improve in top 3 areas to work on in 1996 through 1998.

D. Quality

1. General Novell objective

   a. Continuously improve quality of products and processes.

   b. The quality measure in customer satisfaction, competitive benchmarks and industry standards.

2. Division objective

   a. Achieve ISO 9000 *compliance in fiscal* 1996. Achieve ISO 9000 *certification in* 1997. Maintain this certification in 1998.

   b. Standardize use of product life cycle for all development in 1996.

   c. Implement one significant new continuous improvement process each year.

   d. Be #1 or #2 in all product reviews done on each key product in division.

   e. Reduce customer support costs as a percentage of total revenue through higher product quality.

E. Partners

1. General Novell objective

   a. Create effective partnerships to offer complete customer solutions.

2. Division objective

   a. Through PerfectFit Partners program, grow the number of certified PerfectFit solutions from 10 in 1995 to 250 in 1998.

   b. Increase OEM and system integrator (components) revenue from 5% in 1995 to 15% in 1998.

F. Product

1. No general Novell objective exists for this objective.

2. Division objectives:

a. Deliver a new suite release on latest Windows 32-bit OS each year. Continue to enhance Windows 3.x suite as appropriate to meet market requirements. Begin delivering a PerfectOffice suite on the Macintosh in 1996.

b. Deliver a product that provides the functionality defined by the Tapestry contextual design research process by 1997.

c. Begin moving to a component architecture in an evolution process. Provide 80% componentization of PerfectOffice by 1998.

d. Deliver full cross-application scripting language in PerfectOffice with full integration with a target visual development tool by 1997.

e. Lower cost of managing PerfectOffice by delivering enabled suite with appropriate tools to manage applications. Integrate closely with NetWare and ManageWise.

f. Move towards simultaneous release of PerfectOffice in multiple single and double byte languages in 1996. In 1998, provide simulaneous release in all key languages. Move to a single English version by 1996. Deliver Middle East language support in 1997.

g. Provide users with the ability to build their own suite on CD in 1995, on NetWare in 1996 and on public networks in 1996-97.

h. Reduce COGS each year as a percentage of overall revenue. In 1998, achieve a direct material cost of 12% of revenue.

i. Outsource all Unix efforts by 1996.

III. Marketplace Analysis

A. Customer/Market Analysis

1. Existing Market Definitions and Segments

a. Windows has quickly and dramatically become the dominant desktop platform at the expense of DOS and Macintosh.

- After dropping 5-10% annually through 1993, DOS word processing and spreadsheet sales declined more than 40% in 1994, while Macintosh word processing sales declined roughly 20%.

b. Tremendous growth in the suite category has resulted in a corresponding drop in the growth rate of standalone applications.
   - The suite category more than doubled from 1993 to 1994 and is expected to grow another 50% in 1995 to nearly 10 million units. At the same time, standalone word processing and spreadsheet markets declined more than 30%.
   - WordPerfect holds a tenuous "cash cow" position in the standalone word processing category, with an approximate 2x relative market share, most of which is attributable to our DOS base.
   - Because of the declining standalone spreadsheet market, Quattro Pro and the other spreadsheets are classified as "dogs" when compared to suite products.

c. The market for electronic publishing tools is young, growing rapidly, and as yet has no a clear leader.
   - The Information Highway phenomena and declining price of delivery systems such as CD-ROM has captured much attention and contributed to the demand for electronic publishing tools.

2. Future Market Definitions and Segments

a. The promise of Windows95 and broad ISV support ensure that Windows will continue to dominate the market over the next few years.
   - Conservative estimates indicate that the suite market will grow 15-20% annually through 1998 at the continued expense of standalone applications.
   - DOS word processing and spreadsheet markets are expected to decline at an annual rate of 30-40% through 1998. The Macintosh word processing market is also expected to decline during this period.

b. The electronic publishing category is expected to grow 10 million units annually by the end of 1996. Growing and broadening interest in the Internet, electronic commerce, and on-line services will help significantly expand this market and define new services to meet customer needs.

c. There will be continued shifts in focus over the next few years that will significantly impact the applications market:
   - Desktop to network applications shift
   - Application-centric to Document-centric to Task-centric

d. Changes in distribution practices, e.g., CD-ROM, network, on-line, OEM, etc. will have an increasing impact on software sales. Companies must lead in the exploration of new distribution models to remain successful.

e. The delivery of component solutions will open new markets for 3rd party developers and their customers.

3. Emerging Markets for Novell Business Applications

a. Windows 95 and future versions of 32-bit Windows

b. Network applications integrated with network services

c. New forms of software distribution (e.g., Select, AT&T NetWare Connect Services, on-line, network)

d. Burgeoning new international markets (Asia, Eastern Europe and Middle East)

e. Vertical/custom solutions built on horizontal components

f. Electronic publishing and authoring tools

B. SWOT Analysis

1. Existing Competitors

a. Microsoft

- Office holds 86% of suite market share. It had revenues of $1.4 billion in 1994.
- Announced Office 95 for Windows 95 to be available 30 days after Windows 95 is in the channel.
- Microsoft's strategy for Office is to tie it closely to Back Office and Windows NT.
- Microsoft has had two years since their last release of Office. We can expect to see much more in the way of automation, wizards, task centric focus, and third party development opportunities for their suite.
- Word has surpassed WP as the all time best selling word processor. Approximately 75% of Word sales were generated through the suite.
- Excel had a 39% revenue share in stand-alone spreadsheets for 1994. 75% of Excel sales are now from Microsoft Office. (Dataquest)
- They will use their influence as the operating system provider and strong ties with OEM's to continue their market dominance.
- Microsoft has a very strong presence and is very aggressive in the international markets. They have fully localized versions of Office in many Asian countries. Windows 95 and Office 95 are likely to be shipped in multiple languages simultaneously.
- Strong on Macintosh platform. Able to go after accounts that need suites and standalone applications on both Windows and Macintosh.
- Only major competitor for electronic authoring tools with Internet Assistant for Word and SGML Author for Word
- It is likely Microsoft will focus on network integration of Windows 95 and Office 95 to counter our attack of this area.
- Microsoft will make full attack on vertical applications solutions including partnering, training, vertical versions of Office.
- Microsoft Network poses a serious threat in the area of online service, distribution and data access. By providing upgrades and easy access online they can generate a constant stream of revenue.
- Microsoft is moving toward components with OLE and Visual Basic. They will aggressively pursue component markets through vehicles such as vertical Office, Cairo (object oriented OS), LOBjects (applets suited to vertical industry segments).

- MS will also continue to portray themselves as the writers of Windows; therefore, they are the best providers of Windows applications.

b. Lotus
- SmartSuite had revenues of $230 million in 1994 giving them a 13% market share (Dataquest).
- Lotus announced that they will introduce their Windows 95 suite within 30 days of Windows 95 availability in the channel.
- It appears they have been working heavily on their 32bit version (almost conceding the suite market temporarily to Microsoft) in an effort to reestablish themselves as a player in the 32bit suite market in 1995.
- 1-2-3 had a 46.1% revenue share in stand-alone spreadsheets for 1994 (Dataquest).
- Notes and Team Computing is Lotus' strategy. Introduced NotesSuite to focus on business application and Notes integration. This may be more strategic than SmartSuite.
- But overall, Lotus may not be giving their business applications enough attention, with the majority of their efforts focused on Notes success.
- From initial results, it appears that PerfectOffice will be able to unseat SmartSuite as the #2 suite package. But we will have to fight to keep that position.
- Lotus has announced a new division to develop components around all SmartSuite applications with strong hooks into the Notes environment.
- In general, Lotus will also fighting hard to own the best collaboration suite through strong integration with Notes.

2. Future Competitors

a. New Component Software
- New component software model may completely change the rules of how application software is developed. It could revolutionize time to market. It could enable small companies with very little capital to jump into owning a specific component with a best-of-breed strategy. This could enable a wide variety of competitors into the business application market, where today the cost of entry is very high.

b. International Markets
- In certain international markets, there are some home grown ISVs who focus exclusively on that language and adopting software to match the culture of the country. Sometimes hard to penetrate these countries. Could see more of this in the future. Examples are Hangul in Korea and StarDivision in Germany.

c. Other Potential Competitors
- Oracle could become a player through partnering.
- Corel has announced that they will enter the suite market with a suite comprised of Corel Draw, WordStar and Alpha 5. We don't view this as much of a threat, however, we must be aware that they are after a niche market. There may be others who try to create a suite and go after target niches.

3. Strengths/Opportunities

a. Company Strengths That Assist Novell Business Applications

- Network ownership and NetWare install base.
- Word processing strength and WordPerfect install base.
- Customer support.
- Best network channel in the industry.
- Best infrastructure of training and education resources in industry.

b. Division (Group) Strengths

- Strong expertise in word processing, spread sheets, presentation graphics and electronic publishing tools.
- Transition tools (experts) for WordPerfect and Quattro Pro to retain our customers.
- Contextual design process (work process, task automation, user intent) to design products that meet users needs.
- Usability in designing software.
- PerfectFit Technology – ideal platform for suites. Way ahead of competition here.
- Support of open architectures (ODBC, ODMA, OpenDoc, and OLE, PerfectLinks).
- Linguistics and speech technologies.
- First to market with focus on task automation.

c. Opportunities

- Network integrated applications (better access to network, both services and information). This can be realized through tight integration with GroupWare, NetWare and unbundled NetWare services to provide a robust collaboration suite.
- Getting PerfectOffice to be the suite of choice for all NetWare users is a large opportunity.
- New distribution methods for software (Select, online, network).
- Leveraging WordPerfect to sell Quattro Pro.
- Leveraging WordPerfect success to market electronic publishing tools. Also leveraging NetWare to position Envoy as the standard for electronic publishing in NetWare environment. Creating publishing tools for Internet and NetWare Connect Services.
- Focus on applications management, to bring down the cost of ownership and encourage more application upgrades. Use this strategy to sell to IS.
- Component software will facilitate developing custom applications. This will be a fast growing market. Evolve current products to components that can be used as the foundation for custom applications.
- Establish stronger connections with Novell value-added resellers to leverage a Novell strength.
- Many OEM opportunities for PerfectOffice and standalone applications. Also opportunities to sell content publishers on our electronic publishing tools and partner with the content providers.

4. Weakness/Threats

a. Company Weaknesses That Hinder Novell Business Applications

- Lack of ownership on the desktop.
- Weak development tools. Developing server applications for NetWare perceived as difficult. Weak development environment makes it difficult to compete with Microsoft Office and Visual Basic for Applications for custom application development.
- Weak developers program which has atrophied over the last few years. Do not have strong developer mind share.
- Weak vis-a-vis Microsoft in perception for corporate strategy, vision and ability to develop software. Recent user focus groups have indicated a perceived lack of direction at Novell.
- Weak IS system for understanding our business, such as channel sales through Information.
- Lack of perception among customers that Novell is a corporate strategic partner like Microsoft.
- Lack of unity and strategy across the groups and business units within Novell.
- Over 50% of sales force does not understand applications (changing, but slow). Over 95% of sales force does not understand Quattro Pro or electronic publishing tools.
- Novell is sending mixed signals regarding OpenDoc. Need a strong, compelling component model and object strategy.
- WordPerfect's perceived strength in customer support is in question by many end users and is being seriously challenged by Microsoft.

b. Division (Group) Weaknesses

- Third to suite market. Microsoft has enormous momentum.
- Still recovering from WordPerfect 6.0 for Windows, which was perceived as a slow and buggy product.
- Products have become large and do not run well on older machines. Makes it difficult for companies who have large investment in 286 and 386 systems to upgrade. Also challenging to move to components with current applications.
- Weak development environment for PerfectOffice.
- Integration of Quattro Pro, Envoy, InfoCentral and Paradox not as strong as WordPerfect, Presentations and GroupWise. Impacts suite story.
- Third place in market share (units and revenue) for spreadsheets. Fifth place in market share (units and revenue) for presentation graphics.
- Lack of 1-2-3 and Excel compatibility in Quattro Pro up until now has held customers back from moving to PerfectOffice. (Addressed in '95)
- Do not own database or project management software to compete head on with Microsoft Office. (Microsoft has sold Microsoft Project heavily to Office customers.)
- Borland has poor image currently, which minimizes the strength of having Paradox in the suite.
- Weak at localization compared to Microsoft and Lotus. Quattro Pro localization is four to six months late in PerfectOffice 3.0. Partly due to limited localization budgets. Our budget for localization is 10% of Microsoft's.
- Testing resources are below industry norm. Testing resources are 25% of

Microsoft's.
- Very limited Macintosh development resources.
- Have little flexibility to jump on new opportunities as resources are stretched thin.

c. Threats

- Microsoft is aggressively attacking the revenue base of Novell through bundling at no cost important components of Novell's product offerings.
  - Explorer (Windows 95 file manager) will include a file content search capability which will compete with Quickfinder kinds of functions. Explorer will also provide viewers at no cost. It is expected that viewers provided will support Microsoft products such as Word and Excel but will not support Novell products such as WordPerfect and Quattro Pro.
  - Windows 95 will have a built in Microsoft Mail client which will impact GroupWise client revenue will be impacted and users will be confused by two mail systems.
  - WinPad is a PIM with functions equivalent to GroupWise. It is not clear who's address book will be supported by WinPad - there is no connection to Novell's Directory Services or other data base functions. Also, Schedule+ will be included in Office 95 to counter GroupWise inclusion in PerfectOffice.
  - WordPad is an editor to replace NotePad from Windows 3.1+. A key aspect of WordPad however is that it will read and write Word documents directly as well as RTF documents. Novell needs to provide an equivalent product that can uninstall and replace Windows 95's WordPad.
  - Massive upgrades of Windows 3.1+ to Windows 95 will occur. Microsoft will have the opportunity to up sell to Word, Excel and other applications through this data base. Novell application updates are excluded from this data base.

- Success of Microsoft's tying Office with BackOffice and Windows NT.
- Success of Microsoft's vertical market push with Office.
- Microsoft's marketing power, dollars, installed base, and ownership of the operating system and strong corporate messages.
- Microsoft bundling Office or packaging Office with Win95 is a potential threat.
- Lagging Microsoft to market with a Windows 95 suite by several months.
- Success of Notes and SmartSuite integration.
- Potential of component software to completely open up the business applications market to many vendors .

IV. Necessary Products and Services

A. Unmet Customer Needs

1. Current (one year - 1996)

a. Large part of market looking for standard and/or professional network suite across 16 & 32 bit Windows environment. Would provide tight integration with network environment.

b. Suite solution on more than just Windows family platform. Requirements for Macintosh, OS/2 and Unix network suite that are integrated and compatible with our Windows family suite.)

c. Applications that are fast, reliable and very easy to use.

d. Suite of components that work seamlessly together, allow users to concentrate on tasks. Provide interface consistency, remove redundant functionality, allow seamless data exchange/flow between applications, common access to/from outside technologies (e.g, scripting) and shared components with well-defined interactions.

e. Focus on task-centric usability. Provides both power and ease of use. User can focus on getting work done rather than being an expert in one or more applications.

f. Tight integration to network services, enabling personal productivity tools to be used for group collaboration. For example, using word processors for groups to create documents together. This requires facilities such as multi-user access to files and annotation layers to better enable group editing.

g. Application management for lowering the cost of management (software distribution, licensing and metering, inventory, configuration management, diagnostics, and performance monitoring and tuning).

h. Simple and easy way to migrate from older versions of WordPerfect, Quattro Pro and competitive products, including full compatibility with file formats, macro languages, etc.

i. Custom solutions tailored to specific needs of companies or industries to give them a competitive advantage.

j. Various electronic publishing needs, such as direct PostScript to Envoy solution; two-way HTML authoring; integrated SGML authoring and SGML viewing; free flowing annotations; and two-way conversions from portable documents to WP files

k. Simultaneous availability of same application in many languages.

2. Future (year two and three - 1997, 1998)

a. Integration of communication functions with personal and group information management tools.

b. Methods to use personal productivity tools for group collaboration applications.

c. Intelligent software that automates repetitive tasks for users.

d. Self healing applications (via diagnostics, background agents, etc.).

e. Scalable applications for different user needs – low end applications for novice users that can scale to high end applications for power users.

f. Shared applications services on network server, such as shared print formatter, shared Envoy formatter, shared Internet access services, etc.

g. Fast and easy information retrieval through private and public information sources. Use of intelligent software to filter information in natural language context. Enable user to pull data when it is needed.

h. Applications that fully enable the mobile knowledge worker, and exploit mobile technologies.

i. Ability to create custom, vertical solutions on top of horizontal components. Need "turnkey-ready" systems for specific business work process. Provide access to inherent functionality of standalone applications, such as Quattro Pro, without inclusion of entire application

j. Advanced model building tools for executive-level information systems built on standard suite components.

k. Comply with existing/emerging software standards, such as Notes F/X, OLE and OpenDoc. New standards for component software and distributed object management.

B. Required Products

1. PerfectOffice

a. Current (one year)

- Storm release: Q1 1996
  - Full 32-bit, Windows 95 suite
  - Network and additional applications integration
  - Best of breed application enhancements
  - Enhancements tied to Arches release
- Storm ".1" release: Q3 1996
  - Enhancements tied to Moab release
- PerfectOffice 16bit: Q2 1996
  - Additional network integration
  - OS/2 Workplace Shell and Notes F/X integration

b. Future (years two and three)

- Aspen release: Q4 1997
  - Tapestry/Catalyst work environment framework components - e.g. control panel (DAD successor), network information manager (magic box/shared places), activity log, notepad, address book.
  - PerfectFit components which provide services for: User Interface development, Undo, Help and learning (ala Rousseau), cross product scripting
  - Development infrastructure - documented API's and/or object class libraries which provide access to component services.

- Tailored solutions for specific customer roles - e.g. PerfectOffice for engineers, lawyers, medical, finance, executives.
- Working through third party partners, deliver vertical suites for key market segments
- Enhancements tied to SuperNOS release
- Aspen ".1" release Q2 1998
  - Business apps building block components e.g. text, charting, tables, drawing, calendar, slideshow, form fields,

2. WordPerfect

a. Current (one year)

- Windows - Thunder (Q1 1996). Focus is on speed improvements, reliability, consistency with the OS and suite, and ease of use.
  - Ease of use (guidelines, floating status, interaction points, preselection, tabbed dialogs).
  - International – simultaneous development of US, German, and Japanese.
  - Reuse – some reuse and recently used in interface.
  - Collaboration – routing and auto-redline/strikeout, shared address book, Internet access.
  - Management and Distribution – centralized distribution.
- Mac - Tsunami (Q3 1995). Envelopes, make-it-fit, abbreviations, HTML.
- DOS - WP6.1 (Q3 1995). Speed improvements, make-it-fit, QuickMenus and QuickCorrect. This will likely be the last major DOS release. Outsourcing or spinning out this product could produce good income from royalties.
- Unix - This product is being spun out. The projections for royalty income are good with very low overhead.

b. Future (years two and three). WPWin products must be released with the suite. The dates are current targets.

- WPWin - Alta - (Q3 1996) Continue focus of Thunder. Some notable concepts are listed:
  - Background formatting should improve product speed.
  - Make it look good. Making it easier to create quality output which is appealing.
  - Auto-Indexing. Leveraging our linguistic ties.
  - Pervasive reuse and recently used in the interface.
- Quantum - (Q4 1997) Windows and Macintosh. New architecture, and a new product. It will meet as many of the customer needs as possible. A key point in this architecture will be plug and play modularity, while maintaining a responsive product. It is also being designed as a world wide product.
- WPMac - (Q2 1996) Support for OpenDoc and Copeland.

3. Quattro Pro

a. Current (one year).

- Typhoon targeted for Q1 1996. Goals are to deliver on Windows 95, concentrate on strengthening areas where we are competitively weak or equal, and exploit our alliance with other suite applications, GroupWare,

and the network, as part of Novell.
- Full, robust support for Windows 95
- Superior file and macro compatibility with 123 and Excel
- Use of NetWare services
- Interface consistency/shared services with the PerfectOffice suite
- Integrated database and crosstab analysis
- Initial task-centric usability work

b. Future (years two and three)
- *Second Year* (Veil in Q4 1997)
  - In-depth usability work
  - Common data access/exchange for the suite
  - Robust, object-oriented support for external scripting with IDE
  - Smart consolidation and version control for collaborative computing
  - Integrated access to external informational services
- *Third Year and beyond*
  - Deliver self-contained components for use by ISV's
  - Removal of redundant services through use of shared suite components
  - Advanced model building tools
  - Versions' for mobile/remote computing environments

4. Presentations

a. Current (one year - 1996)
- Lightning (Q1 1996)
- __ (Q3 1996)

b. Future (year two and three - 1997, 1998)
- __ (Q4 1997)

5. Electronic Publishing

a. Current (one year - 1996)
- Internet Publisher 2.0 (Q1 1996) with enhanced HTML WPWin template for bidirectional support of reading and writing Internet World-Wide Web documents.
- SGML Edition Q1 1996 for Windows 95 and Q2 1996 for Windows 3.x. To be included in PerfectOffice Professional.
- Envoy and SGML deliverables in sync with future WordPerfect and PerfectOffice. Envoy viewer to be widely distributed without license fee, such as in Eclipse Desktop Framework, NetWare, LAN WorkPlace and AT&T NetWare Connect Services.

b. Future (year two and three - 1997, 1998)
- Envoy and SGML releases with WPWin and PerfectOffice releases.

V. Strategies

A. Revenue

1. Grow revenues from $520M in 1995 to $820M in 1998, a 16% CAGR.

2. Grow income from $42M in 1995 to $144M in 1998, a 51% CAGR.

($M)	1995	1996	1997	1998
Revenue	505	596	691	788
% growth		19%	16%	14%
Industry growth*				
Net Income	42	68	110	144
% growth		61%	63%	31%
% of revenue	8.6%	11.6%	16.3%	18.7%

B. Market Share

1. Become the #2 in market share (annual shipment quantity) in 1995 and hold that position through 1998.

2. Go from a #1 tie in the stand alone word processing market to a clear #1 position in 1996 through 1998. Be #2 in overall word processing market.

3. Go from a #3 position in the spreadsheet market to the #2 position.

	1995	1996	1997	1998
PerfectOffice	15%	20%	25%	30%
Market position	#2 tie	#2	#2	#2
WordPerfect	40%	44%	47%	50%
Market position	#1 tie	#1	#1	#1
Quattro Pro	20%	25%	30%	35%
Market position	#3	#2	#2	#2

C. People

1. Consistently improve in top 3 areas to work on in 1996 through 1998.

1995	1996	1997	1998
Work on top 3 areas to improve	Work on top 3 areas to improve	Work on top 3 areas to improve	Work on top 3 areas to improve

D. Quality

1. Achieve ISO 9000 compliance in fiscal 1996. Achieve ISO 9000 certification in 1997. Maintain this certification in 1998.

2. Standardize use of product life cycle for all development in 1996.

3. Implement one significant new continuous improvement process each year.

4. Be #1 or #2 in all product reviews done on each key product in division.

5. Reduce customer support costs as a percentage of total revenue through higher product quality.

1995	*1996*	*1997*	*1998*
ISO 9000 paperwork	ISO 9000 compliance	ISO 9000 certification	Maintain ISO 9000 certification
Begin using product life cycle	Standardize use of product life cycle for all development. Implement one new CIP process.	Implement one new CIP process.	Implement one new CIP process.
Product reviews are #1 or #2	Product reviews are #1 or #2	Product reviews are #1 or #2	Product reviews are #1 or #2
Understand customer support costs	Improve product quality and reduce customer support costs as a % of revenue	Improve product quality and reduce customer support costs as a % of revenue	Improve product quality and reduce customer support costs as a % of revenue.

E. Partners

1. Through PerfectFit Partners program, grow the number of certified PerfectFit solutions from 10 in 1995 to 250 in 1998.

2. Increase OEM and system integrator (components) revenue from 5% in 1995 to 15% in 1998.

1995	*1996*	*1997*	*1998*
Increase number of certified PerfectFit solutions to 10	Increase number of certified PerfectFit solutions to 50	Increase number of certified PerfectFit solutions to 100	Increase number of certified PerfectFit solutions to 250

1995	1996	1997	1998
Increase revenues from OEMs and SIs to 5% (Q1 '95 was 5%)	Increase revenues from OEMs and SIs to 8%	Increase revenues from OEMs and SIs to 12%	Increase revenues from OEMs and SIs to 15%

F. Products

1. Deliver a new suite release on latest Windows 32-bit OS each year. Continue to enhance Windows 3.x suite as appropriate to meet market requirements. Begin delivering a PerfectOffice suite on the Macintosh in 1996.

2. Deliver a product that provides the functionality defined by the Tapestry contextual design process.

3. Begin moving to a component architecture in an evolution process. Provide 80% componentization of PerfectOffice by 1998.

4. Fully integrate key technologies into PerfectOffice, such as PerfectSense linguistics technology, speech and pen computing.

5. Deliver full cross-application scripting language in PerfectOffice with full integration with a target visual development tool.

6. Lower cost of managing PerfectOffice by delivering enabled suite with appropriate tools to manage applications. Integrate closely with NetWare and ManageWise.

7. Move towards simultaneous release of PerfectOffice in multiple single and double byte languages in 1996. In 1998, provide simulaneous release in all key languages. Move to a single English version by 1996. Deliver Middle East language support in 1997.

8. Provide the ability to build custom suite on CD, on NetWare and on public networks.

9. Reduce COGS each year as a percentage of overall revenue. In 1998, achieve a direct material cost of 12% of revenue.

10. Outsource all Unix efforts by 1996.

1995	1996	1997	1998
Windows 95 suite (Storm) *PerfectOffice 3.1* *Final DOS releases of WordPerfect & Quattro Pro*	Storm.1 suite for Windows 96 PerfectOffice 3.2 Macintosh suite (OpenDoc) through partnerships	Storm.2 for Windows 97 Second Macintosh suite	Fully componentized cross-platform suite (Aspen) for Windows 98 & Macintosh Aspen.1 release late in year

1995	1996	1997	1998
Partial communications center. Basic network and internet integration.	Full communications center. Advanced network, internet and ANCS integration.	Complete merge and realization of Tapestry and Catalyst.	
Few common suite components. Partial componentization of PerfectFit Technology	More common suite components. Fully componentized PerfectFit Technology	50% of suite componentized	80% of suite componentized
Integration with Windows 95	Enhanced integration with PerfectSense and speech. Basic support for pen computing.	Enhanced support of pen computing.	
Partial cross-application scripting with visual development tools OLE Automation across applications		Full cross-application scripting with visual development tools	
Parallel enabling in three languages and simultaneous release in 4 Latin and 1 Asian languages	Simultaneous release in 8 Latin and 4 Asian languages. Also deliver in 2 Middle East languages.	Simultaneous release in 11 Latin and 6 Asian languages. Also deliver in 2 Middle East languages.	Simultaneous release in 14 Latin and 6 Asian languages. Also deliver in 2 Middle East languages.
Select on CD	Select on network	Select on internet & ANCS	
Basic management and diagnostic tools	Enhanced management and diagnostic tools	Full remote management of any PerfectOffice client	
Understand COGS	Reduce COGS 10% (as a % of revenue) from 95 levels	Reduce COGS 15% (as a % of revenue) from 95 levels	Reduce COGS 20% (as a % of revenue) from 95 levels
Outsource Unix development	Outsource all Unix activities		

VI. Three Year Product and Services Plan

A. Engineering and Development

Move toward a parallel development strategy to focus 75% of team on major revs every two years, and 25% of team on point revs for the in-between years.

1. Integrate ideas from Tapestry and Contextual Inquiry research into products.

2. Continue to focus on componentization, task-centric usability, network-integration, suite-integration, automation, PerfectFit Technology, platform specific requirements, and best-of-breed features:

Requirement	*Feature*
Network Integration	• Shared services • Internet/URL functionality incorporated • Common address book, network install, admin & deployment • Simultaneous file access, multi-user authoring • Client/server solutions, enterprise computing • Common DB access with common tools • Notes F/X support • Workgroup computing in conjunction with GroupWare; communication center incorporated.
Suite Integration	• Automation w/common scripting language across all suite apps • Task-centric usability • PerfectFit Technology • Shared components • Vertical custom solutions • Standard data exchange mechanism • Customizability across all apps
Best-of-Breed	• Specific features per product (see section IV) • Performance, smaller footprint • Usability
Platforms & Standards	• Windows 95/X, WinNT/Cairo, OS/2, Mac, Unix?, SuperNOS, Netware X, OpenDoc • Develop strategic partnerships with other products to provide Suites on all platforms
Components	• OpenDoc based? • Shared code (PerfectFit Technology) • Shared components (graphing, slideshows, SS engine, query tool, writing tools, linguistic technology, editing engine, report generator, ...) • ISV components (e.g. special legal, medical, financial, accounting add-ons) through strategic partnerships or developed in house. • End-user components (e.g. @functions, wordart, special effects for graphics, ...)
International	• Continue to drive toward common localization process across apps • Parallel enabling and development (single and double-byte) for all products. • Eventual localization into 20 Latin, 10 Asian, and 2 Middle East languages. • Multi-lingual and dynamic locale change support.

B. Marketing and Promotion

1. Conduct internal campaign to educate and motivate all Novell employees about products.
2. Add products to the reseller employee purchase program.
3. Send NFR copies to target resellers for evaluation library.
4. Send fax blitz broadcast sheet to reseller channel.
5. Arrange for distributors sales contests and/or buy-in promos.
6. Have superstore-specific promotions.
7. Have corporate outbound-specific promotions and/or contests.
8. Offer user group discount programs.
9. Investigate value-added bundles, providing greater choice and flexibility.
10. Negotiate OEM promotions.
11. Target competitors users with easy migration story.
12. Target IS managers, promoting management services, distribution, and overall reduced costs of maintenance.
13. Promote "first-network suite" message (for individual products also). Tie message into corporate "Pervasive Computing" vision - people working with people and data anytime, anywhere.
14. Promote "task-centric" usability, tight integration of products. Focus on message that says "I understand the way you work", software intelligence, and automation.
15. Promote plug-and-play components and the ability to build-your-own custom app, including alliances with leading vertical market vendors.

C. Distribution and Sales

1. Target standard distribution channels (retail, VARs, superstores, mass merchants, corporate outbound sales, mail order, OEM, direct, and integrators/publishers), as well as newer methods (such as the Select approach, selling both apps and components).
2. Work with outside channel agency in developing full channel promotion.
3. Develop key materials (such as marketing binder, merchandising kit, and point of sale items).
4. Perform reseller training.
5. Conduct product launch tour for distributors, resellers, and key accounts.

6. Participate in user group demonstrations.

7. Third party developer kit (including SDKs, components, add-ons from key partners).

8. Organize and implement detailing tour of top-tier accounts.

9. Create and run supporting newspaper and radio advertisements.

10. Develop sales kit (including sales guide; audio tape; summary page; three presentation scripts—for top management, MIS, and end users—with video on how to sell product; video of an infomercial nature; disks with slide show, sample files, QuickTour, and software on them; and product guide).

11. Create appropriate spiffs.

12. Participate in trade shows.

13. Conduct effective sales training .

14. Exploit the rapidly expanding CD distribution and emerging online distribution models.

D. Pricing

1. We will create pricing strategies the allow us to remain competitive in the market place without compromising the product's value. Our products will be state of the art which will enable us to compete on value add rather than on price alone.

2. Pricing strategies will be based on 1) value/price of stand alone products vs. value/price of the suite, 2) OEM bundling, 3) competitive pricing for stand alone and suite products, 4) profitability - based on volume/price considerations and margins.

3. Combine all trade-up and upgrade SKUs with one competitive price.

4. For components, pricing will be based on value-added for the particular market segment and may vary depending on the vertical market.

5. Focus on raising the margins, even with potentially lower pricing, by utilizing cheaper distribution methods (online) and reducing COGS (CDs, less doc).

E. Customer Support

1. Classic Support (180 days of toll-free technical installation/configuration and usability support for all purchasers of the products).

2. Priority Support (for a charge, offers support by second line technicians and help on advanced features as well as easier access to technicians).

3. Consulting Support (for a charge, offers services to create custom applications, databases, spreadsheets, macros, slide presentations, etc.).

4. PerfectSwitch Support (offers help for those considering moving from a competing suite to

PerfectOffice).

5. On-line Support (CompuServe, AOL, Internet, etc. will allow broader distribution of help and allow users to learn from experiences - problems and solutions - of other users.

6. Continue to focus on building quality products, targeting significant problem areas, improving the UI for ease-of use. Improve the information from customer support to development and marketing, including better hotlists and top enhancement requests on per product basis.

7. Third party developer relations (to provide technical assistance in creating custom apps and merging components together).

8. In-house support for content products.

VII. Dependencies

The dependencies needed for Novell Business Applications to accomplish the objectives set forth in this plan are outlined below:

A. Novell Applications Group

1. GroupWare

   a. PerfectOffice requires important enhancements to the GroupWise client as it is included with the suite. This includes:
      - Common address book
      - Integrated communications center
      - Shared places
      - Common install (profiles based)
      - PIM functionality (contact management, import ibases)

   b. Additionally, PerfectOffice requires basic network services to promote basic working together
      - Simple routing

2. Shared Services

   a. Linguistics
      - Topic identifier implemented for Storm
      - Concept builder implemented for Storm
      - Character classification
      - Concept Base
      - Message Identifier
      - Automatic indexing

   b. Writing Tools
      - New Writing Tools APIs

c. New Media
- Clipart for Presentations
- Templates
- Demo disks

d. Online Learning
- Coaches

e. Configuration Management
- Master making for each product

B. IAMG

1. Applications Management

a. NetWare Navigator. Software distribution service to distribute Windows and Windows 95 applications at servers or workstations. It needs to support external driving of the application's configuration. Have a common set of APIs to the NAL.

b. Software metering and licensing application in ManageWise that works with the NetWare license service. Monitor number of licenses and application usage.

c. Desktop software and hardware inventory facility with links to software distribution, so that software can be distributed based on system profiles.

d. Application performance monitoring.

2. Advanced Access Applications

a. Internet and ANCS browser API for applications to be able to access Web documents through URLs.

b. Mobile NetWare client – support automatic file synchronization of application files between laptop and network desktops.

3. NetWare Connect Services

a. Define naming conventions for NCS.

b. Promotion of WordPerfect Internet Publisher and/or WordPerfect SGML Edition and Envoy as premiere NCS tools for publishing and distributing information throughout any NCS network.

c. Develop NCS as vehicle for software distribution and licensing of business applications.

C. NetWare Systems Group

1. NetWare Products Division

a. NDS – Extensions to NDS which allow application objects to reside in NDS. These objects would contain a pointer to the application and a script which executes when the object is invoked.

b. NDPS (NetWare Distributed Print Services) - simplify the interface to printing to allow transfer of formatting data to server (returns to application more quickly).

c. AFS (Advanced File Services) - facilitate applications tying into AFS's folder-based object-oriented file system. Provide native support for OLE2 and OpenDoc objects.

d. SuperNOS - application server that provides consistent development model for server-based processes as with client applications.

e. NAL (NetWare Applications Launcher) - include in NetWare this set of NLMs to facilitate low cost software distribution. Common set of APIs as NetWare Navigator.

f. NLS (NetWare License Service) - include in NetWare this set of NLMs to enable metering and licensing of applications over the network. Needs to be capable of tracking licenses completed through electronic software distribution.

g. Distribute the Envoy viewer with NetWare to enable it to become the STANDARD tool for electronic publishing for NetWare LANs.

h. Use the PerfectOffice UI for all Windows and Windows 95 network utilities.

2. AppWare

a. Support for QuickTasks-builder version of AppWare for PerfectOffice.

b. Direct support for OLE automation and OpenDoc.

c. More integration with PerfectScript.

d. Use the PerfectOffice UI for Windows and Windows 95 versions of AppWare.

D. General Requirements

1. Product

a. Unified software distribution strategy. Currently there are plans for MPD to support NetWare Navigator and successors, while NPD is planning to use AppLauncher. We need a single strategy and one set of APIs to support in the applications.

b. Unified desktop. Currently there are desktops for NPD, PerfectOffice, GroupWise, SoftSolutions, Corsair, and ANCS (and probably others).

c. Single scalable language from the application level through PerfectOffice and up to the network to compete with Microsoft's Visual Basic.

d. Single object model. There needs to be a component foundation for object architectures, service interfaces and functionality. There also needs to be agreement on who owns specific components and unified interfaces between components for high level integration.

2. Customer Support

a. Be committed to work with division to reduce support costs.

b. Explore new avenues for support, especially electronic methods of support.

3. Localization (Operations)

a. Work together with division to facilitate, automate and enhance the ability to provide releases of localized product in multiple single and double byte languages concurrent with US English.

4. Developer Relations

a. Market PerfectOffice development environment to ISVs, VARs, integrators, and resellers through PerfectOffice Compatible and Solutions programs. Special focus on vertical market developers and Quattro Pro developers.

5. Education

a. Develop courses for PerfectOffice and the applications in the suite for domestic and international markets.

b. Develop CNE certification course and curriculum for systems engineers to be proficient in installation, configuration, management and tuning of PerfectOffice in a network environment.

6. Corporate Marketing

a. Corporate vision and strategy. Pull together product groups and division to facilitate ongoing creation and maintenance of corporate strategy. Drive intergroup strategic initiatives, such as public network support and distributed systems management. Effectively articulate corporate vision and strategy to key industry influencers and large accounts.

b. Analyst relations. Facilitate relationships with strategic industry analysts.

c. Corporate trade show support. Provide excellent support of key trade shows world wide.

7. Sales

a. Provide opportunities for divisions to effectively train sales force on product line.

b. Provide adequate demo hardware to show all Windows 95 application solutions by begin 1996 fiscal year.

c. Provide incentives for Novell and channel sales partners to market applications.

6. Novell Press

a. Publish books on PerfectOffice

E. External Dependencies

There are numerous third party dependencies that could be mentioned here. The focus below is only on key requirements that are critical to the success of PerfectOffice.

1. Database

a. Windows and Windows 95 end user database that is fully integrated with PerfectOffice.

b. The current supplier of choice for this requirement is Borland Paradox.

2. Visual development tool

a. Windows and Windows 95 visually oriented development tool with full integration with PerfectOffice.

b. There are a number of third party vendors who provide tools that may meet the criteria. This is currently being explored by the division.