

CENTER FOR ENVIRONMENTAL STRUCTURE

ARCHITECTS • CONTRACTORS

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Tom Hench,
Haworth Inc.,
One Haworth Center,
HOLLAND,
MICHIGAN, 49423

Dear Tom,

Thank you very much for your visit. As you know, we all enjoyed it immensely, and felt that it was extremely productive and positive.

Since we are now going to sign a contract directly between CES and Haworth, I think it will help to prepare the way, if I simply write down what our expectations are. You can perhaps do the same from your side.

Then, once we thoroughly understand one another's expectations, we can proceed to write a contract which reflects the thinking of both sides.

Of course these expectations are being expressed within the context of our work with Richardson Smith. It is clear to us that we have been called into the project by R/S for the purpose of collaboration with them. We are committed to this collaboration, and it is within the framework of this collaboration that we are now going to express our thoughts and expectations about the future development of our own role in the project.

The gist of our feeling may be expressed in the following points.

1. Our interest in a large scale "new generation" furniture project dates back to about 1980.
2. At that time we began thinking seriously about the theoretical structure such a thing would need to have, and had some preliminary discussions with other manufacturers.
3. During the six months before John's phone call, we had been holding discussions about how to get started with our furniture project. At the end of last year, just before we made contact with you, we began plans for our own furniture workshop.
4. As a result, when we heard from you and John, it was an amazing coincidence, which we embraced with open arms, since the direction you were interested in, seemed identical with ours.

We are extremely happy that you -- and independently John Rheinfrank -- have both come to conclusions so similar to ours, and want very much indeed to see these ideas implemented through Haworth. Our preliminary talks with Dick Haworth and your other colleagues also impressed us very strongly and favorably.

We therefore want to do everything we can to help create circumstances which will ensure that Haworth is the company that brings this new generation of furniture to fruition.

In order to be as clear as possible about the way we see our own future role in this work, I shall now enumerate the expectations we have for the future.

THE FOLLOWING POINTS ARE CRUCIAL TO THE WAY WE SEE THE PROJECT.

1. We want to work for a very long term. To be quite clear about what this means: We want to be part of it for 10-20 years. We are not interested in a kind of relationship where we are brought in as consultants, and then dismissed after 6 months or 1 year.

2. We want to see the new system of furniture implemented in the most pure form possible. We recognise that the demands of the industry may make it necessary to make compromises. We are quite willing to do this. At the same time, we have to recognise that the world of office environments is not utterly homogeneous. Each corporation has its own particular needs, history, way to present itself to the public. After careful analysis, this might lead to more than one version of the new system of furniture, each one addressing different needs and attitudes of different corporations.

In addition, we ourselves want to be sure we have the opportunity to make the purest and most beautiful form of this idea available to the market.

It is possible, that this might require two or more projects, going forward at different levels. For example:

1. A main-stream project, for a very traditional corporate market.
2. A second version, for those more innovative corporations who perhaps herald the arrival of the new age.
3. Some other combination, which might require several levels of implementation of several different types, which are progressively more pure, possibly with smaller markets.

3. We are definitely interested in designing materials, shapes, colors, and production techniques. We do not believe that it will work at all, to imagine that we might do the conceptual design, and Haworth might then complete the detailed development. In any case we are not interested in such a situation at all, and would not agree to any ground rules which seemed headed in that direction.

4. We do not want our involvement to be restricted ONLY to design. Since new forms of production are fundamental to the idea of this project, we want the opportunity to be involved in production -- both on a pilot basis, and in a more permanent sense, as described in paragraphs 5 and 6 below.

5. In all probability, we expect that the production process, when properly understood, will -- in at least one version -- require local franchises and decentralised manufacture and assembly. In this case, we will want to have a local franchise or pilot operation, which actually produces this kind of furniture for the west coast market.

6. It is quite possible to imagine that this pilot franchise, might be a permanent shop, which would always be on the cutting edge of new experiments, new developments, in the system, so that the most avant garde components, and the most important new developments would be carried out by us, in this West coast production laboratory, and would then later become integrated in the main stream. This operation would then be the cutting edge of new development.

7. We certainly would like to maintain a clear and permanent relationship with Haworth, in which Haworth is the sole beneficiary of these ideas, provided that we are able to carry them out at a level which represents the best possible level of quality.

8. We DO want to be compensated financially, when the system starts to make profits for the company. We believe that it is quite possible that this new system could sweep the market, and that within ten or fifteen years, it might become the main type of furniture which is produced in this country.

All this, if it happens, would follow directly from the fact that the work that is being done now, contains a series of fundamental inventions of ours. These inventions include the participation of the users, the computerised techniques of participation, the flexible dimensioning of furniture, different methods of production, assembly, and distribution -- IN ADDITION to the new design of actual furniture components.

If indeed we do succeed in making our ideas spawn a whole new industry, at that stage the fee we are being paid now would not be enough.

Please recognise that we are putting everything we have into this work, the accumulated talent and experience of twenty years. We want to give the thing everything we have; but we can only do this, if we are sure of getting part of the action, once the project is a financial success. I am sure that this general principle must be quite understandable to you and to Dick Haworth.

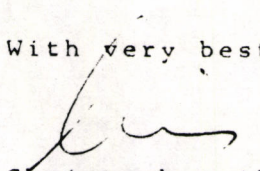
The most natural form of compensation would certainly be a royalty. This is the form we expect, and would find most convenient. However, if Dick Haworth has personal misgivings about that particular legal form, it could also be a modest partnership, or some other system of cash incentives based on sales and profits, which repays us fairly. But in any case, we cannot avoid the basic principle that we must be compensated financially in exchange for our copyright -- and on a fairly large scale -- if indeed we do succeed in creating a whole new industry. We cannot both release the copyright of the new system to you, and also have no long term financial interest in the system.

I am sure you realise that if we are all working together in this fashion, and all have the long term financial success of the project in mind from the beginning, as part of our own self interest, we shall then be most likely to get good results.

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I hope very much that these eight points are consistent with your own thinking. Please let us know what your own long term expectations are from the work we do together. I hope we shall then be able to sign a contract without delay.

With very best wishes


Christopher Alexander