

From carls Thu Feb 13 18:42:16 1992
 To: maurb paulina
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 Subject: Re: Olivetti
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What does Olivetti have in mind when they say that they are going to launch the machine in June? Having public demonstrations and making it available to software developers and corporate developers on an early release basis? or trying to start shipping it as a general availability product? I don't think that they should start shipping it as a general availability product until the general availability of Windows NT which is in Q4'92. Prior to then it is primarily for developers and maybe a few MIS people to evaluate.

It is unrealistic to expect the availability of many native Windows-MIPS applications before Q4'92, either. Whether they are "workstation" or "PC". The developer relations group in fact is courting many of the traditional workstation ISVs quite heavily, including people like Frame, Interleaf, Parcplace, Intergraph, Valid, etc. So I think we will have a good sampling of these kinds of apps. But it is not likely that any of these apps will be available as products until later in the year.

So, in summary, announcing the machine and demonstrating it publicly in June as a software development platform and available with the Windows NT software development kit is a great thing for them to do. And they can indicate that they will have a product available in Q4 — maybe the 2nd level cache version?

With regard to OS/2 2.0, I think we should ask Olivetti NOT to do development work on OS/2 2.0, and we should ask them to try not to install OS/2 2.0 at customers. This is part of their close relationship with Microsoft. (Obviously, if the customer insists OS/2 2.0, they can supply it, but the preferred approach is not to.) On the server they should stay with OS/2 1.3; on the client, for those customers who won't take DOS/Win3.1, we should promote first that they wait for Windows NT (available Q4) and if that is not acceptable that they deploy OS/2 1.3. OS/2 2.0 makes extra work and extra cost and is not worth the effort—it means that either they have to support it for a long time, or they have 2 migrations. It is not in Olivetti's interest for customers to be committed to OS/2 2.0 because Olivetti will always be a 2nd vendor to IBM and IBM will control the customer's OS. So we really should ask Olivetti to make the effort to persuade customers not to move to OS/2 2.0.

>From maurb Thu Feb 13 02:52:14 1992
 To: carls paulina
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 Date: Thu Feb 13 12:48:49 1992

Let me summarize the issues that are open at the moment and that make us think that the mtg mr Piol asks to have with Bill should happen soon.

- Olivetti PWS4000 launch. We cover this on the PR side, no problem. But they observe that our ISV program for NT focuses on De=ktop Apps ISVs, and that few or none "Workstation Apps ISVs" are included. Unless this changes, this means that by June there will be no WS apps available for NT, only desktop apps. On the other hand, Olivetti must position PWS4000 against Sun WS and the likes. They will have several superPCs by June, including 486 33s. Olivetti knows that the price/perf ratio of their Intel-based high-end PCs is better than that of PWS4000. There is no good reason for a customer to buy a PWS4000 vs a 486/33 or 486MP, unless that customer is looking for what is perceived today as a "workstation", for use with WS Apps. From the 2 facts above it's evident they are concerned for the risk that launching a MIPS in June, first in the world to push it commercially,

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turns out to be a sales fiasco. The PWS4000 would fall in a grey area: non-PC (because it's a Mips) and non-WS (because there are no apps). Add to this the uncertainty of the role of ACE in pushing Mips-based hardware on the market, and you'll see Olivetti needs to be reassured that yes it's good to come out with PWS4000 in June, Microsoft and/or ACE will help them selling this machine ALSO as a workstation as they need.

- At the Mktg Director level they didn't mention anything re Alpha and the possibility that 1) ACE falls apart definitively, and/or 2) Olivetti is wrong in investing heavily in this PWS4000, and/or 3) it's the case to drop Mips and license Alpha. Umberto highlights that talks are happening at Debenedetti level with DEC. This may have a tremendous impact on their mktg strategy, as all is in place for this PWS4000 announcement in June.
- On a different subject, recent mtgs made clear that Olivetti is committed to NT on the long term, but it's more than ready to supply OS/2 2.0 to its customers if they require it. Olivetti doesn't deny to me that they are talking to IBM for the 2.0, for EE. We are working hard to smooth out as much as possible their migration to NT (we even started to negotiate a license for Comms Server in which they co-develop additional modules and design-in them already for NT). But their "emergency OS/2 2.0 plan" includes developing, on their own if necessary, a stripped down version of IM for OS/2 2.0 if we don't do it. This would mean a significant investment of man-time. It's hard to believe that Olivetti would be able to convince their customers to back away from OS/2 2.0, once they started supporting it. We are showing to Olivetti with facts that we are committed to make easy for them to stay with us. We need to have their strategic commitment that they play NS game with their customers.

An important mtg between Olivetti and Rabobank is scheduled for 3/3. It would be great to have a meeting, or at least a call, between Bill and Pici before then. What do you think?

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