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William H. Gates 16011 NE 36th Way Box 97017 Redmond, WA 98073-9717

Dear Mr. Gates:

Paul Maritz REFERENCE MAY 02 1989 CORPORATE April 27, 1989 CC: Steveb ruson

My purpose in writing this letter is to prize a more aggressive position at Microsoft with respect to delivering OS/2 PM applications. Recently, Ralston Purina was fortunate to receive a briefing in Redmond concerning Microsoft's applications and systems software strategy. We very much appreciate your willingness to provide us with information on your plans so that we can adjust ours, and the last thing I wish to do is jeopardize this program or the frankness of the presentations we received. However, I would like to provide you with our response to what we learned in case you wish to allow our desires to affect your strategy.

The particular issue on which I wish to comment is what I will call a "Windows first, OS/Z eventually" strategy in applications development. I can quite understand the attraction of creating applications for the Windows environment which has begun to sell so very well, but the single most important message I have for you is that we at Ralston Purina do not believe that Windows is adequate for our needs. We use Windows extensively, but we believe that the DOS environment, with or without Windows, is too fragile to support graphical workstations with the multiple simultaneous communications sessions which are coming to be the norm. For example, with mainframe, mini and LAN sessions simultaneously active, and since many of these are not general purpose terminal emulation sessions but specialized client/server applications, we wish to move quickly to a robust preemptive multitasking operating system. We are prevented from doing so by a shortage of both general purpose and specialized applications.

Microsoft's own plan to deliver Windows applications much in advance of their OS/2 counterparts thus harms us in two ways. The obvious problem is that we lack general purpose applications such as word processing, spreadsheet and database. More significant, perhaps, is the symbolic value of Microsoft itself allowing OS/2 to persist without basic applications. It is difficult for us to exert pressure on the many specialized applications developers with which we deal to create OS/2 versions of their software when OS/2's own creators appear to let OS/2 languish in favor of Windows.

A particularly damaging policy, we believe, would be to delay OS/2 versions of Windows applications in an effort to enhance them first. Of course we want OS/2 applications that take advantage of multiple threads and IPC, but we want the basic necessities of PC life under OS/2 first even if this delays somewhat taking full advantage of OS/2. We urge that Microsoft port Windows applications to OS/2 in the most direct and expeditious manner possible and enhance them to exercise all of OS/2s capabilities as quickly as you are then able. Particularly useful, from a publicity point of view, would be to deliver a significant OS/2 application in advance of its Windows version. This, we believe, would really help to create the desired impression that both environments are thriving.

Both our regional Microsoft representatives and the personnel we presented this message to while at Redmond have listened attentively, and we have been contacted since then to elaborate. Thank you for your openness with us, and for the chance to express our concerns.

J. Michael Palmer Manager, Technology Research Corporate Information Systems

E.C. Smith Teri Phemister —

Checkerboord Square St. Louis, Missouri 63164

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