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## Microsoft Threatened To Kill Mac Office To Gain Infamous 1997 Apple Deal, E-Mails Reveal

The coercion was revealed in court records as part of an Iowa antitrust case.

By Paul McDougall, [InformationWeek](#)

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Weeks prior to bailing out a struggling Apple Computer by purchasing \$150 million of its stock, Microsoft officials threatened to cut development of a key product for the Macintosh in order to coerce its rival to make the deal, according to an e-mail unearthed during a recent court hearing.

In an e-mail to Microsoft founder Bill Gates, the head of the company's Macintosh development unit told his boss that threatening to kill off Microsoft Office for the Mac "is the strongest bargaining point we have." In the e-mail, Microsoft Mac unit head Ben Waldman further noted that "doing so will do a great deal of harm to Apple immediately." [The e-mail](#) was entered into court records as part of antitrust case in which plaintiffs in Iowa alleged that unfair business practices by Microsoft allow the company to overcharge for software. The [case was settled](#) last month and terms have yet to be disclosed.

Waldman's e-mail indicates that Microsoft didn't hesitate to put further pressure on Apple at a time when Apple was reeling from big financial losses and layoffs. Several weeks after Waldman wrote his e-mail in June 1997, Microsoft announced at the Macworld conference in Boston that it had acquired \$150 million in Apple stock.

The deal was greeted by tears and shouts of rage by some Apple aficionados attending the conference as they watched Gates and Apple CEO Steve Jobs announce the deal via a live satellite link.

Microsoft ultimately released an updated version of Mac Office in 1998.

The advertisement features the Microsoft logo on the left, a central text block, and the Microsoft SQL Server 2005 logo on the right. The central text reads: "MarketWatch.com from Dow Jones serves 1 billion live quotes daily with Microsoft SQL Server 2005." Below this text is a link that says "FIND OUT HOW >>". The background is light grey with a subtle grid pattern.

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