

DEPOSITION EXHIBIT  
WITNESS: Podley  
DATE: 7/17/92  
DEBRA GOODMANSON, COURT REPORTER

am trying to get a t-shirt over to you Rich (hopefully getting one from the DOS group).

One thing I would want to see is MS employees (including Scotto and I) handing the shirts (or other alternative) to the Ehead employees. this would not just be in Issaquah/Redmond...but all across the country.

##### 778  
From frankga Mon Aug 26 10:21:15 1991  
To: billg mikehal steveb  
Subject: Increased MS-dos Upgrade ads  
Cc: bradc bradsi mikebro  
Date: Mon Aug 26 10:20:37 1991

brad's request should stand on its own merits, the idea of locking in original revenue to marketing ratio's is wrong because of our budgeting mehtods, but the added marketing needs seem reasonable on their face! if all in agreement this would merely be an approved variance from budget and so noted appropriately in P&L analysis.  
>From steveb Mon Aug 26 07:40:29 1991  
To: billg frankga mikchal  
Subject: Increased MS-dos Upgrade ads  
Cc: bradc bradsi  
Date: Mon Aug 26 07:40:05 1991

I support this ok??  
From bradc Fri Aug 23 17:35:16 1991  
To: steveb  
Cc: bradc bradsi  
Subject: MS-DOS 5 Upgrade budget  
Date: Fri Aug 23 17:37:12 PDT 1991

Hi Steve.  
As per our conversation yesterday, I want to significantly increase the intensity and reach of our MS-DOS 5 Upgrade marketing. This is a part of our strategy to limit the impact of DR DOS 6 (rumored to be announced on 9/16). If history is any indication, we should expect a significant advertising push from Digital on DR DOS 6, particularly after they merge with cash rich Novell. They spent \$1.2mm in the first 6 months of this year on media. 1/3 was in the WSJ. According to Mikede, Novell is also a big broadbase media fan.

We are running an enthusiast ad campaign starting the end of Sept. but I do not have budget for business press advertising. For the reasons cited above, I recommend we implement business press advertising this fall.

Budget and Costs

My current marketing budget is \$3.15mm on a forecast of 600,000 units (9.68%). I told mikchal and billg the other day that I believe we could

MS 5053366  
CONFIDENTIAL  
MS-PCA 1164050  
CONFIDENTIAL

Plaintiff's Exhibit  
**5353**  
Comes V. Microsoft

MS-CCPMDL 000000492560  
HIGHLY CONFIDENTIAL

reach 2.5 million units and revenue of \$127mil this fiscal year for the Upgrade. Even at 2 million units we would generate about \$100 million and at 9.68% that equals a marketing budget of \$9.68mm.

I realize that marketing budgets should not grow linearly with sales volume and I certainly do not need \$9mm, but I do recommend the following:

1. Allocate \$1.65mm for a business press campaign this fall
2. Reserve another \$1.65mm for additional campaigns or activities.  
This money would be used only if you, bradsi and mikehal approve.

Total marketing budget = \$3.15mm + \$3.3mm = \$6.45mm (=6.45% of \$100mm)

Please let me know if you require any more info on advertising or the details of my strategy and other planned activities.  
MS-DOS is the family financial jewels and we should promote it accordingly - I believe biz press adv, as part of an overall increase in intensity will help us both at retail and with OEMs.

Brad

##### 779  
From davidw Mon Aug 26 10:29:55 1991  
To: bradsi  
Subject: sourdough!  
Date: Mon, 26 Aug 91 10:28:38 PDT

##### 780  
From karlst Mon Aug 26 10:31:25 1991  
To: amtc chrisg craigc davidds lins marcw neilk ralphl richp  
Cc: bradsi davidcol johnen philba  
Subject: post b2 bug bashing strategy  
Date: Mon Aug 26 10:29:51 1991

Following up on last Wednesday's status meeting, we talked about several things we could do to focus our bug bashing efforts. I'll skip the sales pitch here and just summarize what we talked about:

- 1) Focus hours - people identify 4 hrs/day when they want to focus on fixing bugs, nothing else. Post signs on doors, disconnect phones, ignore email, just fix bugs.  
Phil, Brad, Davidcol and the program management team will respect these hours also. I'll support the team anyway I can, but I'll expect you to be using this time to fix bugs, not other stuff.
- 2) Maintain stability between builds - Make sure we're up to date with at least the current build, and build and checking binaries for each changed component at least once a day.

MS 5053367  
CONFIDENTIAL

MS-PCA 1164051  
CONFIDENTIAL

MS-CCPMDL 000000492561  
HIGHLY CONFIDENTIAL

the problem to occur. Now, beta 2 causes it to happen every time.

A copy of HA5 is in \splash\public\ha5

Configuration:

Compaq SLT 386s/20 - 12MB ram, 120MB hd

##### 816

From jimall Mon Aug 26 12:38:17 1991

To: russ

Cc: bradsi

Subject: RE: pr pressure on Novell for redir?

Date: Mon Aug 26 12:37:37 PDT 1991

The statement below is fine. I reacted to the first mail which would have been nothing but problems for us.

Go ahead.

However, my questions still stand: Who did talk to Novell? When? What exactly did they say?

jim

|>From russ Mon Aug 26 09:27:32 1991

| To: jimall

| Cc: bradsi

| Subject: RE: pr pressure on Novell for redir?

|

| Date: Mon Aug 26 09:25:43 PDT 1991

|

| Why do we need these facts? The only quote I am going to give them is

| "Microsoft wants to improve the networkability of Windows, and building

| in a Novell redirector would make a lot of sense. Microsoft would be

| very interested in licensing the Novell redirector or NCP technology

| from Novell."

|

| I don't think we should claim that they have refused us, or anything

MS 5053368  
CONFIDENTIAL

MS-PCA 1164052  
CONFIDENTIAL

MS-CCPMDL 000000492562  
HIGHLY CONFIDENTIAL

| like that That would just piss them off. With a quote like  
| the one.  
| above Catchings and Van Name would write a story about how  
| interoperability is key, and MS has the right idea, it would be  
| a great  
| advance for the customer/industry to put the Novell redir in  
| Windows  
| (they already believe this), and wouldn't it just be great if  
| Novell  
| would license the redir to MS (who is already a willing  
| participant as  
| quoted above, etc). They might add criticism of Novell in their  
| own  
| voice, and that would be fine.

| Does this sound reasonable to you? Can I go ahead? I think  
| that if we  
| gave them the quote they would write this story soon.

| RussS

|>From jimall Fri Aug 23 17:24:36 1991  
| To: russs  
| Cc: bradsi mikemur paulma steveb  
| Subject: RE: pr pressure on Novell for redir?

| Date: Fri Aug 23 17:23:34 PDT 1991

| We need to have facts before doing anything like this. Who  
| asked Novell for it? Who at Novell told us no? How long  
| ago? (When was the last time we asked them?)

| I've heard that we asked, but I never pushed to find out who  
| within MS owned this.

| jim

||>From russs Fri Aug 23 16:14:26 1991  
|| To: jimall mikemur  
|| Cc: bradsi steveb  
|| Subject: pr pressure on Novell for redir?

|| Date: Fri Aug 23 16:13:01 PDT 1991

|| In a conversation with Catchings and Van Name (PC Week) today,

| they  
|| offered to write a column lambasting Novell for not licensing  
| us the  
|| NetWare redir/NCPs for inclusion in Windows, etc Their point

| of view  
|| was that building Novell redir into Windows would be great for

MS 5053369  
CONFIDENTIAL

MS-PCA 1164053  
CONFIDENTIAL

MS-CCPMDL 000000492563  
HIGHLY CONFIDENTIAL

| the  
|| industry I told them we had talked to Novell about it  
before,  
| but they  
|| had refused. They said that if we gave them a quote "MS would

| like to  
|| license the Novell redir/NCPs for inclusion in MS OS's and  
| Novell has  
|| refused" they would publish a very anti-Novell story (Novell  
| maintains a  
|| "closed" view, etc)  
||  
|| I know we have thought about using this tactic in the past.  
| Any  
|| interest in it now? All we need to do is give them a general  
| quote.

##### 817  
From johnen Mon Aug 26 12:40:01 1991  
To: winwar  
Cc: mikegi sanfords timbr  
Subject: FW: DDEML: GP Faults under debug 3.1.43d when disconnecting  
Date: Mon Aug 26 12:34:35 PDT 1991

There have been several bug reports on DDEML this morning -  
Sanfords/Timbr - I assume this private version is the one  
Timbr mentioned in his earlier mail?

>From mikegi Mon Aug 26 11:18:45 1991  
To: winbug  
Cc: sanfords  
Subject: DDEML: GP Faults under debug 3.1.43d when disconnecting  
  
Date: Mon Aug 26 11:03:17 PDT 1991  
  
Subject: DDEML: GP Faults under debug 3.1.43d when disconnecting

Sev: 1  
Pri: 1  
Ver: 3.1.43d debug  
Prod: Core  
Area: DDEML  
Assn: timbr  
Org: internal  
By: mikegi

Problem:  
Under debug 3.1.43d, disconnecting a DDEML conversation causes  
DDEML to GP Fault. On the debug terminal you see,

MS-PCA 1164054  
CONFIDENTIAL

MS 5053370  
CONFIDENTIAL

MS-CCPMDL 000000492564  
HIGHLY CONFIDENTIAL

||Origin:  
||Suggested Assignment:  
||  
||Mod: DOS high  
||  
||Reported by: Bob Muglia (bobmu) x68852  
||  
||Problem statement:  
||Arial fonts are really screwed up in the Beta 2 software using the  
||IBM 4019 postscript driver.

To test, run:  
|Windword, switch the font to Arial and type "this is a tab<tab>". Tab's appear  
|as this crazy box on a line all their own. Basically, documents formatted  
|with Arial text are unusable.

|  
||Configuration:  
||Compaq SLT 20, 12MB RAM, 120MB HD  
||  
||NOTES:

##### 825  
From naveenj Mon Aug 26 13:17:36 1991  
To: dosforum  
Subject: DOS forum meeting.  
Date: Mon, 26 Aug 91 13:16:40 PDT

No DOS forum meeting today.

There are no DOS 5.0a or ROM DOS issues, however there is an  
outstanding issue with FORMAT inconsistency on interlink  
server drives.

The problem is that FORMAT tries to format remote drives but  
fails because we interlink does not support all disk IOCTLs.  
FORMAT /q works fine because it does not use IOCTLs but only  
uses write.

Mohans is going to propose a solution.

##### 826  
From bradc Mon Aug 26 13:17:57 1991  
To: bradsi  
Subject: FW: Windows 3.1 Beta 2 candidate  
Date: Mon Aug 26 13:19:41 PDT 1991

hee hee hee

>From mikemap Mon Aug 26 12:25:40 1991  
To: ms-apps  
Subject: Windows 3.1 Beta 2 candidate

MS 5053371  
CONFIDENTIAL

MS-PCA 1164055  
CONFIDENTIAL

MS-CCPMDL 000000492565  
HIGHLY CONFIDENTIAL

Date: Mon, 26 Aug 91 11:58:55 PDT

for the adventurous.

>From janineh Mon Aug 26 11:21:58 1991  
>To: mikemap  
>Cc: cathyw  
>Subject: Windows 3.1 Beta 2 candidate  
>Date: Mon Aug 26 11:21:20 PDT 1991

|  
|Windows 3.1 is getting ready for its second beta release. We've done  
|a lot of work to add parameter validation and the main focus of this  
|beta is Application compatibility. Help us by trying out this  
|release and sending feedback - good or bad - to WINBETA. Any Watson  
|logs should be placed in \\windex\watson\new. (Please do not email  
|them, it chokes the mail servers.)

|  
|We've got a "Hit Squad" of people to come help you if you run into any  
|trouble installing. Email WINBETA and we'll get to you as fast as we  
|can.

|Instructions:

- | 1. Connect to \toolsrv\beta. Go to the \sys\win31\beta2\netsetup  
| directory.
- | 2. Type Setup and then choose Express or Custom Install
- | 3. If you are running Lanman 2.1, you MUST choose Custom Install,  
| override the Lanman 2.0 choice by Setup and explicitly choose  
| Lanman 2.1 as your network in the second Setup screen.
- | 4. If you get "Fatal Exit Code 0x0404", you may have somehow bypassed  
| step 3 above. You will need to recopy the Lanman 2.1 pmspl.dll and  
| netapi.dll to your Lanman directory, restart Setup and change the  
| Lanman version to 2.1.

|  
|In the \toolsrv\beta\sys\win31\beta2\document directory are write  
|files which comprise the majority of the Windows Users Guide. The  
|Release Notes will be put in this directory at a later date.

|Thanks for your help!

##### 827  
From karlst Mon Aug 26 13:28:42 1991  
To: anthony bradsi brunoa chris philba sharonh  
Subject: jaywant/edh  
Date: Mon Aug 26 13:26:13 1991

Effective 15 September, Ed Halley (edh) will transfer from AFX to the win31  
group. Effective October 1, jaywant will transfer from the Windows group to

MS-PCA 1164056  
CONFIDENTIAL

MS 5053372  
CONFIDENTIAL

MS-CCPMDL 000000492566  
HIGHLY CONFIDENTIAL