



To: Bob Jackson@Staff@Corp Hou, Philip Wheeler@Portable@PCMkt Hou  
Cc: Judy Alam@Portable@PCMkt Hou, David Cabello@Legal@Corp Hou  
Bcc: GregP@Pur@Pur Hou  
From: Steve Decker@Pur@Pur Hou  
Subject: re: MS Pricing  
Date: Friday, December 16, 1994 at 9:33:18 am CST  
Attach:  
Certify: N

-----  
Bob/Phil,

One other thing to consider. I have been constantly reminding people about Marvel/MS Network. I know you spoke to Greg about what we have done with our other on-line suppliers. My thought is that if it becomes impossible to get MS to agree to revenue participation for Compaq delivering this service to potential MS customers, we should at least be able to play this into a cost reduction on the OS. Remember we will also be asked to support MS Network and pay for whatever additional material costs that will be included, something that we do not do for the other services. With MS positioning MS Network as a part of the OS, perhaps this can be our way of opening up negotiations for an OS price reduction.

Steve

Bob Jackson@Staff@Corp Hou Wrote:

Phil,

I agree with your BMail with one caveat:

We need to be real careful here for lots of reasons. MS will, of course, take offense should we press them. Secondly, we may well have a good price and they have been known to drive renegotiations because a deal no longer "works" for them. Thirdly, we will likely only get one shot, so let's be well prepared. Fourthly, the most favored language only goes to "core products" which are DOS, Win3.1 and WFW. A major piece of the value in the agrmt is they cannot raise the price on us, which I believe they can do in all other agreements. And, there is "mix and match". Exceptions to the systems definition were really helpful (worth as much as 15%) until the consent decree.

CONFIDENTIAL

C002039

MS-PCA 7024265

HIGHLY CONFIDENTIAL  
Pursuant to Protective Order in  
New York, et al. v. Microsoft  
CA No. 98-1233