Erik Stevenson

From: Mike Maples
To: Richard McAniff
Cc: Roger Heinen
Subject: RE: Harvest II
Date: Friday, November 05, 1993 1:36PM

I am not sure I understand the pricing model. Is this a promotion or a forever deal? What is the mix of
what we sell today? In otherwords how revenue neutral is this deal? Are we shifting things around or
lowering price? Is the $695 price too high - creating an umbrella for Borland?

From: Richard McAniff
To: Steve Ballmer
Cc: Bernard Vergnes; Charles Stevens; Dawn Trudeau; Jeff Raikes; Lisa Brummel;
Mike Maples; Roger Heinen
Subject: Harvest II
Date: Friday, November 05, 1993 12:42PM
Priority: High

Steve, thanks for getting us thinking about an aggressive Fox
campaign targeted at the installed base of dBASE users. We
now have a plan — Harvest II. Harvest II is designed to
increase Fox market share at the expense of dBASE. We want to
launch a pre-emptive strike against Borland before the launch
of dBASE for Windows, which is estimated to be at the end of
Q194. This mail gives you a high level overview of Harvest II
and what we can do to ensure its success. See attached
document for more detail.

Harvest II will be rolled out in 2 phases.

Phase 1 - Begins immediately. Focus is on re-positioning
Borland in terms of pricing and marketing.
Phase 2 - Early Q194. Focus is on elminiating other barriers
of dBASE to FoxPro conversion.

The 4 key components of Harvest II are:

*Simplified SKUs - Effective immediately, we will begin
consolidation of the FoxPro product line into 2 SKUs per
platform (Win, DOS, Mac). There will be a STANDARD edition
(which is the current FoxPro single-user product), and a
PROFESSIONAL edition (which is standard plus all the
complementary FoxPro kits like Distribution, Connectivity,
ODBC Driver Pack, Workgroup Extensions, and Library
Construction).

*Aggressive Pricing - We are going to beat Philippe at his own
game. The Standard edition will be priced at $99 worldwide
(vs. $495 today), and the Professional edition - $695 (vs
$1580 in parts today). There should be no confusion as to
which SKU to buy, and what gets you a better product for the
money.

*Targeted Marketing - With simplified SKUs and aggresive
pricing, we are going after dBASE strongholds with a
vengeance. We are designing marketing and communication
programs to target key domestic markets like the government,
small/medium business, and international markets like Germany,
the UK, Brazil, and Eastern Europe. These programs are
designed to raise immediate and broad awareness. dBASE users

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will be constantly reminded of the greatness of FoxPro and the benefits of them switching.

*Microsoft support for Fox message - Everyone from top down (execs, field, our SPs) need to articulate the same message: "FoxPro is Microsoft's tool for serious database development, and we're making it easy for more people to switch."

Clearly, our biggest threat is Borland's counter campaign, "Fox is dead." We simply can not afford to have Borland continue spreading false rumors about Microsoft's plan for FoxPro. My worst nightmare is one in which we drop our price without increasing market share. Borland ends up stronger, and the Fox business ends up weaker. A crisp message as stated above combined with the marketing plan outlined in the attached document will minimize this risk.

< <File Attachment: HARVEST4.DOC> >