Multimedia Systems Group

MPC Project Update

MS Applications Staff Meeting - July 24, 1990

What MMSys is Doing

- ☐ Adding multimedia support to Windows

- ☐ Getting OEMs to build integrated multimedia machines

- ☐ Ensuring sufficient selection of key multimedia authoring tools

- ☐ Ensuring critical mass of great titles by launch

⮕ *Broad-based Launch of PC Multimedia in 1991*

Base Multimedia PC

☐ **Hardware Required**
- **Fast 286 or 386**
- **VGA (VGA+ supported)**
- **2 MB RAM**
- **Hard Drive (at least 30 MB)**
  - **+ CD ROM drive (principal distribution medium)**
  - **+ Audio sub-system**

☐ **Hardware Packaged Two Ways**
- **Integrated Multimedia PC - starting at $2000**
- **Multimedia Upgrade Kit - $700 - $1000**
  - **(9 million upgrade-ready PCs)**

Multimedia Windows

- ❑ **On top of Windows 3.0, MMWindows adds**
  - • Audio
  - • Animation
  - • Better image support
  - • Media device control (e.g. videodisc)

- ❑ **MMWindows Alpha Release shipped on June 15**
  Released to 35 titles and tools ISVs, including EBU,
  DABU, and GBU (25 - 30 more August 1)

- ❑ **Beta Release to ship Mid-October**

- ❑ **OEM Adaptation Kit to ship in December**

OEM Status

❑ **Tandy taking lead with MPC launch in early '91 -- 2000 stores by Christmas '91**

❑ **IBM PS/1 group committed to doing (low-function) Multimedia PC**

❑ **Other serious OEM prospects include Fujitsu, Sharp, Olivetti, Zenith, Sony and Intel PCEO**

MPC Preliminary Positioning...

Empowerment Through Knowledge

"Creating advantage for you and your family through knowledge"

MPC Target Market Segments

We are Focusing on Personal Empowerment
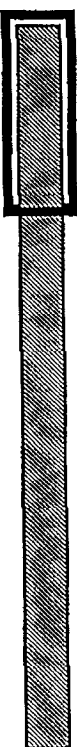
Business

Education

Home

ISV Support

- ❑ ~25 titles committed for launch

- ❑ **Productivity ISVs include:**

    Lotus Development
    Aldus
    Software Publishing
    Precision (Superbase)

- ❑ **Media Companies include:**

    Paramount Communications
    Time Warner
    ABC News Interactive

Apps Contribution to MPC Launch

(proposed)

- ☐ **Microsoft Office -- Excel, WinWord, WinPowerpoint and WinProject**
  - ● "Clip Information"
  - ● Audio-Enhanced Tutorials
  - ● Integrated Installation on CD-ROM

- ☐ **Multimedia Powerpoint**
  - ● Analog Device Control (e.g. Videodisc)
  - ● Scored, Synchronized Presentations
  - ● "Clip Audio", "Clip Animation", "Clip Photos" in addition to Clip Art

Apps Contribution to MPC Launch

(proposed)

❑ **Windows Works with Multimedia extensions**

❑ **Multimedia Flight Simulator** (not necessarily Windows based)

❑ **Multimedia Desktop Publishing**

❑ **Learning Windows through Multimedia**

Next Steps

□ Solidify Apps Product Plans

□ Tie MS Apps into Key OEMs for bundling and other promotional opportunities

□ Identify Coordinator(s) within Apps to Move Multimedia Products Forward

4/28/90

Revenue Quick Summary

	'89	PLAN'90	ROJ'90	'91	'92	'93	
ABU	50.224	80.865	77.721	102.505	147.116	171.800	revenue in millions
		61.0%	54.7%	31.9%	43.5%	16.8%	growth rate year to yea
DABU	4.442	17.176	8.395	9.141	27.111	50.313	
		286.7%	89.0%	8.9%	196.6%	85.6%	
EBU	26.290	33.487	43.036	40.089	51.050	58.751	
		27.4%	63.7%	-6.8%	27.3%	15.1%	
GBU	8.016	18.251	8.676	22.622	38.259	49.724	
		127.7%	8.2%	160.7%	69.1%	30.0%	
OBU	60.275	85.535	101.216	132.708	172.207	206.887	
		41.9%	67.9%	31.1%	29.8%	20.1%	
TOTAL	149.247	235.314	239.044	307.065	435.743	537.475	
		57.7%	60.2%	28.5%	41.9%	23.3%	

KEY PRODUCTS

		ROJ'90	'91	'92	'93	
PC XL	units	140.0	196.8	268.3	355.9	units in thousands
			40.6%	36.3%	32.7%	growth rate year to yea
	rev	31.190	47.230	64.967	86.686	revenue in millions
			51.4%	37.6%	33.4%	growth rate year to yea
MAC XL	units	141.0	149.8	161.8	174.7	
			6.2%	8.0%	8.0%	
	rev	26.839	27.631	36.040	38.921	
			3.0%	30.4%	8.0%	
PC Works	units	424.0	210.2	261.9	271.7	
			-50.4%	24.6%	3.7%	
	w/o IBM	154.0	210.2	261.9	271.7	
			36.5%	24.6%	3.7%	
	rev	23.022	16.298	22.305	23.906	
			-29.2%	36.9%	7.2%	
	w/o IBM	13.022	16.298	22.305	23.906	
			25.2%	36.9%	7.2%	
MAC Work	units	85.6	92.1	94.8	102.4	
			7.6%	2.9%	8.0%	
	rev	11.494	12.481	13.010	14.050	
			8.6%	4.2%	8.0%	
Total PC Word		233.4	342.5	398.4	525.0	all PC platforms
			46.7%	16.3%	31.8%	
	rev	42.481	69.264	88.464	115.663	
			63.0%	24.8%	33.8%	
WinWord	units	62.1	194.7	270.9	361.4	
			213.5%	39.1%	33.4%	
	rev	14.817	44.960	61.743	81.218	
			203.4%	37.3%	31.5%	
Total MAC Word		206.1	195.5	215.7	233.0	
			-5.1%	10.3%	8.0%	
	rev	34.224	33.753	35.485	47.066	
			-1.4%	5.1%	32.6%	