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Erik Stevenson

From: Bob Kruger
To: bradsi; paulma
Cc: bradc
Subject: RE: insignia
Date: Thursday, December 02, 1993 9:42PM

You must have spoke w/ Phil Bousfield. Nick Samuels is no longer the chairman.

Novell is practically giving away DR-DOS. Insignia wants Apple to buy SoftPC.

Insignia currently pays us \$10-25 or 5% of FPP SRP for DOS 5; sublicense royalty is \$15. Current Windows royalty is \$31. They also have a bundled DOS 6/Windows 3.1 royalty for \$40. (For versions of Windows other than 3.1, they pay us 27% of SRP.)

We have been negotiating to lower their DOS royalty to \$5-15 or 5% of FPP SRP and drop their Windows royalty to \$25. This would be part of the deal to restructure the current NT agreement for the inclusion of SoftPC into NT.

We reached agmt w/ OEM on the above pricing and have started negotiations with Insignia. I've also complained to Insignia that they aren't winning friends by advocating DR-DOS in any shape or form, that it makes it hard for us to provide them Windows code (like Chicago) is they intend to focus at all on DR-DOS.

-bobkr

From: Brad Silverberg
To: Paul Maritz
Cc: Bob Kruger; Brad Chase
Subject: insignia
Date: Thursday, November 18, 1993 16:56

I talked to the ceo of insignia at the show. i forget his name, sorry, he was an english guy.

the issue is that i've heard thru the grapevine that insignia promoted dr dos to apple instead of msdos, for inclusion in their new machine that has a 486. he was caught off guard by my question and i could see from his reaction that yes, there is truth to this rumor.

REDACTED BY AGREEMENT
Comes v. Microsoft

we talked for a bit, and it's clear that they are actively telling oem's about dr dos. are they promoting dr dos? that's more a matter of judgement but it's clear that they are steering oems to dr dos and letting oem's know drdos is a viable alternative to ms-dos for the cost-sensitive oems (and who isn't cost sensitive).

I let him know that this presented a conflict to us - giving him access to windows source when he is out promoting dr dos instead of msdos. while we didn't agree on the definition of "promote", I think he got the message. given how committed he was to dr dos though I expect him to continue to

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push drdos.

you should be aware of this...

also he asked about chicago pricing. i said that since it's the combination of windows and msdos and more, you should expect a price in the same ballpark as windows + ms-dos...

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