GO Corporation Confidential

Mar 20, 1991

MEMORANDUM

TO:

File

FROM:

Robert Carr

DATE:

June 16, 1989

SUBJECT:

Draft Response to Microsoft Pitch for Cooperation

COPY:

Jerry K

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Robert will call Jeff Raikes and say: Jeff, here's the range of what we're thinking. I want to give it to you now, within I week of our meeting last week.

FIRST OF ALL:

We agree to the principle that it's a shame for both parties to duplicate efforts or fragment the marketplace unnecessarily.

We've really thought through the issues involved, and concluded:

- We believe we've got the right approach for NB computers. There are serious technical tradeoffs in the rival approaches of GOOSE and Win H and we feel there's significant market opportunity for a GOOSE solution.
- it doesn't make sense for us to use Win H in place of
- they might want to consider using the considerable efforts & expertise we've already invested

IP MS DOES NOT PROCEED WITH WIN H:

There are circumstances under which we'd be open to MS being the licensing vehicle to 3rd party HW vendors.

We would split royalties w/ MS. Under this scenario MS would not compete with GOOSE through a Win H product.

MS would make material commitments towards their level of support through evangelism, 3rd party licensing efforts, tie-in development efforts etc.

An equity investment in GO would be an additional possibility.

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IF MS INSISTS ON PROCEEDING WITH WIN H:

If you do want to do your own work and system in this area, then we certainly still want to cooperate on:

file format exchange & other tie ins.

we're exploring MS Press publishing our reference books.

you putting apps on our machine (but we're hesitant to have technical exchange with you on this until you assign active development teams for GO specific versions or until our technical design is public knowledge anyways). Once GOOSE is public, then we'll actively support you as much as you want.

Handwriting Recognition licensing from GO to MS could be a topic of discussion. We'd probably look for royalty stream and healthy advance on royalties in return.

If Jeff wants a written document: we'll be out of town next week, after that we need some time and discussions with board members to work up a more specific proposal or to capture anything in writing.