From: SANTELL --RHQVM02 Date and time 01/31/96 09:11:35
To: OZZIE --RALVM8 Osborne, WS WARDS --SOMLAN01 Ward Jr, S.M.
RADKINS --RALVM8 Adkins, Rodney C. GARCIA --BCRVMPC2 Garcia, J.E.
MCOLEMAN--RHQVM09 Coleman, Michael R
cc: RMS --RHQVM15 Stephenson, Robert JAFIRE --RHQVM02 Firestone, James A
WEM --RHQVM02 McCracken, William

*** Resending note of 01/31/96 09:09
FROM: A. E. SANTELLI
General Manager, Product and Brand Management, PCCo
2A-02, Somers 3, 8-826-3330
Subject: MICROSOFT FOLLOW-ON DISCUSSION WITH JOACHIM KEMPIN - 1/30

Joachim opened the discussion expressing a strong concern about IBM PC Company bundling Lotus Smartsuite. He has two issues; first, why didn't Microsoft get a chance to compete and second, it makes our attempt to improve our relationship more difficult because when PCCO wins, Lotus wins & Microsoft loses. I told him that we would be open to Microsoft's proposition on how to best support any of their offers. This enabled me to get to the main part of our discussion.

The following areas were discussed: Development, Marketing Support Plan, Technical Support Plan and further actions.

DEVELOPMENT:

Server Initiatives

I told him that Michael Coleman's relationship with Jim Alchin of Microsoft was moving forward positively with 20 server systems sent and a number of important initiatives in progress.

Joachim agreed this is looking good.

Industry Initiatives

When I explained to him the P6/NT Workstation initiative, the Mobile Computing initiative and the Ultimate Gamer initiative, he was more optimistic, said it was worthy of further consideration and promised to get back to me within one week.

Mark Baber agreed to actively pursue the OEM Technical Manager proposal for better access for Win 95 and Win NT. He also agreed to see how IBM can certify Win NT and Win 95 on our PC hardware.

We agreed on the marketing plan and support plans as appropriate next steps.

Joachim asked for more clarification on how the roadshows would work, specifically, to a large audience, IBM and Microsoft support requirements, etc. I told him we were still in the process of firming the support plans but actions we would continue to take are Microsoft certification professionals, Premier Support Agreement, Kirkland expansion, HelpCenter, Open System Center and TSS support.

Ozzie, you and I need to sit down and define the next steps, assuming we get agreement on the development initiatives.

PENGAD-Bayonne, N.J.
GOVERNMENT EXHIBIT
2157

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Tony

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