

2-14-92

List:

Bill Gates  
Jon Shirley  
Jeremy Butler  
Mike Maples  
Joachim Kempin  
Scott Oki  
Steve Ballmer  
Min Yee

Rich Abel  
Dan Bourgoin  
Celeste Boyer  
Tom Jaffee  
Sherry Richardson  
Jonathan Roberts

Jeff Raikes  
Tandy Trower  
Pete Higgins  
Darryl Rubin  
Susan Boeschen  
Charles Stevens

Peter Neupert  
Steve Shaiman  
Jon Lazarus  
Paul Maritz  
Mike Murray  
Fred Gray

Bernard Vergnes  
Ida Cole  
Bob O'Rear

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To: List  
From: Russ Werner  
Subject: Windows Push 1 and 2 Recommendations/Decisions  
Date: 2/14/90

The following recaps the key decisions made for Windows Push 1 and 2 to-date. This information is fyi. Rich Abel will publish a status of the key programs shortly.

The goal of the Push recommendations was to identify marketing programs to accelerate the acceptance of Windows in the domestic U.S. market, in order to capitalize on the unique leveraged opportunity that exists for Microsoft.

The recommendations were divided into two parts. Part 1 was the immediate decisions required to support the initial introduction for Windows 3.0. Part 1 was presented to Jon and Bill on December 20, 1989.

Part 2 focused on the more fundamental Windows and Apps Division issues related to expanding distribution and VLS (very large scale) national and local advertising. Part 2 was presented February 1, 1990.

A subsequent meeting is being scheduled for outstanding issues for early March.

#### Part 1

**Transition Programs:** These programs are targeted at the existing Windows and Windows applications user/owner and corporate sites base. Of particular concern is ensuring that the incompatibility of most existing Windows applications does not become a distracting issue. Jonathan Roberts is managing the transition programs implementation.

#### Decisions:

- a. The Windows 3.0 upgrade will be available to end-user from MS directly, via ISV update bundles and via selected resellers for an end-user price of \$50.
- b. An incremental \$750k was approved for a direct response advertising campaign targeted at building awareness of the low-cost Windows 3.0 upgrade and providing a convenient mechanism for end-users (800# clearinghouse) to get information and/or order upgrades from any participating Windows ISV.
- c. Also recommended were follow-up direct mailings to the initial update mailing funded in the base Windows marketing program. This will be now funded as part of FY91 base marketing activities for Windows.
- d. **Transition Team:** 3 technical/program management positions were approved for the Windows group to staff a transition team modelled in part after the Excel swat team focused on ensuring that corporate customers can easily upgrade to Windows 3.0 and develop support training and information as required for key issues.

**Introduction Event:** Consistent with the industry expectation that Windows 3.0 marks a significant event for the industry and to signal Microsoft's aggressive stance, a "world-class" announcement event will be developed by Marty Taucher's organization. \$1mm was approved for a six-city event with ISV demos, OEM participation, live satellite feeds, 3-4,000 customers attending, etc. The event is targeted at the first week of May. International tie-in for the event is being planned by Ida Cole.

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**Expanded New Product Roll-out:** \$500k was approved for an enhanced program with dealer incentives for expanding distribution for Windows 3.0 to support the initial introduction. David Vaskevitch's organization is developing this program.

**Part 2**

**Expanded Distribution for USSMD:** Jim Minnervino presented a coverage analysis for USSMD followed by an analysis by Dave Jaworski regarding field staffing requirements to meet the "should cover" outlets. The major focus of expanding coverage is to the franchisees and other indirects as coverage of LVDs, Major Chains and Senior Partners in adequate.

**Incremental staffing (and related management/admin support)** above projected FY '91 USSMD headcount, for 58 heads out of the total of 121 requested was authorized. Based on first half results, the balance of requested headcount will be decided.

**Local Marketing to Support Seminars, In-Store Activities at Store-Level  
National Advertising to Reach General Business User Market**

Karen Abel and Valerie Houtchens presented programs for the above. Planning for \$2mm of local marketing is proceeding. A final decision on funding for both local marketing funding and also for national advertising programs for Push 2 will be made at a presentation in early March.

**Summary of Incremental Windows Push 1 and 2 Programs/Expenses approved to-date:**

|                        |         |
|------------------------|---------|
| Transition Programs    | \$ 750  |
| Announce Event         | \$1,000 |
| New Product Intro      | \$ 500  |
| Field Heads Incl Conv. | \$2,928 |
| Win Transition Heads   | \$ 375  |
| Total Win Push To-Date | \$5,553 |

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2/16/90

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memo to ;

Martyta  
Valerieh  
Davidv  
Johnj  
~~Elizabeth~~ Rickde  
~~Jeffrey~~ Dave J...  
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Marianne Atkin - Waggner  
Ian Edstrom - Waggner

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