

Dear Hiro -

Thanks very much for your thoughtful letter. While I have not copied it to Mr. Reimers I did relay to him the major points that you made.

We believe that there is a miss understanding. As you know, there are various facets to the agreement (keyboards, sub-systems, LSI, exclusivity, etc), which are all to greater or lesser degree interrelated. It is for this reason that from the very beginning of the negotiations all aspects were "on the board", "before our eyes" together. For example, NGK's position regarding the selling of LSIs on the open market or sub-licensing ~~was~~ affected Stanford's position regarding continued exclusivity. It ~~is~~ ~~seems~~ seems that NGK thinks of the aspects of the license somewhat on a divisional basis, Mr. Hiyoshi keyboards & exclusivity, Mr. Ishimura LSIs etc. In any case, after having come to an agreement, when Mr. Kano asked that the LSI aspect be reconsidered, Mr. Reimers agreed but on the condition that the whole agreement be open, again because of the interrelation between the various aspects.

What is unfortunate is that the NGK management feels that Stanford asked that

the negotiations be reopened when in fact we were with you "on our way home", "agreement in hand" when Mr. Kano asked for further consideration. The question of Aniga had not to do with the agreement but how best to deal with infringement which we realized might be extensive.

There are some points to be made.

- we must have "clear air" for good relations
- it was Stanford's original proposal to consider extending exclusivity
- while Stanford sees aspects of the ~~prop~~ agreement interrelated, that does not mean that Stanford intends to go back to square 1 or effect a reversal on points already discussed
- quality must be maintained (I will write you on this question after the holiday)

Again, I thank you for your letter and hope that you accept mine in the same spirit.

Tomorrow is Thanksgiving & I must begin cooking.

Best wishes
John