



From: Brad Silverberg [DWGROUP/BLACK/bradsj]
Sent: Friday, October 15, 1993 8:31 AM
To: Joachim Kempin; paulma
Cc: Richard Freedman (richf)
Subject: RE: OEM challenge

The preliminary thinking by Paul and me is that "base" windows would be appx \$30. the full Premium would be another \$30 to the oem's. We would make a few of the elements in Premium available "ala carte" to the oems. The ala carte items are most closely aligned with special hardware. That is, the Mobile pack would include Remote Network Access, PCMCIA, File synch, etc - those features someone shipping a mobile machine would want. Appx \$10. Another would be the CD/Multimedia pack, which would include the high performance CD File system, Multimedia support, applets, etc. Appx \$10. We might sell the network Peer for another \$5-\$10.

What think?

|From: Joachim Kempin
|To: paulma
|Cc: bradsj
|Subject: RE: OEM challenge
|Date: Friday, October 15, 1993 12:27PM

|I am in Gmbh for two weeks, no 1:1. I looked at the war paper from
|Tong, So I am aware of GOLD and SILVER ideas. OEMs are more and more
|itchy about price increases, I believe with WfW we are getting close to
|the max. The ideas of GOLD and SILVER are the right ones, which will
|enable these guys to continue to pay a base fee and give the customers
|a choice when they need additional SW.

>Von: Paul Maritz
>An: Joachim Kempin
>Betreff: RE: OEM challenge
>Datum: Tuesday, 12. October 1993 20:30

>Lets get a 1-1 together with bradsj so that we can talk our way
>thru this. Think of the challenge as: how do we raise prices
>(significantly) on OEMs - so that we can increase our average
>take on a PC from \$35 to \$50+.

>From: Joachim Kempin
>To: Bill Gates
>Cc: Brad Silverberg; Mike Maples; Paul Maritz; Peter Miller; Steve Ballmer
>Subject: RE: OEM challenge
>Date: Friday, October 08, 1993 9:24AM

>I am unclear what premium Chicago is, so I need some education
>before I acan comment on this. Regarding the other issues, pls
>see my comments:

>From: Bill Gates
>To: Joachim Kempin
>Cc: Brad Silverberg; Mike Maples; Paul Maritz; Steve Ballmer
>Subject: OEM challenge
>Date: Monday, October 04, 1993 6:23PM

>I want to make sure it is clear the challenge we are asking OEM
>to take on in licensing Base Chicago.

>a) We get to include on our CD whatever bits we want where
>people call back to us to enable some things. Applications will
>be part of it. The OEM does not change our CD.

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>I BELIEVE WE CAN ACHIEVE THIS. WE NEED TO MAKE SURE THAT CD'S
>DO NOT PREVENT OR REPLACE PREINSTALLATION OF OUR COSE. SO A
>STUMP NEEDS TO BE ON THE HD. THE LAYWRES NEED TO TAKE A LOOK AT
>THIS TO MAKE THE CONTRACTS FIRM.

>
>b) The Oem preinstalls windows and does not pull any
>substitution like an incompatible shell or things like VLMs
>that conflict with Windows.
>WE CAN PROBABLY PREVENT THINGS WHICH CONFLICT WITH THE ABILITY
>TO RUN OUR PRODUCTS. IT WILL GET TOUGH IF WE TRY TO KEEP THIRD
>PARTIES OUT-WHICH WE CAN'T DO LEGALLY.

>c) An oem has to do a and b to license base chicago at the
>price that is just somewhat below the current price for
>DOS+Windows. To get Premium Chicago most of the OEMS are asked
>to pay at least \$25 and we dont mind if they dont go for it. We
>would like to get some major Oems to go for it and may have to
>take their volume into account but since the installed base
>will get premium as part of their update we expect to have 10M
>people evangelizing the benefits.

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