B O R L A N D

Borland

April 9, 1990

Mr. William Gates
Microsoft Corporation
16011 N.E. 36th Way
Redmond, WA 98073

Dear Bill,

Needless to say, I am reminding you of the grave concerns that we have at Borland about having Brad Silverberg join you in any position where he could directly or indirectly make use of Borland trade secrets. I will leave this discussion aside from this message.

You have stated to me that despite the "Brad Silverberg" incident you would like to see the relationship between our companies improve. Here's our opportunity to get started on better footing.

As you well know, we are currently looking at the possibility of moving our Turbo languages and tools to Windows 3.0 and Presentation Manager. Having the Turbo products on these platforms would greatly stimulate the market and accelerate the availability of a large number of applications. We hope to work with Microsoft to gain access to some components necessary to allow us to develop these products cost effectively. This letter outlines the relevant business and technical issues, and summarizes the status to date on these issues.

Business Issues:

Documentation is an important area that we hope to cooperate on. It is unreasonable to expect a Turbo Pascal for Windows user to purchase the SDK and read through C-oriented documentation in order to program. We propose that you license us the SDK documentation and provide it to us in soft copy format so we can modify it to support Pascal programmers. We would like to receive any modifications that you make to the documentation on an ongoing basis. We are willing to provide you with any modifications that we make as part of the agreement.

We would like to license the SDK. In particular, some header files such as windows.h, some utilities such as as spy, and the debug kernel are critical. Again, we are willing to share any modifications that we might make. We would also like our users to be able to utilize the Windows Help engine to build help into their applications.

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Steve Balmer and Cameron Myhrvold had previously proposed to license to us the OS/2 SDK for an annual fee of $100K per year. A royalty per copy sold deal is not acceptable. Note that Apple provides similar functionality to its ISVs for a one time fee of $50. What we propose for the Windows SDK is an annual fee of $10K per year.

Technical Issues:

Cameron has committed to supplying source code for WINDEBUG.DLL to us (for internal use only) in order to document the RegisterPtrace interface and to allow us to develop an equivalent DLL which is not Codeview specific. In return, we've agreed to supply Microsoft with documentation we develop for RegisterPtrace and to provide a version of the derivative debugging DLL. We may need your help to expedite this commitment.

We also need documentation on the real-mode interfaces used for debugging. WINDEBUG and RegisterPtrace only help us with the problem of debugging protect-mode apps.

The next topic is the debug kernel. Users cannot safely develop applications without the debugging kernel available in the SDK. You should either provide this as part of the retail kernel or make it available to vendors for pass-through. The following list of files constitute this kernel:

> GDI.EXE
> KERNEL.EXE
> KRNL286.EXE
> KRNL386.EXE
> SKERNEL.EXE
> USER.EXE

We also need a clear license to use the following list of header files (maintaining Microsoft's copyright) as well as the ability to transcribe them for use as Pascal interface specifications.

> WINDOWS.H
> DDE.H
> CUSTCNTL.H
> ASSERT.H
> WINDOWS.INC

Further, we have asked for the resource format and help format. In the first case, we need this to properly deal with resources in our language products. We need the help format to provide utilities that allow combining user and Borland help and other kinds of customization.

Status To Date:

To date, we have had discussions between Gene Wang (General Manager, Languages), Rick Schell (Director of R&D, Languages), Eric Swenson (staff engineer) who visited Microsoft, and Russell Werner, Cameron Myrhvold, and Mark Walson on these topics. Evidently, Brad Silverberg has also been thinking about Windows. Eric Swenson's visit to Microsoft was not fully productive, because Microsoft's thinking on how to cooperate with Borland was not worked out, and Windows 3 was not built with Windows-oriented debugging in mind. In general, we have felt a lack of urgency on the part of Microsoft in getting back to us with concrete answers. Often, we've scheduled meetings only to be told that certain issues haven't been resolved yet and the meeting needs to be rescheduled.

More recently, Cameron has been very helpful in assuring us that Microsoft will support Borland in our efforts to create world-class Turbo languages and tools for these platforms. We have discussed Borland's participation in the design of Windows 3.1 in order to support debugging, for example. These sentiments need to be turned into actions as soon as possible.

Summary

Borland is the leading supplier of languages and tools on PCs in units sold. Turbo products for Windows/PM would greatly accelerate Windows/PM software development and lead to more rapid adoption and greater success for these platforms. I hope that we can quickly come to agreement on the issues raised above. Could you please respond to this letter with a firm proposal within the week. Thank you for your prompt attention.

Here's our intention to make it all work, Bill. I'm looking forward to your reply.

Sincerely,

Philippe Kahn

PK:emf

cc: Steve Balmer
     John Shirley