

Printed by RUSS GULLOTTI @MKO

I N T E R O F F I C E   M E M O R A N D U M

Doc. No: 071293  
Date: 27-Apr-1994 09:22am EDT  
From: Dick Smith  
SMITH.DICK AT A1 at POWDML at  
Dept:  
Tel No:

TO: See Below

Subject: Earle M. Jorgensen Co.

\*\* ATTORNEY-CLIENT PRIVILEGED COMMUNICATION \*\*

Rich,

It is important that we formally respond in a timely manner to the Earle M. Jorgensen Company 5 April 94 letter to Russ Gullotti.

Three weeks have passed already.

Attached is a draft response prepared by Jan Sukrau, Legal Counsel in the West Region, in consultation with the local account team and Program Manager. The letter was drafted for Russ's signature, but I understand Russ has asked you to respond to Mr. Gallopo's letter. Consequently, the draft may require editing (particularly the last paragraph) in order to reflect your intentions regarding resolution of this issue, or to convey your personal style.

Since this customer may be considering litigation, I request you allow Jan or me to review the draft of your response letter if it materially deviates from the attached draft.

Similarly, all addressees should henceforth copy Jan Sukrau on all written internal communications regarding this matter, and label all such communications "ATTORNEY-CLIENT PRIVILEGED COMMUNICATIONS".

Regards,

/gc

Attachment

*Resend Rich letter  
cc Dick Smith*

*If you don't want to do  
this, I will, but we  
need your approval  
I  
are you going to do it?*

Digital Equipment Corporation  
40 Old Bolton Road  
Stow, Massachusetts 01775



April 26, 1994

Earle M. Jorgensen Co.  
Post Office Box 2315  
Brea, California 92622-2315

Dear Mr. Gallopo:

This is to acknowledge receipt of your letter dated April 5, 1994 in which you expressed your concerns regarding the implementation of Earle M. Jorgesen's WIN system and Digital's interpretation of the contract between our companies. I am Vice President, Digital Consulting Americas, with responsibility for both our integration services and operations management services. Therefore, both Russ Gullotti and I agreed that it would be most appropriate for me to respond to your letter.

Please be advised that the contract between EMJ and Digital is separate and apart from your contract with DAI and does not involve DAI. During negotiations the issue of having Digital act as prime on this project was raised and EMJ chose not to pursue that arrangement, but to negotiate separate contracts. Consequently, our contract does not encompass obligations for or on behalf of DAI. There is a separate contract between EMJ and DAI which Digital is not a party to nor have we been privy to and as such are unaware of it's terms and conditions.

I have been advised of the problems associated with the implementation and understand that several managers have tried to get an understanding of specifically where Digital has not performed pursuant to the terms of the Digital-EMJ contract. Those managers include Jude LaRocque, Bob Bajema, Steve Garrett and Roger Rose. The Digital manager who was assigned as the "Problem Manager" was Jude LaRocque and then Steve Garrett after Jude resigned. I understand that Roger Rose, Vice President/CPT has had numerous phone conversations with EMJ which reflects the level of concern of Digital's desire to help resolve all the issues in accordance with the terms of our existing contract. However, it appears that further assistance is outside the scope of our existing contract and therefore would require additional change orders and as such additional billing. We would be happy to discuss this with you, and hopefully try to come to an amicable solution.

I am prepared to assign Greg Scott, Manager Southwest Professional Service Center, to assist you in trying to bring some resolution to your issues and would like to discuss this further with you. I will be in town and available to meet with you on May 24 or 25 and suggest that Greg and I meet with you and try to get this resolved once and for all. If this would fit within your schedule, please advise.

Sincerely,

Rich Linting  
Vice President  
U.S. Digital Consulting

cc: Russ Gullotti, VP Sales and Services