

TECHNIFEX, INC.

MAKING MAGIC A REALITY™

August 14, 1991

Mr. Craig Barr
Principal
Barr and Associates

Dear Craig:

I am writing to you because you are a respected vendor within the themed entertainment industry. As I am sure you know, our industry has undergone some very dramatic changes over the last five years. Many companies have flourished, while others have succumbed to financial pressures and external forces. Needless to say, the themed entertainment industry is as volatile and fragile as the computer industry.

It is with the realization that this relatively new industry, themed entertainment, is suffering from growing pains and pressures from clients, foreign interests and the ever present attorneys which compels me to write this letter. I would like to solicit your opinion regarding the formation of an association dedicated to the success and well-being of companies and consultants who supply designs, engineering, OEM products, and specialized services for the themed entertainment industry.

My hope is that this association would begin as a forum where established companies can share and discuss issues of concern which directly affect our market. I feel this pooling of information would be invaluable in the stabilization and growth of our industry. Issues I see as appropriate for an association to address would include:

Standardization - The development of standard nomenclature and contracts would make interaction between other vendors and clients more efficient and concise.

Intellectual Properties - As many of us provide services in foreign markets, we are often required to assure clients that we will not infringe intellectual property rights within these foreign countries. A sharing of knowledge regarding known intellectual rights held by outside groups could help companies avoid problems with contracts, licenses and litigation.

Industry Opportunities - As well as looking for clients in foreign countries, an association could approach governments of developing countries to pave the way for new opportunities involving themed entertainment venues.

Labor - Training and educational programs could be developed which assure our industry a qualified pool of talent to draw from.

Industry Leaders - The association would be a means of distinguishing companies which have successfully provided designs, systems and services for the themed entertainment industry, versus groups which are entering the industry with little or no background.

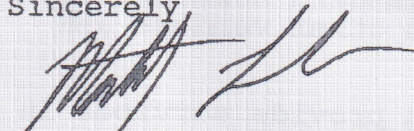
Insurance - Many companies simply can not get certain types of insurance, or find that their insurance costs are rising beyond reasonable levels. Negotiating for group policies through a formal association might provide a greater level of protection at lower costs for members.

Examples of disciplines I think should be represented in this association would include; Design, Project Management, Special Effects, Lighting, Audio, Computer Control, Animation, Ride Systems, Scenery, Facility Engineering, Project Estimation, Master Planning, Holography, Laser Engineering and the many other disciplines which make theme parks, expositions and world's fairs a reality.

I strongly request that you write to me and express your opinion regarding this proposed association. I am very interested in your thoughts concerning its organization, as well as topics you feel would be appropriate to discuss within this type of forum. If there is enough support for the formation of an association, I would like to propose that our first meeting be held during the IAAPA convention, in Orlando, as this will be a time when many of us will be socializing anyway.

I look forward to hearing from you and wish you success in the future.

Sincerely



Monty Lunde
President
Technifex, Inc.