



DOJ - Legal

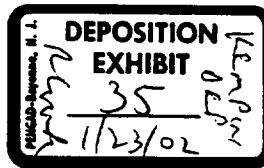
From: Steve Ballmer
To: Joachim Kempin
Cc: Brad Chase; Claire Lematta; Pam Edstrom
Subject: Win 95 OEM Pricing PR
Date: Monday, December 05, 1994 1:29PM

I had a long conversation with computerworld's stuart johnston the other night we will see the press today but I liked my messages see what you think if you like perhaps we should be proactive with some other editors

- 1. We have always worked to give price breaks to customers who help us avoid piracy and will continue to do that with win 95 even tho there are no and will be no per processor licenses
2. we have always given better prices to customers who work with us to make the market those used to take the form of min commits which we do not do any more as a result of the decree but we still believe in rewarding people who help us create demand hence the MDA
3. Win 95 offers a lot of function and value that is not in dos plus windows today many utilities and functions etc we want to make a fair return on that benefit we had earlier considered not including some of that stuff in the base win 95 product and selling that as an addon to get the value we decided that was less good for the oem and end user than keeping a single product that is part of our reasoning for looking to reasonably increase our prices
4. i told stuart that we had always worked thru oem objections on price before and that we were not going to get inflexible now and the time that IBM is pushing os/2 so hard we will be open and work to accomodate our oems and hopefully that will ehlp us keep share
5. I said we never have and have not now started having terms and conditions that predictae what an oem gets from us based upon his support for our competitors we do base what he gets from su tho on what he dopes to promote our products
6. I did saay many oem's had responded well to our win 95 initiatives and yes I tyhought others were trying to use the press to negeotiate most noticeable Vobis

if this ovrks for you and the cw story is good perhaps we should try with a few other poeple

I gave no details of price or MDA terms and did say each oem was different and that our terms reflected that



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