

John Signa(Product Manager)

- OMI sells a board which allows a MAC to be a PC (\$1800)
- They are on MS-DOS 4, waiting for 5.1
- Low volume customer 50-100/month
- Would be very interested in a Slim DOS.
- Has talked to DR DOS and considered it (they are very price sensitive).

MIS
TAN PHUNG

- Tan has been suspected of counterfeiting
- He seems extremely untrustworthy; he wore an Armani Suit, a diamond Rolex watch, a 25K Diamond ring, Mercedes. The facility had an incredible show room with a 25 foot marble table several 100k of overhead.
His facility
and lifestyle seem unusual given the size of his business and the thin margins for hardware distributors.
- It was as very difficult to get him to show us his warabouse and manufacturing facility. He finally agreed to. He had a few hundred units of DOS 4.01, but no DR DOS, Phoenix or counterfeit in sight. Only one man was working in the warehouse/factory at 3:30 in the afternoon.
- He ordered 0 units of MS-DOS for the first quater. He has done several 1000 a month last year. Something is up. He claims he has not sold any DR DOS or Phoenix DOS. I checked with legal and he is in litigation with Phoenix for not paying for Phoenix DOS ordered.
- He thinks Microsoft should reward him for selling product.
- He said he know 80,000 disk drives are sold each month in LA to OEMS via distributors. This implies the Pirate market is probably 3-4 time our own PAC DOS market.

From: bradc
To: kathyg; sergiop
Cc: bradc
Subject: RE: FW: Entertainment Mktg - DRJ
Date: Mon, Aug 5, 1991 11:35AM

Date: Mon Aug 05 11:37:29 PDT 1991

you need to be clear to them that dr dos and windows will get them complaints. dr dos' memory manager does not support windows in 386 enhanced mode (major problem)and in general is difficult to set-up.

in addition, they will get even more questions later as we update

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ms-dos 6 and windows as dr dos could not be compatible (i.e. we do not support dr dos with windows, don't test on it etc)...

Please keep me in the loop on this and let me know if i can help...

> From kathyg Fri Aug 2 16:48:31 1991
To: bradc sergiop
Subject: FW: Entertainment Mktg - DRI

Date: Fri Aug 02 16:48:12 PDT 1991

FYI. We sent them a proposal today for 250K systems. We need to be aggressive with them. If we can get this concise guide it will help considerably. -Kathleen

| > From kathyg Thu Aug 1 11:00:42 1991
| To: joachimk richardf
| Cc: garype kathyg
| Subject: Entertainment Mktg - DRI

| Date: Thu Aug 01 11:00:44 PDT 1991

| We Met with them on Tuesday. This is the customer that has
| licensed DRI Direct for two very low-end systems. They source
| their

| PC's from several far east vendors and provide MS-DOS and Windows
| via

| these OEM's - they sell through the mass merchant channel and claim
| to

| be #2 next to PB. We found out some very interesting info on them:

| - EMI's lowend systems with DRI are laptops priced at \$699 for
| a 286 and \$799 for a 386sx. EMI's strategy is to price their
| PC's \$200 below PB. They are selling like crazy and Price
| Club has now asked EMI to load DRI-DOS 5.0 on all of their
| systems sold to Price Club (including their higher end models).

| EMI has not received any complaint about DRI-DOS 5.0 which was
| a surprise to them. They thought they were taking a big risk.

| - EMI is only shipping MS-DOS 4.01 and has not received MS-DOS
| 5.0 yet from their OEMs. I believe this is why Price Club

wants

| DRI. They just want "DOS 5.0."

| - EMI has booked orders to ship 90,000 units of their PC's over

| the next 3 months. 35,000 of these will be DRI-DOS 5.0. They
| even plan to ship DRI-DOS 5.0 with MS Windows on one of their
| 386 laptops.

| - EMI is buying DRI-DOS 5.0 for \$9. This includes disks and docs

| shrinkwrapped (no box). DRI has been out to see them 15 times

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| including Dick Williams and several of DRI's investors.
| Garype and I met with Elias Zinn (CEO & Pres.) and Dennis Lamm
(VP).
| Elias ("EZ") was very open with us. Garype really put the fear
into
| them about future versions of Windows (Win 3.1 and NT) - Garype did
a
| GREAT job selling them on the benefits of staying with MS. EZ is
open
| to a proposal from us and claims its "never too late."
| Gary and I will put together a proposal for volumes of 300K, 500K,
| and 700K for DOS/Windows to go direct with us. We will stay at or
| below PB for the proposal. I may, however, need to go below this
| for their lowend laptops in order to make the deal attractive
enough
| for them to switch from DRI. We also demo'd Winworks and they were

| excited about it so we are additionally proposing Winworks per sys
and
| ballpoint for their laptops. I think we have a great
| chance at getting this business away from DRI - but be aware these
| guys are super CHEAP so it will be a tough negotiation. The
| Novell/DRI announcement did not help this situation at all.

| Appreciate any comments. -Kathleen

| P.S. We need to be on the lookout for DRI at Leading Tech/Laser
| and any other lrg OEMs that are sourcing. DRI has obviously
| figured out that these type of customers are not "locked-in" to
| MS contracts.

From: johnj
To: bradc
Subject: RE: FW: DR-DOS 6.0
Date: Tue, Aug 6, 1991 2:51PM

Date: Tue Aug 06 14:50:57 PDT 1991

FYI ALR told us that for the DT4 bid DRI quoted them:

DOS 5: \$10 < 50K commit, less than \$10 for larger commit
DOS 6: \$14 > 50K commit.

From: t-jeffal
To: Georced; beah; davidben; kathyg; richardf
Cc: bradc; sergiop; t-jeffal
Subject: LOST DOS REVENUE
Date: Thu, Aug 8, 1991 9:35AM

Date: Thu Aug 08 09:37:13 PDT 1991

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