

# A comparison and contrast of microsoft vs. the department of justice 12387

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It is my intent to assess the Anti-Trust lawsuit brought against Bill Gates and Microsoft. . Essentially, Bill Gates position is that the government has no case against him, and he assumes a correct moral and legal posture. A key concern for government lawyers is Microsoft s ability to bundle additional functions into the Windows start-up menu, such as the Internet Explorer browser that gives users direct access to the World Wide Web. A few consumers pause even to consider the alternative Navigator developed by Netscape. In a video taped message distributed by Microsoft, Mr. Gates said he was very disappointed by the collapse of the Peace Talks. He stated that Microsoft is innocent of any of these charges and we re certainly going to defend ourselves vigorously. Bill Gates is the world s richest man, and is currently under siege by the U. S. government on the grounds of a breach of anti-trust laws. In point of fact, charges have been laid against him consistently, while Microsoft and government lawyers attempted to solve the problem. The many attempts at this have failed and lawsuits have been filed by the U. S. Justice Department. One of the key problems associated with this argument has to do with selling off of stocks within the U. S. high-tech sector. Mr. Gates appeared determined to follow through with his Window s 98 as he had previously planned. In a nutshell, the government believes that Gates is abusing his dominant position in the market to hold back the consumers choice, and extend its power over its competitors.

Bill Gates fear is clear. Microsoft Corp. could lose its dominant position in the industry that is if the U. S. Department of Justice wins in its anti-trust suit.

Gates stated, The computer industry is littered with examples of companies that enjoyed a great deal of success for a short time, only to be overtaken by

new technologies that better served consumers needs. He also told the Washington Post that in order to remain competitive, Microsoft must continue to add new features to the Windows operating system. If we can't innovate our products, then you know we will be replaced. He was referring to Microsoft's claim that Internet Explorer (IE) is a feature of Windows 95, not a separate product. On December 11, U. S. District Court Judge Thomas Penfield Jackson ordered Microsoft to give OEMs (Original Equipment Manufacturers) the option of bundling Windows 95 without IE. Microsoft is appealing the ruling insisting that IE is a feature designed to improve Windows 95.

It appears that Gates has given in a bit, he has offered a version of Windows 95 with the IE icon hidden, which allows OEMs to install the retail version of Windows 95 with the Internet Explorer 1.0 files removed. All of this has made Bill Gates something of a controversial figure. Questions have been asked as to whether or not he is a good guy or a bad guy. This is to state whether or not his interests are good for the industry, or for Bill Gates. The question of anti-competitive business practices questions Microsoft Is he in fact breaking the law? The Justice Department thinks he is! Gates has been very firm in his belief that he is acting in a correct manner. To some, Gates has become the robber of the late 20th century who creates the monopolistic business practices that the Anti-Trust Legislation of the United States is supposed to keep from happening. In this case, Microsoft is hurting virtually everyone on the planet through extremely high software prices that it can enforce by intimidating peers and competitors. Gates is well known for his

competitiveness and has let success go to his head. To protect his dominant position and to maximize revenue and net income, Microsoft is squashing competition and software innovation. If you hold this view, the DOJ is right on target in its efforts to clip Bill's wings and allow more competition into the world of operating systems, and application software.

There can be little doubt or argument that Gates is a very competitive individual, and should he prevail, he would more than likely maintain his dominant position in the industry. Also, Microsoft's competitors are certainly ruined, as is software innovation. On the other hand, many believe that Gates is a big productivity savior - - because Microsoft's operating system has proven to be highly efficient.

The primary operating system in question has to do with the browser. In less than a year, Microsoft's browser market share jumped from 20% to 43%, while Netscape, its closest competitor's share, fell from 80% to 57%. The Justice Department said that

Microsoft is unfairly leveraging Windows 95, which is used in 90% of PCs. To chip away at Netscape's lead in the browser market. The DOJ charged that Microsoft violated a 1995 Consent Decree by forcing computer makers to install its Internet Browser software along with its Windows 95 operating system. On December 11, 1997, a Federal Judge supported the position of Justice and ordered Microsoft to immediately stop this practice.

The case centers on whether Windows 95 and Internet Explorer (IE) are two separate products and that Microsoft is improperly bundling or a truly

integrated product. Even to this date Microsoft and the DOJ have reached no settlement and Microsoft has integrated the browser into its newest signature product, Windows 98. The new integration of OS and browser seems to exhibit a sign of victory for Microsoft.