

CENTER FOR ENVIRONMENTAL STRUCTURE

ARCHITECTS • ENGINEERS • CONTRACTORS

2701 SHASTA ROAD • BERKELEY, CALIFORNIA 94708

TELEPHONE 415/841-6166

October 5, 1988

Rob Harvey,
Herman Miller
8500 Byron Road,
Zeeland,
Michigan, 49464.

MEMORANDUM

Dear Rob,

Here are some brief notes on the all-important issue of the three year contract.

1. It was the fundamental understanding of the meeting we had at CES, Martinez, when Dick Ruck and Tom Pratt asked me what it would take to do this project. I said then, that I did not want any kind of "look see" contract, and that it would need a three year commitment. I also very specifically requested that Herman Miller should not even consider entering into this contract, if there was any sense of doubt or "lets give it a try". When Dick said yes a few days later, I am sure there can be no doubt that he understood that the three year deal was the essence of the agreement.

2. The three year commitment is also essential, in order for me to get a strong level of commitment from the CES principals and staff. They are willing to give their all, because they know it is serious and long lasting. If there was any sense of a "lets have a look" atmosphere, caused by a renewable short term contract subject to continual managerial termination by HMI, my principals would not take the project as seriously, and might be very reluctant to participate at all.

3. I believe it is essential for the intellectual and emotional success of the project itself, that we have a definite and permanent long term relationship, which is not subject to being terminated by short term review. You already know how difficult and demanding this

project is going to be. I am committed to making it work, and I need the same commitment from HMI, so that minor concerns about ongoing difficulties are not capable of upsetting the applecart every time we turn around.

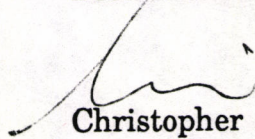
I can illustrate very easily what I mean, by comparing the CES/HMI relationship with a marriage. Compare two marriages, one in which the couple threaten divorce every time a small disagreement comes up, the other in which both know that no matter what disagreements may arise the two people are both committed to each other for life. Obviously, in the second marriage disagreements will get ironed out in an effective and constructive way, because both partners know that they **must** find a way to make things work, so they do.

That is the kind of relationship we want with Herman Miller. I am sure that all of you equally, recognize the functional value of a committed and stable relationship which is not continually subject to the possibility of termination.

From this point of view, it is absolutely necessary to the success of the project.

4. Finally, I am very proud to be working with HMI, and you have told me that this feeling is a mutual one from HMI's side too. Just from the point of view of this human feeling, I am sure you can see that the long commitment is the only one which is consistent with the human feelings we all have about the thing.

Best wishes



Christopher Alexander

REQUESTED CHANGES IN CONTRACT AND COVERING LETTER

1. CONTRACT.

Three year commitment.

The following article to be included in the contract as article 30.

Article 30. Herman Miller agrees that their funding for this project will run for a minimum of three years, and that the total of fees, advances on royalties, and expenses to be paid during this time will be at least \$1,500,000.00, to be paid at the rate of \$41,667 per month, for three years, starting July 1 1988.

This money is to be understood, as outlined in the letter of agreement, appendix B, as one third fees, one third advances on royalties, and one third expenses.

In return for this minimum agreement, CES agrees to provide whatever materials are reasonably requested, within the time frame that is mutually agreed on by HMI and CES.

All parts of this agreement are contingent on the performance of this article.

2. CONTRACT

Please insert as Article 31.

Exhibits A-F inclusive are expressly incorporated herein by this reference, and are made a substantial part of this agreement.

3. Contract, article 3.

We originally agreed on eleven product groups for article 3. As you know, I have had some concerns about whether the list of product groups we have previously made represent a roughly even distribution of likely manufactured items. I propose the final list of product groups to be as follows:

1. Task seating and upright seating.
2. Freestanding desks
3. Bookcases and open storage walls.
4. Files and storage boxes.
5. Counters and credenzas.
6. Thick wall elements.
7. Lounge seating
8. Flooring, platforms and ceilings
9. Conference tables and occasional tables.
10. Accessories including wastebaskets, footrests, tackboards, pinboards etc.
11. Lighting, curtains and reflectors related to lighting performance.

4. CONTRACT, article 5.

Insert ... and 17.

5. CONTRACT, article 10.

Insert .. examples with worked arithmetic, are provided in exhibit F.

6. CONTRACT, article 13.

Line 9. Insert ...or its backup information,...

7. CONTRACT, article 19.

Line 5. the Designer's final approval.

8. CONTRACT, article 27.

Insert: The arbitration shall be conducted before the American Arbitration association pursuant to the AAA's then current rules for commercial arbitration, save and except that the parties shall have the right to conduct discovery pursuant to Michigan law.

9. LETTER OF TRANSMITTAL AND EXHIBIT B.

Page 2, line 4. Remove these words ... given that we are successful in achieving our objectives during that time.

10. LETTER

Page 7, line 2. Remove these words ... we can extend the time period and scale back our monthly budget accordingly.

11. LETTER

Page 7, line 4. insert ...the first year of..

12. LETTER

Page 9, insert ... as outlined in exhibit E.

13. EXHIBIT D.

The non-disclosure agreement is to be changed, as shown on the accompanying xerox, and will include these inserts.

line 7: ... or apprentice...

line 9: ... or apprentices...

line 10: ... in....

line 11: ... or instruction given to me ...

last page, last line: ...Structure...