

TO: Rich Abel, Mark Chestnut, Marty Taucher, Russ Werner/Microsoft Corporation
FROM: Marianne Allison/The Waggener Group, Kathryn Hirsch/Microsoft Corporation
DATE: May 15, 1989
SUBJECT: DOS and Windows Monthly Summary: April 1989

Summary/Activity Focus: Windows

- Focus this month was on planning for FY 90 and resolving OS/2 positioning issues. Consensus after various meetings and inputs from Bill Gates and others was to aggressively sell Windows as a Microsoft GUI and a Windows sale as a Microsoft win. Continue strong focus on momentum of ISVs and corporate wins. Russ, Rich and PR outlined a number of strong story opportunities to take 2.1 through the summer and into the fall, including the 3270 emulators, IBM commitment, OEM activity, etc.
Quarterdeck's patent award raised a lot of questions about Windows multitasking. Andy Seybold put a reaction over the wire which sensationalized it and was picked up by the press. We told the press we thought his comments were somewhat inflammatory and premature but have had no other comment than to say we think we're fine but our lawyers are looking at it. The topic is of greater interest to analysts and business publications than to the trade weeklies. Legal should have a preliminary evaluation complete around May 18-19 and we will make a clarifying statement to the press.
We delayed mailing of the spring '89 Windows directory to accommodate a few hardware OEMs. We are creating an addendum in deference to Zenith and extended the opportunity to other OEMs; however, only Wang returned our survey. We also worked to get IBM in but they also did not return our survey (IBM Canada declined to participate for the graphics workstation project and we didn't bear back from ACIS folks after repeated attempts.) The addendum has delayed our mailing into May but it is scheduled to go out this week.
Met with PC Magazine in New York to input for GUI story they are preparing for the August issue. We demonstrated 3.0 to Charles Petzold and others and these guys are very enthusiastic about it. Rich met with Bill Howard the following week in Seattle.
Worked with Rich Abel to prepare his presentation at the Wohl Office Automation 'Dialogue' in Cambridge MA. Rich is on a GUI panel with speakers from Apple, HP, IBM, DEC.
ISV update: Xerox Formbase still expected to ship in June. Software Ventures' Microphone for Windows scheduled for June and we will work with them this month. Asymetrix slipped into August. We continue to look for feedback on hot ISVs.
Currently working with Product Support for information on user questions and tips; we'll select five-ten of the best for an article for PC Resource. We're also contacting a few Windows users for their ideas.
See attached clips from major weeklies and monthlies.

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Windows Issues

- Declining Win/386 and SDK sales. Difficult to address directly with PR.
- Will major applications support 3.0 at announcement?

Windows May/June Focus:

- Continue to focus on ongoing 2.11 support. Ongoing 2.11 plan to be completed by June 1.
- Work with Software Ventures on Microphone announcement.
- Begin work with ISVs with 3270 emulators to prepare for tentative June announcement.
- Complete user database with Celeste.
- Determine IBM interest level in showcasing IBM Canada work with Windows.
- Investigate OEM work with Windows for PR potential; focus on Wang.
- Continue to monitor key ISVs.

Summary/Activity Focus: DOS

- Cleaning up after Amstrad's announcement of the bug in DOS 4.01 was the focus of a lot of activity early in the month. We thoroughly briefed DOS OEMs and let weeklies know in a very low-key way that we were putting a fix on CompuServe. This was successfully contained. Pat Waurzyniak of *Computerworld* was working on a story on DOS 4.01 and called it a minor bug; *PC Week* and *Infoworld* ran only one-paragraph news items.
- Planning for FY '90. Major DOS events are the retail upgrade, entry into embedded systems market. Major messages continue to be stability of product, importance of standard, positive response to shell, etc.
- *PC Week* ran a story on DR DOS apparently at one-year anniversary of DR DOS announcement. Because it indicated DRI is making inroads and the product is excellent, this wasn't good news for MS-DOS. We expressed disappointment to *PC Week* editor Edelhart and Gina Smith for not contacting us about the story. However PR recommendation is not to elevate the issue. *PC Week* does not view DRI as a serious threat to MS-DOS business and we don't want to encourage them to do so by being obviously upset about the story. We do recommend pulling together a strong set of facts about DR DOS and educating press about possible incompatibilities and other product shortcomings. Mark Chestnut is working with Ray Duncan to do a technical analysis. (Initial consensus from DOS program management is that DRI has a product which competes very favorably against MS-DOS.) Therefore, most important is to go out with a positive message about DOS 4.01 when critical mass of OEMs is shipping and we have positive user feedback to report.
- Worked with Microsoft finance to back out approximately \$60k in charges from DOS budget and reallocate where appropriate.
- See attached clips from major weeklies and monthlies.

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DOS Issues

- Confusion surrounding when IBM will implement EMS fix. We are not succeeding in getting IBM to make this widely known.
- We still need corporate users for press. Our messages about momentum and the benefits of the shell are not heard if we can't substantiate them with end user references.

DOS May/June Focus

- Monitor OEM activity. Goal is to have a momentum story to tell by June/July, contingent on most of the following shipping by then: Dell, Intel, Unisys, Compaq, NCR, Zeath, Wyse, possibly Tandy, AT&T and Grid.
- Closure with IBM on what they are doing/saying about EMS support.
- Monitor for users. Continue to press Dell; work with Compaq to gauge early user reaction.
- Closure on DOS 4.01 user group program.
- News release on LAN redirectors.
- Work with Mark Chestnut/product support to chronicle "tips" on configuring and working with DOS 4.01. We will explore seeding these in a help column.

MSA:kkp
Attachments

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