
From: Melody O'Tierney
Sent: Tuesday, August 06, 2002 5:15 PM
To: Ken Goetsch's Direct Reports; Melody O'Tierney's Direct Reports
Subject: FW: "EDGI" Marketing funds
Attachments: EDGI

We had a presentation on Edgi (aka Wedgi) at MGB, but this document actually takes you through what it entails. Brian had mentioned a school district that this might be an excellent candidate for – are there others? Let's make sure we use this new tool in our tool box if we can make it make sense.

----- Original Message -----

From: Candace Grisdale
Sent: Tuesday, August 06, 2002 4:40 PM
To: Melody O'Tierney; Ken Goetsch
Subject: FW: "EDGI" Marketing funds

All you ever wanted to know about EDGI....might be helpful data....

----- Original Message -----

From: David Driftmier
Sent: Tuesday, August 06, 2002 2:46 PM
To: Anna Aubry; Candace Grisdale
Cc: Christine Bomstead; Kurt Kolb
Subject: RE: "EDGI" Marketing funds
Importance: High

EDGI is a customer-focused program that is for circumstances (like the one you reference) where an education and/or government customer is going to purchase naked PC's or PC's w/Linux. IF we do everything possible and it still comes down to price differential between the Windows PC's and Linux PC's, then we can invest some/all of the royalty revenue from the deal back to the customer in the form of training, services, or even rebates. For more detail see that attached and let me know if you want to chat before your call. Note: This is not a partner program and is MS-internal only.

D

----- Original Message -----

From: Anna Aubry
Sent: Tuesday, August 06, 2002 1:40 PM
To: Candace Grisdale; David Driftmier
Cc: Christine Bomstead
Subject: RE: "EDGI" Marketing funds
Importance: High

Hi Candace-

Sorry for the slow response - been in meetings. I'm not familiar with EDGI. David is our Dir of International Operations; maybe he can help?

Thanks,
Anna

8/25/2005

Plaintiff's Exhibit
9685
Comes v. Microsoft

PLAINTIFF'S
EXHIBIT
J-17
6-2-06 D. Mills

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----- Original Message -----

From: Candace Grisdale

Sent: Tuesday, August 06, 2002 11:20 AM

To: Anna Aubry; Christine Bomstead

Subject: "EDGI" Marketing funds

Importance: High

Okay I have a strange request... There is a situation in Indonesia where one of our OEMs is planning to ship Linux into the channel on some desktops. Do you know about the EDGI program (I think that's how you spell it) and if an initiative like this one (likely to be government and education accounts receiving the offer)? Sorry if this is totally random but we've got an urgency at the executive level within the company about pulling together a Windows marketing program offer. NOTE: there's a call at 3:30 today so I need to get to the right folks by 2pm today. Any advice I'd welcome.

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From: David Driftmier
Sent: Thursday, August 01, 2002 4:27 PM
To: Mark East; Yasushi Iwao; Rafael Perez-Colon; Prasanna Meduri; George Kyriakis
Cc: EDGI HQ Team; Tit Meng Ang; Kurt Kolb; Ed Marcheselli; Sherri Bealkowski; David Driftmier
Subject: EDGI
Importance: High
Attachments: *Microsoft Confidential* : Education and Government Incentives program

Shortly before MGB, Orlando sent a mail to the GM's to let them know about an exciting new program to equip the field with a new tool to ensure that we **never lose to Linux** – the Education and Government Incentives [EDGI] program. We now need to make sure our people in the field understand how and when to leverage this program. Please use the attachments included in the original Orlando email and the info below to communicate with the education people in your region. I am sending this to the regional leads instead of to the broader alias so that you may modify with any regional processes as necessary. Please distribute as quickly as possible, though.

Below is a quick Q&A:

What is EDGI? EDGI (pronounced 'edgy') is both a process for responding to large competitive threats and a source of funding to level the playing field between Windows and Linux when a deal involves the purchase of new PC's.

Did you say 'funding'?! How much? EDGI does not have a set limit for funding, but is instead limited on a per-deal basis. The *maximum* amount of funding that can be approved for an individual deal is the total amount of OEM revenue that Microsoft will recognize from the OEM/COEM from which new legal Windows PC's are purchased.

So this is only for deals where new Windows PC's are purchased from OEM's or COEM's? Yes.

When should I request funding under the EDGI program? EDGI should only be used when every other attempt to close the business has been exhausted and the customer will be buying naked PC's with Linux.

So how does EDGI level the paying field when it comes to price? Won't the customer still have to pay for Windows as part of purchasing a Windows-based PC? Yes, the customer will stay pay for Windows as part of the purchase price of the new PC. We can however, use EDGI to re-invest in the customer in the form of training, services, or, in extreme cases, even rebates so that the total cost of the project is the same as if the bought PC's with Linux and then had to pay for the training and/or services, etc.

So I have an account I think may need this program. What do I do? Assuming you have exhausted all tools available to you in your subsidiary, escalate to the regional Education director for your region. They will the work with you to determine how best to win and can bring additional resources to bear, as well as the experience of how these deals have been won in other subsidiaries in the region. The regional teams will then escalate to the competitive team in Redmond via the CompHot alias. The CompHot team will immediately

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involve EdSG and the Windows product group on any EDGI deals. We will then provide funding information (I/O codes, etc.) so that money can be transferred or checks cut by local operations centers. This will also provide for a central point of reporting and tracking of these competitive deals. (For those subs who don't have a regional education lead yet, escalate directly to *comphot*)

Who ultimately approves EDGI funds? The WW Area VP's (Kevin Johnson, Jean-Philippe Courtois, Michael Rawding). Before EdSG approves the funding, we will make sure VP approval has been obtained.

How does this impact the subsidiary financially? What about my quota? We are still working out reporting and accounting issues. At a minimum you can expect the following:

- Review at MYR to ensure the deals ended up being net positive for Microsoft
- Subsidiary (and sales team) should only expect revenue credit for the *net* impact of the deal. i.e. If we do a deal that generates \$500k in COEM Windows Revenue and \$500k in MS Office revenue, but we had to invest \$250k back into the customer, then the sub would only see \$750k total revenue credit. Also the rep responsible for the account should only expect to receive credit for *net* revenue after the investment. In other words, we still have to meet our revenue targets, so we should only use this if it means that we would not normally have seen the revenue as it would have been lost to Linux or another low-cost competitor.

Can I use this money to fund pilots, or other pre-sales activities? EDGI funds are only disbursed after the OEM revenue is recognized. This is not to be used to support pre-sales activities. Pre-sales activities such as pilots, architecture assessments, etc. should be funded through BIF. *EDGI is neither a replacement nor an extension of BIF.*

I cover government accounts, also. Can I use EDGI for those accounts? While it is expected that the majority of EDGI deals will be government-driven education deals, EDGI can be used for government-only deals if appropriate.

Is EDGI just for developing countries? What about developed countries? While it is expected that this is a larger issues in countries that have extremely limited resources available, EDGI can be used in both developed as well as developing countries.

Should I educate my partners on this? Due to our reluctance to compete with Linux or any other competitor solely on price, this should be treated as Microsoft-internal only.

OK, what do I do now? Read *the attached email and attachments thoroughly*. If you have an opportunity in the pipeline that you fear will be lost to Linux or other low-cost/no-cost competitor, then escalate appropriately, provided that you have already exhausted every means at your disposal to win the account. If you have further questions, contact your regional education lead or *daviddri*.

Thanks all,

Dave

David Driftmier
Director, International Operations

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Microsoft Education Solutions Group
+1 425-705-4113

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From: Orlando Ayala
Sent: Tuesday, July 16, 2002 8:17 AM
To: SMSG Leadership Team; Pat Fox; Kurt Kolb; Sherri Bealkowski; Rogers Weed; Asia Pacific General Managers; EMEA General Managers; HUSK:icon general managers; Gerri Elliott; Linda Testa (LCA); Pamela Passman (LCA); Peter Wise
Cc: Steve Ballmer; David Driftmier; Rafael Perez-Colon; Mark East; Jeff Raikes; Jim Allchin; Chris Jones (WINDOWS)
Subject: *Microsoft Confidential* : Education and Government Incentives program
Importance: High
Attachments: Final EDGI Slide.ppt; Program Document - Winning Government and Education.doc

As many of you know, the Education Solutions Group [EdSG], and the Windows Client group team have been leading a cross-group effort involving LCA, OEM, WW Licensing and Pricing, and SMSG.

The goal of this project is to provide a mechanism for emerging markets to build a rich, active, legal ecosystem around PC computing, and at the same time, make computers with Microsoft Windows preinstalled more affordable, especially in the education segment.

We recognize the critical importance of helping emerging markets build healthy and legal PC ecosystems and clearly the answer is having Windows be a core component. But in today's difficult economic environment, it is clear that some institutions and countries are making decisions based on short-term price, rather than long-term cost and benefits of their IT investments. It is clear that Windows offers far more benefits to an emerging economy and to the immediate use of customers, we have to do more in emerging markets to help foster a Windows ecosystem.

Until all the details of the program have been developed, it is important that we have a way to address large PC purchases that involve low-cost/no-cost competitors in the education (and government) sectors, especially in emerging markets. Effective immediately, we are significantly enhancing empowerment by the GM to provide services and, where necessary, even dollars back to the customer to offset the cost of buying new OEM PC's with *legal* Windows preinstalled instead of naked PC's with Linux and/or other low-cost/no-cost software.

Example scenario:

The government of "X" is advocating using open source for all government-funded computers in order to keep "X" dollars inside the country and save the taxpayers millions of dollars. They are therefore looking at rolling out 50,000 PC's with Linux to all their K-12 schools and run StarOffice for free or a locally-produced package that they can purchase for \$5/desktop.

After extensive selling by the local MS account team, including the country GM, to convince them of the higher value, lower TCO, and overall advantages of the Windows-based ecosystem in their country, the government still maintains that while there might be some premium attached to our software, it's not enough to justify the investment and they will stick with their plan to go open source across all schools.

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In order to compete more effectively against Linux and other providers on these deals, we can now leverage the Education and Government Incentive [EDGI] program to help tip the scales to MS in the deal. After engaging the regional team, the region may use funds to provide services and/or rebates to the customer with the following limitation:

Not to exceed the estimated Windows royalties recognized by MS from the OEM selling the PC's to the customer (in the example, 50,000 PC's at approx. \$100/PC for OEM Windows XP Professional would result in a maximum of \$5M for the individual deal).

An outline of the sales process is included in the attached program document.

While this program is available for both developed and developing countries, initial focus is being given to those areas where economic conditions often dictate low-cost/no-cost software as the only solution. This would include LATAM, Africa, Middle East, South Asia including India and PRC.

Ideally, this will still result in a net positive on the Executive P&L as the OEM revenues would not have been realized if the deals had been lost. **It is essential, therefore, that we use this in only in deals we would lose otherwise.** Initially, we will track each deal, then reevaluate in aggregate at the end of Q1 and again at MYR to validate effectiveness.

IF an opportunity meets the criteria in the attached sales process and normal sales process has not been sufficient to close the deal then the GM should ensure that the following takes place:

- 1) Engage regional team in sales opportunity
- 2) Escalate to the "comphot" alias for review by the competitive team, EdSG, and the Windows Client group.
- 3) EdSG will work with Windows Client Group and SMSG WW controller to ensure that funds are tracked and managed appropriately
- 4) Until appropriate OEM tracking systems are in place, it may be necessary for local account teams to validate appropriate Windows purchases by OEM's in order to ensure funds invested in customer do not exceed funds actually realized through the channel.

Action required:

- 1) RVP's should ensure local response teams are designated as per the attached sales process. It is critical that we are really present and actively working in this accounts way before it is too late. We don't want to be surprised by being "out of the game:"
- 2) RVP's should establish an approval process or empowerment guideline for their region
- 3) GM's to communicate program to appropriate sales teams in the subs
- 4) GM's to ensure regional response teams are engaged on any EDGI opportunities once teams are formed
- 5) EdSG (davidtri) to track and communicate EDGI account pipeline, work with Windows Client Group (patfox) to validate requests, and report back to results to RVP's.
- 6) Bottom line do our best to show the great value of our software to these customers and ensure we get paid for it **under NO circumstances lose against Linux** before ensuring we have used this program actively and in a smart way. We believe for those customers to stay with Windows is in their best long term interest to protect and expand the great value in their investment and also for our long term relationship with this critical segments in your markets. Use this actively as an opportunity to also build great relationships and recognition for our honest desire to partner with them because that is the true intention of the program.

As detailed processes are implemented, new, detailed guidance will be published. There will

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also be additional guidance provided at MGB. Questions may be sent to *edgihq*. As always, thanks for your efforts in continuing the fight to help countries realize their potential through truly great software!

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EDGI definition

■ What EDGI is:

- A tool that supports the MS strategy for winning against low-cost/no-cost competitors in the government and government-driven education space
- A framework for responding to large (state/country-wide) deals, involving a designated regional team to support the subsidiary, using *consistent* processes
- An effort that is integrated into the overall sales process, utilizing the same tools (e.g. Siebel) and processes.

■ What EDGI is **not**:

- A tool to help win commercial (non-government accounts)
- A complete competitive strategy
- A tool for small/breadth opportunities
- A new selling methodology
- A bottomless source of funding for account managers to close deals!

Next Steps

- Financial processes to be finalized
 - Financial accounts have been created
 - Creation of GM and Subsidiary measurements underway
- RVP's to designate Regional Response Teams
- EDGI HQ team to field top issues while regional teams are ramped up
- EdSG team to provide pipeline management and reporting of top competitive accounts (Gov't group will coordinate non-education government deals). This process will be harmonized with the overall competitive deals reporting engine (Peter Wise)
- Investment will be reviewed by SLT at end of Q1 and MYR

Winning Government and Education

“EDGI” (Education & Government Incentive) Program

Executive Summary

In order to more effectively win in the large education/government deals where we compete against low/no-cost offerings, Microsoft will introduce a predictable and replicable process to engage in and win these deals. A common current scenario is one where a government wants to provide for a common technology platform across all schools in the country/province/state. They are either seriously considering open source due to cost and political pressures or are using Linux and StarOffice or other low/no-cost software as levers to negotiate price with Microsoft. This scenario is closely tied to, but not limited to, the challenges seen in developing countries where economic pressures often force governments to seek low-cost/no-cost solutions (see Appendix for recent examples.)

Just as we are focused on delivering end-to-end solutions to our commercial customers, we will endeavor to approach these deals with an end-to-end approach at addressing the underlying needs of the community and/or educational institution.

Goals

There are two major goals of the Education and Government Incentive program:

- Ensure government and education customers can experience the value of Windows, Office and other Microsoft products
- Address affordability, application compatibility, teacher training and curriculum, additional software needs

It is important to note that there are two major issues that need to be solved:

1. How to best help developing countries jumpstart the establishment of an effective educational infrastructure that can leverage the benefits of technology
2. How to meet competition and effectively win against the no-cost/low-cost competitor in large government deals.

This proposal is squarely aimed at the second issue, although there is considerable overlap between the two. There are deals (primarily large government deals in developed countries) that fall outside of the first issue but are still included in the second. However, the majority of instances where Microsoft finds itself addressing the first issue, it will be addressing the second at the same time. *Consequently, providing assistance to developing subs is a subset of the larger problem of responding to the large deals.*

Assumptions

This proposal is shaped by some underlying assumptions about the business environment:

- A completely 'free' model for education is not desirable for the following reasons:

- Approx. \$1B annual revenue stream currently being realized through sales to academic institutions
- The current pricing (deeply discounted) helps ensure that a healthy ecosystem exists where MS and its partners continue to innovate and deploy a sales force to work with customers to define and realize the full value of the software.
- Customer concessions cannot impact OEM royalties or rely on an OEM delivering “naked” PCs without an OS (i.e. no reduced price full OS offering in academic space)
- Many subs do not have sufficient dedicated resources to drive the fully-integrated vertical ISS sales process needed to re-engineer the large customers’ vision of needs
- We cannot and will not compete with Linux/StarOffice and other open source providers solely on price, however the price allure of ‘free’ must be addressed as part of competitive response, including where necessary matching competitive offers.
- Scenarios are not limited to Linux/StarOffice, nor are they limited to developing subs, although these are our current primary areas of urgency
- We do not want to develop a standard ‘offering’ as this becomes not only our new price point, but also invites large customers to create new tenders which we may not be competitive with on price

Plan

Taxonomy

In order to better analyze the opportunity, the following taxonomy is proposed:

- Developed country (e.g. US, Japan, Belgium) These countries typically have per capita GDP’s greater than USD\$3,500.
- Developing country [Large, High Potential] (e.g. Brazil, India, China, Russia) These countries typically have lower GDP’s (< \$3,500 per capita), large populations with the potential to support a considerable IT infrastructure in the next 3-5 years
- Developing country [Large, Low Potential] (e.g. Indonesia, Bangladesh). Same as above but with little potential for real IT infrastructure in the near term.
- Developing country [Small and Medium] (e.g. Eastern Caribbean, Philippines, Ecuador) Countries with low GDP and potential that is limited by their size.

Note: A revenue report is attached in the Appendix that shows countries currently generating revenue and their status according to the taxonomy above.

Funding

Since these opportunities are largely tied to specific competitive opportunities, investments will be funded using OEM revenue.

It is also important to note that in many countries, there exist untapped funding sources, especially in developing regions. Close cooperation between business groups and LCA will be needed to identify initiatives and programs from sources such as the World Bank, IDB, IMF, etc that can potentially be used to help fund the community development portion of large government deals.

Response

A process will be put in place whereby the following occurs:

1) EdSG will work with LCA to produce a consolidated view of all Microsoft's efforts in the academic space to ensure that customers understand the value of what we have already provided and can provide in the future. This would include initiatives by EdSG, LCA, MSR University Relations, Recruiting, CDDG, Developer Evangelism, Product Marketing Group, etc.

2) Empowerment guidelines for subsidiary and regional pricing in education will be put in place, similar to those in force in the Enterprise segment

3) When local management determines that local empowerment will not provide the flexibility needed to win a deal, they will escalate to a regional response team. An example of potential members of the regional response team:

- Regional Education Director (or Government Director in the case of a non-Education deal)
- Regional Linux Competitive lead / Product Management
- Regional WWLP resource
- Regional LCA

4) The regional response team will engage with the local account team and the customer to provide a full-integrated solutions sales effort, in order to re-engineer what the customer sees as their needs so that they can understand how the MS platform will *uniquely* address their needs.

4) If necessary, the regional response team will escalate to the corporate competitive team via the *comphot* alias. The competitive team will involve the EDGI HQ team in any deals that fit within the parameters of the EDGI program.

6) If needed, the EDGI HQ team will work with the regional team to provide additional value-add services and/or products in order to balance the investment the customer is making in the software (when obtained through OEM PC's) with RVP approval. When offering the customer services or training, you should give the customer the choice of Microsoft services or training, or Microsoft will pay for equivalent services or training from another vendor.

Services and products may include:

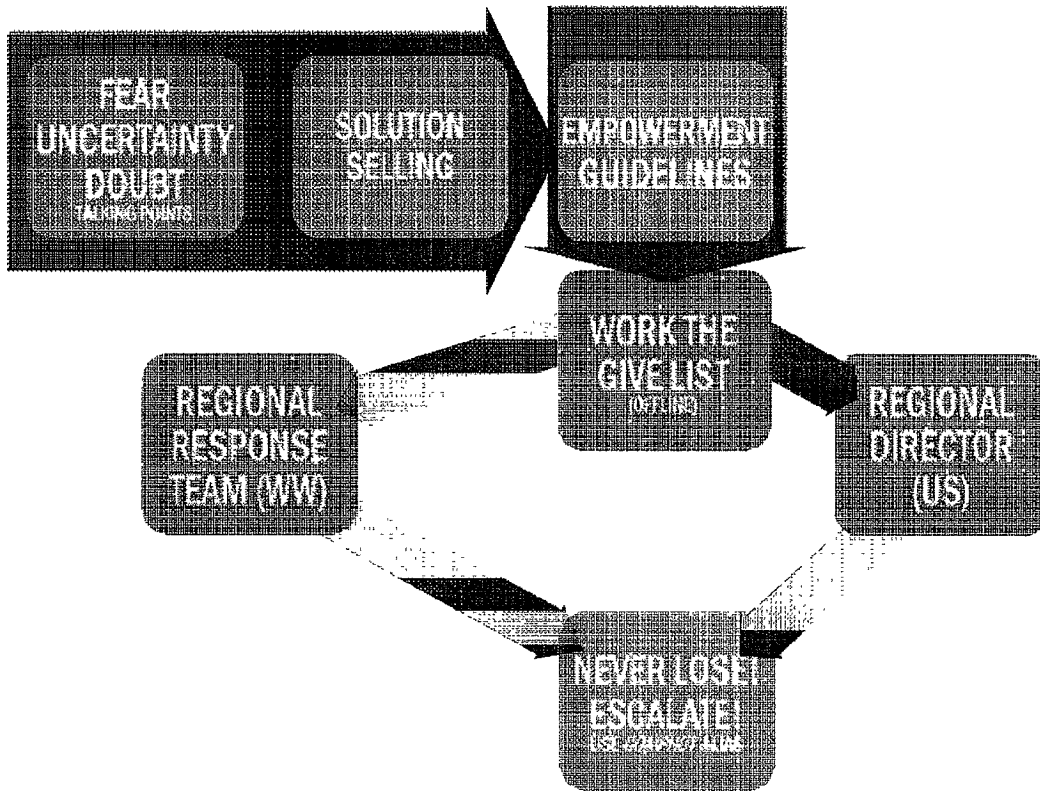
- Integration services
- Application Migration

- Training
- Curriculum content
- ...

7) New PC sales will be made as usual from OEMs to entity, though we may add some requirements on the OEMs as pre-requisite for participation in the program (i.e., meet certain system specs for education, or meet education specific training or channel needs)

8) Below is a flow-chart of the competitive selling process in the education vertical, using the empowerment guidelines and this process. The Give List represents customer offerings that Microsoft can bring to the table in closing a deal. The following is a prioritized list of 'gives' beyond our normal discounted licensing programs:

- Training/Skills Development
 - Innovative Teachers
 - IT Academy'
 - Project Access
- Services Offerings
 - MCS and Partners
 - Premier
 - University support model
- Additional solutions:
 - Blackboard
 - Microsoft Class Server
- Financial
 - Creative funding models (e. g. foundation model)
 - Software donations
 - Discounts
 - Direct customer investment



There are several benefits to this program. First and foremost, it will enable more customers to obtain the benefit of using our technology. Additionally, the following are expected benefits of the proposal:

- Increase our win percentage against competition
- Improve our partnership with governments
- Improve Microsoft image
- Protect our product price points by removing discounts below empowerment guidelines
- Have a process that is reactive, but predictable and controllable
- Ensure optimum use of resources (current one-off negotiations resource-intensive and painful)
- Centrally track use of resources enabling us to match both with business value received, instead of suffering hard-to-track revenue erosion due to one-off discounts.

Donations

It is recognized that there will still be a significant portion of these deals where software donations may be appropriate as part of the overall offering. The intention is not to limit a subsidiary's ability to do this, but to work cooperatively with LCA to insure the customer and Microsoft both receive the full benefit of the donation and that the donation

is part of a larger partnership with the customer and partners to create a self-sustaining infrastructure. This will also help us track and recognize the investment we are making world-wide.

Community Affairs

Community Affairs will continue to play a key role in large education and government deals, especially in the developing countries. LCA has committed to working with the business to define a set of offerings that will provide end-to-end community development approaches and are responsible for the related economic development issues. These offerings may be tactical in nature and can be used as a component in a large negotiation, or may be a proactive and comprehensive plan that we offer to those countries in greatest need.

It is important that we recognize the role of timing in providing community affairs leadership. Presenting community development initiatives at the same time as a response to a large deal can often be viewed negatively by our customers. It is critical, therefore, that GM's ensure that long-range community affairs approaches are synchronized with the business needs in the sub. This may also mean that we make community development offers that are *not* contingent upon the customer making related purchase commitments. An exception would be deals where we decide to donate a portion of the licenses being purchased in lieu of discounting the overall price, thereby preserving our unit price point and delivering the same overall cost to the customer.

The proposed investment funds are therefore not targeted at community development, but at ensuring that we can address and if necessary match a lower competing offer from low-cost/no-cost competitors. If there are needs for broader free programs, these should still be identified by the sub leadership and addressed with their LCA teams.

Appendix

Recent Deals

- BRIC Project – China education PCs
- Czech (School Internet Project) – 25,000 PCs
- Saudi Arabia (King Abdul Aziz Univ) – 4,500 PCs
- Saudi Arabia (President's Girls School) – 25,000 PCs
- South Africa (Learning Bridge - education) – country-wide; EMEA proposal for all low-GDP countries
- Pakistan – 50,000 PCs
- Other MENA (academic, east med) – 64,000 (?) PCs
- US K-12 Access Device – up to 1MM laptops
- Michigan (K-12) - \$10MM state program funded
- Colombia government – 200K PCs over 3 years

Anatomy of a Deal

Name: Girls Schools in Saudi Arabia

Desktops: 20,000 (1200+ servers)

Revenue: \$4MM (50% OEM)

Competitor: Linux/StarOffice

Product Mix: Windows2000 Server, Windows 2000/XP Pro, Office XP Pro, Front Page 2002, VB 6.0

Microsoft Investments to win:

- Create special package including media and guidance
- Highlight customer accomplishments (shared PR)
- Commitment to invest in E-Ministry (\$450,000)
 - SE and two admin for a year (Contingent Staff)
 - Train 220 FTE's on Office Tools
 - Initial implementation services
 - Minimal application development

Story: The local team created a special 3 CD kit that included CD's for Tools, Teachers, and Students with appropriate content and products. They also agreed to fund a special ministry of education training pilot. This investment (\$450k) was funded through the additional margin on the per desktop price.

Name: Hungary Higher Education

Desktops: 235,000 students, 18,000 teachers

Revenue: \$2.2M over 3 years

Competitor: Linux/IBM

Product Mix: Windows XP, Office XP, Front Page, Visual Studio, BackOffice CAL

Microsoft Investments to win:

66% discount = \$4.4MM off of normal Campus Agreement pricing

Story: In this deal, the total amount of the deal represented the maximum amount of money that the customer had to spend. If we did not do the deal for this price, then IBM was ready to execute. As a higher ed customer, there was requisite technical knowledge to support a successful implementation, so additional services were not imperative. The sub also had a successful evangelism and knowledge transfer program in place with the technical universities.

Linux Account Wins/Threats/Losses

Account	Country	Date	No. of PCs	Industry	Linux Drivers	Reasons: Win/Loss
<u>Wins</u>						
Vassa Finland Gov't	Finland	11/1/2001	?	Public Sector	TCO, Standardization	Proven better TCO vs current environment and Linux.
Lappeenranta Finland Gov't	Finland	11/1/2001	?	Public Sector	TCO, Standardization	Proven better TCO vs current environment and Linux.
<u>Losses</u>						
Account Name	Country	Customer Segment	No. of PCs	Industry	Reasons for Loss	Other reasons for Loss
Corporate Express	Australia	MORG	400	Services	Cost	
Dept of Education - Northern Territory	Australia	Academic	10,000	Public Sector	Cost	
Beijing Local Govt.	China	Major	2,000	Public Sector	Govt Endorsement	
Central Excise & Customs	India	Major	900	Public Sector	Cost	
Tata Institute of Fundamental Research	India	Academic	300	Education	Anti-MS	
Government Procurement Agency	Korea	Corporate	1,000	Public Sector	Govt Endorsement	
Department of General Education	Thailand	MORG	1,500	Public Sector	Cost	
University Systems	Thailand	Major	1,000	Public Sector	Performance	
Department of Local Administration	Thailand	MORG	3,000	Public Sector	Govt Endorsement	
Columbia Sportswear	US	MORG	182	Public Sector	Cost	

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Advantage Sales & Marketing	US	MORG	8,000	Public Sector	Cost	MS- Disastisfaction
Mastertrade	New Zealand	MORG	400	Manufacturing	Cost	
Kachingo	New Zealand	MORG	800	Retail & Hospitality	H/W Vendor Recommend	
Southern Cross	New Zealand	Corporate	300	Health Care	Cost	
Coffee Bean & Tea Leaf	Singapore	SORG	20	Retail & Hospitality	Cost	
Total:	29,802					

Threats

Account Name	Country	Customer Segment	No of PCs	Vertical Industry	Reasons for threat	Other reasons for Threat
Department of Defence	Australia	Corporate	40,000	Public Sector	Cost	
Department of Education of WA	Australia	Academic	52,000	Education	Cost	Linux / StarOffice
Department of Health WA	Australia	Corporate	11,000	Public Sector	Cost	StarOffice
Catholic Education Office of WA	Australia	Academic	2,265	Education	Cost	Linux / StarOffice
Association of Independent Schools of WA	Australia	Academic	2,460	Education	Cost	StarOffice
Dept of Education - Western Australia	Australia	Academic	45,000	Education	Other (Please specify)	Sun offering partnership with the dept to develop their vision
29 of 39 Universities in Australia	Australia	Academic	60,000	Education	Cost	

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Dept of Education - South Aust	Australia	Academic	25,000	Education	Govt Endorsement	Political statement that says the dept will supply every student with a SS/Word Processor and database.
Belgian Ministry of Finance	Belgium	Major	28,000	Public Sector	Cost	
Brazil Gov't	Brazil	Major	220,000	Public Sector	Cost	
Alcacia Mayor	Venezuela		38,000	Education	Cost	
ANEP - K12	Uruguay		11,000	Education	Cost	
SED	Columbia		8,500	Education	Cost	
Ministry of Education	Chile		100,000	Education	Cost	Think com
Govt of He Nan	China	Other	10,000	Public Sector	Other (Please specify)	Linux and Redoffice(StarOffice China Partner) will offer source code to them
all China gov in provices	China	SORG	1,000,000	Public Sector	Govt Endorsement	
Lower Saxony - Germany	Choose from List	Major	13,500	Public Sector	Cost	
Stock Exchange	Hong Kong	Major	1,300	Public Sector	Other (Please specify)	They are testing out to use Linux as the dumb terminal
Hong Kong Government	Hong Kong	Strategic	80,000	Public Sector	Govt Endorsement	
Primary and Secondary Schools	Hong Kong	Academic	3,600	Education	Cost	
Pico World	Hong Kong	MORG	200	Public Sector	Cost	
Ministry of Urban Development	India	Corporate	400	Public Sector		
Govt. of Goa	India	Academic	800	Education	Cost	
MIT	India	Major	6,000	Public Sector	Cost	
Haryana Govt.	India	Academic	2,000	Education	Cost	

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Ministry of Surface Transport	India	Corporate		Public Sector		
Ministry of Finance	India	Major	4,000	Public Sector		
Ministry of HRD	India	Major	8,000	Public Sector		
Govt. of TN	India	Major	1,000	Public Sector		
Govt. of Maharashtra	India	Academic	10,000	Education		
Govt. of Karnataka	India	Academic	10,000	Education	Other (Please specify)	Staroffice (AE)
Govt. of Kerala	India	Academic	4,500	Education	Other (Please specify)	Staroffice (AE)
Govt. of Gujarat	India	Academic	5,000	Education		
Govt. of West Bengal	India	Academic	5,000	Education		
Govt. of Uttar Pradesh	India	Academic	5,000	Education		
Govt. of Dehli	India	Academic	5,000	Education		
Govt. of Tamilnadu	India	Academic	30,000	Education		
Punjab	India	Academic	200	Education		
Rajasthan	India	Academic	1,000	Education		
Uttaranchal	India	Academic	2,000	Education		
Andhra Pradesh	India	Academic	10,000	Education		
Madhya Pradesh	India	Academic	2,500	Education		
Chattisgarh	India	Academic	5,000	Education		
Ministry of Defence	India	Other	500	Unknown	Security	Linux / StarOffice
iFlex	India	Corporate	500	Financial Services	Cost	StarOffice
Planetasia	India	Corporate	200	Services	Cost	StarOffice
IDBI Bank	India	Corporate	500	Financial Services	Cost	Linux / StarOffice
Adani Group	India	Corporate	200	Manufacturing	Cost	Linux / StarOffice
Hiranandani Group	India	Corporate	300	Unknown	Cost	Linux / StarOffice
Zandu Pharma	India	MORG	150	Health Care	Cost	Linux / StarOffice
Nimbus Communications	India	MORG	150	Services	Cost	StarOffice
Ace Hardware	Indonesia	Corporate	1,000	Retail & Hospitality	Cost	
Department of Finance	Indonesia	Major	1,000	Public Sector	Cost	
Department of Internal Affair	Indonesia	Major	2,000	Public Sector	Cost	

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Department of Transportation	Indonesia	Major	1,500	Public Sector	Cost	
Bank of Ireland	Ireland	MORG	10,000	Public Sector	Cost	
Ministry of Education and 8,500 schools	Malaysia	Academic	120,000	Education	Govt Endorsement	
Ministry of Finance - Treasury	Malaysia	Corporate	600	Public Sector	Govt Endorsement	
Hong Leong Finance	Malaysia	Corporate	800	Financial Services	Other (Please Specify)	
EPF Destop Financing Scheme	Malaysia	Other		Public Sector	Cost	
Holland Railconsult	Netherlands	Major		Public Sector	Cost	
NZ Government (G2000 'all of govt' agreement)	New Zealand	Corporate	20,000	Public Sector	Cost	StarOffice
Urban Redevelopment Authority	Singapore	Corporate	600	Public Sector	Govt Endorsement	
National Library Board	Singapore	Corporate	900	Public Sector	Govt Endorsement	
SMRT	Singapore	Corporate	3,000	Public Sector	Govt Endorsement	
MINDEF	Singapore	Major	22,000	Public Sector	Govt Endorsement	
iDA - HQ	Singapore	Corporate	40,000	Public Sector	Govt Endorsement	
Singtel	Singapore	Corporate	15,000	Telecommunications	Govt Endorsement	
ITRI	Taiwan	Major	6,000	Public Sector	Cost	
Bangkok Metropolitan Administration	Thailand	Major	7,000	Public Sector	Cost	
Electricity Generating Authority of Thailand	Thailand	Major	3,000	Public Sector	Other (Please specify)	Strong Enterprise Training
MIMOS	Thailand	Corporate	600	Public Sector	Other (Please specify)	closing digital divide positioning
Bank of Ayudhaya	Thailand	Corporate	400	Financial Services	Cost	
Safeway	US	LORG	23,000	Public Sector	Cost	
Advantist Healthcare	US	MORG	50,000	Public Sector	Cost	
Goldman Sachs	US	MORG	1,000	Public Sector	Cost	
Eckerd	US	MORG	24,000	Public Sector	Cost	

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CSK Auto	US	MORG	12,650	Public Sector	Cost	
General Motors	US	LORG	15,000	Public Sector	Cost	
CVS	US	MORG	12,300	Public Sector	Anti-MS	
Southern Methodist Univ.	US	Academic	200	Education	Cost, Anti-MS	StarOffice deployed
Sherwin-Williams	US	MORG	7,500	Retail & Hospitality	Cost	Unix Migration
BMC Software	US	Other	8,500	Services	Other (Please specify)	Think Linux is cool
Dallas School District	US	Academic	4,000	Education	Cost	StarOffice deployed
Total:			2,285,275			

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WW Education Revenue Report - Revenue Shown in As Billed View

Region	WW Sales Location	Developing?	Large?	High Potential?	YTD				
					YTD Apr 01	YTD Apr 02	Growth %	% of Total Edu Revenue	% of Total Sub Revenue
Japan	Japan				81,749,088	97,143,650	19%	12.1%	6%
Japan Total					81,749,088	97,143,650	19%	12.1%	6%
Asia Pacific	Australia				15,106,731	21,204,613	40%	2.6%	9%
	Hong Kong				10,527,979	8,267,253	-21%	1.0%	10%
	Korea				14,238,717	16,372,635	15%	2.0%	10%
	Taiwan				8,502,050	7,571,206	-11%	0.9%	9%
	China	y	y	y	1,217,014	2,416,230	99%	0.3%	3%
	New Zealand				3,341,284	4,346,072	30%	0.5%	10%
	India SC	y	y	y	4,329,125	3,853,311	-11%	0.5%	4%
	Malaysia	y			4,728,483	3,334,464	-29%	0.4%	8%
	Philippines	y	y		1,088,315	1,729,083	59%	0.2%	10%
	Singapore				5,039,823	5,734,554	14%	0.7%	11%
	Thailand	y	y		382,519	524,414	37%	0.1%	2%
	Indonesia	y	y		126,715	177,300	40%	0.0%	1%
	Vietnam	y	y		22,013	46,631	112%	0.0%	1%
Asia Pacific Total					68,650,769	75,577,766	10%	9.4%	8%
EMEA	United Kingdom				66,054,918	76,142,986	15%	9.5%	8%
	Germany				23,965,508	30,600,645	28%	3.8%	4%
	France				23,247,045	22,970,375	-1%	2.9%	5%
	Italy				10,470,680	10,466,659	0%	1.3%	4%
	Sweden				9,042,520	9,167,473	1%	1.1%	5%
	Spain				7,518,684	7,591,318	1%	0.9%	6%
	Denmark				6,387,096	6,670,505	4%	0.8%	5%
	Belgium				5,845,661	4,620,865	-21%	0.6%	4%
	Finland				5,821,034	6,659,865	14%	0.8%	8%
	Norway				4,080,113	5,049,245	24%	0.6%	6%
	Russia	y	y	y	1,608,526	5,755,319	258%	0.7%	14%
	Poland	y			4,929,483	2,456,965	-50%	0.3%	3%

	Switzerland			3,772,464	4,634,758	23%	0.6%	2%
	Israel			3,312,443	2,956,033	-11%	0.4%	5%
	Turkey	y	y	2,266,102	3,261,813	44%	0.4%	6%
	South Africa	y		2,238,501	2,629,929	17%	0.3%	3%
	Ireland			2,207,607	3,579,558	62%	0.4%	9%
	Portugal			2,241,635	3,209,184	43%	0.4%	6%
	Austria			2,548,052	3,954,086	55%	0.5%	3%
	Saudi Arabia			1,541,516	3,028,268	96%	0.4%	10%
	Greece			2,510,254	3,343,376	33%	0.4%	13%
	Netherlands			2,668,312	7,420,838	178%	0.9%	3%
	Czech Republic			1,686,670	2,119,862	26%	0.3%	5%
	Egypt	y	y	1,300,962	1,653,856	27%	0.2%	9%
	Lebanon	y		2,610,719	704,729	-73%	0.1%	4%
	Hungary	y		1,442,131	3,975,372	176%	0.5%	11%
	Morocco	y		857,446	1,676,623	96%	0.2%	14%
	UAE	?		947,867	1,286,666	36%	0.2%	7%
	Baltics	y		816,027	721,170	-12%	0.1%	6%
	Kuwait			837,731	1,187,363	42%	0.1%	8%
	Indian Ocean Islands	y		382,296	408,958	7%	0.1%	9%
	Romania	y		282,830	577,173	104%	0.1%	5%
	Oman	?		252,142	385,674	53%	0.0%	4%
	Slovakia	y		115,896	287,282	148%	0.0%	3%
	Ivory Coast	y		196,234	118,970	-39%	0.0%	3%
	Croatia	y		194,339	85,053	-56%	0.0%	1%
	Tunisia	y		240,338	227,192	-5%	0.0%	16%
	Namibia	y		133,899	64,614	-52%	0.0%	2%
	Slovenia			111,060	190,060	71%	0.0%	1%
	Kenya	y		50,990	277,228	444%	0.0%	9%
	Bulgaria	y		37,504	24,051	-36%	0.0%	1%
	Zimbabwe	y		63,692	121,242	90%	0.0%	4%
	Nigeria	y	y	2,046	16,909	726%	0.0%	0%
EMEA Total				206,840,971	242,280,110	17%	30.2%	5%
Americas	United States HQ			259,946,023	328,841,591	27%	41.0%	6%
	Canada			17,782,467	22,137,247	24%	2.8%	5%
	Mexico	y	y y	11,763,053	13,089,484	11%	1.6%	11%

Brazil	y	y	y	8,099,938	8,414,211	4%	1.0%	6%
Colombia	y			3,209,920	3,406,378	6%	0.4%	11%
Caribbean	y			3,677,975	3,170,374	-14%	0.4%	7%
Chile	y			1,141,984	907,500	-21%	0.1%	5%
Central America	y			1,468,518	1,979,634	35%	0.2%	6%
Peru	y			1,227,054	1,249,111	2%	0.2%	10%
Uruguay	y			556,675	791,212	42%	0.1%	7%
Argentina	y			1,463,612	892,338	-39%	0.1%	3%
Venezuela	y			791,735	992,855	25%	0.1%	4%
Ecuador Caribbean & CA HQ	y			240,186	513,335	114%	0.1%	8%
				-	-	N/A	0.0%	0%
Americas Total				311,369,141	386,385,269	24%	48.2%	6%
Grand Total				668,609,969	801,386,795	20%	100.0%	6%

Updated 5/2/2002

Small Developing Subs	3.9%
Large Developing Subs (low)	0.9%
Large Developing Subs (high)	4.2%
Total from Developing Subs	9.1%