

Yes, I'm already on this and have tried to contact Darin. I have not, however, been successful yet. I'll keep trying. Ben or Natalie, do you know who in recruiting is handling this?

Also, are we doing anything about or know anything about Don Casey's resignation and subsequent plans?

>From arts Mon Sep 30 21:10:23 1991
To: edwardj
Cc: mikemap, benw
Subject: interesting info (fwd)

Date: Mon, 30 Sep 91 21:09:47 PDT
Where: Art Schumer, Group Mgr, EBU Applications 6/2045, #68664

Since you know Darin, could you check this out? It would be good to snap him up if possible.

Art

Forwarded message:

From benw Mon Sep 30 16:58:01 1991
To: arts
Subject: interesting info
Date: Mon Sep 30 16:57:41 1991

I just read in the rumors column of InfoWorld that Darin Adler, head of the Blue Meanies group (system software architecture) at Apple, has resigned.

I sent mail to recruiting about it.

Ben

--
- Art

From lewis1 Thu Oct 3 19:10:59 1991
To: bobv
Cc: judych lanio leighab mikeap nycams
Subject: Apple lack of cooperation
Date: Thu Oct 03 19:09:59 PDT 1991
Mail-Flags: 0000

Judy forwarded the mail about the meeting with Apple to me. Some pals. It is sobering to see just how bad it is with them.

You seemed to feel like retreating from the whole event, like there was no point. I know it is frustrating to get that reception from Apple, but I would have a different reaction entirely.

we are not in the Mac business to please Apple. We are in the business to please ourselves: it's \$110M in SMSD in FY92. The Mac is the second biggest desktop platform in the

Plaintiff's Exhibit

9034

Comes V. Microsoft



MS 5043678
CONFIDENTIAL

'business market and has a higher growth rate than Intel PCs. Our customers don't have the same reaction as Apple has: they like our cross-platform solutions. So, our goal is to support this business so we can stay in the leadership position. Market share is a terrible thing to lose.

That means with or without Apple cooperation we are going to go after existing and new Mac app customers to maintain our market share and our hardware penetration. There is no way that this is inconsistent with our Windows push: we make the best graphical applications. On Intel PCs they run on the best graphical OS: Windows. On Macs they run on Mac OS. And the longterm OS competition isn't an issue: IBM/Apple are at least 2 years away from anything--and think where we will be with Windows/32 and NT by then. So we have to keep pushing the Mac apps or else we will lose share to Lotus, WordPerfect, and Claris.

I hope that after you read this you can see it is pretty important to provide the limited support requested for the Mac marketing events. Across the entire company we are investing a MUCH lower pct. of marketing than the pct of revenue the Mac brings in. That makes the Mac a big cash cow for us. Let's not let the support slip to 0% and hurt the cash cow. Please let me know if there is anything I can do to help you position this in the district office or with customers. And I do appreciate the time you've invested trying to get Apple behind this.

It is too bad the Apple guys are so bitter and embattled. I certainly can't say it will get any better. They should realize that we don't ever use Windows to sell against Macs. We just want to increase the penetration of Windows and our apps on Intel boxes (and eventually RISC boxes). We are very happy when Apple sells a Mac because we sell about \$115 worth of software each time.

>From bobv Thu Oct 3 06:22:31 1991
To: judych
Cc: lanio leighab mikeap nycams
Subject: Apple Meeting

Date: Thu Oct 03 09:24:03 edt 1991

After weeks of discussions with various Apple staff members, Lani Ota and I had a pivotal meeting yesterday at the Apple Operations office in Norwalk, Ct. with 3 Apple East Region Managers:

1. Kevin Dunwoody - Regional Manager, Metro East Business Region
2. Bill McDermott - Business Manager, Apple Market Centers
3. Alan Michnowski - Field Marketing Specialist

The key person in this meeting was Kevin since he is basically the East

MS 5043679
CONFIDENTIAL

Region GM in charge of sales and operations. Bill was also very key because he was the most candid and outspoken during our meeting. This

was a very interesting, and somewhat controversial meeting. Before I summarize its contents for you, I should note all most local Apple Management and staff members have responded to our "Mac Marketing Week"

idea with a high level of skepticism and bewilderment (to say the least!). Nonetheless, yesterday's meeting was the turning point and demonstrated to me how the reality of MSFT's Windows success has turned

Apple against us....

Lani and I reviewed our thoughts for the Mac Marketing week with Bill and Alan (Kevin joined us later in the meeting after he finished viewing

the live Apple-IBM teleconference!!!). Both Bill and Alan were surprised MSFT was interested in partnering with Apple, but felt it would be advantageous to us since ".....we finally face some competitive

threats with Lotus and Wordperfect's entry into Mac apps.." (I am quoting Bill). They went on to say how they could not justify any potential Apple involvement because Apple perceives us as "...the enemy...real competition to the Mac and System 7...". They both felt it

would be impossible for Apple and MSFT to share the same stage because:

1. Windows is direct competition for System 7 (we are Apple's biggest competitors)
2. Customers would be "confused" by an Apple/MSFT seminar (as a result of #1).
3. There is no perceived win in this for Apple. They are not very interested in partnering with us and pitching to current Apple customers (minimal value for Apple). They would recognize value in pitching to Intel-based users. If we would partner with them and pitch to these users, Apple would like to aggressively pitch System 7 and they would say things like "...invest in an industrial strength operating system...not a GUI..." (obviously an implied poke at Windows). We would not be comfortable with this!
4. Claris is part of Apple and I sensed some concern about the ramifications for Apple if they moved forward with a MSFT event with lots of PR.

In sum, the Apple folks were honest and simply did not feel the local sales managers and rep's would be interested in partnering with "the enemy". I continuously stressed the positive relationships we share with selected Apple reps in the NY area, however, they are obviously politically tuned into what is REALLY going on in the Apple organization. I also went to great lengths to counter the above points

by stressing our commitment to Mac Apps through our leadership position

in that area, our System 7 enhancements to apps, etc. They appreciated

hearing this but still felt any partnership would be a tough sell. Kevin joined us later in the meeting and we discussed the overall theme of the week and the benefits to Apple, MSFT, and our customers. He was more congenial, but was visibly skeptical about convincing his people to go along with this.

Lani and I closed the meeting by asking Apple to review our proposal with their colleagues and they agreed. They will also speak with their Cupertino people to understand their motives behind this. We asked them to call us by next Monday to further review and make a decision on their intentions (are they in or out?).

I have always thought this would be a good idea, but after meeting with them yesterday and after weeks of encountering a great deal of Apple resistance, I am beginning to change my mind. I, too, am wondering how much of a good idea this is for MSFT (what is the incremental value to us?). We are clearly on a Windows mission. If we partnered with Apple for a Corporate briefing at the Marriott Marquis and supported the strength of MSFT apps under System 7, what type of message would we be

sending to our Intel-based customers considering Windows? Would we further confuse an already confused customer base? Would Apple make a series of "veiled pokes" about Windows in a public forum we share with them? Take a look at the WSJ article today on the Apple-IBM alliance and read how serious these two are about neutralizing MSFT's success in operating systems!

We will know more by Monday, but in the meantime, we (locally) will review this entire issue and arrive at some decisions. We may want to merely conduct the MRSS and MCSS events and eliminate the joint Apple-MSFT corporate briefings. In any event, please feel free to e-mail/call me with your thoughts on the above.

Bobv

From lisab Mon Oct 7 08:34:14 1991
To: lewisl mikemap
Subject: Apple
Cc: lisab
Date: Mon Oct 7 08:33:38 1991
Mail-Flags: 0000

I have talked with the folks in France about this situation. At this point I don't know how much we can do to influence Apple France, but I am more than willing to make some calls down to Cupertino to see what can be done from the states. I can't evaluate how successful this will be, but my guess

MS 5043681
CONFIDENTIAL