

From: Chandra DuFrene
Sent: Monday, March 02, 1998 6:11 PM
To: George Downing
Subject: FW: February Status Report
Importance: High

-----Original Message-----
From: Chandra DuFrene
Sent: Monday, March 02, 1998 5:19 PM
To: Stephen Coppola
Subject: February Status Report
Importance: High

**February 1998 Status Report
Chandra DuFrene
3/1/98**

Accomplishments:

- Gateway has agreed to include IE4 bits on their GWISP CD mailer that will ship (sched late March) to over 2MM of GWs consumer install base customers. Gateway will prompt the end user to upgrade to a new version of the browser if the customer is using a version lower than 3 of IE or Netscape. Gateway has agreed to make IE4 the default for any user that does not select Netscape. Gateway also agreed to prompt any user that is using any version of IE that is lower than IE4 to upgrade to IE4. The IE4 product grp has agreed to pay GW a min of .25 (they are working on increasing to .50) for each user that chooses IE4.

Issues:

- IE4 in-box CD for Gateway (pls see mail below for details). GWs MOU outlines that MS will cover IE4 CD costs 90 days after the Win98 OPK is available. GW is the only OEM not shipping IE4, therefore, all other OEMs are not experiencing this issue w/their ARs. GW is not shipping OSR2.5 because they were experiencing technical issues w/IE4. Those issues have since been resolved, however, the issue now is MS wants GW to be focusing their technical resources on getting ready to ship Win98, not getting OSR2.5 pre-installed. Current plan is for OEM to cover expenses for Gateway to continue to ship the IE4 CD in-box until Win98 releases.

FW: Separate Billing for Win 9

RE: Separate billing for Win 9

- IBM's participation in PC Futures98. CarlG and Ballmer are the decision makers on what level of participation we are willing to offer IBM.

Top 3 things next month:

- Ensure GW assigns a marketing contact at w/decision making responsibility.
- Successfully incorporate IE4 bits on GWs ISP CD (and IE4 messaging on packaging).
- Finalize the IBM CDT MOU (Stephane) and begin the execution of that plan (i.e. produce the necessary Windows NT4 training materials and begin to incorporate NT messaging into marketing deliverables).

From: Chandra DuFrene
Sent: Monday, March 02, 1998 3:28 PM
To: George Downing
Subject: FW: Separate billing for Win 95 and IE 4.0

George, pls note the GW account team (Gayle and Laura) were not on the dist list of Carl's mail, thus we were working under the parameters of the MOU language below.

- Microsoft will cover APM (via direct payment to a Microsoft Authorized Replicator (of COMPANY's choice) for the IE4 CD for the French, English, German, Italian, Spanish and Japanese languages for ninety (90) days after Windows 98 OPK is available for Windows 95 based systems.

Based on the agreement and the timeliness of this matter, I worked w/Dave Hartman in MSU in order to contact the ARs in order for GW to continue shipping the IE4 CDs in box. Would you like me to communicate this to Carl?

Pls let me know if you need add'l details.

Thanks,
Chandra

-----Original Message-----
From: Carl Gulledge
Sent: Monday, March 02, 1998 10:24 AM
To: Kurt Kolb, Gayle McClain, Bengt Akerlind
Cc: George Downing, Chandra DuFrene
Subject: RE: Separate billing for Win 95 and IE 4.0

we had an EXTREMELY clear communication on this go out last October.

URGENT IE 4 MOU
language chal.

-----Original Message-----
From: Kurt Kolb
Sent: Monday, March 02, 1998 9:33 AM
To: Gayle McClain, Bengt Akerlind
Cc: George Downing, Carl Gulledge, Chandra DuFrene
Subject: RE: Separate billing for Win 95 and IE 4.0

Is this the same agreement where gateway was contractually obligated to provide a channel at launch? Then didn't GW breach the contract and aren't we done w/ it?

As I mentioned below - OSR2.5 does include IE4.0, this is the integrated media to use regardless of preinstall

-----Original Message-----
From: Gayle McClain
Sent: Thursday, February 26, 1998 8:55 AM
To: Bengt Akerlind
Cc: Chandra DuFrene, Kurt Kolb
Subject: RE: Separate billing for Win 95 and IE 4.0
Importance: High

We are missing the point. We are contractually obligated to pay for the IE4 CD. GW senses we are trying to back out of this. They are standing firm and won't listen to any other options until we change the status in Troika on the CD. All your points are good Kurt, but they don't get us out of the contract at this minute.

GW shuts down their production line Monday. There is a lot of history which will make us suffer long-term consequences from this.

Bengt - per our conversation, please provide us billing instructions so we can turn this back on. And then we can start moving GW towards a better resolution.

Thanks

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MS-PCA1540680

Gayle McClain
OEM Account Manager
425-926-9033
gaylemc@microsoft.com

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From: Kurt Kolb
Sent: Wednesday, February 25, 1998 8:23 PM
To: Gayle McClain; Bengt Akerlind
Cc: Chandra DuFrene
Subject: RE: Separate billing for Win 95 and IE 4.0

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From: Gayle McClain
Sent: Wednesday, February 25, 1998 6:01 PM
To: Kurt Kolb; Bengt Akerlind
Cc: Chandra DuFrene
Subject: RE: Separate billing for Win 95 and IE 4.0

It's a good idea but GW understandably won't ship anything without testing it first. This is going to take a little time. In the meantime they run out of IE4 CDs Monday.

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Gayle McClain
OEM Account Manager
425-926-9033
gaylemc@microsoft.com

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From: Kurt Kolb
Sent: Wednesday, February 25, 1998 5:26 PM
To: Gayle McClain; Bengt Akerlind
Cc: Chandra DuFrene
Subject: RE: Separate billing for Win 95 and IE 4.0

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Thanks

Gayle McClain
OEM Account Manager
425-926-9033
gaylemc@microsoft.com

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From: Kurt Kolb
Sent: Wednesday, February 25, 1998 5:21 PM
To: Gayle McClain; Bengt Akerlind
Cc: Chandra DuFrene
Subject: RE: Separate billing for Win 95 and IE 4.0

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From: Gayle McClain
Sent: Wednesday, February 25, 1998 4:59 PM
To: Bengt Akerlind
Cc: Kurt Kolb; Chandra DuFrene
Subject: FW: Separate billing for Win 95 and IE 4.0
Importance: High

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Bengt - The IE 4.0 marketing MOU contractually obligates us to pay for the IE 4 CD until 90 days after the Win98 OPK. Please let us know how we pay for this until GW goes to OSR2.5, which we are working on pushing up.

Thanks

Gayle McClain
PCW Account Manager
125 036 9011
gayle.m.mcclain@microsoft.com

-----Original Message-----
From: Kurt Kolb
Sent: Wednesday, February 25, 1998 10:00 AM
To: Chandra DuFrene, Gayle McClain
Subject: RE: Separate billing for Win 95 and IE 4.0

gayle should manage this.

-----Original Message-----
From: Chandra DuFrene
Sent: Wednesday, February 25, 1998 8:42 AM
To: Kurt Kolb; Gayle McClain
Subject: FW: Separate billing for Win 95 and IE 4.0
Importance: High

I have a few minutes to log on but need to get to another meeting w/IBM and will not be back up on mail until after 10:30 tonight. As you can see from the mail below, GW is very frustrated and I want to make sure I can be responsive. Per our discussion on Monday AM, I proposed GW ship OSR2.5 CD vs the current one in order to fulfill the IE4 obligation.

Kurt, I need your help on this. GW will not be able to pre-install OSR2.5 prior to Win98 and needs to order new back up media in the next week and is not going to pay for the IE4 CD. Based on the MOU I am having a difficult time disputing that GW should cover the expenses for the IE4 CD.

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> Authorized Replicator of COMPANY's choice) for the IE4 CD for the French,
> English, German, Italian, Spanish and Japanese languages until sixty (60)
> days after Windows 98 OPK is available for Windows 95 based systems.

Pls advise.

Thanks,
Chandra

-----Original Message-----
From: Nash, Penny [SMTP:NASHPEN@Gateway.com]
Sent: Wednesday, February 25, 1998 7:08 AM
To: Chandra DuFrene, Nash, Penny, Nicholas, Billie
Cc: VonHolle, Jim; Skidmore, Kathy; Hughes, Michael
Subject: RE: Separate billing for Win 95 and IE 4.0

Chandra,
GW ships backup media from the AR and not a recovery CD.
AS far as OSR 2.5 goes we have not implemented this as of yet and do not know for sure when this will happen so the OSR 2.5 is out of the question at this time. WE are currently shipping 2.1 and need to continue to do so and supplying the IE4 CD in the box as we have been doing.

I guess I do not understand the issue here considering that GW has a signed agreement with MS that states specifically that MS will pay for this until 60 days after Win 98 releases. What are the issues?

WE are in MAJOR CRUNCH MODE here and are putting our inventory at risk both in the US and in Europe. Europe is the one I am most worried about at this moment as they are to receive product from their AR in the next week. I have been working this issue with MS for a month now and this still is not resolved and I need an this taken care of and listed in Troika right away so our AR's know what they need

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to do.

Please help us get this taken care of. A month to close on an issue that should of never happened in the first place is a bit too long. I realize that you are new to the GW team and that you were not involved in this prior, but I am frustrated and can not provide answers to my internal people on this issue.

Thanks for all of your help on this and I look forward to an answer soon. Again please do not take my frustration personally but I am getting a bit miffed over this whole situation.

Pen

-----Original Message-----

From: Chandra DuFrene [SMTP:chandrad@microsoft.com]
Sent: Tuesday, February 24, 1998 5:21 PM
To: 'Nash, Penny'; Nicholas, Billie
Cc: VonHolle, Jim; Skidmore, Kathy
Subject: RE: Separate billing for Win 95 and IE 4.0

I have been oof since yesterday and unable to connect so my apologies for the delay in my responding. I am working on what I am hoping will be a solution, however, have not gotten confirmation internally so perhaps someone on this email can address my question. Does Gateway2000 create a recovery CD of all products that are pre-installed, or does GW use software from the ARs? The reason I am asking is because if GW ships back-up media from the AR channel, I have gotten approval for GW to ship the back-up media for OSR2.5 which would enable GW to include IE4 in box. Obviously if GW creates a recovery CD this will not work so I will continue to work internally on this. Pls let me know.

Thanks,
Chandra

> -----Original Message-----

> From: Nash, Penny [SMTP:NASHPEN@Gateway.com]
> Sent: Tuesday, February 24, 1998 3:04 PM
> To: Nicholas, Billie; Chandra DuFrene
> Cc: VonHolle, Jim; Skidmore, Kathy
> Subject: RE: Separate billing for Win 95 and IE 4.0

>
> This is also needed for all of the regions as well. Europe and Asia. This
> needs to be updated in Troika to provide our

>
> AR's access to this. Please, Please, Please, help us get this resolved.
> We are getting Dangerously close to receiving product from our AR's in the
> US and in Europe that will directly impact our Win 95 shipments. I have
> sent another mail off to Gayle on this today and we are dire need of an
> update and some answers.

>
>
> Thanks,

> Pen

> -----Original Message-----

> From: Nicholas, Billie

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MS-PCA1540683

> Sent: Monday, February 23, 1998 4:31 PM
> To: 'chandrad@microsoft.com'
> Cc: VonHolle, Jim; Nash, Penny; Skidmore, Kathy
> Subject: Separate billing for Win 95 and IE 4.0

> Hi Chandra-

> We have been working on the following issue with Microsoft for quite
> some time, and are hoping that you can help get this resolved. On
> September 3, 1997, Gateway signed a Memorandum of Understanding (MOU)
> regarding Internet Explorer 4.0 that was written by Jeffrey Kratz. This
> document clearly states that Microsoft will pay for the IE 4.0 CD, and
> Gateway will pay for the Win 95 CD until 60 days beyond the release of Win
> 98 (see text below). Since these components are packaged together, we
> need Microsoft to give the approval to Quebecor to do separate billing on
> each of these items.

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> Microsoft will cover APM (via direct payment to a Microsoft
> Authorized Replicator of COMPANY's choice) for the IE4 CD for the French,
> English, German, Italian, Spanish and Japanese languages until sixty (60)
> days after Windows 98 OPK is available for Windows 95 based systems.

> What we need is for you to call Quebecor and give them the
> approval to bill Microsoft for the IE 4.0 CD. Could you please either
> call or email this approval to Karen Patricelli (phone 800-451-5742,
> x9425, or email is karen@quebim.com)?

> Thank you for your help, Chandra.

> Billie Nicholas
> (605) 232-1616

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From: Bengt Akerind
Sent: Friday, February 27, 1998 8:20 AM
To: Gayle McClain
Cc: Chandra DuFrene, Kurt Kolb
Subject: RE: Separate billing for Win 95 and IE 4.0

you are all overruled. We have a situation where GW might go on production stop. I am amazed that we are not more sensitive to that situation. I fully agree that GW has been dragging their feet by not going to OSR 2.5, but matter of fact is that we have committed contractually to pay for the IE 4 CD, and there is nothing around that will take us out of that commitment. Pls allow GW IMMEDIATELY to get what they need from the ARs for another month, and let's work with them in the mean time and get them to OSR 2.5.

Thanks

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Cc: Chandra DuFrene, Kurt Kolb
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IBM Account Manager
201.941.9151
gmcclain@ibm.com

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