From mikes Mon Mar 26 12:09:11 1990
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Subject: Intuit Trip Report
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Date: Mon Mar 26 12:09:08 1990

On Friday March 23 Bruce Ryan, Laura Jennings and I visited Intuit in Menlo Park. The purpose of the meeting was to explore ways in which we could work together to develop and market a Windows Personal Finance package.

Attending from Intuit were John Monson, head of Product Marketing, Marie Laterell, Product Mgr. for Quicken, Bob Shulman, development mgr for Mac & Win Quicken, and Scott Cook, CEO and founder.

Results
I made a fairly surprising proposal to them, and, although it is way too early to tell, they were receptive to it. Going into the meeting I think they expected the discussion to center around co-marketing and any development help we could offer in their efforts to port Quicken to Windows. Instead, I offered up the following proposal, deliberately vague:

- Microsoft develop Windows Quicken
- Microsoft market Windows Quicken
- Parties negotiate a mutually satisfactory financial arrangement
- Microsoft supports Windows Quicken
- Intuit handles headaches, and accrues revenue from, all ancillary stuff like checks, enevelopes, etc.
- The "spec" can be borrowed shamelessly from their existing product, and indeed should be

Things left open, or issues that surfaced:
(1) If we did it, would we want to use some of their code?
A. Whatever is easiest.

(2) How does this help them move to a core engine? I was open about them having access to the code for future versions

Summary
I presented the above proposal based on the following summary of benefits to each party:

Benefits to Microsoft

Good $ business
Strong addition to line of Windows products for small business & home (Win Works, Win Voodoo, Learning Windows, plus more TBD)
Allows us to stretch/leverage sales force and marketing $
Easier to program in meaningful product synergy between Q and Works*

*ex - instead of hardcoding lots of reports in Quicken, just export the data to the Works DB or SS

Benefits to Intuit

Assuming their plate is full already, allows them to concentrate on other priorities
Possible benefit in their efforts to achieve core engine
Less risky way of making money on Windows

I positioned this proposal like this:
"We think this is a really important category for us. The overlap between target markets between the Works customer and the Quicken customer is tremendous. And, it's really rare for us to hold a market leader in awe. Usually we think we can topple anyone, see for examples Lotus, WordPerfect, Software Publishing. And in this case we have tremendous respect for your product and the marketing job you have done with it. Also, the core functionality in Quicken is good. Incremental additions would be hard to merchandise effectively and easy to copy. (emphasis mine) WE'D RATHER NOW COMPETE WITH YOU. INSTEAD OF GROWING THE MARKET, WE'D JUST BOTH SPEND A LOT OF $ FIGHTING EACH OTHER FOR SHARE. SO HOW ABOUT THIS? You guys continue to do a great job on DOS and Mac. We're investing in a line of Windows sm biz/home products ANYWAY, so we'll just round out the line and together we'll grow the business.

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Also, if it all works out, you could migrate your DOS product to a more universally-appealing GUI interface

So, if they were listening carefully, this could have been interpreted as a chance to avoid competition with us.

Next Steps:
They will think the proposal through. If they are receptive (I'd rate the odds at better than 50-50, whereas before the meeting I would have said 25-75) the next steps are to talk S

Other:
I also mentioned Multimedia in a big way. I talked about our CBT expertise and we mutually discussed ways we could graft CBT onto PC Quicken. They expressed a concern that if they got too much in bed with us, Software Publishing backlash could hurt them in the channel. In other words, if SPCO got mad at them, the SPCO reps would badmouth their products at retail. My only response was:
"If they would do something like that, why would you want to do business with them in the first place?"

Questions ask me
Thx
Mike

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