

From jeremybu Sat Nov 4 10:44:23 1989
To: jeffl joachink romh
Subject: my letter to Liu
CC: chrissm
Date: Sat Nov 4 10:40:58 1989

Here is the final draft of my letter to Leonard Liu at acer.
Let me know if you have any concerns.

Dear Leonard,

Thanks for your letter of October 24. Also, many thanks for Acer's recent support of Windows. I am sure that this is a win for you and us: Windows is becoming very popular and your putting it with your machines will be an important differentiator for them.

I'd like to address briefly the issues you raised on the subject of our proposals on Microsoft ROM DOS.

On price, I am very sensitive to making sure that your cost base is reasonable. I have asked Joachim Kempin, our VP OEM, to make sure that our royalty is appropriate to machines that could retail for as little as \$200. We are not asking for any additional financial commitment for this business, as you already have made a large financial commitment to our products.

As you know, we have, with a lot of help from Acer, completed the Chinese version of MS-DOS 3.21. The ROM DOS is also based on this same version. The existence of the Chinese version was one of the reasons that we chose DOS 3.21 as the base for ROM DOS. We can create a future Chinese version of the ROM product. Our development group estimates that it would take them about two months of work to do this, plus testing time.

You asked about our strategy of keeping the ROM product in synchronization with the disk based product. Our discussions with OEMs who wanted the ROM product indicated that the most important thing was to make the ROM operating system as small as possible, to save on ROM costs and provide more space for applications; this was more important to them than exact consistency with the disk version. We agree with you that it will be important for us to have synchronized releases of our ROM product and disk based product in the future. Thus, our plan of record is to release compatible ROM and RAM based products for the next major MS-DOS release in about one year.

We recognize that the ROM product will require support from Microsoft. This support will be available to Acer at three levels: from our team in Taiwan (our technical support manager in Taipei is already in place); from our OEM support group in Redmond, which is accessible directly to Acer engineers through the OnLine support system; and finally through the development resources in the Microsoft Systems Division, several of whose people have visited Acer in Taiwan recently.

You mentioned that you need the source code for KEYXX.EXE. We will provide this to you without charge.

You suggested that for additional user friendliness, we should integrate CONFPROC.SYS. We are doing this and expect to provide the resulting files to Acer on _____.

Thanks again for your letter. Microsoft sees the ROM DOS business as a vital strategic opportunity. We want very much to work with you on it, and I am sure we can come to an agreement quickly. I hope I'll see you at Comdex.

Yours sincerely

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