

Microsoft vs. Netscape: The Border War Heats Up

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The software war between Microsoft and Netscape escalates this week, as each company moves more aggressively onto the other's technological turf.

The Microsoft Corporation plans to ship to customers the long-delayed fourth version of its Internet Explorer browser software. The program is designed to give users almost seamless integration between the World Wide Web and the desktop display of the personal computer.

In fact, so tightly does the new Microsoft software link the Internet to the P.C.'s hard disk that some industry executives and consumer advocates see the program as raising troubling new questions about the vast economic clout wielded by the Redmond, Wash., software giant.

The Netscape Communications Corporation, meanwhile, hopes to blunt the impact of Microsoft's rollout by demonstrating its own Web-to-P.C. integration software on Monday at an industry trade show here. Code-named Aurora, the program is

designed as a component of Netscape's Communicator Web-browser software and is intended to offer users a smoother ride between the Internet and files stored on their own P.C.'s.

With Microsoft the dominant provider of P.C. operating system software and Netscape still the leader in Web-browser software, each company is trying to use its own foothold to get a leg up on the competition. Microsoft, in effect, is trying to subsume Internet navigation into the P.C. operating system. Netscape's approach is to try to make operating the P.C. and surfing the Internet virtually synonymous.

Consumer advocates are increasingly concerned about Microsoft's power over ever-broader swaths of the software business. Earlier this month, for example, Ralph Nader met with the three top officials in the Justice Department's antitrust division in an effort to convince them that Microsoft's monopoly over personal computer operating system software is detrimental to the public.

"We think it's an outrage that the Justice Department hasn't taken action to stop Microsoft," said James Love, director of Mr. Nader's lobbying group, the Consumer Project on Technology.

Microsoft's Internet Explorer 4.0 will be distributed by computer makers and Internet service providers and will be accessible free from Microsoft's World Wide Web site beginning on Tuesday. The program is a precursor to the Windows 98 operating system, which Microsoft plans to introduce next year and which is to completely integrate the desktop personal computer and the Internet.

Although Netscape still has a significant lead, controlling 70 to 75 percent of the browser market, Microsoft is intent on shipping tens of millions of copies of its new browser.

The most visually striking aspect of the new software is what Microsoft is calling the Active Desktop, which adds an array of 30 corporate logos to the basic control panel or P.C. "dashboard."

The feature makes it possible to reach many popular Internet locations with a single mouse click. Company logos on the new dashboard include those of the Walt Disney Company, Time Warner, America Online, National Geographic, Pointcast, Intuit and others -- including Corbus, the electronic photograph archive owned by Microsoft's chairman, William Gates.

Such prime placement on the Active Desktop screen, tantamount to an advertisement, is likely to mean that the Web sites of these companies will get even heavier traffic.

Microsoft executives said that the company had not charged money for placement on the Active Desktop and that a user would be able to delete the logos, if desired. But critics are saying that the display screen will nonetheless become an electronic choke point that gives Microsoft and its allies powerful control over which information on the Internet is seen by the most Web travelers.

"The question is, 'Who owns your keyboard and the pixels on your screen?' " said Daniel Nachbar, director of the Public Software Institute, a public-interest group in Amherst, Mass. "Do you or do the producers of information?

Mr. Nachbar said his organization was in the early stages of designing an alternative browser that will have the equivalent of a "mute" button to block out Internet advertisements.

The heated competition between Microsoft and Netscape over the browser market is turning out to be more beneficial to advertisers than to consumers, Mr. Love said.

But Microsoft executives contend that the newest version of its Internet Explorer actually gives users more and easier options for customizing the software to their own needs.

"You can either add or delete things with a single click of the mouse," said Yusuf Mehdi, director of marketing for Microsoft's Internet software division. "We're giving users an unprecedented amount of control over the information on the Web that they've never had before."