

done under OS/2 because it is a superior development environment. IBM stated that there a 2X to 3X the member of apps available for OS/2 that I are available for Windows.

| IBM used charts to show that a complete system reserving OS/2 is \$400 | cheaper that Windows. The chart shows the Windows mechine with 3MB of | RAM and the OS/2 SE mechine with 2MB. EE was configured with 4MB. Jon's | E-Mail shows the chart.

The attack has begue.

24

From bradsi Mon Apr 22 12:04:47 1991 To: braddir Or: adriank beas elind richt servem Subject: IBM's OS/2 show Date: Mon Apr 22 12:04:29 1991

| > From bobins Mon Apr 22 10:23:36 1991 | To: billg brades jimall joachimk joal mikehal mikemer paulms steveb | stavewe | Cc: bobins david: stevek sosya viktorg | Subject: IBM's 03/2 show | Date: Mon Apr 22 10:21:38 1991

Les does a fancy desso, but behind this curtain is the same Cruiser we know so well. 18M took credit for absolutely everything, but with the exception of a new PM installer and some shell work, everything they showed was operational in the 2.0 code we supplied IBM with last full.

In particular, the did NOT demonstrate Windows programs running in a window. All Windows demo's were does full screen - after they had booted Win 3 in a VDM. Some specifics:

lesui:

They have written a new installer. They appear to have paid some extention to Win 3 in this regard. It is fully graphical (so character screens), end it retains config.sys. They said it finds user programs on the disk and sets up groups. Not clear whether it guides the user thru install of printers, etc. Although it allows semp acress a net, it is not clear if it has a questionless mode.

Con really positive thing it has is a natorial to help with the basics (mouse, etc.). This is something we really send to add for Win 4 and NT.



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DEFENDANT'S EXHIBIT 5354 On the negative side, they "notwed" the config.eys problem by providing an editor which lists each parameter in and edit box. This includes things like "memman" and "rwappath". They even included "files" elthough this is ignored by 2.0.

Shall

Interestingly, they support 4 shalle: DOS 4, Win 3, OS/2 1.3, and workplace. They didn't show saything but the workplace shall so it's not possible to see if behavior ranlly follows Win 3. Although this will create test problems for them, this is a good idea given the acceptance of Windows.

For the Workplace shall, they showed drug and drop of a max file to a printer icon. They did not show drugging a spreadchest or a word processor doc to the printer. This will be quite confusing to a user unless they pickup the Win 3.1 rag APIs. Also they did not show their trash can - Devidt anys that at the demos the night before, the IBM rep admitted that this function was not working.

This shell is pure SDL, at one point there were about 7 unrelated Windows floating on the screen.

They claim to have added APIs to permit apps to save their state prior to system shutdows. Again, what about Windows programs?

They will include a bunch of applets with 2.0, including solitere, a simple word processor, and a card file.

Better DOS than DOS

They did a good job of demoing this, but fundamentally there was nothing now. Yes, Cruiser multitudes DOS apps better than Windows. Yes, Cruiser supports cut and paste between DOS apps. Yes, Cruiser supports bardware devices like 3270, FAX, and sonmers. Yes, Cruiser rone graphical DOS apps like Flight Simulator in a Window.

One interesting som, they booted DOS 4 (and a beta copy of DOS 5) in a VDM (nothing new). They run Norton diek adit. Although they didn't change anything, they certainly implied that you could. This would indicate that they allow DOS programs direct access to the hard disk something we never did because of system integrity instance.

They included a beach of memory #'s for DOS 5, Windows, and OS/2 2.0. I'll follow-up with devideal to see if they're correct.

"Windows batter than Windows"

They started Excel 2.1 directly from the workplace shall. They claimed this showed better compatibility with Wis 2 programs then Wis 3 provides.

They didn't mention that the Excel they ran included the Windows

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I runtime.

They showed Win 3 and 2.0 side by side. Under 2.0, they started a VDM, booted Win 3, and brought up Pagemaker, showing this Windows upp side by side with Windows. Win 3 was slightly faster. Lee manufeld that Windows apps support would be better integrated before the product ships but was not specific.

I leter extend Tomesy and Colin if Pagemeter was remaine in standard mode using DPMI, or real mode. They said real mode. Later, when asked the question, Las said 'it isn't remaine in enhanced because OS/2 doesn't send this, it is either running real or standard. I would guess standard'. Tomesy was sitting sext to him sheking his head yet.

At so point did they do saything with a Windows program remaing in a Window. At the very end of the desso, they showed a screen with asperate Windows for Loss 2.2, WordPerfect, Excel 2.1, and Pagemaker. They didn't do anything with this except actives each window. Interestingly, when the mouse was in either the Excel or Pagemaker window, there were two mouse posters visible. This is an old Cruiser bug which occurs when using the mouse in a graphical, Windowed VDM. They have not completed the driver/other work passed to really run Windows programs in a Window.

Windows programs had ATM feats. I would guess this just meant they installed ATM on the copy of Windows running on the 2.0 mechine, but I'll follow-up with devide to make sore.

They run a DOS program called 'badapp'. It must have written over DOS itself because Windows told the user to reboot, OS/2 of course responded with a character acreen saying the app has been terminated. Les mid be'd try to change the characters acrees to graphical prior to shipment.

32-bi

They didn't push PM. In fact, they only americand it in passing. They did at: ISV's to port their 16-bit OS/2 appt to 32-bit. They didn't mention porting Windows applications except in the consext of the Micrografix prorting toolkit". They were not specific about what this is but I overheard as IBMer my this was based on WLO (unconfirmed).

They claimed that 16-bit OS/2 apps can be ported to 32-bit in 4-6 weeks.

They compared a macro running on 32-bit REXX to the same macro running on 16-bit REXX on 1.3. The 32-bit version finished 40 % faster.

Othe

IBM said 2.0 will ship this year at least 20 separate times. It would be very emberraring for them if it stips.

The demo used 7 separate machines. Les used this opportunity to any that

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the code has been developed by small, separate teams - increasing efficiency. He didn't mention that it also means it still has not been integrated.

They said Micrografa is implementing a 32-bit PM engine for release with 2.0 THIS YEAR. Separately, I've introd from a constituest we've used to write display drivers (Jeff Newman) that this new graphics engine has a new, 32-bit PM device driver model.

They demond 2.0 running on their new 386sx portable with 21dB of memory.

They run solitare and had Lotus 2.2 inactive in a Window. Solitare looked slow. The only thing significant about this is their resident memory requirement is < 2MB. This is nothing new, but I'll double check with namely

Pecriot - Liddle did his usual *only 25 % of all possible PC users use PC's* pitch. There were NO specifics - so dates, no product contents, so talk of toolkits. The audience was practy stempy.

They said customers have > \$2B invested in OS/2 development and IBM has > \$500M invested.

They are packaging 2.0 in a small box with just a short install document.

Summery

Beyond install and shell work, IBM has not done snything fundamentally new with the Cruiser we gave them. They have an incredible amount of work to complete and integrate for a product which they claim will ship this year.

They will be hard pressed to defend their "Windows butter than Windows" chaim. Running Windows apps full screen is hardly "better than Windows". If they try and push it further they will have a hard time getting it does this year.

However, from a non-technical perspective, we have reason to be concerned. These guys are being reds to us, they are serious about compating with us. I agree with Tony's mail - we have a serious competitor in the OS business. We need to take appropriate business and marketing steps.

Bob

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