



YAMAHA

SINCE 1887

NIPPON GAKKI, SEIZO KABUSHIKI KAISHA
(NIPPON GAKKI CO., LTD.)

10-1, Nakazawa-cho, Hamamatsu-shi, Shizuoka-ken 430, Japan.
Cable: NIPPONGAKKI HAMAMATSU, Telex: 4225-311, Telephone: (534) 65-1111

Mr. Niels J. Reimers
Director
Office of Technology Licensing
105 Encina Hall
Stanford University
Stanford, CA 94305
U.S.A.

1982 April 7

APR 12 1982

TECHNOLOGY LICENSING

Re: Sublicensing to ATARI, Inc.
under FM Patent

Dear Mr. Reimers:

Thank you for contacting our Hiro Kato regarding the above. Though we informed you via Kato that there would be necessity to amend the Stanford-Yamaha Agreement to accommodate it to the subject sublicense, we have reconsidered and decided to proceed with the sublicense royalty for ATARI on the basis of a percentage per product, not a fixed amount per product. This is mainly because to avoid an amendment of the present Stanford-Yamaha Agreement. As you know, an amendment of the Agreement is subjected to the Japanese governmental procedure which requires much labor and cost. Please also note that, according to our understanding, the term "Musical Instrument" in the present Agreement can well be construed to cover game machines producing a tone or tones. We assume you will agree to this interpretation.

Along with the above, our U.S. counsel, Koda & Androlia will shortly contact ATARI, Inc. about the present sublicensing.

Sincerely yours,

Maki Kamiya

Maki Kamiya
Chief Patent Department

KK/ yo