Negotiating Lessons from the Browser Wars

In 1996, the browser wars became headline news. The conflict involved three of the most important companies of the early Internet era: Netscape, Microsoft and America Online. At stake was AOL’s choice of a browser for its online service, either Netscape’s Navigator or Microsoft’s Internet Explorer. Microsoft’s apparent victory in this battle has inspired important books on antitrust, legal and business strategy issues, but the war seems endless. As recently as January 2002, AOL and Netscape filed suit yet again against Microsoft.¹

For all the analysis that this triangular struggle has generated, one area has gone mostly unnoticed: the negotiation among the players. All negotiations can be examined in terms of a core of common elements — parties, interests, no-deal options, the possibilities for creating and claiming value, perceptions and psychological dynamics — but a select few shed special light on the process itself.² The negotiation over Web browsers offers one such case. Drawing only on the copious public record, I will provide thumbnail sketches of the players and a brief description of the dramatic process dynamics — characterized by the

Many negotiators focus too intently on the parties, interests and options that are immediately evident “at the table.” The struggle involving Netscape, Microsoft and AOL over Internet browsers reveals why successful negotiators must take a much broader view both of “the other side” and of their own deeply held assumptions.

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Wall Street Journal as akin to TV’s “Melrose Place, where no bed goes unslept and no back unstabbed.” Then I will draw a series of broader negotiation lessons suggested by these process dynamics.

**The Background**

By the beginning of 1996, Netscape Communications was on a roll. Founded in April 1994 with a management team led by Jim Clark (former chairman of Silicon Graphics), Marc Andreessen (the programmer behind Mosaic, an early Web browser), and Jim Barksdale (former CEO of McCaw Cellular), Netscape owned the dominant Web browser on the market. The Navigator browser had been released in 1994, and by January 1996 consumers and businesses had downloaded 10 million to 12 million copies. Netscape’s product was technically superior and far easier to use than that of competitors, and as a result Navigator enjoyed a daunting 70% to 85% share of the browser market.

The company was also booming financially. Shares of its stock had climbed from $28 per share at the opening of its IPO in August 1995 to $174 that December, which translated to a $3.6 billion market cap on revenues of $346 million. In order to validate that high price, investors were putting pressure on management to rapidly increase earnings. Netscape’s response was to reorient its strategy: It would now move away from the consumer market and focus on selling servers and applications to the corporate market.

The dominance of Netscape’s Navigator, combined with the overall explosive growth in use of the Web, threatened one very large competitor in particular: Microsoft. Because Navigator worked across multiple platforms and with networks, it opened the possibility that software developers could create a vast library of applications using Java or other programming languages that were neutral regarding operating systems. In other words, the applications wouldn’t be dependent on Windows, Microsoft’s core asset. As a senior Microsoft executive put it at the time, “If there were ever a bullet with Microsoft’s name on it, Navigator is it.” (Sources for quotations and facts that are not footnoted can be found in my two Harvard Business School cases on the browser wars, which are cited in the Acknowledgments at the end of this article.)

Microsoft’s response to Netscape came in the form of Internet Explorer. Released in August 1995, the new browser was a dud. Although it was free to consumers and was bundled with Windows, it was also technically buggy and had only a 3% to 4% share of the market in January 1996.

While trying to establish Internet Explorer in the browser market, Microsoft was also investing hundreds of millions of dollars in its own online service, Microsoft Network. MSN was designed to compete directly with AOL and other online services such as CompuServe and Prodigy. Microsoft’s service was also bundled with Windows: Its icon appeared on the desktops of 50 million new computers each year. This sort of (near) zero-cost distribution led many businesspeople to regard the Windows desktop as the most valuable virtual real estate in the world.

AOL viewed Microsoft’s bundling of MSN with Windows with great concern. By now, the animosity between AOL and Microsoft was legendary: indeed, Microsoft’s market dominance and frequent hardball tactics had led to broad-based, deep-seated ill will toward the company in much of the computer industry. Paul Allen, Microsoft’s cofounder and the owner of 29% of AOL in the early 1990s, had wanted to take over AOL at one point but was blocked by AOL’s CEO, Steve Case. At a later meeting between Case and Microsoft CEO Bill Gates, the latter reportedly said, “I can buy 20% of you. I can buy all of you. Or I can go into this business myself and bury you.” In response, AOL held large rallies at its headquarters in suburban Washington, D.C., asking its employees to pledge to “destroy the beast from Redmond.” Gates himself was routinely demonized at AOL, which filed a formal complaint against Microsoft with the U.S. Department of Justice.

Like Netscape, AOL had exploded in size and value by the mid-1990s. It had 5 million subscribers and a market cap of $3.9 billion, and 250,000 new subscribers were signing up each month, largely thanks to AOL’s strategy of “carpet bombing” consumers with free AOL disks. But also like Netscape, AOL was under pressure to change. Many industry observers confidently predicted that fee-based online services would fade away altogether as the “free Web” became the norm, but the company had more immediate concerns. Its successful distribution strategy, for example, was costing an unsustainable $40 to $80 per new customer. And despite its commercial success, AOL had an image as the “Internet for dummies.” Top management was concerned that this perception would spread, damage its franchise and blunt future growth prospects. In short, AOL had a pressing need for a cutting-edge browser to improve its image and to allow its customers easy access to the Web that lay beyond AOL’s proprietary confines. Netscape’s Navigator was management’s first choice. As Jean Villanueva, a senior AOL executive, later observed, “The deal was Netscape’s to lose. They were dominant. We needed to get what the market wanted. Most importantly, we saw ourselves as smaller companies fighting the same foe — Microsoft.”

**The Negotiations**

Although Navigator had the inside track to AOL, Microsoft wasn’t about to give up without a fight. In November 1995, Bill Gates pitched Explorer to Steve Case in a meeting at Microsoft’s
headquarters, but Case rebuffed him. Not long thereafter, Gates chose the potent symbolism of Pearl Harbor Day to declare that Microsoft was "hard-core about the Internet." Microsoft had been slow to recognize the Internet "tidal wave," said Gates, but now it became a top priority. In particular, Gates and his top team now saw winning the browser war with Netscape as crucial, since Navigator put Microsoft's "core assets at risk." He also articulated what seemed like a puzzlingly (and uncharacteristically) modest aspiration: for Explorer to capture at least 30% of the browser market. But the implications weren't really so modest. If Explorer could reach that target, software developers would not be able to ignore it. They would feel compelled to write code for Web sites and related products that would be compatible with Explorer as well as Navigator. Microsoft would then buy the vital time it needed to pour resources into improving Explorer and deny Navigator a winner-take-all knockout punch. Recognizing Microsoft's new orientation, the stock market pummeled Netscape's share price — it dropped 28% in five days.

In January, Steve Case flew out to California to have dinner at Jim Barksdale's home while discussing potential AOL links to Netscape. Case proposed that Netscape produce a special Navigator version for AOL that would serve as the principal browser for AOL's subscribers. He also proposed that AOL run Netscape's extremely popular but woefully underexploited Web site, which was receiving millions of hits daily. AOL certainly had the capacity to leverage the commercial potential of such massive traffic (it may also have wanted to control a potential competitor to its own site). Finally, Case suggested that Netscape and AOL actively cross-promote each other and that Netscape include an AOL seat on its board in order to cement the partnership.

Barksdale discussed this proposal with managers and engineers at Netscape. They opposed the move, citing the effort that would be required to create an AOL-specific Navigator, one that would be "componentized" to fit with AOL's look and feel. And Netscape wanted to focus strategically on servers and the corporate market; it was less concerned about the consumer market served by AOL at this point. Barksdale ended up telling Case that the partnership proposal was a non-starter. He countered by saying that AOL would be a "good distribution channel for Navigator" at a cost to AOL of $10 per downloaded copy.

The AOL executive newly in charge of closing a browser deal was David Colburn. He initially felt that Navigator's brand name, market dominance and best-of-breed functionality made it the "obvious choice for AOL licensing." As someone fairly new to AOL — he joined the company in September 1995 as vice president for corporate development — and perhaps less imbued with the prevailing corporate view, he now reacted to these new developments with relative detachment: "I didn't care what the hell Silicon Valley thought or that Microsoft was the antichrist or that Netscape was so cool, I only thought, Who's got what we need?" Microsoft responded to this new expression of pragmatism and open-mindedness by promising to create, on a tight schedule, a browser that would be integrated into AOL's client software and have AOL's look and feel.

These were the essential positions of the three companies leading up to the stunning events of March. First, on March 11, Netscape and AOL announced a deal in which Netscape appeared to have triumphed over Microsoft. According to the terms of the deal, Navigator would become the "preferred" AOL browser on a nonexclusive basis; AOL would pay a fee for every downloaded browser. Until Navigator was integrated into AOL's client software, its presence (and thus visibility) on the site would be limited to a small AOL subsidiary, but Netscape's executives seemed to view that limitation as only a temporary problem. The market applauded the deal, as both AOL's and Netscape's stock rose between 10% and 15% that day.

Yet on March 12, the very next day, AOL and Microsoft announced a stunning deal that supplanted the Netscape-AOL agreement. Now Microsoft's Explorer would become the "default" browser for AOL's subscribers. Further, Explorer would effectively enjoy exclusive distribution and marketing by AOL. Navigator was for all intents and purposes confined to a small AOL subsidiary, and Microsoft was seeking to enforce Explorer's de facto exclusivity. Further, unlike the fee-based Navigator arrangement, Microsoft's Explorer would be provided to AOL for free. Explorer would be seamlessly integrated into AOL's software as rapidly as possible in the context of a multiyear deal.
Most remarkable to outside observers, Microsoft agreed that AOL client software would be bundled with the new Windows operating system; the AOL icon would be positioned on the Windows desktop right next to the MSN icon. This positioning on “the most valuable desktop real estate in the world” would permit AOL to reach an additional 50 million people per year at effectively zero cost. The value to AOL of having its icon on the

Windows desktop was immense for marketing, distribution and competitive reasons, blunting the threat from MSN. In effect, Bill Gates was sacrificing the near- and medium-term position of the Microsoft Network to the larger goal of winning the browser wars. (Microsoft also hoped to score points with the Department of Justice by favoring an MSN competitor in this way.)

After the deal was announced, Microsoft’s and AOL’s stock prices jumped while Netscape’s plunged. The head of MSN resigned. And Netscape’s management was stunned and disgusted at what it saw as an unbelievable double-cross on the part of AOL’s leaders. Explorer’s superior status as AOL’s “default” browser had trumped Navigator’s apparent victory and “preferred” status.

The Lessons
To explore the implications of the negotiations that led to this abrupt reversal of fortune, I will look first at the four basic negotiation elements: the parties, their interests, their no-deal alternatives and the opportunities for what I call “dealcrafting” (structuring agreements to create value). Examined in isolation, each yields insight; taken together, these factors constitute a fundamental analysis that yields lessons concerning Netscape’s approach and for effective negotiation in general.

Parties. Naturally, Netscape focused attention mainly on AOL, its direct negotiating counterpart. But while the company’s executives were certainly aware of Microsoft’s efforts, they largely neglected and dismissed Netscape’s principal com-

petitor as technically inept and irrelevant to the deal. Marc Andreessen, for example, infamously caricatured the Windows operating system as little more than a “poorly debugged set of device drivers.” Such dismissive attitudes of other potential parties are almost always risky and shortsighted. Another mistake is to view negotiating partners as monolithic; Organizations do not negotiate and make decisions, individuals do.

In this case, internal factions and participants played critical roles: Netscape’s engineers had decisive influence, and AOL’s David Colburn, a relatively new arrival to the negotiations, brought a view to the table that differed from others at the company.

Lesson #1: Look beyond your immediate negotiation counterpart and make a full analysis of your competitors as well. Don’t treat players as monolithic; map internal factions that could block or enable a deal.

Interests. Netscape apparently saw its own interest mainly as adding incremental browser revenue in the consumer segment, an area it already dominated to the point where it was no longer a strategic focus. The company seemingly failed to appreciate that its real strategic interest was in preventing Explorer from breaking out of its tiny niche.

Meanwhile, Microsoft saw AOL’s base of dangling like an arcade prize; if it could lay claim to that audience, it would be able to avoid the painful attempt to win market share for Explorer little by little. Instead, it would take a major step toward Gates’ goal of 30% market share, and software developers would have to start writing code for Explorer as well as Navigator. Microsoft would gain precious time to convert a winner-take-all standards war that Netscape was on the verge of winning into a war of attrition, a battleground on which Microsoft’s size, resources and staying power would likely give it a decisive edge over time.

Microsoft also was clearer than Netscape about the full set of AOL’s interests. Netscape acted as if AOL primarily wanted to get a good browser for a low price. Microsoft, which pushed to understand AOL better, appreciated the importance to AOL of a browser that would be integrated into AOL’s software and have the proper look and feel. Microsoft understood AOL’s sense of urgency and was willing to adapt Explorer extremely rapidly. Microsoft also found a way — by putting the AOL icon on every copy of Windows — not only to solve AOL’s problem of extremely high customer acquisition costs but also to allay its competitive fear of MSN. In short, Microsoft reconceptualized...
the negotiation from a browser-for-dollars deal into one that aligned with a larger set of AOL’s interests.

Like Microsoft, AOL saw the negotiation as being about more than the sale of a browser. In fact, AOL’s executives seemed to have a better sense of the full set of Netscape’s potential interests in the deal than Netscape’s own management did. Steve Case, after all, had explicitly proposed the equivalent of a partnership in which AOL would take a seat on the Netscape board, the two companies would run cross-promotions on each other’s Web sites, AOL would help leverage Netscape’s underexploited Web site, and they would join forces to oppose Microsoft, their putative common enemy.

**Lesson #2: Don’t just consider your own interests and those of your counterpart across the table in terms of the immediate issue under negotiation. Instead, think broadly, deeply and strategically about the full set of actual and potential interests at stake.**

**No-Deal Options.** Netscape’s narrow field of vision about its own and others’ interests was mirrored in its view of each side’s no-deal options, or BATNA (“best alternative to negotiated agreement”). Netscape effectively assumed that AOL had no meaningful BATNA to a deal for Navigator; to start with, Explorer was technically inferior, but even if it had been on a par with Navigator, Microsoft was the enemy. A Microsoft-AOL deal was unthinkable. But Netscape failed to recognize how catastrophically Microsoft viewed its own BATNA to an AOL deal: The view from Redmond was that failure to strike an agreement with AOL would threaten the Windows empire. Netscape also saw its own no-deal option as a minor problem: a bit of foregone incremental revenue.

AOL, on the other hand, exploited the power of its no-deal option with Netscape. By keeping another serious player “warm” in the process, AOL effectively created a potent bidding war in which a loss for one of the bidders (Microsoft) meant losing the business to a strategically lethal competitor (Netscape). As an AOL executive later said, commenting in general on the company’s strategy in negotiations with Internet companies, “You could be guaranteed that we were talking to two or three companies in the exact same space at the same time. You would never do a deal without talking to anyone else. Never.”

**Lesson #3: Explicitly assess your own BATNA as well as those of your counterparts and competitors. Consider ways to enhance your own no-deal option while worsening those of other parties.**

This analysis of parties, interests and BATNAs suggests two powerful implications that, arguably, should have been apparent to Netscape by January 1996, if not earlier. First, Microsoft would do everything in its power to win this deal; paranoia and extreme urgency on the part of Netscape’s executives would have been the rational responses. Second, Netscape’s overwhelming imperative and, indeed, likely its sole chance for success, was to make a deal with AOL as fast as possible, being as flexible as necessary on the financial terms. And most critically, Netscape should have pressed for a legally ironclad exclusive deal of the kind AOL was almost certainly willing to give earlier in the process. Such an agreement could have effectively blocked Microsoft for a period of time that, in the context of Internet competition, would have been a near-eternity. It could have added billions of dollars to Netscape’s market capitalization.

**Dealcrafting.** Netscape seemed to think of the AOL deal as a short-term customer-supplier transaction; the barrier to closure was mainly an impasse over the browser price. As Marc Andreessen bluntly put it, “If you have an economic relationship, then you’re a customer.” Steve Case later said as much, having proposed a more comprehensive deal to Barksdale: “Netscape had no desire to treat us as a partner; they only wanted to treat us like a customer.”

Netscape acted according to the standard script in such value-claiming situations. As Barksdale’s team saw things, AOL urgently needed a cutting-edge browser and had no alternative; Netscape could wait. Conventional haggling wisdom offered clear advice: Take advantage of your situation, start high with a firm position, concede slowly if at all, and count on time to be on your side.

By contrast, Microsoft seemed to conceptualize the deal as a longer-term partnership with AOL. By probing hard for a greater set of AOL’s interests and devising a value-creating deal that operated on more than one dimension, Microsoft was able to triumph. Ironically, giant Microsoft played the role of the hungry upstart in this drama while Netscape acted like the complacent incumbent. (Skeptics offer a less benign view. According
to one, “A partnership with Microsoft is like the Nazi non-aggression pact — it just means you’re next.”6)

Lesson #6: Think in terms of creating sustainable value rather than claiming short-term value. Think long-term partnership rather than short-term transaction. And consider crafting a broader business relationship as well as closing a clean technical sale.

If the main problem at Netscape was an arrogance that stemmed from false assumptions, the main reason for success by America Online and Microsoft was an ability to change the game.

Unwarranted Assumptions, Psychological Biases and Arrogance An overarching theme links Netscape’s mistakes: The company’s executives and engineers confidently held a series of plausible — but false — assumptions about the negotiation and the underlying competitive strategy. At the risk of hindsight-induced smugness on my part, here is my view of some of the more glaring examples:

- The issues in the negotiation are price and whose browser is technically superior.
- The relevant parties are Netscape and AOL.
- All that is at stake for us is a few incremental browser dollars.
- AOL has no meaningful BATNA since we have superior technology, Explorer is junk, and we enjoy market dominance.
- AOL will never do a deal with Microsoft because Microsoft represents the devil incarnate to AOL and to all right-thinking people in the industry.
- Microsoft will never do a desktop real estate deal with AOL because it would harm MSN.
- A “preferred” browser deal clinches it; we won!

In making these assumptions and misjudgments, Netscape arguably fell prey to a series of common biases in perception that cognitive and social psychologists have extensively documented in negotiating situations.

Overconfidence. When faced with the need to choose among a series of possibilities, negotiators frequently make a judgment, rapidly become attached to that view, and dismiss other alternatives as being far less likely than they may be. In their assessments and actions, overconfident negotiators unconsciously and unjustifiably restrict the full range of genuinely uncertain countervailing factors.7 As Alex Edelstein, an assistant to Jim Barksdale, later put it, “I think we were too arrogant. The bottom line is that Netscape thought its stuff was so good it was enough just to put it out there.”8

Biased assimilation of information. Cognitive psychologists have long understood how people unconsciously interpret information in self-serving ways.9 For example, disputants frequently overestimate their chances of prevailing in a court battle; the sum of the probability estimates for victory on two sides will often far exceed 100%. Likewise, sellers of companies consistently overestimate the value of the business in comparison with the way neutral observers and potential buyers see things. Netscape was strongly convinced that it was both right and in the catbird seat.

Partisan perceptions. Especially in situations of conflict, there is a tendency to demonize the other side or sides.10 Netscape treated the negotiation as good (itself) versus evil (Microsoft). The company would have been better served if it had followed this advice from “The Godfather, Part III”: “Never hate your enemies. It affects your judgment.”

False consensus. An unspoken conviction that others must see the world just as you do exacerbates the problems of self-serving biases and partisan perceptions.11 In the heat of conflict, it becomes nearly irresistible to assume that what you see is what everyone else sees and, hence, a false consensus is assumed. AOL’s David Colburn commented once that “Netscape thought we had nowhere else to go. It was like, ‘AOL has to do a deal with us, because we’re the leading browser, and Microsoft is its arch-enemy.’”12 But everyone at AOL did not, in fact, share this view. There was no consensus.

In tandem with these biases went a remarkable culture of arrogance. AOL’s Steve Case: “They were very aggressive about selling a browser but they wanted a very high per-copy fee. The attitude was we’re so hot we’ll license to everyone so you’d better take it.”13 That attitude was not confined to AOL. For example, Michael Dell, CEO of Dell Computer, commented, “Netscape was surprisingly arrogant for a company of their size and age and did not seem to aggressively pursue our business.”14 And Charles Ferguson, founding CEO of Vermeer Technologies,
claimed, “Until recently, Netscape was one of the most arrogant companies in Silicon Valley history, which is saying quite a lot.”

These observations apply to a particular company in a particularly hot industry at a particular time. It was a company that, by many measures, had every reason to be arrogant. And yet this attitude, whether in retail, services, manufacturing or technology, can be a real deal killer.

**Lesson #5: Be aware of these psychological biases and take steps to fight them. Try to lay bare all of your key assumptions going into a negotiation. Don’t automatically trust your instincts in tough negotiations involving considerable conflict. Explicitly ask what evidence supports your views and, more important, what evidence would change them. Appoint an internal devil’s advocate. Check out your perceptions with uninvolved parties whom you can trust to tell you what you don’t want to hear. Overall, avoid arrogance!**

**Changing the Game** If the main problem at Netscape was an arrogance that stemmed from false assumptions, the main reason for success by AOL and Microsoft was an ability to change the game.

Many people, including most academics who formally study the subject, analyze negotiation primarily as a process that takes place “at the table” with a fixed set of parties, interests, issues and no-agreement alternatives. Within that specified configuration, or game, negotiating skill can be deployed. The most effective negotiators, however, think beyond this limited view; they try to change the game to their advantage by focusing on substantive issues and potential actions away from the table.

In a tactical sense, AOL changed the bilateral AOL-Netscape game to its advantage by engaging Microsoft as a serious, if seemingly unlikely, negotiation party — improving its BATNA and worsening that of Netscape. In the long term, AOL may have preferred a world with competing browsers to facing a Netscape monopoly.

More interesting than such common BATNA-improving moves are actions to change the issues at stake. Microsoft successfully took such action at the beginning of 1996. Its technically inferior browser meant that it could not win on that battleground regardless of its negotiating skills “at the table.” While Netscape was confidently playing a waiting game to bring AOL around, Microsoft was using this precious reprieve to shift the negotiating ground to encompass a far broader range of business issues of keen interest to AOL. In addition, rather than focus its attention on the pure technologists at AOL (who would have been the natural players in a negotiation over the technical merits of the competing browsers), Microsoft concentrated on engaging many of the business-oriented people at AOL.

**Lesson #6: Don’t limit your negotiation to playing the game skillfully at the table; take actions away from the table to change the game advantageously.**

It’s tempting, with the benefit of hindsight, to see Microsoft’s victory as foreordained — another garden-variety case of the monster squashing the upstart. But such an interpretation won’t really stand up to scrutiny. Microsoft’s leaders had to change the game in order to win it. And they also needed Netscape’s people to say no when they should have said yes.

**Take Yes for an Answer**

In January 1996, Netscape arguably could have blocked Microsoft for what might have been a long time, if not permanently, in the standards game simply by saying yes to an eager AOL in return for an airtight exclusive deal. It failed to do so — not once, but twice. Four months after the Microsoft-AOL deal, a technicality apparently reopened the door to an AOL-Netscape deal. Ram Shriram, a vice president of Netscape, recounted what happened next: “AOL came to us again. AOL’s stock was tanking and it was getting sued by the attorneys general of various states. They were keen to come back to the table and forge a relationship with us.” Barksdale and Shriram met with Steve Case, but Netscape’s engineering team rejected the proposed deal, saying, as Shriram put it, “‘Look, we’re all busy. We’re not really interested. Our focus is not consumers.’ We lost out on another opportunity to take charge of another 10 to 12 million browsers.” Thus Netscape lost another opportunity to retain control of the browser market. Given these facts, it’s hard to see Microsoft’s victory as a foregone conclusion.

Foregone or not, by mid-1999 Explorer had taken almost three-quarters of the browser market while Navigator’s share had shrunk to less than 25%. Ironically, AOL acquired Netscape in March 1999 for $4.2 billion, and Jim Barksdale joined the AOL board. AOL made this move partly to boost Navigator and forestall the dominance of Explorer and partly to gain commercial access to the 20 million monthly visitors to Netscape’s Netcenter. In the end, then, Netscape was not a total business failure, but the unsuccessful negotiation of 1996 was one among many actions that sharply limited the company’s potential.

Netscape’s fall from dominance involved far more than faulty negotiation. But the negotiations that were part of the browser wars offer important lessons — about the need to assess the full set of parties, issues and BATNAs; about the benefits of crafting sustainable value-creating deals rather than value-claiming ones; about the risks of arrogance and biases; and about changing the game away from the table, not just playing it well at the table. There’s no guarantee, of course, that a broader view of the negotiating process would have changed.
Netscape's ultimate fate. But executives who find themselves in similarly thorny situations may be able to do themselves, and their companies, a great deal of good by looking beyond the mythical table that too often limits the possibilities inherent in any negotiation.

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REFERENCES


11. Ibid.
12. Ibid., 137.
17. There is no direct evidence that AOL would have granted such an exclusive deal if asked, but the strong preference of AOL for a Navigator deal cited above (from Colburn and Villanueva), combined with AOLs antipathy toward Microsoft, suggest that an exclusive could easily have been in the cards, especially if Netscape had been more forthcoming both financially and with respect to AOLs "partnership" proposal.
19. Ibid., 117-118.
20. D. Toft, IDG News Service, Boston Bureau, August 9, 1999: http://www.idg.net/idgnews/1999/08/09/NetscapeBrowserMarketShareDropsTo.shtml. Such market share figures are notoriously tricky but the qualitative point is beyond argument.
21. See especially Cusumano and Yoffie as well as Ferguson for more complete assessments of Netscape's strategic and operational errors.

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