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October 26, 1993

Mr. Russ Gullotti
Vice-President, U.S. Sales & Service
Digital Equipment Corporation
PO Box 430
Merrimack, NH 03054-0430

Dear Mr. Gullotti:

This morning I received a call from our DEC Sales Representative, Mr. Bruce Dempster. Mr. Dempster has been our representative for about six months. Before that, our rep was Mr. Frank Weldon. Mr. Weldon had been our representative as long as we had been doing business with DEC. Both individuals have been very helpful and sensitive to the needs of Santee Cooper (South Carolina Public Service Authority).

I found today's phone call disturbing, as Mr. Dempster advised me that Santee Cooper has a "new" sales rep, the second in the past year. The new representative is Mr. Buddy Miller. I feel sure he will do a good job, as his predecessors have. However, we find the "salesperson shuffle" disturbing.

We had just begun to feel comfortable with Mr. Dempster as our rep, establishing a good rapport, beginning investigation of several new projects. We had acclimated to Mr. Dempster and him to us. We are disturbed that we must begin this cycle again. Our understanding is that reassignment was made since Santee Cooper (a public utility) is an agency of the state of South Carolina. We have no problem with Mr. Miller. What disturbs us are the implications this matter may have for us.

We saw similar circumstances when the demise of Prime Computer began. Incidents of this type also occurred when Wang began to go under. We hope this is not the case with Digital. We understand that reorganization and reassignment is sometimes necessary, even desirable. Twice in one year may be construed as excessive.

We did not want to lose Mr. Weldon, as he was local, in Charleston, SC, about 30 miles away. We could meet, almost at either party's discretion. When Mr. Dempster took over, the account was switched to Columbia, SC, about 100 miles away. Mr. Dempster was responsive, but not as readily accessible as Mr. Weldon. We were apprehensive, but soon found that Mr. Dempster was an ally, as he had worked with other utilities. This helped to soothe and smooth the transition; we soon felt comfortable working with him.

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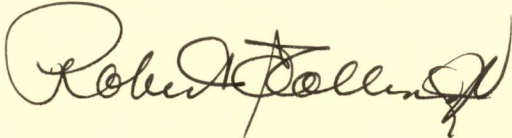
Now we have another new person to "break in."

There are several projects under consideration. Digital could play a large role in these projects. The shuffle caused by your management has the potential of placing Digital in a questionable position, as we do not know with whom we will be working.

We know that management must make changes from time to time. We felt comfortable with Mr. Weldon. We had grown comfortable with Mr. Dempster. Now you change your representative again. Will this happen again in six months?

I write this not to question your management decisions but to point out that your customers are suffering from the seemingly uncertain nature of your decisions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Robert E. Collins, Jr.", written in dark ink.

Robert E. Collins, Jr.
Supervisor, Project Scheduling
IR Coordinator/Manager, Engineering & Operations

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: 064120
Date: 08-Nov-1993 01:52pm EST
From: STEPHEN C. JOHNSON @ACI
JOHNSON.STEVE AT A1 AT POBOX A

T ACI

Dept: CPT Operations
Tel No: 708-806-5102

TO: RUSS GULLOTTI @MKO

(GULLOTTI AT A1 at SOLVIT at MKO)

Subject: RE: CUSTOMER SATISFACTION SANTEE COOPER

Russ,

The customer at Santee Cooper's major concern was our behavior as a company, which, from his point of view, appeared out of control. We were changing sales reps too frequently, for unclear reasons.

I first, apologized to Mr. Collins and laid the blame squarely on me for having caused the problem. Secondly, I asked Mr. Collins what his desired outcome would be. He said that he preferred keeping his current CPT Rep on the account (Bruce Dempster), since Bruce calls on other utility companies and he is learning the Santee Cooper business. Third, I committed to Mr. Collins that his current rep would continue with him. I explained that we wanted to have an industry trained and focused sales force, and that specifically was the reason we assigned Bruce Dempster in the first place.

He said that he was happy with this decision and appreciative of my call and he intended to inform the department managers at Santee Cooper that Bruce Dempster would remain, their sales rep.

Incidentally, Bruce Dempster is working a network consulting opportunity at Santee Cooper with a 40% chance of closing in January.

Russ, before you call Mr. Collins, I would be happy to discuss this matter. My DTN is 474-5102.

Regards,

Steve

*A - Schedule a call
① customer
① I'll just check w/
② Be sure customer
knows who I am
③ Tell Johnson I'm
cautious.
Close 65K of Bus.
lately - have proposal
for over \$1m -
Bruce Dempster
367-6459*

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

Doc. No: 063617
Date: 29-Oct-1993 03:55pm DST
From: STEPHEN C. JOHNSON @ACI
JOHNSON.STEVE AT A1 AT POBOX A
Dept: CPT Operations
Tel No: 708-806-5102

TO: See Below

Subject: CUSTOMER SATISFACTION SANTEE COOPER

I have received a copy of Mr. Robert Collins' letter to Mr. Gullotti and Mr. Palmer. I have spoken to Mr. Collins. Also, I have spoken with the local branch sales people in South Carolina. We are all 100% in agreement as to the course of action. The customer is now delighted. This was all a derivative of a misunderstanding which I created, however I believe it is fixed.

Regards,

Steve Johnson

Distribution:

TO: Craig Reichenbach @BJO
TO: Randy Dailey @CBO
TO: Jeanne Roy @RCH
TO: Bruce Dempster @CBO

CC: Roger Rose @ACI
CC: RUSS Gullotti @MKO
CC: Bob Palmer @MLO

*I do you want
me to call the
customer to make*

(ROSE.ROGER AT A1 AT POBOX AT ACI)

*sure he's OK with
the fix?*

① Call Palmer's office -
tell him I'll
handle.

② get me the reason
the customer is
now 100% delighted

③ Schedule me to
talk to the
customer.
within 2 weeks!