From richab Wed Feb 27 19:21:41 1991 To: jonro ruthannl Subject: Win3 and WinApps ideas Date: Wed Feb 27 19:21:40 1991

The fundamental issues for us remain the same:

We still have to live with the level playing field. We need to agree (everyone) to making a change in the way we sell the batteries, and if this can be done, roll it out in such a manner that ensures that we are viewed as being evenhanded.

I spoke with lewis today and touched on this. I am not a proponent of make this sort of a policy change for a test. It iss just too broadreaching of a thing.

Ruthann: when we last spoke about this topic, the plan was to only do the \$129 deal direct. That changed, and as I understand it today, the channel can play too. Can you concieve of a program that promotes the batteries with win apps fulfilled via the channel which would reach your target? Do we at this juncture have enough data (other than the not too surprising reasonable pull of the win list) that would suggest that we pursue hard or soft bundles with vendors of windows applications?

This is tough stuff.

>From ruthannl Wed Feb 27 16:34:49 1991 To: jonro richab Subject: Win3 and WinApps ideas Cc: ruthannl Date: Wed Feb 27 16:32:58 1991

Rich and Jon,

This mail revisits several issues we were in sync on several months ago. We have been in discussion over the last several weeks with BUMs and Billg on how to ratchet our business up to a higher level, beyond what we are doing with the \$129 upgrade program.

The two issues:

Bounceback card in Win3 box — during WinComputing, we put coupons for working models into your builds. For a very short period (approx 3rd week of March until April 30) we would like to add a similar coupon giving notice to our \$129 upgrade program.

* Soft bundle of Win3 and XL and W4W -- several months ago when the \$129 program was being developed, we agreed to offer Win3 for \$50 to users who were eligible but hadn't updated yet -- Win 2.x and runtimes people. You agreed that this made sense since it basically amounted to another wavve of update mail for Win3. We backed out because it added some complication to program logistics, which were moving fast anyway. Now we're thinking about whether it makes sense for

both Win3 and for XL and W4W to do soft bundles (maybe Mouse too, or as a parallel test). We aren't looking for price to be the primary driver on the Win3 side. Read - promo price, but not too cheap.

What is your take on these two? Anything else you guys

MS-PCA 2432725

CONFIDENTIAL

Plaintiff's	Exhibit
-------------	---------

5239

Comes V. Microsoft

EXH. 4	T DATE.	alalo
WITNESS	Mod	<u></u>
SUSAN ZTELIE		

have been batting around that we should think about?

I understand that Bradsi is not back in until next week. I would love to get your read on it first and then let me know how we should take it up with Brad.

Thanks.

MS-PCA 2432726

CONFIDENTIAL