

6/13/91

To: Dick Wi.  
From: Debbie C  
Date: April 10  
cc: Mark Thi  
Dave Val  
Subj: Lotus Me  
DRI Part

Dick,  
you have a copy of this top  
memo. The following documents  
all Lotus activity from my 1st  
meetings with Lotus through  
the present. I will be meeting  
with Dave Valentino tomorrow at  
10:00am in Monterey & will docu-  
ment all that, it will.

Lotus (408) 982-0700  
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Mark Thirman  
John Blumhead,

Several meetings on different topics were held with various Lotus managerial personnel this day. All meetings were focused on ways in which DRI and Lotus could work together as partners to serve our mutual interest by enhancing our market positions, exposure and sales, as well as to jointly combat our mutual competition. The content and action items resulting from each of these meetings is described below.

I. Jeffrey Bair: Director Product Marketing GUI Spreadsheets

Discussions were focused on programs related to joint marketing activities of DR DOS & 1-2-3 products. DRI goal was to secure an in-product bundle of DR DOS in a 1-2-3 product(s). Jeffrey was more focused on the 1-2-3 windows (code name Rockport) product as it will soon be going to market and it is a Windows product which is an important market to Lotus considering the Excell sales momentum competition.

Jeffrey was briefed on DR DOS 5.0 and Buxton under nondisclosure. Jeffrey was impressed with DR DOS and Buxton and understood the benefits of jointly marketing DR DOS and 1-2-3 products; as well as the fact that an in-product bundle was the strongest marketing program which competitively offered the consumer the most benefit. However, his reservations were that there is a potential that end users could resist changing their operating systems - they would not want to reconfigure their machines and chance any "screw-ups." He felt uncomfortable even if DR DOS installation was an option from the Lotus menu with information in the box describing the benefits of using DR DOS with Lotus 1-2-3.

By the end of our meeting Jeffrey felt that:  
1a.) We should begin by having DR DOS noted on the 1-2-3 Windows (Rockport) sell sheet on the packaging. This required our working with Kathy Charbino (who works for Paul McNaulty) who is in charge of marketing programs  
Charbino(?)

Plaintiff's Exhibit  
5259  
Comes V. Microsoft

for 1-2-3. The Sell sheet is at two weeks from close now.

ACTION: Mark Thirman to coordinate with Kathy.

b.) To accomplish (a) above, we must get DR DOS in the hands of QA for Rockport. The QA test suite is being developed "on the fly" so to speak as Rockport is a new product. Therefore, DRI will be unable to do the testing for Lotus. Contact for Rockport QA are Ed McNierney (Development Mgr) and Andy Connally (QA Mgr)

*Done - 3 copies*

ACTION: Mark Thirman get product to Jeffrey Beir, Ed McNierney and Andy Connally.

ACTION: Debbie O'Connell follow up with Ed McNierney regarding testing of all Lotus 1-2-3 products future releases under his control on DR DOS as standard part of QA process.

*Have in DOS - unless you state of testing claiming they're already*

2.) As an initial step toward an in-product bundle of DR DOS on one or all 1-2-3 products, set up a Channel bundle program by selecting resellers of our choice to participate in some special promotion encouraging the sale of DR DOS and 1-2-3 together. Programs to be funded by DRI and Lotus, then track the sales results. If results are positive, then phase II will be an in-product bundle of DR DOS with 1-2-3. Buxton is the product of choice for the phase II bundle.

ACTION: Debbie O'Connell, Dave Valentino, Mark Thirman

II. Richard Weisberg: Director, End User Computing

Reports to Gene Court, VP MIS Department. Has been testing DR DOS with several users within Lotus. Doesn't really see need to change existing DOS platform because all products and the network work together now. Has some fear of problems on users' systems. We told him we would hold training sessions for his users and fix any problems should they arise. He then said the developers need to run MS DOS because that is the dominant OS in the market they service. We told him they should really run both DR DOS and MS DOS to ensure integrity of Lotus products on both DOS platforms as both exist in the market place.

Having satisfied his first two objections, his final fear was that even if everything runs well on DR DOS now, future releases of Lotus products may have problems on DR DOS and he would be stuck. We asked that if we could ensure that this would not happen, would he be ready to move forward installing DR DOS on all systems via a site license. He said yes.

ACTION: Debbie O'Connell, John Bromhead, Steve Tucker work with Lotus Development Team (management) to ensure testing of all Lotus products on DR DOS simultaneously with MS DOS. Also, get Lotus existing test suites for DRI to test current products and certify DR DOS. Accomplish this in meetings with EDC development team and Lotus

*→ Silvan Rudman & DV Silvan did put Buxton file in her QA testing*

*Awaiting final report from Lotus (Kurt Quirk) → DV has F/U and all Debbie's files*

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*DV and Mesh*  
*Jack Jackson*  
*Deborah Davis*  
*transferring*  
*services*

**ACTION:** Mark Thirman  
Implement a 100-200 unit test program with Richard and his specified users for a period of 3-4 months free of charge. Once DR DOS is accepted, a site license will be executed which will encompass payment for these units and the rest of the Lotus users.

**III. Leon Navikas: General Manager R & D**  
In charge of Consumer products, Multimedia, Workgroup Technologies (networks, etc.), and Chip Technologies (working with Chip Manufactures).

Conversation focused on the Jaguar product which is implemented in the HP 1-2-3 dedicated hand-held unit. Description of Jaguar was provided as follows:

- \*Executes from ROM and delivered on chip
- \*Minimum display 40X16, scalable
- \*Fully internationalized - 5 languages
- \*Built in RAM and removable RAM
- \*Conforms to JADA/PCMCIA standards
- \*Supports static and flash memory
- \*BIOS and Hardware level battery savings technologies implemented
- \*Suite of integrated apps. containing 1-2-3 2.2, to do list, file organizer, calculator, calendar - Personal organizer with 1-2-3. Small windowing like environment integrated the apps.

The product is restricted to the consumer products market for implementation in such products as palmtops, calculators, personal organizers. They do provide a suite of applications for the desktop computer for convenience of file transfer and general usage of information. There are some translation tools for moving files between systems - they can also move sidekick data files etc. to the applications.

To implement Jaguar requires 1MB of ROM with space leftover. Leon feels that Lotus can benefit by providing the entire software environment, including the OS, thereby eliminating complexity in multivendor situations. Lotus would only deal with the hardware OEM. His group has already done a review of DR DOS 5.0 and they like the product. Lotus will be working on Release 2 of Jaguar soon.

A note of interest, Leon let us know why DR DOS was ultimately not selected as the OS on the joint HP-Lotus machine. They were seriously considering DR DOS and did implement and test it on the product at HP Corvallis. However, in the end they felt they needed the brand recognition of MS DOS on this new product. DRI had basically told HP to "name their price" in order to get the business and that was in our favor at one time. However, Microsoft met our terms by allowing HP to name their price so it became the prudent choice for HP as it then met all their needs. At the time, the technical advantages of DR DOS did not outweigh the marketing advantages of MS DOS. Once the product takes off in the market, DR DOS could make its way back into that unit.

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**ACTION:** John Bromhead - Steve Tucker

1. Set meeting with Leon and his development engineers for Jaguar. Rich DeFosse is Leon's Development Mgr.
  - a.) discuss benefits of DR DOS implementation as a total software solution of integrated applications and OS
  - b.) discuss future joint development on both products
  - c.) explore PC side comms software for his product (File Link)
2. Put engineers together to create a prototype board implementing Jaguar and DR DOS - do performance evaluation and optimization.



*From: Steve M. Aiston*

**ACTION:** Debbie O'Connell

Lay out licensing options and business issues for Leon. on DR DOS with Jaguar proposal.

*As soon as possibility of this is now underway. May be a revised config from full system for notebook to a minimal system for palmtop.*

*John Bromhead:*

**ACTION:** John Bromhead, Debbie O'Connell

Look at possibilities of DRI licensing some of these productivity tools for inclusion in DR DOS for Desktop/Notebook markets.

*Best Bruce comes to my 2 units & send one to Andy.*

**IV. Steve O'Neill: OEM Sales Manager**

Reports to Richard Faulk, VP Marketing

Discussed joint OEM sales call opportunities. Steve was more focused on working together on Notebook OEM accounts rather than any Desktop opportunities as he felt we "had a strong story to tell" in that market segment. He felt that serving the desktop market was simply a matter of price. Steve did not want our two companies to be able to quote and sell each others products as a part of our independent sales call activities. We will revisit this issue at a later date. Steve agreed to our having a joint sales meeting in the future but had to wait until he filled his 3 open positions. He currently has only one OEM sales rep and himself selling. In the mean time, Rick Stoppe, our Eastern Regional OEM Rep., has made one joint sales call with Eileen Smith, the Lotus sole OEM Rep. Initial feed back of that meeting is positive.

*Steve O'Neill irresponsible. I don't seem to be consulted.*

**ACTION:** Debbie O'Connell

Follow up with Steve to set the joint OEM Sales meeting.

*Steve has always said he wanted to sell 12% for OEM marketing, but was followed to.*

**V. A. Bruce Johnston: General Manager OEM and Entry Products Group**

**Tim McManus: Director Market Development, OEG**

This meeting was focused on Lotus selling DRI Magellan technology to integrate into DR DOS. Areas of interest include viewer technologies, directory file search capability, etc. The general feeling of John Bromhead was that it was too late for DRI to include these technologies in the Buxton release and still make

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our target release date. However, there is a great interest in reviewing and studying the fit of these technologies for implementation into our Panther release. Lotus expressed their willingness to work with DRI in integrating Magellan technologies into DR DOS.

**ACTION:** John Bromhead, Steve Tucker  
Tim and Bruce are to deliver an evaluation product to John. John and Steve are to evaluate the technology and determine the fit.

**VI. Legal Agreement Execution to Acquire Lotus Test Suites:**

**ACTION:** Debbie O'Connell, DRI Legal

Expedite changes required in the legal agreement between Lotus and DRI that enables DRI to acquire the Lotus test suites. Once test suites are acquired DRI may test Lotus products with DR DOS and certify compatibility. Lotus ~~legal~~ contact: ~~Steve Tucker~~ *Kent Quick & Greg Mancuzi*

DV ←

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