

From: Richard Fade  
Sent: Wednesday, March 03, 1999 12:31 PM  
To: Ashkin, Peter; Booth, Jim  
Cc: Gayle McClain; Candace Grisdale; Rob Young (OEM)  
Subject: RE: OFFICE LOW-END OPPORTUNITY

Peter,

The mail below is really disappointing, it reads like a wish list of most all the license issues we have faced over the past 2 years. Some of them you know are quite improper for us to discuss and we will not - i.e. linking any license terms for Windows to a resulting agreement for an applications product.

In the spirit of finding the positive way forward in working together which you and I discussed on the way to the airport, I ask that you personally review the "issues and requirements" below and communicate with Gayle as to where we should go from here - we felt like we were making good progress with Mike Flanary on this and Thomas mail arrived out of the blue.

richard

-----Original Message-----

From: Kelly, Thomas M., SupMgmt [mailto:thomas.kelly@gateway.com]  
Sent: Wednesday, March 03, 1999 12:07 PM  
To: Gayle McClain  
Cc: Richard Fade; Flanary, Mike; Ashkin, Peter; Russell, Dave; Booth, Jim  
Subject: OFFICE LOW-END OPPORTUNITY  
Importance: High

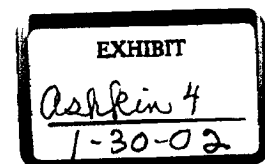
Gayle,

Looking at the opportunity for accross the board coverage for Office products starting in the second half of this year, there are issues and requirements, that if addressed would significantly help us in the decision. They are as follows:

- \* Global Distribution for Applications  
(first step - Extend the present agreement in Europe 30 days while we discuss this list and give immediate relief however possible to the disproportionate European application pricing)  
(place Europe/Japan and Austrilia under the NA agreement immediately)
  - \* Global Agreements for Applications
  - \* Coverage for E Series for Office (non-Select)
  - \* Removal of 12(d)
  - \* Renewed commitment to royalty-free internal Gateway use  
(all corporate and Gateway Country seats)on Microsoft OS,
- Apps and IIS
- \* Reduce APM content requirements
  - \* Freedom to manage the mix of which Office product is shipped on which systems
  - \* Provide competitive pricing on total purchases (Works Suite and SBE), i.e. total cost of doing business
  - \* Right to Modify Desktop for Internet functions (ISP)
  - \* Freedom to streamline first boot sequence
  - \* Streamline Pre-Installation process for Select customers

We look forward to working with you on these issues and assessing this opportunity to the benefit of both companies.

Thomas Kelly



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Plaintiff's Exhibit

8165

Comes V. Microsoft

MS-CCPMDL 000000445932  
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