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**From:** Shaun Wiley  
**Sent:** Thursday, June 14, 2001 6:30 PM  
**To:** Tom Opdycke; Rodney Jenkins  
**Cc:** Michael Van Alstyne  
**Subject:** RE: Retail Pricing Meetings

Here you go...

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

**From:** Tom Opdycke  
**Sent:** Thursday, June 14, 2001 6:27 PM  
**To:** Rodney Jenkins; Shaun Wiley  
**Cc:** Michael Van Alstyne  
**Subject:** RE: Retail Pricing Meetings

YOU didn't miss much. supposed to meet again at 4:40 tomorrow with Jim. Please see shaun for what we showed today.  
Gonna be a Jim call.

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

**From:** Rodney Jenkins  
**Sent:** Thursday, June 14, 2001 8:58 AM  
**To:** Tom Opdycke; Shaun Wiley  
**Cc:** Michael Van Alstyne  
**Subject:** RE: Retail Pricing Meetings

Of course we need & want to be there I thought that I was pretty clear about that in the last meeting we discussed this in  
Could you forward us the sch+?

Thanks  
Rodney

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

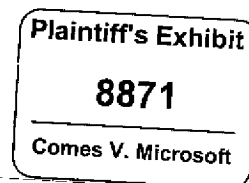
**From:** Tom Opdycke  
**Sent:** Thursday, June 14, 2001 7:47 AM  
**To:** Rodney Jenkins; Shaun Wiley  
**Cc:** Michael Van Alstyne  
**Subject:** RE: Retail Pricing Meetings  
**Importance:** High

This is set up for thursday afternoon (today). Not sure if you want/need to be there - let me know if you want invite, Bill Benack is on the invite. Shaun - I know you are busy, but did you ever get the updates to the retail pricing comparison we discussed?

-T

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

**From:** Rodney Jenkins  
**Sent:** Wednesday, June 13, 2001 1:54 PM  
**To:** Tom Opdycke; Shaun Wiley  
**Cc:** Michael Van Alstyne  
**Subject:** Retail Pricing Meetings



11/8/2003

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Tom/Shaun-

I was out last week, but saw some mail that said a meeting would be set up to discuss the different proposals. Has this been done yet?

Thanks  
Rodney

11/8/2003

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# **Windows *XP***

## **Product Offering & Pricing**

# Pricing Proposal

<b>XP Home Value Proposition</b>	Windows XP Home offers a significant increase in customer value. Pricing should reflect this.
<b>Retail should pay for Clamshell</b>	Disti./Retailers manage these businesses. If they demand a clamshell, this is not part of our margin analysis.
<b>Create ERP "Reality"</b>	The market clears at the street price. MS will set a realistic ERP that equal MAP which should be closer to the market price.

## Retail FPP ERP=MAP

License Type	Old	XP
Home Standard	\$209	\$199
Home Upgrade	\$109	\$99
Pro Standard	\$319	\$299
Pro Upgrade	\$219	\$199

*"Old" = Windows ME for Home and Windows 2000 Professional for Pro.*

## Pricing Comparison

### Retail Direct Price

License Type	Old	HRD	SG
Home Standard	161.70	167.65	175.12
Home Upgrade	84.28	82.65	87.12
Pro Standard	249.90	252.65	254.15
Pro Upgrade	173.69	167.65	169.15

*"Old" = Windows ME for Home and Windows 2000 Professional for Pro.*

# Dollar Margin Street Comparison

Dollars per Unit

Product	License	PC Zone	Buy.com	Office Depot	CompUSA	Microsoft ERP
Windows XP Pro	Standard					\$ 44.85
	Product Upgrade					\$ 29.85
Windows XP Home	Standard					\$ 23.88
	Product Upgrade					\$ 11.88
Windows 2000 Pro	Standard	\$ 60.47	\$ 24.45	\$ 50.49	\$ 70.49	\$ 59.50
	Product Upgrade	\$ 22.74	\$ 1.72	\$ 22.76	\$ 22.76	\$ 41.77
Windows ME	Standard	\$ 24.97	\$ (1.05)	\$ -	\$ 34.99	\$ 44.00
	Version Upgrade	\$ 8.97	\$ (0.51)	\$ -	\$ 3.99	\$ 23.00
Windows 98	Standard	\$ -	\$ (0.05)	\$ 34.99	\$ 34.99	\$ 44.00
	Version Upgrade	\$ 12.98	\$ 1.39	\$ 13.99	\$ 3.99	\$ 23.00
Windows 95	Standard					\$ 44.00
	Version Upgrade					\$ 23.00

# Pricing Comparison

## HRD Products

Product Name	Disti Buy	Retail	Retail	Retail	Retail	Retail	Estimated Reseller Price
	Price [(ERP - 0) / x]	Direct Base Price	Retail Markup @ ERP	Margin/ Markup @ ERP	Margin @ ERP With Clamshell	Margin @ ERP W/O Clamshell	
<b>Current</b>							
English STD	\$185.00	\$161.70	29.25%	\$47.30	-	22.63%	\$209.00
English Version Upgrade	\$86.00	\$84.28	29.34%	\$24.72	-	22.68%	\$109.00
Windows® 2000 Professional English Upgrade	\$255.00	\$249.90	27.65%	\$69.10	-	21.06%	\$319.00
Windows® 98 English Second Edtn	\$177.23	\$173.69	26.08%	\$45.31	-	20.89%	\$219.00
Second Edtn Upgrade	\$165.00	\$161.70	29.25%	\$47.30	-	22.63%	\$209.00
	\$86.00	\$84.28	29.34%	\$24.72	-	22.68%	\$109.00
<b>HRD</b>							
Windows XP Home Edition STD	\$167.65	\$167.65	18.70%	\$31.35	15.0%	15.8%	\$199.00
Windows XP Home Edition English	\$82.65	\$82.65	19.78%	\$16.35	15.0%	16.5%	\$99.00
Windows XP Professional English UPG	\$252.65	\$252.65	18.35%	\$46.35	15.0%	15.5%	\$299.00
	\$167.65	\$167.65	18.70%	\$31.35	15.0%	15.8%	\$199.00
<b>SG</b>							
Windows XP Home Edition STD	\$175.12	\$175.12	13.64%	\$23.68	11.2%	12.0%	\$199.00
Windows XP Home Edition English	\$87.12	\$87.12	13.64%	\$11.88	10.5%	12.0%	\$99.00
Windows XP Professional English UPG	\$254.15	\$254.15	17.65%	\$44.85	14.5%	15.0%	\$299.00
	\$169.15	\$169.15	17.65%	\$28.85	14.2%	15.0%	\$199.00