

From v-wmaria Mon Feb 5 09:25:06 1990
To: richab
Subject: FYI only...
Cc: kathrynh
Date: Mon Feb 5 09:09:06 1990

>From v-wclail Fri Feb 2 17:34:42 1990
To: adriank billg jons martyta paulma petern russw steveb
Subject: PC Week article on "repositioning of Windows and OS/2"
Cc: v-wclail v-wmaria v-wpamed
Date: Fri Feb 2 17:34:38 1990

There is going to be what we believe will be a negative article on the front cover of PC Week on Monday regarding Microsoft's "repositioning" of OS/2 because of Windows. To understand the full context we will give you the blow by blow account of the events this week.

Tues. morning Gina Smith called and asked for an interview with PeterN prior to our OS/2 technical editor seminar at MS. Gina says that the article she is working on regards MS repositioning OS/2. Gina is told that she shouldn't do this article, that she should just come to the seminar and see for herself. Rob Garretson, the news editor, then gets on the line and says that PC Week "knows" that MS is examining our OS/2 positioning and changing strategy from our Comdex announcement. He inferred that IBM was forcing us to do this. Claire agrees that Gina can talk to Peter when she gets to Redmond.

Meanwhile, Tuesday afternoon at Esthers Sam Whitmore and Bill meet. The first part of the meeting was devoted to a discussion of Sam's negative editorial. The second part of the meeting focused on OS/2. Sam asked Bill if MS was repositioning OS/2. Bill said and I quote "We may not make 1 million units this year. But I don't want people to think that OS/2 is a failure. In fact, its being used now by software developers, on server, and (last but not least) by corporations as their strategic platform. We are patient people. OS/2 is our long term future. In fact, this weekend we are having a systems retreat and Adrian wrote a good memo." Bill told Sam the title of the memo BUT not what it contained. Whitmore and Bill agreed that any conversation they had was "off the record" and that Sam would check with us before using anything that was off the record.

Thursday right after the OS/2 seminar started Gina talked to Peter. He said there is no repositioning. He took Gina through our thinking, and Gina is SATISFIED that we are NOT having a change of heart. In the afternoon, however, we find out that Garretson has not accepted Gina's reporting and insists that we are repositioning OS/2. Gina meanwhile has also talked to Dale Lewallan (PC Week analyst who has seen Win 3.0 under NDA) and Dale tells Gina that MS has been consistent. Never the less, Garretson is adamant. We find this out and Pam gets on the phone with Rob. She tells Rob that he's wrong. She goes over Bill and Sam's conversation completely. Garretson again implies that MS was "forced" by IBM to reposition OS/2.

Friday Pam again calls both Rob and Sam on the story.

Our impressions at this point are:

1. Someone either at MS or at IBM has been talking to PC Week re: our recent internal discussions on OS/2.

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2. Rob Garretson and probably Sam were bound and determined to make this a big front page story, regardless of what the PC Week reporter on the scene reported, or what Peter/Pam/Claire told them.

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3. This article will potentially not be helpful to our relationship w/IBM and will create FUD.

4. This is all the more confounding since Bill could not have been more clear and it means that Sam either doesn't want to listen or didn't listen.

5. PC Week is isolated in their impressions, since we has 30 top editors and analysts at our 2.0 seminar that were uniformly impressed with 2.0 and positive that we are making the right kind of progress.

Keep in mind that we never denied that Windows will be a popular product (to the contrary) or that there will be users that don't go to OS/2 or that there will likely be 3-4 meg systems running Windows (we are not the "memory police").

Conclusion:

If PC Week puts this on page 20 positioned as how some users will chose Win over OS/2 (because the apps are there, the device drivers are there etc) and that some users may be confused and may end up thinking that OS/2 is going to take longer than they thought, the story in our opinion will be OK.

But to elevate it to the front page and to not acknowledge Bill's input, concerns us. We may in the face of this, need to reconsider our relationship w/PC Week and how we deal with them

Pam/Claire

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