Shell U.K. Limited



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or 071-257 3000

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Fax group II/III 071-257

direct line

Fax group II/III 071-257 3920

Telecom Gold 81-SUK 001

our ref UORM/132

your ref

date 27 October 1992

Dear Steve

Steve King

North Road Hemel hempstead

Senior King Ltd

Herts HP2 7DW

HIGHLY CONFIDENTIAL

The Progression Centre

Thank you for coming in a couple of weeks ago to discuss your proposals in response to our brief on Project Onyx. Your presentation was extremely thorough and the proposals that you put forward very clear.

I am now pleased to confirm that we have selected you as one of the two companies with whom we will be pursuing Project Onyx further. I will get in touch with you later on this week to discuss our programme from here.

In the meantime, we have identified further information that we need. Can you give me your best estimates of the following costings for your options 2 and 3 (assume 2000 sites and 5 million cards are in use at one time):-

- Total set-up hardware cost.
- Total set-up cards cost.
- Annual hardware cost (eg maintenance).
- Annual cost of cards replacement.
- Any costs of site upgrades.
- Any database costs (set-up or ongoing).
- Promotion costs.
- Any other costs.

Can you also confirm comfortable timescales to launch of a pilot and then to full national roll-out.

I am pleased to be working further with you on this project and look forward to seeing you again shortly. Please send my regards to Mike.

Andrew J Lazenby Promotions Manager

cc: T W Hannagan

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Shell U.K. Limited



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Geoff Howe & Associates

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date

27 October 1992

Dear Peter

Peter Miles

Hempton

Middlesex

TW12 280

l High Street

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- * Any costs of site upgrades.
- * Any database costs (set-up or ongoing).
- Promotion costs.
- * Any other costs.

Can you also confirm comfortable timescales to launch of a pilot and then to full national roll-out.

Just one point of caution: we are aware that many of our competitors are using or looking closely at the H-TEC equipment that you propose for us. Can you please be very discreet in your dealings with them on this project. Feel free to speak to them, but please get our approval first, and then re-emphasise to them the confidentiality. Our minimum requirement will be a project team who are not working on any competitors' card.

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I am pleased to be working further with you on this project and look forward to seeing you again shortly. Please send my regards to Geoff.

Yours sincerely

Andrew J Lazenby Promotions Manager

cc: T W Hannagan