

August 3, 1982

To Alan Kay from Bob Stein

There seems to have been some crossed signals during your conversation with Swanson last week. According to Van Doren, Swanson specifically suggested that they come out to Sunnyvale, to which you gave no specific response. Further, Swanson was confused by your response to his remark about expecting a proposal from Atari - ie. your suggestion that instead of Atari presenting EB with a formal proposal, that we work together to hammer out the essence of a deal. It's not that Swanson is opposed to this procedure; it's just that he had been led to expect that a proposal was forthcoming. Evidently Swanson's "coolness" on the phone was a function of his disappointment that he wasn't getting something more concrete in the way of an invitation and an indication of our enthusiasm. Again, according to Van Doren, Swanson "couldn't be more excited" about the prospect of working with Atari.

I suggest the following:

- a phone call to Swanson extending an invitation to him and Van Doren (and perhaps Norton and Sloan) to come out August 23-25. Van Doren suggested they could arrive the afternoon of the 23rd. We could have dinner with them that evening; talk most of the 24th and finish up on the morning of the 25th if necessary.
- a letter from Ray confirming the invitation and outlining what we hope to accomplish while they are here - coming to basic agreement on a deal etc.

While I don't think it's mandatory that we present EB with a polished proposal, I do think we need to do a fair amount of homework in preparation. You had mentioned that Ray was involving Linda Gordon in some of the thinking about the structure of the deal we might make with EB. Perhaps it would be good for Linda and me to get together. Also, given that EB's sale of Atari products is likely to be an important element during the early stages of our working together, perhaps someone from HCD should be involved as well.