

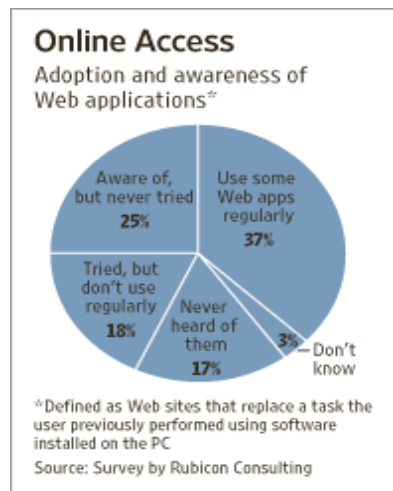
Microsoft, Adobe Widen Data Services

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[Microsoft](#) Corp. and [Adobe Systems](#) Inc. are taking new steps to move some of the most basic chores of personal computers to the Internet.

Microsoft is rolling out a free service that lets users of its Office software create and share documents over the Internet in new ways. The move comes as [Google](#) Inc., Microsoft's nemesis in Internet search, has been trying to popularize Web services that handle key functions of Office.



Adobe, of San Jose, Calif., today announced plans to move into online word processing by acquiring Virtual Ubiquity Inc., a closely held firm in Massachusetts that offers a service called Buzzword. Terms of the acquisition weren't disclosed.

Adobe, known for software used in electronic publishing, also unveiled an online document-sharing service called Share. Both services will be free, though Adobe plans to charge for extra features later.

The offerings reflect a broad industry push to use the Web to handle basic office chores, such as the word-processing, spreadsheet and presentation capabilities of Microsoft's ubiquitous Office suite.

That trend has yet to fully take off, said Michael Mace, a principal at technology-consulting firm Rubicon Consulting Inc. In a survey of more than 2,000 adults who have a computer at home, conducted this past summer, Rubicon found that while 34% of computer owners have used Web-

based email services and 20% have played games online, Web-based services for word processing and spreadsheets have been used by just 5% and 3% of computer users, respectively.

The Web-based services from Google and a handful of start-ups tend to be bare-bones versions of their desktop counterparts. For instance, there are fewer options for changing the look of a document or making calculations in a spreadsheet. Virtual Ubiquity's Buzzword service also has fewer features than desktop software, but it uses Adobe technology to offer some functions that are rare among Web-based services, including the ability to wrap text around images and show how documents will look once printed.

"The idea is that we'll bring together the quality of what you've come to expect from desktop applications and marry that with the reality of collaborating online," said Erik Larson, director of marketing and product management for Adobe's business-productivity unit.

Eventually, Buzzword and Share will also be made available as desktop applications that are accessible offline but that also connect with the Web.

By contrast, Microsoft, of Redmond, Wash., is adding more Internet capabilities of the programs included in Office with a service called Office Live Workspace. A user of the service, for example, could create a document in the Excel spreadsheet program, save it online and then later access it from another personal computer.

The online document could be accessed through Excel on a PC or through an Internet browser, Microsoft executives said. Currently most users of Microsoft's Excel and other applications transfer files via email.

Office Live Workspace, to become available in a test version today, will allow its users to save up to 1,000 Office documents online. Microsoft executives said the service is designed for individual workers and small companies that don't have in-house technical support.

For larger companies, Microsoft plans to sell Internet-based services, called Microsoft Online, that handle communications functions such as managing email. Those chores, carried out by programs that include Microsoft Exchange and Sharepoint, have mainly required companies to run software on their own server systems.

Microsoft plans to operate versions of those programs on its own servers or through hosting companies that will act as partners. Microsoft Online is available starting today for companies with more than 5,000 PCs.

Rajesh Jha, a Microsoft vice president, said Google has done some "really interesting work" in online software, but thinks there is room for Microsoft to innovate in the field. "We have been in business software and business services for a long time and we think competition is very good," he said.

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