

January 21, 1987

David A. Boulton
Managing General Partner
ReadTronics
95 S. Market Street
Suite 250
San Jose, CA 95113


Dear Mr. Boulton:

Thank you for your letter of January 14, 1987 and the video tape. The concept of an "electronic book" is certainly an interesting one, and one which may be very compatible with our news and information service, X*Change, either as an option or a standard feature.

We are planning to launch our newest product, X*Change, nationwide later this year. In developing X*Change, we are supporting various third-party software vendors in developing products compatible with X*Change's format of news and information for the home consumer.

I would be happy to talk to you about modifying your present mode of transmission to allow it to read the X*Change feed, as it appears that using your proprietary connections and protocols would prove to be too difficult to support a second protocol. If you are interested in this proposition, I will be glad to send you documentation.

Sincerely,



Gerald E. Bennington
President

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