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EXHIBIT
1930
Comes v. Microsoft

DOJ - Legal

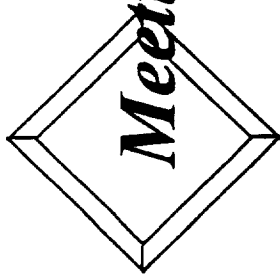
From: Robbie Bach
To: Hank Vigil
Subject: Slides for Boop Prep
Date: Monday, December 13, 1993 1:27PM

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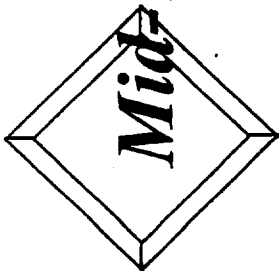


Meeting Goals

- ❖ **Review first half activity and performance**
- ❖ **Discuss key marketing issues for second half**
 - **Messaging**
 - **Pricing and SKUs**
 - **Small organization focus**
 - **Solutions marketing**
- ❖ **Decide on incremental funding needs**

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Mid-Year Financial Review

- ❖ Business/headcount summary
- ❖ Revenue and forecast

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Mid-Year Marketing Review

❖ Full post-mortem to ship by 12/17

❖ Green lights

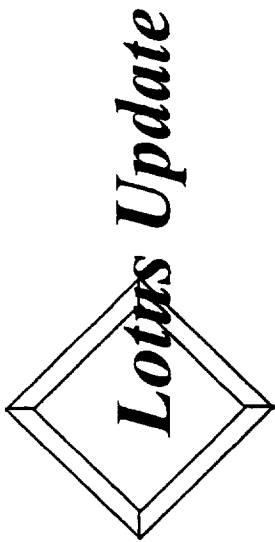
- Overall messaging framework
- Demand generation for products
- PR momentum strategy and coverage
- NSM/ESM and field tools/support

❖ Red Lights

- Product slips (Intl impact too) and backlogs
- SKU complexity
- Late changes, especially with pricing
- Channel relationship issues
- Coordination/communication complexity with field

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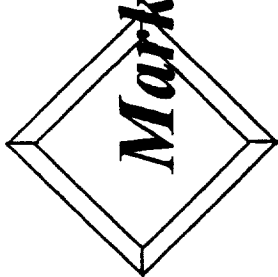
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- ❖ 123 v4 upgrade volumes lower than expected
- ❖ Strategy focused on BOB driving SmartSuite
- ❖ Communications
 - 5 best of breed apps -- shipping now
 - Workgroup (with Notes)
 - MS and Office as explicit target
 - Investment in channel efforts
 - Will outspend us 3 to 1 over next 6 months
- ❖ Product expectations
 - Major AmiPro release in 2nd quarter
 - Corresponding SmartSuite release with .x releases of other apps
 - Possible high-end SmartSuite with Notes/cc:Mail
 - 123 DOS upgrade in 2nd quarter
 - "Cheap" version of common macro language

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Marketing Spending Summary

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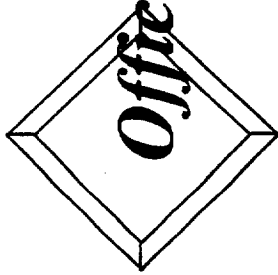


Second Half Objectives

- ❖ **Reinforce Office as the leadership brand**
 - Successfully launch Access 2.0, OfficePro 4.3, Mac Office
 - Achieve 80%/60% share targets
- ❖ **Move installed base up to Office**
 - 50% of upgrades should be to Office
 - Increase mix of Office Pro to 30% of Office sales
- ❖ **Switch 500+K competitive users to Office apps**
- ❖ **Increase awareness and share in SMORG market**
- ❖ **Identify and train Office developer community**

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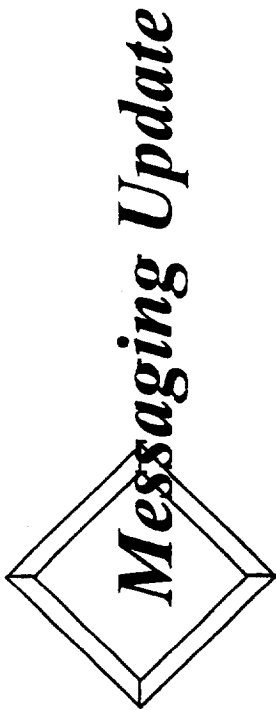
Office and App Pricing (SRP/Street)

<u>SKU</u>	<u>New</u>	<u>Upgrade</u>
❖ Individual App	\$495/320	\$129/119*
❖ Office Standard	\$750/469	\$299/279*
❖ Office Professional	\$899/569	\$399/379*

** Note: less a \$30/40 rebate for MS customers for first 90 days*

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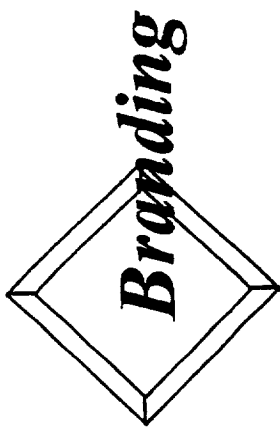


Messaging Update

- ❖ **Define and declare victory in “office suites”**
- ❖ **Drive home key messages**
 - Beyond Ease of Use -- IntelliSense technology
 - Beyond Cut and Paste -- OfficeLinks
 - Beyond Macros -- VBA
- ❖ **Incorporate Access 2.0/Word 6.0 in beyond macros**
- ❖ **Counter Lotus FUD by underscoring apps availability and superiority**
- ❖ **Plan response to new version of SmartSuite**
- ❖ **Continue brand research and definition**

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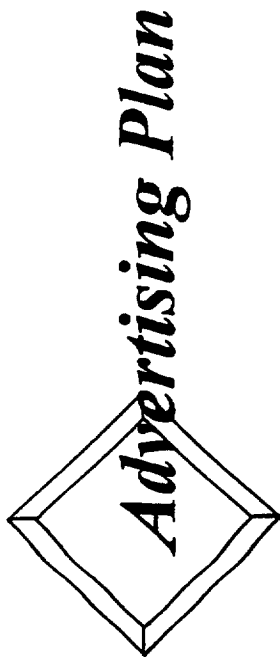
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- ❖ Agreement on sub-brands
- ❖ Consistent usage of Microsoft trademark
- ❖ Investigate modifications to Office "stripe"
- ❖ Re-evaluate definition of Office family
 - Resolve brand/sku naming issue
 - Other products in Office family

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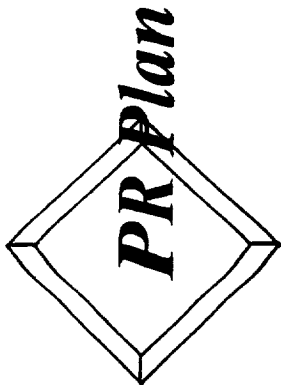


Advertising Plan

- ❖ **Office positioning (PC press)**
 - Continue to build awareness of Office as category standard
 - "Works together like one"
- ❖ **Launch ads (PC press)**
 - Reinforce apps as BOB
 - XL 5.0, PowerPoint 4.0, Access 2.0, Mac Office
- ❖ **Tactical ads (PC weeklies)**
 - Word/XL/Office "rolling thunder"
 - Build product momentum and neutralize competition
 - Customer acceptance and critical acclaim
- ❖ **Issues**
 - No business press presence
 - No positioning level ads for Word/XL

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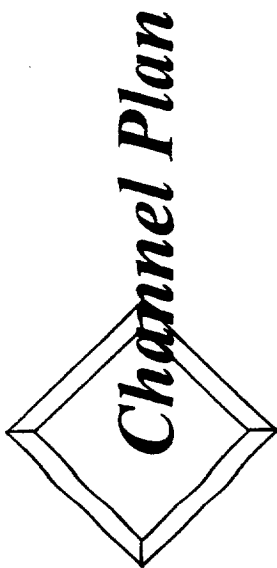
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- ❖ **Sustain launch momentum**
 - Develop and execute monthly messaging strategy
 - Launch Access 2.0, Office 4.3 and Mac Office
 - Cultivate customer acceptance testimonials
- ❖ **Prepare key messages for major MS activities**
 - EMS activities
 - Chicago apps
- ❖ **Win and capitalize on reviews**
- ❖ **Broaden PR reach to new audiences**
 - SMORG, Developers, VARs, etc.
- ❖ **FUD SmartSuite 3.x launch**

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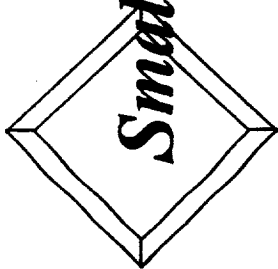


Channel Plan

- ❖ **No national end user premium**
- ❖ **Broaden distribution of Office (and indiv. apps)**
- ❖ **Co-fund direct marketing activities with channel**
- ❖ **Build retail presence and in-store awareness**
- ❖ **Ensure Office is recommended by RSPs and VARs**
- ❖ **Target small/medium business w/ tools and offers**
- ❖ **City Sweep**

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Small Organization Campaign

❖ Why SMORG focus?

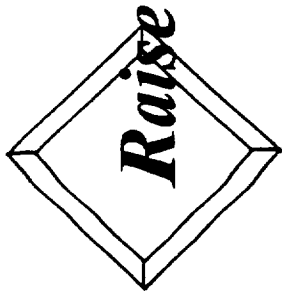
- Big market: 23% of all CPUs in US; 26% by 1995
- Fastest growing segment (3MM run rate)
- Fastest moving segment to Win (31%--->44% in last yr)
- Biggest identifiable pool of switchers:
 - ♦ WP share of SMORGS
 - 60% Win (vs 34% MS) 75% Total (vs 23% MS)
 - ♦ 123 share of SMORGS
 - 47% Win (vs 45% MS) 67% Total (vs 25% MS)

❖ Goal

- Raise SMORG share to parity levels by FY95
- Increase unaided awareness among SMORGS by 20 points
- Generate \$75 million incr. revenue from SMORGS in FY95

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Raise Awareness Among Peers

❖ **General awareness of Microsoft among SMORGs**

- Business press advertising; SMORG PR tours (content and books); White House conference, etc.
- SMORG user groups, business affiliations

❖ **Targeted awareness among industry peers**

- Industry and professional peers

❖ **Target 5 key industry/vertical segments**

- Accounting
- Legal 815K estimated desktops*
- Real estate 580K
- Insurance 534K
- Retail (restaurant) 490K

❖ **Leverage trade associations and vertical pubs**

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Use VARs/SPs for Office Solutions

- ❖ **Facts:**
 - 20+% SMORGs purchase through a VAR
 - Large networking opportunity: 65% of Novell sales to SMORGs (<34 PCs)
- ❖ **Work closely with Soln Marketing to target, train, equip SPs**
 - Identifying top 3 solution providers in each vertical
 - Aggressively recruit and mobilize broader SP base
 - 30% of current MS SP database focus on SMORGs
- ❖ **Accounting the "trojan horse" into SMORGs**
 - 86% of SMORGs use accounting software

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- ❖ Drive agreement on market segmentation/targeting with DDT & SM
- ❖ Secure appropriate Office visibility in DDT & SM marketing programs
- ❖ Reach influential CPs in “apps-based developer” segment
- ❖ Launch ODK and support launch of MSP
- ❖ Continue to drive technical content through developer programs
- ❖ Focus on key Office solution examples for PR and DDT/SM advertising

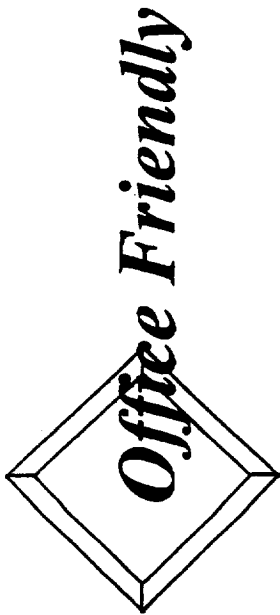
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Product Planning

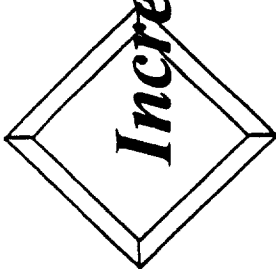
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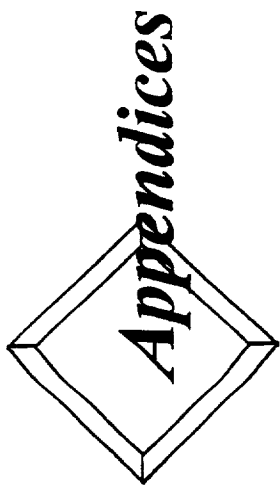


Incremental Funding

- ❖ **Trade press advertising - \$400K**
 - Support individual apps, especially Excel
 - Sustain launch momentum/awareness
- ❖ **Business press advertising - \$4-6M**
 - Address overall awareness issue
 - Raise awareness among SMORGs
 - MS precense in biz press
 - Counter Lotus share of voice
- ❖ **Programs - \$250-500K**
 - Office Friendly
 - Small organization
 - City Sweep

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Appendices

- ❖ Smorg plan
- ❖ Research summary
- ❖ Competitive spending analysis
- ❖ Ad concepts
- ❖ Post-mortem findings
- ❖ Product planning memo
- ❖ Results from Access cross sell and other offers
- ❖ Revised positioning memo and framework

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Shipment Status

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Managing Inventory

- ❖ **Weekly tracking of Word, XL, and Office sell-thru**
- ❖ **Office 4.2 transition**
 - **Extended Office 4.0 offer to 3/1**
 - **Assume Office 4.2 available between 2/15-3/1**
 - **Track order levels given change in discounts**
 - **Convert Jan orders to Office 4.2**
- ❖ **Word/XL transition**
 - **\$99 offer expires on 3/1**
 - **Track "stock piling" of \$99 product**
 - **Watch XL inventory very carefully given short upgrade timing**
- ❖ **PowerPoint transition**
 - **\$99 offer expires on 4/1**
 - **Same issues as Word/XL**

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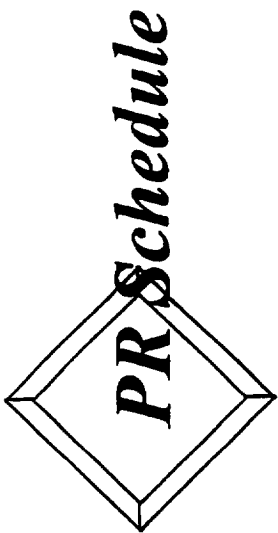
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Advertising Schedule



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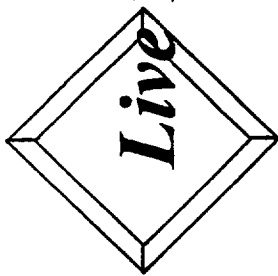


Direct Marketing Plan

- ❖ **Version upgrades with Office Std. upsell (Jan-Feb)**
 - Excel 1 (1/4); Word 2 (1/10); PPT 1 (2/1) ; Excel 2 (??); PPT 2 (??)
- ❖ **Access version upgrade with Office Pro upsell (March)**
 - Mail drops 3/22 (Access launch date)
 - Access @\$99; Office Pro Upgrade @\$399 (\$359 with MS owner rebate)
- ❖ **Focus Magazine with Access cover story and “wrap” offer**
- ❖ **Access 2.0 cross-sell piece to all Office owners (June)**
- ❖ **On-going quickfeed and competitive mailings**

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Live Trial Summary

❖ **Final Numbers**

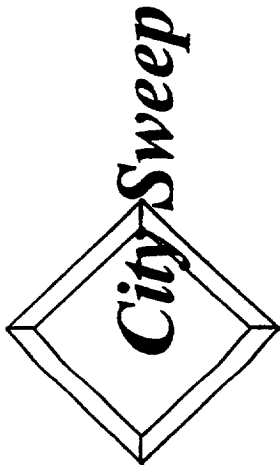
- 215K total videos seeded; 16% of video recipients purchased
- 34K total sales (direct and reseller tracked)
- Total program cost: \$3.4 million
- Cost per unit sold: \$113 for TV; \$98 for business print; \$54 for PC print

❖ **Conclusions**

- DR (TV or print) is NOT cost-efficient for selling to new users
- Program DID raise awareness among new and competitive users
- Video seeding from normal advertising may be profitable (test and check)
- People do want after-sale information

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- ❖ **Launch OfficePro/Access message**
- ❖ **Two reseller tracks to build channel awareness**
- ❖ **Reinforce "Office as development platform" msg. to VARs**
- ❖ **Teach how to sell to different segments**
 - **MOLP for medium size and smaller accounts**
 - **Selling Office into SMORGs, education, etc.**

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New Product Launches

❖ **Access 2.0/Office Pro 4.3**

- Establish Access as "single" solution; shut down Approach
- Demonstrate increased integration with Office apps
- Drive Office Pro mix to 30%
- Confirm leadership position relative to Lotus

❖ **Mac Office**

- Maintain leadership on Macintosh
 - ♦ PowerPC apps
- Upgrade and upsell installed base
- Stop growth of ClarisWorks
- Reach new buyers in small orgs

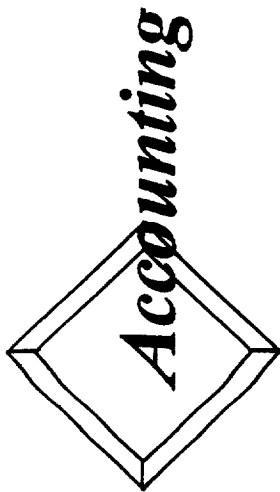
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- ❖ **Target 9 master vars (Great Plains, Platinum, Peachtree, etc.)**
 - 8,000 VARS and 3,000 very active
 - integrate modules with our code (e.g. Word ties to late A/R to do dunning letters)
 - accounting solutions integrate Office during installation (prompt for Office)
 - MVARs combine core blocks with Office and resell to VARS
- ❖ **MVARs must be able to split volume license (e.g. become "virtual resellers")**

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International Marketing

- ❖ **Provide focused support to high-growth subs**
 - Assistance to Far East subs, esp. Japan, Taiwan & Korea
 - Increased support of Latin American subs
- ❖ **Implement re-focused international support model**
 - Monthly conference calls with Tier 1 subs
 - Product manager and marketing manager meetings (TBD)
 - Raise international content of PM jobs
- ❖ **Drive localization decisions matrix from Office-wide perspective**
- ❖ **Quarterly state-of-the-business reviews**

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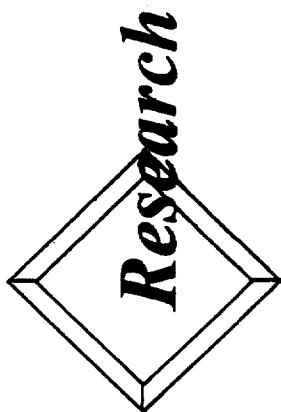


Field Marketing

- ❖ **Create district segmentation model**
 - Similar to sub tiers; allows recognition of varying capabilities/resources
 - Target top tier to really drive demand through FMM/FMS
- ❖ **Wins/Losses analysis & intervention**
- ❖ **January RSM**
 - Office Pro/Access and Mac Office focus
- ❖ **Drive articulation of workgroup strategy (with WGA, etc).**
- ❖ **Ongoing field support**
 - OFCPUSH & OCN and continued EBC push
 - Evaluation of field empowerment

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