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From: Steven Sinofsky
Sent: Fri 5/24/2013 4:53:17 PM
Subject: news cycles

(talking to joel klein in an hour)

[Steven Snyder Says Windows 8 Firestorm Is 'Overblown' \(Audio\) \(Bloomberg\)](#)

this stuff is starting now... and at the specifics of Windows 8, people are saying stuff like this now --

<http://www.zdnet.com/sorry-but-bringing-back-the-start-menu-wont-help-windows-8-7000015842/>

(basically says all these little things will be fixed, which is of course obvious and true).

the real issue is that the PC market is cratering. HP's PC unit was down 20% year over year. Dell erased all margins in order to move units. Those are the two biggest companies.

HP is all about doing Android. Intel's new CEO is all about Android.

The only hope is that there is a broad economic recovery and people decide that they want to replace their old PCs with new PCs. That might happen, but the replacement cycle will look like televisions--when one breaks, you move houses, remodel, or something. Life moments will come to define PCs (entering high school, entering college, new job, etc.) And for sure no one is excited about getting one. And absent a new tablet from Apple, tablets are even less exciting given that this year more tablets will be sold than laptops.

What we used to say in our dark moments trying to get Windows 8 done was that we inherited a broken business/team and we did everything we could in Windows 7 to just get the business on track, and did, but then for Windows 8 we had one shot to get it on a new trajectory. It is too early to call it a failure and it certainly won't be swift, but it did not reset the iPad and Android in one motion.

And as to why Windows was in such a sorry state---well when I write my book it will point the finger at Bill. 2000-2006 was Bill architecting Windows and Steve running around doing pretty much nothing. And that is also when we missed phones--we had phones but they were just bad. Steve picked the wrong people to build our phone.

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