

PLAINTIFF'S
EXHIBIT
2841
Comes v. Microsoft

From: Bill Veghte
Sent: Wednesday, February 11, 1998 5:53 PM
To: Jonathan Roberts; Adam Taylor; Kurt Kolb; Carl Gulledge; Carl Stork (Exchange); Moshe Dunie
Subject: RE: Win9x price point

Good.. just wanted to make sure we were all in agreement on this.

Original Message

From: Jonathan Roberts
Sent: Wednesday, February 11, 1998 3:03 PM
To: Bill Veghte; Adam Taylor; Kurt Kolb; Carl Gulledge; Carl Stork (Exchange); Moshe Dunie
Subject: RE: Win9x price point

I think everyone agrees with everything you say. We would absolutely never drop price unless absolutely forced to do so. We modeled it only to be conservative. Correct on the second point as well, 98=98.

Jonathan

Original Message

From: Bill Veghte
Sent: Wednesday, February 11, 1998 8:44 AM
To: Jonathan Roberts; Adam Taylor; Kurt Kolb; Carl Gulledge; Carl Stork (Exchange); Moshe Dunie
Subject: Win9x price point

In the 3YO yesterday, we said that Win9x drops in FY00 to \$47 and down to \$42 in FY01 (factoring in MDA so it is net price). I know we did this to be conservative in the base case but I don't understand why we would do that in real world. First, in the model this price erosion costs us on the order of \$774 million according to your numbers. Second, price is another lever that will encourage or discourage movement to NT. The lower we drop the price of Win9x, the bigger the price delta to an NT offering.

As a sidenote, I assume at a minimum, with Win98, we are getting comparable to Win95 price point when those bits were fresh?

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371

EXHIBIT
11
Veghte

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