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February 8, 1988

Mr. Maki Kamiya Chief, Patent Department Yamaha Corporation 10-1, Nakazawa-cho, Hamamatsu-shi Shizuoka-ken 430, JAPAN

Dear Mr. Kamiya:

You will recall our discussions about the Casio synthesizer and the possibility of our elegibility to institute an ITC Section 337 action.

In further discussions with ITC representatives, I find the key to institute an ITC action by the University will be whether an entity manufacturing in the U.S. would be damaged. The entity can be a foreign corporation, but the damages would relate to their U.S. manufacturing. Thus, unless we could show there are Yamaha products being made in the U.S. which are affected by the Casio importation, we would not appear to be able to use the ITC Section 337 law.

As to how much manufacturing needs to take place in the U.S. to be able to institute an action, it will depend on the specific situation. It certainly would need to be more manufacturing than employed by Casio in the U.S.

I'm sorry this news is not more favorable. We still have the avenue of patent infringement. We look forward with interest to your reaction to the proposal of our patent attorney, Mr. Williams, as explained in my letter to you of December 29.

Sincerely,

Niels Reimers

Mis Kein

Director

cc: John Chowning

NJR:kla