

From: Rob Young (OEM)
Sent: Wednesday, February 10, 1999 10:42 AM
To: Gayle McClain; Allen Wilcox (LCA)
Subject: RE: question re: product "buy-out" terms

As I think about this more, I view this as a lose/lose more than we even discussed, Gayle. First, we'd have to offer the same deal to other oem's, so the 'subjectivity' of the pricing based on a guesstimated forecast would be called into question (perhaps from GW all the way to DOJ). Since we'd need to mitigate our financial risk, as you state we'd never agree on a price. Last, we'd always be accused of artificially setting our prices too high, that is the negotiation would boil down to forecast accuracy (low) and an appetite and ability to shoulder risk on our part. That's not a high value proposition in our business.

I've been to this movie in the service business and it takes you down a path of having to share balance sheets, cost structures, etc. I don't like the idea at all...

-----Original Message-----

From: Gayle McClain
Sent: Wednesday, February 10, 1999 10:32 AM
To: Allen Wilcox (LCA)
Cc: Rob Young (OEM)
Subject: RE: question re: product "buy-out" terms

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-----Original Message-----

From: Allen Wilcox (LCA)
Sent: Wednesday, February 10, 1999 10:28 AM
To: Gayle McClain
Cc: Rob Young (OEM)
Subject: RE: question re: product "buy-out" terms

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-----Original Message-----

From: Gayle McClain
Sent: Tuesday, February 09, 1999 4:16 PM
To: Allen Wilcox (LCA)
Cc: Rob Young (OEM)
Subject: question re: product "buy-out" terms

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