

From Jeremybu Tue Sep 19 20:58:10 1989  
To: jeffl richardn  
Subject: Amstrad/MS-DOS  
Cc: christa halsea jochink  
Date: Tue Sep 19 20:48:43 1989

I spoke with Leonard Liu for about 15 minutes on the phone this evening. He had a meeting yesterday with his people to review the decision for a DOS for their home computers. At the end of it, he told his people that in view of the strategic nature of their relationship with Microsoft, Acer (ie. he) would make no decision contrary to MS interests without his personally calling me to give me the "final opportunity".

In this yesterday's meeting, he had identified 4 issues that needed to be resolved before he could get to the "Final Decision" stage.

Q1. What are the compatibility issues with DR-DOS? (I escalated this to be a broader competitive analysis of ALL the features and capabilities of the two products. I said that I had asked JeffL to get to Acer, thru Herbert, a complete side-by-side analysis of the strengths and weaknesses of the two products. Leonard did not recall this document being presented at the yesterday meeting. I said I would ask my people to fax this to Herbert asap (even though this was already done over the weekend), and I asked that Leonard ask Herbert to call me to acknowledge receiving it. Leonard said that if I was that concerned about getting this to them, he, Leonard, would personally call me once he had it. We should re-fax it to both Herbert and Leonard.

Q2. What are MS intentions regarding ROM DOS? Is it strategic for us, or are we just throwing it together to save a sales situation at Acer? I told him about our successes in Japan, about the embedded control market. I made it clear that this was very strategic for MS and that it would get a lot of ongoing support from us. We should consider sending a "special" version of our ROM dos marketing plan to Leonard, to show him how committed we are to the market.

Q3. How would MS take the loss of this sale? Would we say "aw shucks" or would it be a big thing for us? I think they are getting the idea, from Billy and my calls, that this WOULD be a big thing for us, and would affect the relationship severely. I did not play this tune too loud, as I am saving it for "Final Opportunity" time if it comes to that.

Q4. His fourth point was "How easily could Acer switch back to MS-DOS if they did decide to go with DR DOS?" That was clearly a question that they and DRI would have to resolve, as DR is cloning us, not vice versa.

The feeling that I got from Leonard, was that Acer thought that MS didn't have a strong commitment to this product. This was probably due to our bad account management in the first half of 1989. I think we are changing their minds. At least we know now how the decision will be made.

Action items for JeffL & RichardN. Give me a copy of the side-by-side competitive analysis that we spoke of on Friday. Write up a precis of the marketing plan for ROM DOS stressing our commitment to us. Send both to Herbert again, and I will send both in parallel to Leonard, with a personal note.

PS. The publishing company stuff that Shan Shib had mentioned to Bill seems random to Leonard. The threat is clearly more mainstream than that, more in line with the info that RichardN received.

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