

From peterbra Tue Mar 6 09:38:34 1990
To: richab
Cc: michiak peterbra ronh
Subject: RE: Toshiba Windows deal
Date: Sat Feb 17 22:25:35 1990

HIGHLY
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Rich,

In terms of Windows business with Toshiba, I will break it out into packaged product, advertising, oem royalty, and windows application promotion business.

1. Packaged product Windows - My estimate is that they will sell between 5K and 8K units @ \$45 per copy for a total of \$225K to \$360K. This number is low because they will be using coupon fulfilment; a free copy of windows for every purchaser of a Toshiba 3100SX, and this part of the promotion will only go until Toshiba can do their own branded product bundled with every 3100SX sold. I think it will last 2-3 months.
2. Advertising - Toshiba will focus their advertising on Windows for the first 6 months of the program. I can't give you a value of what this is worth, but they will do full page Windows ads that are very visable.
3. OEM royalties - Every 3100SX will be hard bundled with Windows as soon as they can put together the package. Their forecast of 3100SX systems sold in the US for the next year is 45K units. This hard bundle will be be for a minimum of 9 months or about 34K @ \$21/system for \$710K.
4. Windows app bundle - Toshiba will create a high end configuration for the 3100SX; 3 mb of memory and 100 mb drive. This system will be bundled with Windows Word and Excel. They will sell between 2000-3000 of these at a royalty of \$200 per system; or \$400K to \$600K.

So the total value of this deal is

packaged product - \$225K

oem royalty - \$710K

royalty for win apps - \$400K

total - \$1,335K

Rich, if I lose Toshiba for the packaged product part of the promotion, I don't know if I will be able to recapture any of this other business. I don't want to let Toshiba off the hook.

As far as the advertising value, I would appreciate you telling me what you think it is worth.

So please let me know what we can do for plasma support.

Thanks

>From richab Mon Mar 5 17:28:52 1990
To: peterbra
Subject: Toshiba Windows deal

Date: Mon Mar 5 17:27:00 1990

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how much business are we talking about? is this per system stuff ro or packaged product bundle? would they pre-install?

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units and dollars would be helpful.

>From peterbra Mon Mar 5 17:18:55 1990

To: richab

Subject: Toshiba Windows deal

Cc: michiak peterbra ronh

Date: Mon Mar 5 17:17:35 1990

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We have a Windows bundle if we add their plasma color setting, and we have less than 50% chance if we don't add it.

That is the best I can do. Can you let me know what we can do by tomorrow afternoon. Toshiba is putting together their budget numbers for promotions for the next 2 quarters and need whether they will be spending it on Windows.

Thanks

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