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Co. Richard Guis
for Terry Guis
TO Mrs. [unclear]

DR DOS 6.0 Marketing Launch Plan

Prepared by: America's Marketing & Sales Group
October 8, 1991

COREY
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5. Create positive product image

Establish DR DOS as the innovative and compatible leading-edge DOS alternative that does everything better. Begin to set the stage for the added market leverage of Novell.

6. Position DR DOS 6.0 as the truly compatible alternative DOS

Position DR DOS 6.0 in the market as the innovative technology leader. Continue to reinforce 100% compatibility and leading-edge PC operating system technology.

Product Description

DR DOS 6.0 is a powerful single-user operating system designed to run all DOS applications (100% compatibly) on Intel 80x86-based and compatible microcomputer systems. It gives the user more memory, more disk space, and it significantly increases PC performance. DR DOS 6.0 is a quantum leap ahead of any DOS technology available today.

With DR DOS 6.0 users can:

Increase PC performance

- o More memory for applications (up to 625k)
- o Fastest disk cache on the market
- o Disk defragmentation
- o Fully integrated task switching

Double hard disk capacity

- o Automatic file compression

Secure their PC

- o Password protect disk, directories or files
- o Keyboard lock-out

Use the easier DOS alternative

- o Quick and easy installation
- o On-line hypertext help for each command
- o Simple system reconfiguration

Get more value

- o Powerful file undelete
- o PC-to-PC serial file transfer
- o Cursor size and blink rate settings
- o Graphic memory map
- o Unformat



External Perception

DR DOS 5.0 has been received extremely well by end users, ISVs, OEMs, VARs/VADs, and most importantly key industry pundits and the press. The success can be attributed to a few key elements: a great technical product, good technical support, a strong marketing campaign ("Toss your DOS"), and to some extent the industry lining up against Microsoft (David and Goliath).

The pending Novell merger will significantly strengthen the credibility of Digital Research Inc., DR DOS 5.0 and DR DOS 6.0.

Internal Perception

DR DOS 6.0 is perceived internally as a leading-edge PC operating system with a growing installed base.

Press Perception

Incredible! Extremely favorable reviews. DR DOS 5.0 has generally received marks more favorable over MS-DOS 5.0.

Market Analysis

Penetration

There are twenty five million DOS PCs installed in the U.S. Sixty percent are 286 machines. MS DOS has nearly 95% penetration, while the DR DOS 5.0 penetration is 10%.

DR DOS registered user base segmentation

We're working with Jody Clifton to gather some data from the registered users. Key data includes: Where product purchased, city, state and zip code. Once the data is collected, it can be used to determine patterns so our marketing programs can be more targeted.

We will have to change the registration cards (next build) to collect more detailed information. At a minimum, we'll have to collect and segment:

1. By industry
2. By company size
3. By department

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Channel segmentation

DR DOS 5.0 has good distribution, but the focus is with two key distributors -- IngramMicro and Merisel. The corporate reseller channel exists but is reactive to end-user demand. Gold disk sales have been strong in the past two months and may demonstrate that the efforts made to penetrate corporate America over the past nine months are finally paying off. The pending Novell merger will strengthen our relationship with distributors.

Competitive Analysis -- MS DOS

Pricing

The MS-DOS 5.0 SRP is \$99. Microsoft then discounts the product roughly 51 points (into the channel at \$48.50). The street price is \$60-\$69.

Distribution

Microsoft has much broader distribution than Digital Research, and has the added leverage to force sales of weak product lines through tie-in sales with successful products.

Sales Force

The Microsoft sales force is very large -- over 400 and growing. Although their product offerings are very broad, with their sheer number of reps, they are able to provide excellent coverage directly to Fortune 1000 accounts, resellers and retail accounts. They successfully create demand long before products ship both in reseller and corporate markets.

OEM

Strong OEM accounts, who have shipped incredible volumes of PCs, have paved the way for Microsoft's DOS success.

Momentum

Although Digital Research was able to delay MS-DOS 5.0 and cause a slight hiccup in sales, Microsoft claims they've shipped 1 million units. Microsoft is trying to ride the wave Windows created with its announcement in May of 1990.

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Product Strengths

Microsoft's claim to fame with MS-DOS 5.0 is memory management. Other strengths include:

1. Better network driver support (with LAN Man)
2. Safety -- all DOS software is tested using MS-DOS; DR-DOS is tested by only a few, compared to MS-DOS, of the leading software and hardware manufacturers.

Competitive positioning

1. DR DOS 6.0 is the most advanced general purpose PC (DOS) operating system available today.
2. DR DOS 6.0 will become the product of choice for Novell-based LAN installations.
3. DR DOS 6.0 provides users with more memory, more disk space, significant PC performance gains, greater security, and better integration with LANs.
4. DR DOS provides OEMs and users direct benefits that go further than any other DOS products to exploit hardware and software capabilities.
5. DR DOS is fully compatible with DOS- and Windows-based applications.
6. DR DOS provides the optimum solution for Windows and Windows applications.

DR DOS 6.0 refines the new technologies included in DR DOS 5.0, such as memory management and easy system setup. But DR DOS 6.0 goes considerably further. It delivers increased performance from unchanged hardware, doubles available disk storage, includes more sophisticated task switching than MS-DOS 5.0 offers -- and it provides a wide range of easy-to-use utilities.

These developments benefit the users of networked, stand alone desk-top, lap-top, and notebook systems. Each segment can use the features specifically designed for them. 8086 and 286 machines, which represent more than half the installed base of PCs, benefit even more due to DR DOS 6.0's exceptional memory management capabilities on those PCs.

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1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100
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Pricing

DR DOS 6.0 SKU AND PRICING BREAKDOWN

SKU	SRP \$		Margin % off SRP	Channel Price \$	Probable Str. Price \$
DR DOS 6.0*	99.00		45%	54.45	59-69 ea.
5.0 - 6.0 Upgrade #1*	9.95		n/a	n/a	n/a
5.0 - 6.0 Upgrade #2*	24.95		n/a	n/a	n/a
SixPack/PO S bundle*	594.00		45%	326.70	59.00 - 69.00 ea.
Educational *	59.00		40%	32.40	49.00
Industrial (bundle)*	Proposal generated				VAR bundle w/ h/w
Evaluation*	19.95		n/a	n/a	n/a
Preview Disk**	9.95		n/a	n/a	Free
Add Novell Gold Disk	Proposal generated				
Direct					49.00

* available in two SKUs - 3 1/2" and 5 1/4"
 **not to be resold
 n/a = not applicable

Upgrade #1 - If DR DOS purchased by August 8th upgrade is available directly from Digital Research for \$24.95 plus shipping and handling.

Upgrade #2 - If purchased on August 9th through November 9th time-frame, upgrade is \$9.95 which includes shipping and handling.



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Target Markets

1. Installed base

Registered users are the best prospective customers for DR DOS 6.0. This highly targeted market is our lowest-cost and highest-return segment. Unregistered users are harder to reach, but this segment also has a high close rate. Sales cycle for the entire installed base segment is typically short.

2. New users

New users are most affected by compatibility, value and performance. The first decision point is: "is there a compelling reason to buy this product?". The second criteria is product suitability -- "nice features, and they mean something to me." Compatibility is only important if it doesn't exist -- it can be a *purchase disincentive*, but it is rarely a sufficient incentive to compel the purchase of the product.

New users can be further segmented as follows:

Small to mid-size business

This is an excellent opportunity for incremental business. Competitive product selection evaluations are unusual and sales cycles are short. Public relations, word of mouth, positive reviews, direct mail and telemarketing are the best and most cost-effective approaches, although a sufficiently large advertising budget can help create the awareness and interest level to help get "above the noise." We sell most of our gold disks to mid-size businesses.

Fortune 500

This market is vital to our long term success and is part of our long term strategy. The sales cycle is long and more formal than in most other segments. However, the payoff is great, and this is a very strong market segment for Novell. We need to stress our network advantage and start to set the stage for the Novell merger.

Fortune 500 - 2000

These accounts also have a rather lengthy decision process, but they may be less reluctant to switch standards because their MIS/IC management tends to be less structured than in larger companies. The sales cycles are usually shorter than the Fortune 500 accounts but the key, as with the Fortune 500, is to get to the MIS and IC managers -- the influencers and the specifiers.

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3. OEMs

DR DOS 6.0 offers a superior, high-performance operating system that exploits the potential performance of OEM hardware. Features such as BatteryMAX, MemoryMAX and ROMability create opportunities for hardware manufacturers to add performance-enhancing value to differentiate their products.

The new high speed disk cache, which is estimated to be some 3-4 times faster than Microsoft Smart Drive, gives the OEM's DR DOS-equipped PC an enormous performance advantage - and the OEM gets a significant cost saving by not having to license a cache separately. A DR DOS 6.0 hard disk can store twice as much data as its MS-DOS counterpart. This enables OEMs to offer high-specification machines without incurring any additional costs, resulting in a more competitive product.

4. Government

The selling cycle is long and the marketing is difficult; however, government business is like an annuity once it's closed. Memory management for 286-based PCs is a crucial competitive advantage DR DOS 6.0 has over MS-DOS 5.0. The government still has a lot of old Zenith-PCs.

5. Education

In July we entered this market with a separate educational plan, not covered in this document. This market is all incremental business for DRI.

6. The Channel

Even though the Channel isn't the final consumer of DR DOS, it is the focus of Sales; therefore it is a target.

Tactics

Marketing tactics emphasize DR DOS 6.0's technological advantage. Programs are small and extremely well focused. Gorilla marketing helps us keep the message and programs extremely concentrated, and focused on our competitor's weak points.

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The DR DOS 6.0 launch will ride on the coattails of Microsoft's MS-DOS 5.0 release. Industry leaders, pundits and reviewers are all telling DOS users to upgrade from MS or PC DOS 3.x and 4.x., but it is difficult for most consumers to initiate the upgrade decision process ("what do I need this for"). But once a customer decides to upgrade, we have an opportunity to switch him to DR DOS -- if he knows about it, and if we make the reason to buy sufficiently compelling.

~~Although hardware, software, training and support costs make it extremely difficult for~~
some corporations to upgrade to Windows, we will stress that DR DOS isn't just the best DOS alternative, it's also the best foundation for Windows.

Digital Research has several of the four marketing "P's" working to its advantage over Microsoft.

1. Product - Superior in almost every way.
2. Price - Even.
3. Place - Strength in low-end (8086 and 286) PC market. Stronger product in almost every way.
4. Promotion - Good coverage with temp-reps and good reseller merchandising programs.

~~Some goals and objectives overlap (for example, increasing awareness will help the~~
~~channel sell in), consequently, public relations and trade shows are covered in separate~~
sections. Our tactics by market segment are:

1. Installed base

- o Upgrade mailing: A clear no-nonsense direct mail piece followed up by telemarketing and at least one more wave of direct mail is the best and most cost effective way to upgrade registered users. The direct mail pieces will be sent to registered users of DR DOS 5.0 and will contain a cover letter, product brochure, comparison sheet, and a BRC. Receipt of purchase will be required for free upgrade (\$9.95 S&H).
- o Advertising: The main thrust of our advertising activities will be aimed at new purchases; however, there will be a large spill-over into other sectors from our print advertising.
- o User group activities: Heavy advertising in major user publications. Advertising will be followed up by user group speaking engagements and a special \$49.00 offer on DR DOS 6.0 either direct or through a reseller.

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2. New business customers

New business customers will generate the bulk of the increased channel sell-through, which in turn will drive future channel sell-in programs. This group is segmented as follows:

- o Small- to medium-sized businesses: users are most affected by compatibility, value and performance. The first decision point is always "is there a compelling reason to buy this product?". The second is product suitability and third is compatibility.

Advertising and programs that stress benefits and communicate a clear and compelling message, plus genuine value coupled with product availability are most effective.

- o Fortune 500: Consistent advertising, strong reviews, executive briefings, and seminars are best marketing vehicles. This is the home of the network - the Novell network.
- o Fortune 500-2000: Programs with Corporate Software, SoftMart and Software Spectrum are excellent ways to create awareness and continue to penetrate new accounts.

Advertising

1. Goals

- a. Increase channel sell-through to 25,000 units / month
- b. Increase awareness by 50%
- c. Create positive product image
- d. Position DR DOS 6.0 as the truly compatible alternative DOS

2. Target audience

MIS Directors / PC Managers in large corporations. Ideally targeted to current users of DOS 3.x or 4.x who are considering upgrading their DOS. We don't want to preclude MS-DOS 5.0 users.

Advanced users who want to upgrade their DOS and ideally are using utility software.

Everyday users who are looking for ways to squeeze more performance out of their hardware and additional benefits from their software applications.

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o Coupons

Two-color coupons to be dropped in various boxes. Graphics and MDOS for the DR DOS boxes, a DR DOS 6.0 coupon for the graphics and MDOS boxes, a DR DOS 6.0 coupon for third party software vendors, and a DR DOS coupon for books.

o Product comparison sheet

Two-page 2-color comparison sheet comparing DR DOS 6.0 with MS-DOS 5.0.

o Fact Sheet

Two-page 2-color fast fact sheet used for bingo lead fulfillment and "Fax you Facts" program.

o Direct mail programs

1. Pre-announce teaser mailing

Description

A mailing will be sent to all DRI and Novell resellers (17,000+) in the DRI reseller referral database and Novell's list. (We will not mail to resellers that are regulated by their corporate offices -- where all information and purchasing is controlled by its corporate office -- such as Babbages and Waldensoft.) The mailing will be very eye-catching, with a message from DRI that 6.0 is coming (pre-order today). We will work with the corporate chains to send out their own announcement to their store managers.

Objective

Entice resellers to "be on the look-out" for the DRI announcement. This should be very effective in light of our recent front-page coverage of the DRI/Novell merger.

Schedule

Mailing is scheduled for the week of August 12th.

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2. DRI Reseller Announcement Mailing

Description

This follow-up mailing will deliver what the pre-announce teaser promised. The mailing will go to all resellers who received the pre-announce mailing and will SoftMart announce DR DOS 6.0. It includes:

- o Cover letter - will tie in with launch promotion theme and provide pertinent information, such as why DR DOS is the better DOS, pre-ordering information, SixPack promotion, and upgrade information.
- o Fact Sheet
- o DR DOS/MS DOS comparison sheet
- o Evaluation order coupon/postcard for \$19.95 (return postcard mailer). The order form will include a box to check for more information on our merchandising displays pieces. This encourages the dealer to participate in the launch free of charge.

Objectives

1. To announce DR DOS 6.0 and give the dealer a "kick start" information packet to arouse interest.
2. To pull product through the distributors by focusing on ordering DR DOS 6.0 now through distribution.

Schedule

Scheduled for mailing the week of August 19th.

3. Distributor targeted mailings

Description

An announcement mailing from the distributors similar to the DRI reseller mailing. The mailing will focus on the same topics as the DRI mailing, but it is modified for distribution purposes. The suggested promotion is to buy a six-pack and get an evaluation copy (not-for-resale) free. The recommended targeted resellers are top DR DOS 5.0 customers, Volume Purchase Account (VPA) customers, Novell gold and platinum VARs, minus any overlap.



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Rev 2.0

o Marketing Development Fund Kit

Description

35mm color box shot
b/w 8 1/2 x 11 photo
logo sheets
ad slicks
ad reprints
MDF claim forms

Objectives

Assist reseller chains and corporate resellers to create their own DR DOS marketing materials.

Schedule

o TempRep tour

The TempRep program has played a key role in maximizing our success in the channel. Out of 1650 reseller stores visited, 1320 resellers were added to our referral database. Previously these resellers either a) had not heard about DR DOS at all, or b) were not actively selling it. Upon completion of the tour, 100% of the resellers were given a demo of DR DOS and/or were told about its top features and benefits. Approximately 40% who were not previously selling DR DOS, said they would stock or special order it. And 60% who already knew of DR DOS, were now much more knowledgeable about it and a significant number of resellers said they would recommend it. We are planning another tour to the same resellers visited in the Spring.

Description

The tour will include 11 TempReps in the largest metropolitan areas around the country. A total of 1650 stores will be visited and given DR DOS 6.0 demos. These are the same stores the TempReps visited and demonstrated DR DOS 5.0.

Objectives

1. Visit 1650 resellers to promote DR DOS.
2. Educate resellers on DR DOS and the differences between DR DOS and MS DOS.
3. Increase sell-through and stocking with each reseller.

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Proposed bundles:

New information.

Independent dealers (single location)

Due the success of the "Toss your DOS" campaign, dealers are now starting to pay attention and give shelf space to DR DOS. Effective programs enhance the reseller's margin or allow the reseller to pass along savings to the customer in the hope of generating faster turns. Resellers are primarily motivated by two factors: inventory turns (sales rate) and gross margin.

Programs or promotions that lead to additional foot traffic in the retail store are also effective. We will provide sales materials that clearly point out the compelling reasons to buy. We can compete against Microsoft by being more responsive. The key is clearly inventory turns.

- o SixPack Reseller Kit
- o Merchandising System
- o Brochures
- o Logo sheets
- o Postcards
- o Coupons
- o Product comparison sheet
- o Direct mail programs
- o Telemarketing
- o Dealer incentives
- o Sales training
- o Other collaterals
- o MDF
- o TempReps

Chains - Software Only

Identified targets	# of stores	Current Status
Software Etc.	235	Stocks DR DOS 5.0
Waldensoft	70	Stocks DR DOS 5.0
Babbages	300	Stocks DR DOS 5.0
Egghead	197	Does not carry
Software City (Iran)	100 (12 strg)	Special order
Electronic Boutique	???	Special order

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DRJ will communicate with these stores through their corporate office or, if a franchise, through direct mail. We will meet with marketing managers of each chain to identify opportunities for both stand-alone, and bundled DR DOS offerings and to review the launch plan. We will participate in internal/external publications -- reviews, advertising, etc.

Chains -- hardware and software -- launch components:

- o SixPack Reseller Kit
- o Merchandising System
- o Brochures
- o Logo sheets
- o Postcards
- o Coupons
- o Product comparison sheet
- o Direct mail programs
- o Telemarketing
- o Dealer incentives
- o Sales training
- o Other collaterals
- o MDF
- o TempReps

Super Stores and Mass Merchandisers

Identified targets	# of stores	Current Status
CompUSA (national)	20	Stocks DR DOS 5.0
Frye's (reg1 - Calif.)	5	Stocks DR DOS 5.0
Computer Warehouse ???		
Electeck (reg1 - Chicago)	???	
47th Str. Computer	7	
MicroCenters (reg1 -southeast)		
SAMS - wholesale from rackjobber		Stocks DR DOS 5.0 (JD Products-Dallas) purchases from rackjobber
Sears Office Centers		(Lieberman in Minn.)
ComputerLand (Atlanta)		New - looking into
COSTCO		Targeted account
Walmart (through SAMs)		Stocks DR DOS 5.0
Price Club		
Office Club		
Leachmers		

Both superstores and mass merchandisers rely heavily on walk-in traffic from end users who already know what they want. Customers are price-sensitive and will buy on impulse. The superstores are more software focused, while the mass merchandisers carry a wider product line, ranging from software and hardware to electronics (phones, typewriters, etc.). DRI will meet with corporate offices or

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the purchasers of software for these stores, such as rackjobbers. We should find out who these rackjobbers are and then meet with them about DR DOS opportunities. DRI to supply MDF kits as needed.

Super Store/Mass Merchandiser launch components:

- o SixPack Reseller Kit
- o Merchandising System
- o Brochures
- o Logo sheets
- o Postcards
- o Coupons
- o Product comparison sheet
- o Direct mail programs
- o Telemarketing
- o Dealer incentives
- o Sales training
- o Other collaterals
- o MDF
- o TempReps

Direct Marketers (Direct Mail/Catalogs)

Identified targets
PC Connection
CompuAdd
47th Street Computers
Priority One
Computability
Dustin
Jade

DRI to meet with each of these and establish marketing launch plan for DR DOS.
DRI to supply MDF kit as needed.

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Direct Marketer launch components:

- o SixPack Reseller Kit
- o Merchandising System
- o Brochures
- o Logo sheets
- o Postcards
- o Coupons
- o Product comparison sheet
- o Direct mail programs
- o Telemarketing
- o Dealer incentives
- o Sales training
- o Other collaterals
- o MDF
- o TempReps

Industrial or Value Added Distributors

Identified targets

SED

Hamilton Avnet

Arrow

Robec

Tech Data

This segment represents our greatest growth opportunity. Now that our Industrial Distribution Program is in place, this segment can sell DR DOS 6.0 in two ways: as a stand-alone bootable copy at the suggested retail price, or bundled with hardware through our Value Added Dealer (Industrial) program. This group sells to VARs, system integrators and other vendors that sell either an integrated or turnkey solution. DRI to supply MDF kit as needed.

Industrial or Value Added Distributor launch components:

- o SixPack Reseller Kit
- o Merchandising System
- o Brochures
- o Logo sheets
- o Postcards
- o Coupons
- o Product comparison sheet
- o Direct mail programs
- o Telemarketing
- o Dealer incentives
- o Sales training
- o Other collaterals
- o MDF
- o TempReps

7. Corporate Resellers

The corporate resellers such Corporate Software and Softmart are having very limited success. This is due to a number of factors, including comparatively small sales force, small support staff, limited advertising and promotion dollars, etc. Programs that maintain the end user perception of value added are most effective.

Most major software publishers sell a significant percentage of their software into the Fortune 1000 accounts through these corporate resellers; however, these resellers only aggressively market products with demonstrated pull.

Corporate Resellers (House Accounts)

- Identified targets
Software Spectrum
Softmart
OmniVAR
Corporate Software
ASAP
800 Software
PC Connection

This segment targets Fortune 500 companies and purchases directly from DRI. We will train their telemarketing and outbound sales staff, and do targeted mailings and seminars. DRI to provide MDF kit as needed.



Corporate Reseller launch components

- o SixPack Reseller Kit
- o Merchandising System
- o Brochures
- o Logo sheets
- o Postcards
- o Coupons
- o Product comparison sheet
- o Direct mail programs
- o Telemarketing
- o Sales training
- o Other collaterals
- o MDF

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Public Relations

Ads will create awareness, but PR and word-of-mouth will sell DR DOS 6.0. We have implemented comprehensive long-lead and short-lead press tours. We are investigating a more aggressive program of press betas, one-on-one meetings with key press influencers, and an informal press advisory board. We are also developing a plan to visit key user groups across the country.

- o Long lead press tour
 - PC Computing
 - PC Week
 - Datamation
 - Byte
 - Software Magazine
 - Canopus with Will Zachman
 - Software Industry Bulletin
 - PC Magazine
 - ByteWeek
 - IDC
 - VAR Business
 - Creative Strategies
 - Dataquest
- o Short Lead press tour

Trade Shows / Events

The main shows for the fall are Comdex and the Fall PC Expo. We are investigating a theater presentation, a Comdex event, and other alternatives. Details will be filled in later.

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Phase II Programs

- Direct Marketing Programs
- Newsletter
- Corporate mailing
- Corporate preview kit
- Serial cable offer

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ID	Name	August						September						October					
		01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18
1	1. Accounting																		
2	1.1. Form design, layout																		
3	1.1.1 Design (2 page spread)																		
4	1.1.2 DPO presentation																		
5	1.1.3 DPO review																		
6	1.1.4 Design review																		
7	1.1.5 Revised design - DPO review																		
8	1.1.6 DPO - approval																		
9	1.1.7 Preparation of final proof																		
10	1.1.8 DPO - final approval																		
11	1.1.9 Final revisions - proof																		
12	1.1.10 Delivery to supervisor																		
13	1.1.11 Separation/Printing - Start																		
14	1.1.12 Delivery to publication																		
15	1.2. One page ad																		
16	1.2.1 Computer design of spread																		
17	1.2.2 DPO - presentation																		
18	1.2.3 Review																		
19	1.2.4 DPO - Approval																		
20	1.2.5 Preparation of final proof																		
21	1.2.6 DPO - final approval																		
22	1.2.7 Final revisions - proof																		
23	1.2.8 Delivery to supervisor																		
24	1.2.9 Separation/Printing - Start																		
25	1.2.10 Delivery to publication																		
26																			
27	2. Brochure																		
28	2.1 Design																		
29	2.1 DPO presentation																		
30	2.1 DPO review																		
31	2.1 Design review																		
32	2.1 Revised design - DPO review																		
33	2.1 DPO - final approval																		
34	2.1 Preparation of final proof																		
35	2.1 DPO - final approval																		
36	2.1 Preparation of final proof																		
37	2.1 DPO - final approval																		
38	2.1.1 Separation/Printing - Start																		
39	2.1.2 Delivery																		

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ID	Name	August					September					October				
		8/1	8/2	8/3	8/4	8/5	8/6	8/7	8/8	8/9	8/10	8/11	8/12	8/13	8/14	8/15
79	2.2.5 Final on															
80	2.2.6 Pending															
81	2.2.7 Delivery															
82	2.3 Product completion															
83	2.4 Test start															
84	2.4.000															
85	2.4.1 Cross start															
86	2.4.2 Review start															
87	2.4.3 Review															
88	2.4.4 Approval															
89	2.4.5 Final on															
90	2.4.6 Pending															
91	2.4.7 Delivery															
92	2.4 Final Delivery															
93																
94	2.5 Manufacturing Process															
95	2.5.0 Design & start test															
96	2.5.1 Design															
97	2.5.2 CRF presentation															
98	2.5.3 CRF review															
99	2.5.4 Design release															
100	2.5.5 Revised design - CRF review															
101	2.5.6 CRF - approval															
102	2.5.7 Preparation of final design															
103	2.5.8 CRF - Final approval															
104	2.5.9 Final equipment - start															
105	2.5.10 Delivery to customer															
106	2.5.11 Installation/Prep - Start															
107	2.5.12 Delivery															
108	2.6 Empty bottle															
109	2.6.000															
110	2.6.1 Start															
111	2.6.2 Design & layout															
112	2.6.3 Review / approval															
113	2.6.4 Production															
114	2.6.5 Pending															
115	2.6.6 Delivery															
116	2.6 Final Delivery															
117																

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CONFIDENTIAL TREATMENT REQUESTED

ID	Name	August				September				October						
		8/21	8/28	9/4	9/11	9/18	9/25	9/1	9/8	9/15	9/22	9/29	10/6	10/13	10/20	10/27
157	3.1.2.2.0 Delivery															
158	3.1.2.2.1 Mkdir															
160	3.1.2.2.1 Design															
161	3.1.2.2.2 Review / Approval															
163	3.1.2.2.3 Production															
165	3.1.2.2.4 Prereq															
167	3.1.2.2.5 Delivery															
168	3.1.2.2.6 Post shell															
169	3.1.2.2.6 Product coordination															
171	3.1.2.2.7 Commit															
172	3.1.2.2.1 Check diff															
173	3.1.2.2.2 Review diff															
174	3.1.2.2.3 Review															
175	3.1.2.2.4 Approval															
176	3.1.2.2.5 Prod of															
178	3.1.2.2.6 Prereq															
179	3.1.2.2.7 Delivery															
181	3.1.2.2.8															
182	3.1.2.2.1 Design															
183	3.1.2.2.2 Review / Approval															
184	3.1.2.2.3 Production															
185	3.1.2.2.4 Prereq															
186	3.1.2.2.5 Delivery															
187	3.1.2.2.6 Post Delivery															
188																
189	3.1.2.2.7 Commit															
190	3.1.2.2.1 Copy															
191	3.1.2.2.2 Copy review															
192	3.1.2.2.3 Design															
193	3.1.2.2.4 Review															
194	3.1.2.2.5 Production															
195	3.1.2.2.6 Post approval															

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ID	Name	Schedule																
		07/1	07/2	07/3	07/4	07/5	07/6	07/7	07/8	07/9	07/10	07/11	07/12					
100	8.7 Printing																	
101	8.8 Delivery																	
102																		
103	8.9 Copy																	
104	8.10 Copy review																	
105	8.11 Design																	
106	8.12 Review																	
107	8.13 Production																	
108	8.14 Final approval																	
109	8.15 Printing																	
110	8.16 Delivery																	
111																		
112	11.1 Copy																	
113	11.2 Copy review																	
114	11.3 Design																	
115	11.4 Review																	
116	11.5 Production																	
117	11.6 Final approval																	
118	11.7 Printing																	
119	11.8 Delivery																	
120																		
121	12.1 Design & copy review																	
122	12.2 Review copy																	
123	12.3 Design & layout																	
124	12.4 Review approval																	
125	12.5 Production																	
126	12.6 Final approval																	
127	12.7 Printing																	
128	12.8 Delivery																	
129																		
130	13.1 Design & copy																	
131	13.2 Review copy																	
132	13.3 Design & layout																	
133	13.4 Review / Approval																	
134	13.5 Production																	

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ID	Name	August				September				October			
		01	02	03	04	01	02	03	04	01	02	03	04
176													
177	24.1.1.1 Initial Meeting - TBD												
178	24.1.1.2 Conceptual												
179	24.1.1.3 Site Site Meeting												
180	24.1.1.4 Initial concepts												
181	24.1.1.5 Assessment												
182	24.1.1.6 Concept presentation												
183	24.1.1.7 Concept review												
184	24.1.1.8 Concept approved												
185	24.1.1.9 Script Development												
186	24.1.1.10 Revisions												
187	24.1.1.11 Script approved												
188	24.1.1.12 Logistics												
189	24.1.1.13 Complete												
190	24.2.1.1												
191	24.2.1.1.1 Program proposal												
192	24.2.1.1.2 Program review												
193	24.2.1.1.3 Program approval												
194	24.2.1.1.4 Charitable logistics												
195	24.2.2.1.1												
196	24.2.2.1.1.1 Review												
197	24.2.2.1.1.2 Production												
198	24.2.2.1.1.3 Approval												
199	24.2.2.1.1.4 Printing												
200	24.2.2.1.1.5 Delivery												
201	24.2.2.1.1.6												
202	24.2.2.1.1.7												
203	24.2.2.1.1.8 Script Development												
204	24.2.2.1.1.9 Revisions												
205	24.2.2.1.1.10 Script approved												
206	24.2.3 Program complete												
207													
208	25.1.1.1.1												
209	25.1.1.1.1.1												
210	25.1.1.1.1.2												
211	25.1.1.1.1.3												
212	25.1.1.1.1.4												
213	25.1.1.1.1.5												
214	25.1.1.1.1.6												
215	25.1.1.1.1.7												
216	25.1.1.1.1.8												
217	25.1.1.1.1.9												
218	25.1.1.1.1.10												
219	25.1.1.1.1.11												
220	25.1.1.1.1.12												
221	25.1.1.1.1.13												
222	25.1.1.1.1.14												
223	25.1.1.1.1.15												
224	25.1.1.1.1.16												
225	25.1.1.1.1.17												
226	25.1.1.1.1.18												
227	25.1.1.1.1.19												
228	25.1.1.1.1.20												
229	25.1.1.1.1.21												
230	25.1.1.1.1.22												
231	25.1.1.1.1.23												
232	25.1.1.1.1.24												
233	25.1.1.1.1.25												
234	25.1.1.1.1.26												
235	25.1.1.1.1.27												
236	25.1.1.1.1.28												
237	25.1.1.1.1.29												
238	25.1.1.1.1.30												
239	25.1.1.1.1.31												
240	25.1.1.1.1.32												
241	25.1.1.1.1.33												
242	25.1.1.1.1.34												
243	25.1.1.1.1.35												
244	25.1.1.1.1.36												
245	25.1.1.1.1.37												
246	25.1.1.1.1.38												
247	25.1.1.1.1.39												
248	25.1.1.1.1.40												
249	25.1.1.1.1.41												
250	25.1.1.1.1.42												
251	25.1.1.1.1.43												
252	25.1.1.1.1.44												
253	25.1.1.1.1.45												
254	25.1.1.1.1.46												
255	25.1.1.1.1.47												
256	25.1.1.1.1.48												
257	25.1.1.1.1.49												
258	25.1.1.1.1.50												
259	25.1.1.1.1.51												
260	25.1.1.1.1.52												
261	25.1.1.1.1.53												
262	25.1.1.1.1.54												
263	25.1.1.1.1.55												
264	25.1.1.1.1.56												
265	25.1.1.1.1.57												
266	25.1.1.1.1.58												
267	25.1.1.1.1.59												
268	25.1.1.1.1.60												
269	25.1.1.1.1.61												
270	25.1.1.1.1.62												
271	25.1.1.1.1.63												
272	25.1.1.1.1.64												
273	25.1.1.1.1.65												
274	25.1.1.1.1.66												
275	25.1.1.1.1.67												
276	25.1.1.1.1.68												
277	25.1.1.1.1.69												
278	25.1.1.1.1.70												
279	25.1.1.1.1.71												
280	25.1.1.1.1.72												
281	25.1.1.1.1.73												
282	25.1.1.1.1.74												
283	25.1.1.1.1.75												
284	25.1.1.1.1.76												
285	25.1.1.1.1.77												
286	25.1.1.1.1.78												
287	25.1.1.1.1.79												
288	25.1.1.1.1.80												
289	25.1.1.1.1.81												
290	25.1.1.1.1.82												
291	25.1.1.1.1.83												
292	25.1.1.1.1.84												
293	25.1.1.1.1.85												
294	25.1.1.1.1.86												
295	25.1.1.1.1.87												
296	25.1.1.1.1.88												
297	25.1.1.1.1.89												
298	25.1.1.1.1.90												
299	25.1.1.1.1.91												
300	25.1.1.1.1.92												
301	25.1.1.1.1.93												
302	25.1.1.1.1.94												
303	25.1.1.1.1.95												
304	25.1.1.1.1.96												
305	25.1.1.1.1.97												
306	25.1.1.1.1.98												
307	25.1.1.1.1.99												
308	25.1.1.1.1.100												

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APPENDIX B: Technical Support Staff Requirements

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Internal Memorandum

CONFIDENTIAL TREATMENT REQUESTED

To: Joe Taglia
Copy: Toby Corey, Dave Valentino, Sue Nagotta
From: Jody Clifton
Date: August 7, 1991
Subject: Technical Support Staff Requirements for Buxton

I spoke with Dave Valentino and he gave me the following DR DOS 6.0 sales figures:

	<u>Full Product</u>	<u>Upgrades</u>
September	17,000	200
October	25,000	1,000
November	20,000	2,000
December	20,000	4,000
Total	82,000	7,200

What we have seen in the past is we typically get phone calls anywhere from 15 to 30 days after we sell into the distributors.

Please find below the Technical Support statistics and sell thru for the period of March thru July.

	<u>Call Stat.</u> <u>For All</u> <u>OS Products</u>	<u>DR DOS</u>		<u>Number of Calls</u>
		<u>Calls Only</u>	<u>Sell Thru</u>	<u>Per Product Sold*</u>
March	2199	1832	6362	N/A
April	3483	2985	7656	.6 calls (7069)
May	3995	3333	7281	.4 calls (7428)
June	3577	2825	3923	.5 calls (5562)
July	3619	3054	2500	.9 calls (3211)
Average	3375	2806	5528	.5 calls per box sold

* I went on the premise that we are 15-30 days behind sell thru, so I divided the previous month in half and added it to half of the current month. The number in parenthesis indicates the number that I used for getting the number of calls per product sold. The overall number as you can see should be noted. This shows that we have to provide more stable products as well as being more informative in our documentation.



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I took David Valentino's sell in figures and averaged them out over a 4 month period. I case up with the following numbers:

	<u>Sell Thru</u>	<u>Estimated No. of calls</u>	<u>Number of Calls per Agent</u>	<u>Number of Agents Needed</u>
September	22,300	11,150 (.5 calls/box)	20/day or 400/month	28
October	22,300	11,150 (.5 calls/box)	20/day or 400/month	28
November	22,300	11,150 (.5 calls/box)	20/day or 400/month	28
December	22,300	11,500 (.5 calls/box)	20/day or 400/month	28

These figures are startling to say the very least. I used only .5 calls per box which is the average. Instead of high of .9 because Sue felt that we will alleviate a lot of our nuisance callers because of our unavailability. I realize with the companies current finances, we cannot hire another 28 people. What I suggest is at the very minimum we do the following:

1. Hire on a permanent basis 1 Supervisor and 1 Secretary/Administration person and on a temporary or permanent basis 10 Technical Support Analysts. Please see a cost break down of this at the end of this memo.
2. Install an on-line bulletin board service whereby people can download tips and techniques. Depending on resources, we may allow them to leave messages as well.
3. Obtain a fax service that has DR DOS 6.0 tips and techniques available 24-hours.
4. Make all of the tips and techniques available on CompuServe.
5. Insure that product ships with a detailed readme file and release notes, and includes a Memory Management Troubleshooting Guide.

Presently, we only have the Release Notes available. The Monterey Technical Support Staff can get a readme file together, but we do not have the time to do the troubleshooting guide nor do I feel that it should fall into our area. Simon Lucy had suggested that John Linney do this, but he has been unable to accomplish due to lack of resources. I was wondering about the possibility of Mary Allesini's documentation department doing something like this. I realize it will not be available for PCS, but could be shortly available thereafter. If not her staff, then I believe we should contract someone to accomplish this. Currently 90% of our calls are on memory management. The more information we provide on this the less calls we are apt to get.

Please find costs for hiring additional Technical Support Analysts, Supervisor, and Secretary:

Personnel - Temporary (10 Technical Support Analysts)

Hourly wage	\$12.00
Agency fee	\$ 4.00
Total hourly cost	<u>\$16.00</u>
Total Monthly Fee	\$2,560.00
	<u> 18</u>
Total Monthly Cost	\$25,600.00



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Monthly Salary	\$1,850.00	to	\$2,000.00
25% benefits	<u>5463.00</u>		<u>\$500.00</u>
Total Monthly Salary	\$2,313.00		\$2,500.00
	<u>X 10</u>		<u>X 10</u>
Total Monthly Cost	\$23,130.00		\$25,000.00

Personnel - Permanent (1 Technical Support Supervisor)

Monthly Salary	\$2,500.00
25% benefits	<u>625.00</u>
Total Monthly Salary	\$3,125.00

Personnel - Permanent (1 Administrative Secretary)

Monthly Salary	\$1,500.00
25% benefits	<u>375.00</u>
Total Monthly Salary	\$1,875.00

Hardware - Permanent

Clone 386	\$2,700.00
Peripherals	<u>500.00</u>

Total	\$3,200.00
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	<u>X 12</u>
Total Monthly Cost	\$38,400.00

Hardware - Rental

Monthly fee for an 386	5600.00
	<u>X 12 (for 12 people)</u>
Total Monthly Cost	\$7,200.00

One of the biggest problems I have currently is that I only have room for an additional two people. Unless, I convert the 3rd floor conference room and therefore, I could house an additional 3 people. As a result, one of two things have to happen and they are either Accounting or Customer Service moves to the first floor of this building or we move Technical Support to another location. For Technical Support and/or Customer Service to move with all the phone changes because of the ACD, it would be very costly to the company. I would recommend that we move accounting. Please let me know what you advise.

I realize that this is a lot of information. I appreciate you giving me this opportunity. I know that the level of support that a company provides will either make or break an organization. Just ask WordPerfect how they obtained their success. Since our product is very competitive with Microsoft, this is the one area were we could really excel and win. If you have any questions and/or concerns at all, please feel free to contact me at extension 6584.

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APPENDIX C: Customer Service Staff Requirements

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CONFIDENTIAL TREATMENT REQUESTED

August 7, 1991

MEMORANDUM

TO: David Valentino

FM: Karen O'Riley

RE: Customer Service Staffing Status and Recommendations

CURRENT STAFF

<u>PERMANENT C.S. REPS</u>	<u>TEMPORARY C.S. REPS</u>
Lisa Johnson	Scott Shigly (exp. 9/13)
Jason Chaikin	Robin Gatti
Jan Jorgensen	Kim Young

SUMMARY OF CALLS STATS DURING STEAMROLLER

March 1991	3,917 calls
April 1991	5,269 calls
May 1991	3,883 calls

In addition, the phone system reported an extremely high "abandon rate" which was most likely due to being short-staffed and training new staff. We expanded our staff to 8 which was adequate to cover calls and other responsibilities such as: support for reseller database activities, responding to 60+/mo. incoming correspondence, transcribing literature & voice mailboxes which were large during this period, trade show data entry, lead reporting, and daily customer mailings and reseller referral mailings.

STAFFING RECOMMENDATIONS FOR UPCOMING BUXTON LAUNCH

Foreseeing a repeat of Steamroller (and probably higher) and due to the 5,000+ reseller mailing 8/28/91, Upgrade mailing to registered DR DOS 5.0 users, and ad campaign scheduled for September-December, I recommend a staff of eight customer service reps to cover the following anticipated workload:

- avg. 36-40 calls per day x 7 reps x 21 days/mo = 5,292 - 5,880 calls/mo.
- the 8th rep will be devoted to Order and Refund Inquiries
- although the reps could conceivably handle a greater number of calls per day, they each have other clerical responsibilities as described above which prevent them from focusing solely on calls.

Therefore we must add two additional temporary customer service reps. I would recommend these two additional temps be approved for hire as soon as possible since screening/hiring and training of reps can take at least three weeks. On October 1, 1991 we should re-evaluate and if necessary change the status of three temp positions to permanent making a total of 6 permanent, and keep two positions as temporary customer service reps.

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APPENDIX D: Media Plan

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Digital Research, Inc.

Buxton Launch

Media Plan

Prepared by Mediasmith, Inc.

August 7, 1991

MEDIASMITH, INC., 555 DEHART STREET, SUITE 360 SAN FRANCISCO, CALIFORNIA 94107 415/252-8339

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**Digital Research, Inc.
Buxton Launch
Media Objectives**

Media objectives for the Buxton Launch include:

Demographics

Emphasize those who are PC specifiers with emphasis on:

- Propellerheads
- MIS departments of major corporations
- VARs/VADs and other dealers
- Those involved with overseeing LANs

Geographics

Concentrate weight in the U.S.

Timing

Advertising must launch 9/9. Initial advertising should be scheduled from September to December.

Scheduling

Continuity and frequency will be emphasized over reach. Publications will not be used on a 1x only basis.

Ad Units

Feasibility of 5 page inserts will be examined. Spreads and pages will also be costed out.

August 7, 1991

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DRI

**Buxton Launch
Magazine Rationale**

PC Week

Reaches those responsible for purchasing/purchase influence for 14.5MM of the estimated 21MM IBM PC compatibles in the marketplace.
Limited to those sites with 10+ IBM PC compatibles.

Highest (99%) percentage of readers using DOS.
Good (48%) percentage of readers with MIS responsibility. (The remainder are executives who are "influential" or those in the channel (18%).
High (81%) of readers involved with LANs.

Byte

The number one magazine against the propellerhead target.
Generally on the leading edge in discussing new technology, both from a hardware and software standpoint.
Regular edit (not just news) on utilities and operating systems.

High (97%) percentage of readers using DOS.
Good (62%) percentage of readers with MIS responsibility.
High (75%) percentage of readers who are involved with LANs.

PC Magazine

The number one magazine devoted exclusively to the IBM PC compatible marketplace.
Emphasis on product reviews, productivity and opinion/analysis.
Does the best job of reaching all PC users, independent of the number of PC's in their workplace.

High (97%) percentage of readers using DOS.
Good (24%) percentage of readers in channel.

Infoworld

Strong newsworthy with cross platform edit (IBM, MAC, etc.)
Top publication for product reviews.

One of the highest (70%) percentages of readers using utilities.
High (97%) percentage of readers using DOS.
Almost half (46%) of readers in MIS responsibility.
High (75%) of readers who are involved with LANs.

CRN

Our top channel publication.
While most of the other magazines in the schedule reach the channel, at least one publication devoted to this target should be on the list.

Highest (81.5%) of readers in channel.

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MEDIASMITH, INC.
DIGITAL RESEARCH, INC.
FALL 1991
MEDIA PLAN

[REDACTED]

PC WEEK	SP4CB	09/09/91	\$37,130
	SP4CB	09/30/91	\$20,350
	P4CB	10/21/91	\$18,715
	P4CB	11/11/91	\$18,715
	P4CB	12/02/91	\$18,715
BYTE MAGAZINE	SP4CB	10/15/91	\$28,107
	SP4CB	11/01/91	\$31,239
	P4CB	12/01/91	\$15,988
PC MAGAZINE	SP4CB	10/29/91	\$54,880
	SP4CB	11/12/91	\$54,880
	P4CB	12/10/91	\$28,330
INFOWORLD	SP4CB	09/09/91	\$38,700
	4THCOV	09/30/91	\$22,800
	4THCOV	10/28/91	\$22,800
	4THCOV	11/25/91	\$22,800
	4THCOV	12/23/91	\$22,800
CRN	SP4CB	09/09/91	\$20,350
	DP1AB	08/31/91	\$20,340
	P4CB	10/21/91	\$10,175
	P4CB	11/11/91	\$10,175
DR. DOBBS JOURNAL	SP4CB	11/01/91	\$13,710
	P4CB	12/01/91	\$6,855
LOTUS	SP4CB	10/01/91	\$28,360
	SP4CB	11/01/91	\$28,360
	P4CB	12/01/91	\$13,180
TOTAL			\$803,993

CONFIDENTIAL TREATMENT REQUESTED
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CONFIDENTIAL TREATMENT REQUESTED

DRI

**Buxton Launch
Magazine Profile**

PC WEEK is edited to the corporate computing markets to provide core volume buyers in small, medium and large corporations with news, buyers' guides, product reviews and features on the strategies being employed by a variety of companies in the implementation of multiple PCs. Regular departments include: columnists, industry analysis and updates and Rumor Central.

BYTE a monthly, is edited for the advanced business and professional computer user. The editors strive to help the reader plan for the future by tracking and understanding the emerging developments that become the tools, techniques and the products of the future. Provided are product focus and product round-up each month in addition to Reviews, First Impressions and news on current microcomputer products. The Features and State of the Art sections give information on products and major technologies for business and professional computing. There are expert advice columns on Windows, OS/2, Unix, the Macintosh, networks and business computing. Full life-cycle product coverage helps the reader be more proactive and not merely reactive.

The BYTE reader is involved in computer purchasing activities (95%). 95% are directly involved with purchasing decisions for applications software on the job and 83% help acquire systems software programs for their workplace and 83% of those people will buy systems software for their workplace in the next year.

PC MAGAZINE is for buyers of PC's, software, peripherals and accessories. It is written to provide information needed in order to specify brands of PC related products and help make those products more useful in business. The magazine's emphasis included extensive product reviews based on lab tests, productivity enhancement departments, and opinion/analysis columns.

For 81% of the subscribers, selecting brands of PC is part of their formal job responsibility, an additional 10% are involved in specifying on an informal basis. Also, 87% own home computers spending an average of \$2,374 per year on these systems.

INFOWORLD a weekly tabloid for personal computing professionals, edited for the business reader with volume buying authority, features news coverage, in-depth special reports and buyers guides as well as detailed, objective product reviews.

85% of the readers are involved in any phase of purchasing PC software & peripherals. 84% evaluate/select suppliers and/or recommend vendors. 81% approve suppliers while 42% approve purchases.

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CONFIDENTIAL TREATMENT REQUESTED

DRI-Magazine Profile
Page 2

CRN a weekly tabloid, is edited for dealers, VARs, distributors and vendors of micro-computer products and software. It delivers timely news and provides comprehensive analyses on emerging market trends. The publication is divided into eight major sections: News, Networks, Hardware, Software, VAR News, The Channel, Distribution and User Market.

The reseller plays an important role in an end-user's purchase. 80% of the end-user relies on the reseller for recommendations. Customers' acceptance of a reseller's alternative recommendation, if the requested brand is not available, is in excess of 95%. 91% of the dealers sell MS/DOS operating systems.

DR. DOBB'S JOURNAL is edited for the professional software developer who designs and writes software. Editorial is focused on providing programming techniques, specific language implementations and in-depth coverage of current issues in software design. Topics covered include object-oriented programming, Windows programming, CASE, graphics programming and embedded systems. Some of the languages covered are C, Assembly, Pascal and C++ used under DOS, UNIX, Macintosh, Windows and other operation systems.

Virtually every reader designs, develops, programs and analyzes software as part of his/her job. They average 38 hours/week at their computer with 30% spending 50+ hours at their computer. The reader is involved in purchasing decisions: 64% recommend Systems and 72% recommend Software. 62% select Software while 38% authorize the expenditure. 98% use either MS-DOS or PC-DOS.

LOTUS is edited for managers and professionals who have integrated personal computers and peripherals, Lotus spreadsheets, and other software and related materials and services into their work. Editorial is organized into four sections: Perspectives, information, analysis and opinions on industry trends; Applications - featuring articles on how spreadsheet technology is applied in finance, manufacturing, accounting, real estate, education and other areas; Techniques - tutorials on how to accomplish specific tasks with Lotus spreadsheets; Resources - product reviews and new product listing.

The subscriber, besides using Lotus 1-2-3, use a variety of other software packages including dBase, Norton Utilities and PC Tools. Over 70% use a computer at home and almost 50% are part of a network.

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CONFIDENTIAL TREATMENT REQUESTED

Other Publications Considered But Not Recommended

CSN is a weekly tabloid for integrators of computers, software and networking. Its editorial focus upon systems integration is aimed at third-party systems and network integrators, value-added resellers, OEM product suppliers and in-house systems integrators. Editorial content includes news and analysis pertinent to how products and technologies are used by participants in the systems integration process. In addition to the weekly news is an annual listing of the industry's top 50 systems integrators.

PC WORLD focuses on consolidation and optimization of PC products. Editorial content includes product news, real world reviews, how-to-advice and industry perspectives.

The magazine reaches the PC proficient manager who owns 60% share of the purchasing influence. These managers consistently dominate each software buying step.

VARBUSINESS is published for Value-Added Reseller and Dealer. Editorial focuses on management issues and trends — all designed to help VARs/VADs operate their businesses more effectively and profitably. Sections include news analysis, technical developments, vertical market opportunities, money management, business solutions and a special section on PC VARs. Throughout the year, are special issues including the Annual Report Card Review, the Varbusiness 100+, and the State of the Market issue.

Over 95% of the subscribers hold management titles. 23% purchase software direct, 25% through Distributors or Super VARs and 32% use both. The percent purchasing direct is a constant while the latter percents have shown a consistent increase over the past two years. Resold Database Management Software Applications have shown over a 20% increase in the past 2 years.

August 7, 1991

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Mediatech, Inc.
 Request for Authorization

Mediatech, Inc. is requesting authorization for the purchase of the following items for use in its operations. The items are listed below with their respective quantities and estimated costs. The total estimated cost for all items is \$1,000,000.00.

Publication	Edition	Circ.	Publ. Date	Open Cl. Date	Material Cl. Date	Unit	EST. PER INVESTMENT		
							Grand	Client Inv.	
PC Computer	100	700,000	10/10/11	10/10/11	10/10/11	100	\$10,000.00	\$10,000.00	
PC Computer	100	700,000	10/10/11	10/10/11	10/10/11	100	\$10,000.00	\$10,000.00	
PC Computer	100	700,000	10/10/11	10/10/11	10/10/11	100	\$10,000.00	\$10,000.00	
Total							300	\$30,000.00	\$30,000.00

Total Estimated Cost: \$30,000.00

CONFIDENTIAL TREATMENT REQUESTED

Mediatech, Inc.
 APPROVED BY: _____
 DATE: _____

Mediatech, Inc.
 APPROVED BY: _____
 DATE: _____

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CONFIDENTIAL TREATMENT REQUESTED

Mediawatch, Inc.
 Productive Supplement to Inquiries Authorization

Mediawatch Magazine Inc Bulletin
 Media Programs 02/12/91
 Booklets 07/18/91
 Client Contacts: News 901/371-1111
 Mediawatch Contacts: News 901/371-1111
 Computer Bulletin Service
 RT Authorization 01 001343

Publication	Edition	Publ. Date	Specs	Materials		Ad Materials		To name from	Send Materials To Production Department (Address/Contact/Phone)
				Opening	Closing	Ad #	Headline		
PC Week	Full Sun	08/20/91	08/20/91	08/20/91	08/20/91	02042 TR	The 100 That Computers	Editor & Staff	PC Week 214-444-1111 214-444-1111 214-444-1111 214-444-1111
PC Week	Full Sun	09/02/91	09/02/91	09/02/91	09/02/91	02042 TR	The 100 That Computers	Editor & Staff	PC Week 214-444-1111 214-444-1111 214-444-1111 214-444-1111
PC Week	Full Sun	09/16/91	09/16/91	09/16/91	09/16/91	02042 TR	The 100 That Computers	Editor & Staff	PC Week 214-444-1111 214-444-1111 214-444-1111 214-444-1111
PC Week	Full Sun	10/07/91	10/07/91	10/07/91	10/07/91	02042 TR	The 100 That Computers	Editor & Staff	PC Week 214-444-1111 214-444-1111 214-444-1111 214-444-1111
PC Week	Full Sun	10/21/91	10/21/91	10/21/91	10/21/91	02042 TR	The 100 That Computers	Editor & Staff	PC Week 214-444-1111 214-444-1111 214-444-1111 214-444-1111
PC Week	Full Sun	11/04/91	11/04/91	11/04/91	11/04/91	02042 TR	The 100 That Computers	Editor & Staff	PC Week 214-444-1111 214-444-1111 214-444-1111 214-444-1111
PC Week	Full Sun	11/18/91	11/18/91	11/18/91	11/18/91	02042 TR	The 100 That Computers	Editor & Staff	PC Week 214-444-1111 214-444-1111 214-444-1111 214-444-1111
PC Week	Full Sun	12/03/91	12/03/91	12/03/91	12/03/91	02042 TR	The 100 That Computers	Editor & Staff	PC Week 214-444-1111 214-444-1111 214-444-1111 214-444-1111
PC Week	Full Sun	12/17/91	12/17/91	12/17/91	12/17/91	02042 TR	The 100 That Computers	Editor & Staff	PC Week 214-444-1111 214-444-1111 214-444-1111 214-444-1111
PC Week	Full Sun	12/31/91	12/31/91	12/31/91	12/31/91	02042 TR	The 100 That Computers	Editor & Staff	PC Week 214-444-1111 214-444-1111 214-444-1111 214-444-1111
PC Magazine	Full Sun	08/20/91	08/20/91	08/20/91	08/20/91	02042 TR	The 100 That Computers	Editor & Staff	PC Magazine 214-444-1111 214-444-1111 214-444-1111 214-444-1111
PC Magazine	Full Sun	09/02/91	09/02/91	09/02/91	09/02/91	02042 TR	The 100 That Computers	Editor & Staff	PC Magazine 214-444-1111 214-444-1111 214-444-1111 214-444-1111
PC Magazine	Full Sun	09/16/91	09/16/91	09/16/91	09/16/91	02042 TR	The 100 That Computers	Editor & Staff	PC Magazine 214-444-1111 214-444-1111 214-444-1111 214-444-1111
PC Magazine	Full Sun	10/07/91	10/07/91	10/07/91	10/07/91	02042 TR	The 100 That Computers	Editor & Staff	PC Magazine 214-444-1111 214-444-1111 214-444-1111 214-444-1111
PC Magazine	Full Sun	10/21/91	10/21/91	10/21/91	10/21/91	02042 TR	The 100 That Computers	Editor & Staff	PC Magazine 214-444-1111 214-444-1111 214-444-1111 214-444-1111
PC Magazine	Full Sun	11/04/91	11/04/91	11/04/91	11/04/91	02042 TR	The 100 That Computers	Editor & Staff	PC Magazine 214-444-1111 214-444-1111 214-444-1111 214-444-1111
PC Magazine	Full Sun	11/18/91	11/18/91	11/18/91	11/18/91	02042 TR	The 100 That Computers	Editor & Staff	PC Magazine 214-444-1111 214-444-1111 214-444-1111 214-444-1111
PC Magazine	Full Sun	12/03/91	12/03/91	12/03/91	12/03/91	02042 TR	The 100 That Computers	Editor & Staff	PC Magazine 214-444-1111 214-444-1111 214-444-1111 214-444-1111
PC Magazine	Full Sun	12/17/91	12/17/91	12/17/91	12/17/91	02042 TR	The 100 That Computers	Editor & Staff	PC Magazine 214-444-1111 214-444-1111 214-444-1111 214-444-1111
PC Magazine	Full Sun	12/31/91	12/31/91	12/31/91	12/31/91	02042 TR	The 100 That Computers	Editor & Staff	PC Magazine 214-444-1111 214-444-1111 214-444-1111 214-444-1111
Individual	Full Sun	08/20/91	08/20/91	08/20/91	08/20/91	02042 TR	The 100 That Computers	Editor & Staff	Individual 214-444-1111 214-444-1111 214-444-1111 214-444-1111
Individual	Full Sun	09/02/91	09/02/91	09/02/91	09/02/91	02042 TR	The 100 That Computers	Editor & Staff	Individual 214-444-1111 214-444-1111 214-444-1111 214-444-1111
Individual	Full Sun	09/16/91	09/16/91	09/16/91	09/16/91	02042 TR	The 100 That Computers	Editor & Staff	Individual 214-444-1111 214-444-1111 214-444-1111 214-444-1111
Individual	Full Sun	10/07/91	10/07/91	10/07/91	10/07/91	02042 TR	The 100 That Computers	Editor & Staff	Individual 214-444-1111 214-444-1111 214-444-1111 214-444-1111
Individual	Full Sun	10/21/91	10/21/91	10/21/91	10/21/91	02042 TR	The 100 That Computers	Editor & Staff	Individual 214-444-1111 214-444-1111 214-444-1111 214-444-1111
Individual	Full Sun	11/04/91	11/04/91	11/04/91	11/04/91	02042 TR	The 100 That Computers	Editor & Staff	Individual 214-444-1111 214-444-1111 214-444-1111 214-444-1111
Individual	Full Sun	11/18/91	11/18/91	11/18/91	11/18/91	02042 TR	The 100 That Computers	Editor & Staff	Individual 214-444-1111 214-444-1111 214-444-1111 214-444-1111
Individual	Full Sun	12/03/91	12/03/91	12/03/91	12/03/91	02042 TR	The 100 That Computers	Editor & Staff	Individual 214-444-1111 214-444-1111 214-444-1111 214-444-1111
Individual	Full Sun	12/17/91	12/17/91	12/17/91	12/17/91	02042 TR	The 100 That Computers	Editor & Staff	Individual 214-444-1111 214-444-1111 214-444-1111 214-444-1111
Individual	Full Sun	12/31/91	12/31/91	12/31/91	12/31/91	02042 TR	The 100 That Computers	Editor & Staff	Individual 214-444-1111 214-444-1111 214-444-1111 214-444-1111

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CONFIDENTIAL TREATMENT REQUESTED

Production Supplement to Negative Authorization

Mediasoft Negative Item List
 Date Prepared 07/12/91
 Version 07/12/91
 Client Contact Digital Research/Video Copy
 Mediasoft Contract Date 07/12/91
 Campaign Name Launch
 Ad Authorization # 001203

Publication	Edition	Publication Date	Start Date	End Date	Spots	Materials	Units	Ad #		To come from	Send Materials To Production Department (Address/Contact/Phone)
								1	2		
PC Computing	Full Run	07/07/91	07/11/91	07/13/91	Page 6 Color Spread	2042 7	The Sun That Computers Belier & Hill			PC Computing Advertising Department 220 Tower Lane 20th Floor Foster City, CA 94041	
PC Computing	Full Run	07/07/91	07/09/91	07/11/91	Page 6 Color Spread	2042 7	The Sun That Computers Belier & Hill			PC Computing Advertising Department 220 Tower Lane 20th Floor Foster City, CA 94041	
Dr. Bob's Journal	Full Run	07/12/91	07/12/91	07/12/91	Page 4 Color Spread	2042 7	The Sun That Computers Belier & Hill			Dr. Bob's Journal Lynn Plumb Advertising Department 201 Seawater Dr. Redwood City, CA 94063	



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DR DOS 6.0 Marketing Plan
Rev 2.0

CONFIDENTIAL TREATMENT REQUESTED
September 30, 1991

APPENDIX E: Launch Budget

Digital Research Confidential
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CONFIDENTIAL FROM DIGITAL RESEARCH
C0055302

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CONFIDENTIAL TREATMENT REQUESTED

26-AUG-91							
Page 1 of 3							
	August	September	October	November	December	Total	% of Total
COMP & PROMO (7660)							
Product Sample	5,000	10,000	10,000	10,000	10,000	45,000	
Misc							
TOTAL CAP	5,000	10,000	10,000	10,000	10,000	45,000	3.9%
TRADE SHOWS (7630)							
Conduct							
Promotional Items			0			0	
Theater Presentation			0			0	
Concert Event			0			0	
PC Expo			0	0		0	
Misc		0	5,000	0	0	5,000	
Total Trade Shows	0	0	5,000	0	0	5,000	0.4%
Public Relations							
Agency Fee	17,000	15,000	10,000	18,000	10,000	60,000	
Press Tours	7,500	7,500	0	0	0	15,000	
Misc	2,500	2,500	1,500	1,500	1,500	9,500	
Total Public Relations	27,000	25,000	11,500	19,500	11,500	84,500	7.4%
Dealer Merchandising (7670)							
Mailings							
Pre-announce	10,000					10,000	
Announce		18,000				18,000	
General				12,500		12,500	
Printer's Costs		2,000				2,000	
Six-pack SKU							
Creative	24,000					24,000	
Banners	4,000		2,000			6,000	
Premiums/Additional Items		3,000	2,600	2,500	2,500	12,500	
Merchandising System							
Creative			7,500			7,500	
Printing	2,800	5,500	11,500			19,800	
MDF Kit		2,000	1,000			3,000	
Misc	0	500	0	2,500	2,500	5,500	
Total Dealer Merchandising	40,800	27,000	24,800	17,500	5,000	125,100	10.2%
Advertising (7610)							
Ad Development							
Ad Development	48,000					48,000	
Ad Reports		2,500				2,500	
Misc	2,500	2,500	2,000	2,000	2,000	11,500	
Sub-total Agency	53,000	5,000	2,000	2,000	2,000	64,500	5.3%
Media Plan							
PC Week		54,846	18,715	18,715	18,715	111,991	
Byte			24,282	13,388	12,988	50,658	
PC Mag			54,680	28,230	28,230	111,140	
InfoWorld		55,984	24,344	24,344	24,344	129,016	
CRN		29,048	9,680	9,680	0	48,408	
PC Computing			19,500	19,500		39,000	
Dr. Dobbs Jr.			7,410			7,410	
User Group (TRG)			0	2,500	5,000	7,500	
Subtotal Insertions	0	150,888	158,801	117,037	60,357	517,183	
Total Advertising	50,500	155,888	180,801	119,037	62,357	578,654	48.6%

Digital Research Confidential

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CONFIDENTIAL TREATMENT REQUESTED

7-Aug-91 Pg 2 of 3	August	September	October	November	December	Total	% of Total
Collateral (7628)							
Brochure (OBM/Retail)							
Creative	24,000					24,000	
Printing		23,000	13,500	12,500		49,000	
Product Comparison/Fact Sheet	3,000	12,500					
						0	
						0	
						0	
						0	
Gold Disk Brochure							
Creative	0					0	
Misc	2,500	1,000	2,000	2,000	2,000	9,500	
Total Collateral	29,500	36,500	18,500	14,500	2,000	99,000	8.4%
Direct Marketing (7662)							
Tempo Customer Service	4,500	8,000	8,500	5,500	8,500	35,000	
Dealer Temp Rept.		15,000	15,000	15,000		45,000	
Upgrade Mailing			30,000			30,000	
Inquiry IR		3,500				3,500	
						0	
						0	
Dealer Telemarketing	2,500	5,000	2,500	2,500	2,500	15,000	
Misc	2,500	2,500	2,500	2,500	2,500	12,500	
Total Direct Marketing	9,500	34,000	56,500	26,500	11,500	138,000	11.8%
Miscellaneous							
Consulting Walter Ferguson	5,000	7,000				12,000	
Agency Misc. Expenses	2,000	5,000	5,000	5,000	5,000	22,000	
Third party FF promotion		12,000	12,000	4,000	2,500	30,500	
Third party lead-tracking			0	10,000	10,000	20,000	
Copywriting	7,500	2,500				10,000	
Total Misc	14,500	26,500	17,000	19,000	17,500	94,500	8.1%
Total DR DOR & D	176,500	329,000	300,901	218,000	149,837	1,184,238	100.0%

Digital Research Confidential

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Proposed additions to core plan	August	September	October	November	December	Total
20,000 preview disks		6,000				6,000
Temp tests (2X)		10,000	20,000	20,000		50,000
Selfteach (travel to separate)			20,000			20,000
Regional activity (CompuAdd)			10,000			10,000
Novell Direct mail			65,000			65,000
OEM Direct mail		6,000				6,000
OEM Product Comp		500				500
OEM Program Brochure(see above)			0			0
Subtotal	0	22,500	125,000	20,000	0	167,500
Grand total	171,800	343,389	425,801	220,037	149,857	1,310,864

Digital Research Confidential

CONFIDENTIAL
C0055305

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CONFIDENTIAL TREATMENT REQUESTED

September 30, 1991

DR DOS 6.0 Marketing Plan
Rev 2.0

APPENDIX F: Contribution Analysis

Digital Research Confidential
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Steamroller #	1991							Total
	Jul	Aug	Sep	Oct	Nov	Dec		
Units:								
DRDOS 5	120	0	0	100	0	0	0	220
DRDOS 5 Upgrade	4,000	500	0	200	0	0	0	4,700
DRDOS 5 Gold 100	20	20	6	2	0	0	0	48
DRDOS 5 Indus	200	100	0	0	0	0	0	300
DRDOS 5 Educ	0	500	0	0	0	0	0	500
DRDOS 6	0	14,750	7,500	20,000	10,000	40,000	0	92,250
DRDOS 6 Six Pack	0	720	1,080	500	800	1,500	0	4,600
DRDOS 6 Gold	0	0	14	2	20	25	0	61
DRDOS 6 Educ	0	0	1,000	500	1,000	1,000	0	3,500
S.O.E.O Upgrades	0	0	0	200	1,000	2,000	0	3,200
Returns								0
MDOs	50	100	75	75	75	100		475
Artline	0	50	50	50	50	75		275
Pres Team	75	100	100	75	75	125		550
Draw Plus	160	200	200	120	250	300		1,230

Revenue:								
DRDOS 5	\$108.45	\$13	\$0	\$0	\$11	\$0	\$0	\$24
DRDOS 5 Upgrade	\$43.45	\$174	\$22	\$0	\$3	\$0	\$0	\$204
DRDOS 5 Gold 100	\$3,165.00	\$64	\$64	\$18	\$6	\$0	\$0	\$153
DRDOS 5 Indus	\$39.00	\$8	\$4	\$0	\$0	\$0	\$0	\$12
DRDOS 5 Educ	\$35.40	\$0	\$18	\$0	\$0	\$0	\$0	\$18
DRDOS 6	\$54.46	\$0	\$803	\$408	\$1,080	\$645	\$2,178	\$5,023
DRDOS 6 Six Pack	\$328.78	\$0	\$235	\$353	\$163	\$261	\$490	\$1,503
DRDOS 6 Gold	\$3,850.00	\$0	\$0	\$54	\$8	\$77	\$96	\$235
DRDOS 6 Educ	\$35.40	\$0	\$0	\$35	\$18	\$35	\$35	\$124
S.O.E.O Upgrades	\$24.95	\$8	\$8	\$0	\$5	\$25	\$50	\$86
Returns								\$0
Subtotal		\$258	\$1,145	\$870	\$1,309	\$943	\$2,850	\$7,375
MDOs	\$362.25	\$19	\$36	\$29	\$29	\$29	\$36	\$182
Artline	\$327.25	\$9	\$16	\$16	\$16	\$16	\$25	\$90
Pres Team	\$772.25	\$20	\$27	\$27	\$20	\$20	\$34	\$150
Draw Plus	\$162.25	\$26	\$32	\$32	\$19	\$41	\$49	\$200
Subtotal		\$46	\$76	\$78	\$56	\$77	\$107	\$439
Total		\$324	\$1,260	\$974	\$1,384	\$1,049	\$3,985	\$7,996

CONFIDENTIAL TREATMENT REQUESTED

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CONFIDENTIAL TREATMENT REQUEST

Item	Jan	Aug	Sept	Oct	Nov	Dec	Total
OPROD S	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPROD S Upgrade	\$42	\$0	\$0	\$0	\$0	\$0	\$42
OPROD S Gold 100	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPROD S Indus	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPROD S Educ	\$13.05	\$0	\$0	\$0	\$0	\$0	\$13.05
OPROD S	\$0	\$190	\$97	\$257	\$129	\$515	\$1,187
OPROD S S&P Pack	\$0	\$81	\$92	\$42	\$58	\$127	\$390
OPROD S Gold	\$0	\$0	\$4	\$1	\$5	\$6	\$15
OPROD S Educ	\$0	\$0	\$12	\$6	\$12	\$12	\$41
OPROD S Indus	\$0	\$0	\$0	\$2	\$2	\$11	\$15
OPROD S Upgrade	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Materials	\$45	\$294	\$203	\$312	\$224	\$681	\$1,729
Subtotal	\$86	\$111	\$88	\$88	\$111	\$52	\$52
MDOOS	\$110.00						
Artline	\$50.50	\$29	\$27	\$27	\$27	\$27	\$209
Price Team	\$41.00	\$4	\$4	\$4	\$4	\$4	\$24
Draw Price	\$40.00	\$8	\$8	\$8	\$8	\$8	\$49
Subtotal	\$131.50	\$41	\$39	\$39	\$39	\$39	\$113
Total	\$60	\$294	\$291	\$295	\$253	\$721	\$1,894

Steamroller II P&L Analysis

CONFIDENTIAL TREATMENT REQUESTED

Gross Revenue	\$324	\$1,260	\$974	\$1,394	\$1,045	\$2,995	\$7,996
Returns		\$57	\$44	\$63	\$47	\$126	\$345
Rebates	\$20	\$79	\$41	\$90	\$68	\$193	\$510
Net	\$304	\$1,124	\$870	\$1,241	\$934	\$2,668	\$7,141

COS	\$60	\$294	\$231	\$335	\$253	\$721	\$1,894
MDF	\$15	\$90	\$43	\$62	\$47	\$133	\$391
Margin	\$228	\$740	\$595	\$844	\$633	\$1,814	\$4,856

5% (Aug. 8%)

March-Retail (excl. Temps)	\$37	\$156	\$228	\$250	\$203	\$146	\$1,020
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Sales Commission		\$12	\$18	\$19	\$19	\$19	\$68
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Cust Serv Temps		\$5	\$8	\$7	\$7	\$7	\$32
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Tech Supp (10 Temps - 2 F/T)			\$38	\$38	\$38	\$38	\$151
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Temp Repz			\$15	\$16	\$15	\$0	\$45
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Telemtg Temps		\$3	\$5	\$3	\$3	\$3	\$15
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Tech Supp F/T - 4 Headcount over plan	\$15	\$18	\$15	\$15	\$15	\$15	\$90
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Cust Serv F/T - 4 Headcount over plan	\$10	\$10	\$10	\$10	\$10	\$10	\$60
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Total P&L - Retail	\$168	\$540	\$257	\$468	\$326	\$1,577	\$3,355
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March-OBM	\$0	\$25	\$24	\$12	\$9	\$8	\$79
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Total P&L	\$168	\$514	\$233	\$478	\$317	\$1,588	\$3,276
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Crty P&L			\$914			\$2,362	
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	Jul	Aug	Sep	Oct	Nov	Dec	Subt	Jan	Total
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Steamroller II Cash Flow Analysis

Revenue less MDF: (30 day lag)		\$288	\$1,034	\$826	\$1,179	\$888	\$4,216	\$2,534	\$6,750
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COS: (35-60 day lag)			(\$311)	(\$247)	(\$336)	(\$251)	(\$1,146)	(\$749)	(\$1,894)
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Merchandising: (Analyzed)		(\$80)	(\$148)	(\$252)	(\$255)	(\$217)	(\$932)	(\$122)	(\$1,054)
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Commission: (Crty)				(\$31)			(\$31)	(\$57)	(\$68)
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Headcount: (Current month)		(\$25)	(\$32)	(\$91)	(\$87)	(\$87)	(\$393)		(\$393)
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Cash Flow		(\$25)	\$197	\$484	\$208	\$502	\$348	\$1,715	\$1,606	\$3,321
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Cumulative Cash Flow		(\$25)	\$172	\$656	\$865	\$1,367	\$1,715		\$3,321
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Baseline	06/20 17:17	1991						Total
		Jul	Aug	Sep	Oct	Nov	Dec	
Units:								
DRDOS 3		120	0	0	0	0	0	120
DRDOS 3 Upgrade		4,000	400	0	0	0	0	4,400
DRDOS 3 Gold 100		20	5	0	0	0	0	25
DRDOS 3 Indus		200	80	0	0	0	0	280
DRDOS 3 Educ		0	400	0	0	0	0	400
DRDOS 6		0	12,000	0	5,000	4,000	6,000	27,000
DRDOS 6 Six Pack		0	300	0	200	300	200	1,000
DRDOS 6 Gold		0	0	0	0	5	4	10
DRDOS 6 Educ		0	0	0	0	600	400	1,000
5.0/6.0 Upgrades		0	0	0	0	1,200	800	2,000
Returns								0
MOOS		50	100	75	75	75	100	475
Artline		0	50	50	50	50	75	275
Pres Team		75	100	100	75	75	125	650
Draw Plus		100	200	200	120	250	300	1,230

Revenue:								
DRDOS 3	\$108.45	313	\$0	\$0	\$0	\$0	\$0	\$13
DRDOS 3 Upgrade	\$43.45	\$174	\$17	\$0	\$0	\$0	\$0	\$191
DRDOS 3 Gold 100	\$3,185.00	\$64	\$15	\$0	\$0	\$0	\$0	\$79
DRDOS 3 Indus	\$38.00	\$8	\$3	\$0	\$0	\$0	\$0	\$11
DRDOS 3 Educ	\$35.40	\$0	\$14	\$0	\$0	\$0	\$0	\$14
DRDOS 6	\$34.45	\$0	\$653	\$0	\$272	\$218	\$327	\$1,470
DRDOS 6 Six Pack	\$326.70	\$0	\$98	\$0	\$65	\$96	\$65	\$327
DRDOS 6 Gold	\$3,350.00	\$0	\$0	\$0	\$0	\$23	\$18	\$39
DRDOS 6 Educ	\$35.40	\$0	\$0	\$0	\$0	\$21	\$14	\$35
5.0/6.0 Upgrades	\$24.85	\$0	\$0	\$0	\$0	\$30	\$20	\$50
Returns								\$0
Subtotal		\$258	\$801	\$0	\$338	\$390	\$442	\$2,229
MOOS	\$382.25	\$18	\$38	\$28	\$29	\$29	\$38	\$182
Artline	\$327.25	\$0	\$16	\$16	\$16	\$16	\$25	\$90
Pres Team	\$272.25	\$20	\$27	\$27	\$20	\$20	\$34	\$150
Draw Plus	\$162.25	\$25	\$32	\$32	\$13	\$41	\$49	\$200
Subtotal		\$46	\$78	\$78	\$56	\$77	\$107	\$439
Total		\$324	\$916	\$108	\$423	\$496	\$567	\$2,850

CONFIDENTIAL TREATMENT REQUESTS

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CONFIDENTIAL TREATMENT REQUEST

Account		Jul	Aug	Seq	Oct	Nov	Dec	Total
OS:								
JDOS S	\$11.38	\$2	\$0	\$0	\$0	\$0	\$0	\$2
JDOS S Upgrade	\$10.20	\$41	\$4	\$0	\$0	\$0	\$0	\$45
JDOS S Gold 100	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0
JDOS S Indus	\$13.08	\$3	\$1	\$0	\$0	\$0	\$0	\$4
JDOS S Educ	\$13.05	\$0	\$5	\$0	\$0	\$0	\$0	\$5
JDOS 6	\$9.30 + 7%	\$0	\$157	\$0	\$65	\$52	\$78	\$352
JDOS 6 Str Pact	\$55.80 + 7%	\$0	\$26	\$0	\$17	\$26	\$17	\$66
JDOS 6 Gold	\$0.00 + 7%	\$0	\$0	\$0	\$0	\$2	\$1	\$3
JDOS 6 Educ	\$8.30 + 7%	\$0	\$0	\$0	\$0	\$7	\$5	\$12
WELD Upgrades	\$9.23 + 7%	\$0	\$0	\$0	\$0	\$13	\$9	\$22
Returns								\$0
Subtotal		\$45	\$193	\$0	\$82	\$100	\$110	\$520
JDOS	\$110.00	\$8	\$11	\$8	\$8	\$8	\$11	\$52
Weld	\$50.50 +32% Mat	\$0	\$7	\$7	\$7	\$7	\$11	\$39
Weld Team	\$41.00 +\$3/Unit	\$3	\$4	\$4	\$3	\$3	\$6	\$24
Weld Plus	\$40.00	\$8	\$8	\$8	\$5	\$10	\$12	\$46
Subtotal		\$10	\$20	\$20	\$15	\$20	\$28	\$113
Total		\$60	\$223	\$28	\$106	\$128	\$148	\$634



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Baseline P&L Analysis:

CONFIDENTIAL TREATMENT REQUESTED!

Gross Revenue	\$324	\$916	\$105	\$423	\$496	\$587	\$2,850
Returns		\$41	\$5	\$19	\$22	\$26	\$114
Rebates	\$6	\$17	\$2	\$8	\$9	\$11	\$53
Net	\$318	\$858	\$98	\$395	\$464	\$549	\$2,683
COS	\$60	\$223	\$28	\$106	\$128	\$149	\$694
MDF	\$16	\$89	\$5	\$20	\$23	\$27	\$180
Margin	\$242	\$556	\$65	\$270	\$313	\$373	\$1,809
5% (Aug. 8%)							
March (incl. Temp)	\$37	\$34	\$36	\$40	\$40	\$40	\$227
Sales Commission		\$8	\$9	\$9	\$9	\$9	\$45
Tech Supp F/T - 2 Headcount	\$15	\$15	\$4	\$8	\$8	\$8	\$60
Cust Serv F/T - 2 Headcount	\$10	\$10	\$5	\$5	\$5	\$5	\$40
Total P&L	\$180	\$498	\$8	\$208	\$251	\$311	\$1,457
Only P&L		\$486				\$371	

Jul	Aug	Sep	Oct	Nov	Dec	Subt	Jan	Total
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Baseline Cash Flow Analysis:

Revenue less MDF: (30 day lag)		\$302	\$789	\$93	\$376	\$441	\$2,001	\$522	\$2,523
COS: (30-60 day lag)			(\$242)	(\$41)	(\$110)	(\$123)	(\$817)	(\$178)	(\$684)
Merchandising: (Analyzed)			(\$37)	(\$34)	(\$38)	(\$40)	(\$187)	(\$49)	(\$227)
Commission: (90ty)				(\$18)			(\$18)	(\$27)	(\$45)
Headcount: (Current month)		(\$25)	(\$25)	(\$13)	(\$13)	(\$13)	(\$100)		(\$100)
Cash Flow		(\$25)	\$240	\$500	(\$14)	\$213	\$265	\$1,180	\$277
Cumulative Cash Flow		(\$25)	\$215	\$715	\$701	\$914	\$1,180		\$1,457

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Comparison

CONFIDENTIAL TREATMENT REQUESTED

Baseline vs. Steamroller

Baseline P&L	\$180	\$498	\$8	\$208	\$251	\$311	\$1,457
Steamroller II - RETAIL	\$166	\$540	\$257	\$488	\$326	\$1,577	\$3,355
Difference	(\$14)	\$42	\$249	\$280	\$75	\$1,266	\$1,898
Cumulative Difference	(\$14)	\$28	\$278	\$558	\$633	\$1,899	
Only Difference			\$278			\$1,621	

Steamroller II - RETAIL/OEM	\$168	\$514	\$233	\$476	\$317	\$1,568	\$3,276
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Baseline Cash Flow	(\$25)	\$240	\$500	(\$14)	\$213	\$285	\$1,180	\$277	\$1,457
Steamroller II Cash Flow	(\$25)	\$187	\$484	\$208	\$502	\$348	\$1,715	\$1,608	\$3,321
Difference	\$0	(\$43)	(\$16)	\$222	\$289	\$63	\$535	\$1,331	\$1,864
Cumulative Difference	\$0	(\$43)	(\$60)	\$164	\$453	\$535		\$1,864	
Only Difference			(\$60)			\$535		\$1,329	

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