

From: Christine Chang
Sent: Monday, February 12, 2001 12:38 PM
To: Joseph Krawczak; John Vail
Subject: Please review 'How to Buy'

Message Flag: Review
Flag Status: Flagged

Attached is the latest draft of the deck outlining what the field should be selling to customers prior to May 1 to get them to Office XP. I'm assuming that this deck will be used to train field and they will share this info with their customers after March 1.

It assumes the following sales priorities in this order:

- (1) Get customer on EA or UA so that they can get into L/SC at lower cost. All customers with 500+ desktops should consider EA.
- (2) If customer won't buy EA or UA, then at least get them on Office XP so they are eligible for SC on 10/1.

Unfortunately, these sales priorities won't become totally clear to the field until April when they learn about L/SC. So, in the interim month, some of these recommendations may not make total sense.

<file:///\\fp2\mkt\cchang\enterprise\collateral\How%20to%20Buy.ppt>

If you don't have access to the location above, you can review the attached copy.



How to Buy

Please let me know if you have any suggestions for strengthening these recommendations. I will route this today and close down the deck by Wednesday.

Thanks.
Christine

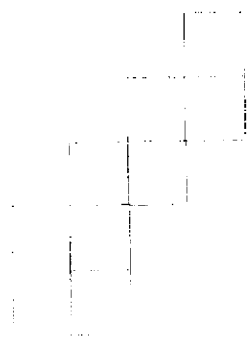
Plaintiff's Exhibit

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How to Buy Microsoft Office XP

DO NOT SHARE WITH
PARTNERS OR CUSTOMERS
UNTIL MARCH 1st

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Agenda

- Enterprise Agreements & Upgrade Advantage
- Office XP Version Upgrade & UA Eligibility (Volume Licensing)
- Why Buy Office UA Now
- How to Buy Office XP

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Enterprise Agreement

- Full Microsoft platform of Enterprise products provides the best value proposition
 - Lower Total Cost of Ownership
 - Access to the Most Recent Versions of the Microsoft Enterprise and Additional products
 - Simplified License Tracking
 - Reduced Risks of License Noncompliance and Associated Potential Costs
 - Simplified Budgetary Planning
 - Streamlined Ordering Process
 - Facilitation of a Long-term Relationship with Microsoft

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Upgrade Advantage

- UA available thru Open & Select licensing programs
- UA allows customers to get & stay current
 - Includes right to install latest version of product released during term of agreement even after agreement ends
 - For term of Select agreement or Open License authorization #
 - Customer can get UA benefits for 2 full years by renewing or signing new Select agreement or getting Open new authorization #
- Any previous version of Office qualifies for UA
 - Includes Office 95 or prior version licenses
 - All types of licenses qualify for UA (OEM, FPP, AE)

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Office XP Version Upgrade & UA Eligibility (Volume Licensing)

- Customers with Office 97/2000 can upgrade to Office XP
 - Office 95 or prior suites, Office standalone & competitive apps not eligible for version upgrade
 - Competitive (CUP) & Product Upgrades (PUP) not available
 - Office 97/2000 standalone app can upgrade to same v 2002 app
- UA requirements have not changed
 - Office Standard UA
 - Must have Office Standard OR
 - Must have Word, Excel AND PowerPoint
 - Office Professional UA
 - Must have Office Professional OR
 - Must have Office Standard AND FoxPro or Access OR
 - Must have Word, Excel, PowerPoint AND FoxPro or Access

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Why Buy UA Now?

- Tech Guarantee not available to volume license customers for Office XP
- Office XP pricing adjustment to occur on May 1
 - Reflects new, enhanced value of product
 - Adjusted less than 5% on average across licenses
- Office UA is a great value now & after May 1
 - Office Professional UA
 - Before 5/1: cheaper than Office XP Professional VUP for some customers
 - After 5/1: on avg. only 6% more than Office XP Professional VUP
 - Office Standard UA prices will not change

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Before May 1:

For some, Office Professional UA will be cheaper than Office XP Professional VUP

Others will pay 1-4% more for Office Professional UA now compared to Office XP Pro VUP

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How to Buy Office XP before May 1

	500+ Desktops	<500 Desktops
Customers with 500+ desktops	■ New or renew EA	■ UA
No previous license	■ New EA	■ Office XP new license
Competitive suite/apps	■ New EA	■ Office 2000 CUP + UA
Standalone Office apps	■ New EA or UA if standalone apps qualify	■ UA if apps qualify ■ Office 2000 VUP + Office UA
Office 95 or prior version	■ New EA	■ UA
Office 97 or 2000	■ New or renew EA	■ UA

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No Previous License

- Alternatives

- Office 2000 new license + Office XP VUP
- Office XP new license

- Recommendations

- <500 desktops: Office XP new license to get new product value
- 500+ desktops: EA better value than purchasing new license

ERP Prices		Office Standard		Office Professional	
		2000 New Lic + XP VUP	Office XP New Lic	2000 New + XP VUP	Office XP New Lic
Open	NL	551	377	716	454
	C	521	369	678	445
Select	A	549	375	714	452
	B	511	349	666	420
	C	471	320	618	385
	D	449	296	584	357

Office component EA is \$200/year/desktop ERP at lowest volume level

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Competitive Suites/Apps

■ Alternatives

- Office 2000 CUP + Office XP VUP
- Office 2000 CUP + Office UA (pre 5/1)
- Office XP new license

■ Recommendation

- <500 desktops: Office 2000 CUP + UA (pre 5/1) is best value
- 500+ desktops: Enterprise Agreement is best value

ERP Prices		Office Standard			Office Professional		
		Office 2000 CUP + XP VUP	Office 2000 CUP + UA	Office XP New Lic	Office 2000 CUP + XP VUP	Office 2000 CUP + UA (pre 5/1)	Office XP New Lic
Open	NL	405	450	377	582	581	454
	C	394	442	369	568	572	445
Select	A	405	448	375	582	579	452
	B	387	441	349	567	566	420
	C	387	434	320	551	554	385
	D	379	427	296	531	542	357

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Standalone Office Applications

■ Alternatives

- Office 2000 VUP + Office XP VUP
- Office XP new license
- Office 2000 VUP + Office UA
- Office UA if standalone apps qualify for UA

■ Recommendation

- <500 desktops: UA if apps qualify. Otherwise, Office 2000 VUP + UA
- 500+ desktops: Enterprise Agreement or UA if apps qualify

ERP Prices		Office Standard				Office Professional			
		2000 VUP + XP VUP	XP New Lic	2000 VUP + UA	UA	2000 VUP + XP VUP	XP New Lic	2000 VUP + UA	UA (see B1)
Open	NL	356	377	401	226	533	454	532	270
	C	347	369	395	226	520	445	524	270
Select	A	357	375	400	224	534	452	531	268
	B	351	349	395	224	523	420	522	268
	C	344	320	391	224	509	385	512	268
	D	337	296	385	224	491	357	502	268

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Office 95 & Office version 4

- Alternatives

- Office 2000 VUP + Office XP VUP
- Office UA before May 1

- Recommendation

- <500 desktops: UA
- 500+ desktops: EA

ERP Prices		Office Standard		Office Professional	
		2000 VUP + XP VUP	UA	2000 VUP + XP VUP	UA (pre 5/1)
Open	NL	356	228	533	270
	C	347	228	520	270
Select	A	357	224	534	268
	B	351	224	523	268
	C	344	224	509	268
	D	337	224	491	268

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Office 97 or 2000 Customers

- Alternatives
 - Office XP VUP
 - Office UA before or after May 1
- Recommendation
 - <500 desktops: UA before May 1
 - 500+ desktops: new or renew EA

ERP Prices		Office UA	Office XP VUP	Office 2000 VUP
Open	NL	226	181	175
	C	226	178	169
Select	A	224	181	176
	B	224	180	171
	C	224	177	167
	D	224	176	161

ERP Prices		Office UA (pre 5/1)	Office XP VUP	Office UA (after 5/1)
Open	NL	270	271	284
	C	270	266	284
Select	A	268	271	284
	B	268	269	281
	C	268	265	281
	D	268	257	281

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