

AGENDA

11/26/86

SEARCH COMMITTEE

Review of Candidates Contacted

Solicitation of Names

Meeting with Roger Nichols

Interviews with Tom Lutz

Discussion of the "Education" portion of the Specification

Next Meeting

RUSSELL REYNOLDS ASSOCIATES, INC.

Old City Hall
45 School Street
Boston, MA 02108
617 523-1111

February 2, 1987

PERSONAL AND CONFIDENTIAL

Mr. Gardner Hendrie
Committee Chairman
Sigma Ventures
342 Green Street
Northboro, MA 01532

DICK RUTLEDGE

Dear Gardner:

As you know, Dick Rutledge continues to be a viable and interested candidate for the position of Executive Director of The Computer Museum. Given that we agree his IBM management experience would be a strong plus, Rutledge further brings a career which includes executive education, strategic planning, successful sales experience, and unusually broad knowledge of the computer industry. He was the champion within IBM on Infomart, the industry market center established by Trammell Crow in Dallas. Earlier, he worked to explore a market center in Boston, the project Fidelity Management was sponsoring (Boscom). Dick is taking early retirement, but is eager for a new challenge. He is evaluating a range of career alternatives including strategic marketing in growth companies. He is not focused on not-for-profit, and wants to stay in the industry.

By way of personal background, Rutledge was raised in Coral Gables, Florida, the only child of an insurance executive and his civic-minded wife. Dick's parents are well into their eighties, and are both active and in good health. Rutledge graduated from Episcopal High School in Washington, D.C. and entered the University of Virginia, earning a BA in Economics in 1955. He then spent two years as a Lieutenant (j.g.) in the Navy, serving as Officer of the Deck on a cruiser in the Far East. He returned to Charlottesville and completed his MBA at the Darden School, concentrating on marketing, and graduating in 1959. Dick's wife, Fleming, is from Virginia and they were married during his graduate years.

Mr. Gardner Hendrie

February 2, 1987

Page 2

Recruited on campus by IBM, Rutledge accepted his first position with the Data Processing Division in Richmond, VA. After achieving significant personal selling records, Dick "filled in" as resident manager in Charlottesville, which earned him a promotion to Branch Manager without the usual interim step of Marketing Manager in Kingsport, Tennessee. There he supervised a staff of marketing representatives and systems engineers covering a 10,000 square mile territory in Tennessee, Kentucky and Virginia.

Rutledge moved to his first staff job in 1969, ten years after joining the company. As Manager of Management Development in Eastern regional headquarters of Data Processing, he was given responsibility for developing programs to train 700 managers. He was charged with managing executive resources for the region, including succession planning. Dick made a number of new initiatives. During this time, as you will recall, the issues of affirmative action and EEO were prominent and he established a program to identify and promote women within the company. He also put in place training programs for experienced managers, and implemented a program of appraisal and counseling. In much of this work, Rutledge sought outside consultants and looked at ways in which IBM could improve its efforts in recruiting, motivating, and managing employees of all levels of performance.

In 1971, Rutledge was moved to a "line" marketing position as District Manager of Marketing Programs for the Data Processing Division in New York City. He managed the technical support organization and was responsible for the marketing programs across ten branch offices and a 1,000 person employee group. With a quota of \$250 million in annual "sell and install" for this District office, he reported to John Bishop, who now runs IBM in Korea.

By this time, Dick apparently had become known as a strong people manager. He was sought out for a challenging role in the antitrust suit defense. In January 1974, he took on responsibilities in the corporate litigation program, working closely with Cravath, Swain & Moore. IBM had assigned a large group of personnel to handle this critical suit but, unfortunately, the belief that such an assignment was bad for your career was making it difficult

Mr. Gardner Hendrie

February 2, 1987

Page 3

to get the desired results. The defense IBM put forth was to characterize the industry in the broadest possible sense, and this meant seeking information from non-computer companies as to the percentage of their revenues derived from data processing. The volume of paper and personnel needed to manage this effort was overwhelming. Dick's specific responsibility was to recruit, train, and motivate fresh, high quality personnel to support the effort. He became very knowledgeable about the antitrust issues and, as a result, has a broad overview of the computing industry. Unlike many IBMers, he is well aware of the product lines, market positions, and competitive strengths of the worldwide computer industry and its leaders.

After three years, having in his judgment brought in some exceptionally talented people, he was reassigned to yet another sensitive role within the corporate organization. As Program Manager for Interdivisional Marketing, Dick was responsible to the President of the Data Processing Division for developing an analysis and making recommendations regarding the competition between OPD, DPD, and GSD. During one year, he conducted analysis and presented findings to all the major executives at IBM, including Frank Carey and Corporate Management Committee. His results were instrumental in developing a "managed cooperation" program and, perhaps indirectly to the ultimate decision to disband the divisional structure as it was.

In July of 1978, Dick was given responsibility for IBM's Systems Science Institute (SSI) and the Advanced Business Institute (ABI). He describes the ABI as having been a "sleepy organization which needed restructuring and revitalization." That entity delivered an MBA type curriculum to IBM personnel, and utilized consultants and graduate business school faculty. I believe Jim McKenney has participated in this program, as has Warren McFarlan and Linda Shubert Bodman. The purpose of this program was to prepare IBM personnel to make calls on very senior executives. SSI, on the other hand, delivers a for-profit product to data processing professionals and executives in IBM's large accounts. In this role, he shaped the SSI program to conform to the business directions of IBM, and increased the revenues 52% (to \$8 million). He established

Mr. Gardner Hendrie

February 2, 1987

Page 4

a direct dial 800 number to allow customers and IBM personnel to listen to recorded course descriptions. This 800 number has become a primary way IBM delivers education information, and it received 12,500 calls just last year. Within the ABI, he changed the emphasis to analyze the fundamentals of key customers accounts.

Most recently at IBM, Dick has been Manager of Marketing Strategy for the largest marketing division of the company, and has been based in White Plains, New York. He focuses on the Northeast area (one-half of the U.S.), and has reported to Joe Haley, who is something of a legend at IBM, and to Jack Kaster. His direct responsibilities include the division's Marketing Research Department, and the Strategy Development Department. He strengthened the Market Research Department to provoke strategic thinking, and be more active in identifying opportunities as well as assessing customer needs. He has a good understanding of marketing theory and techniques needed to reach various customer populations.

Among the directions Dick has set include a human resource strategy. Using Jim Walker (who is a leading consultant and Founder of the Human Resource Planning Society), he developed a "role model of marketing excellence" which is now being implemented by the entire field force. As I mentioned earlier, he also recommended and implemented that IBM participate in computer marts, a concept which radically altered the traditional position of IBM by acknowledging its competition. In a conversation I had with Gus Klein, he said that he frankly felt computer marts were a mistake for IBM; Dick, however, tells me that the company now generates \$5 million monthly at Infomart.

In personal terms, Dick is 54, married, and has two daughters. The elder markets HMO services in St. Louis, and the younger daughter is a student at Gordon College in Wenham, Massachusetts. His wife, Fleming Rutledge, was one of the first women ordained in the Episcopal Church and is part of the clergy serving Grace Church in New York City. Were Dick to accept this position, he expects that it would take some time for Fleming to be able to move, but he does not feel that is a problem, since she currently spends two or three nights in Manhattan. The Boston area is quite attractive to both of the Rutledges, although Dick would be satisfied to remain in the New York area as well.

Mr. Gardner Hendrie
February 2, 1987
Page 5

Rutledge makes a fine personal impresssion, standing 6'2", with glasses and a bald head. He has outstanding "executive presence" and is extremely comfortable speaking to large groups. He has represented IBM with senior executives of major customers and has good connections across the country. While his IBM references are impressive, his "network of contacts" outside the company is even broader, including individuals such as the Executive Director of the Joffrey Ballet, the President of Philip Morris, the CEO of Johnson & Higgins, Trammell Crow, etc. Rutledge is an enthusiastic and persuasive individual who is intrigued with the challenge of broadening the Museum's audience. I think he would be excellent on the outreach and development aspects, and has a fine appreciation for what has been accomplished to date. He seems to be a pragmatic and resourceful person who also has the reputation of having excellent people management skills.

Having spent several hours with Dick on two occasions, I continue to find him insightful, enjoyable, creative, and positive, all qualities which would fit well with our long term objectives. On the negative side, he has not had significant P&L experience, although he has managed budgets, and has supervised staffs larger than that of the Museum. Because of the Computer Mart activities, he understands issues of crowd management, traffic flow, floor plan design, and exhibit space. He considers himself a computer industry "insider." I believe he could be attracted to the position but would expect commitment from the Board and the Executive Committee to a high level of continued support.

Best regards,

Sincerely,



Laura Barker Morse
Managing Director

LJBM:sb

R. E. (DICK) RUTLEDGE, JR.
5 Hillendale Road
Rye Brook, NY 10573
Home: 914/765-3430
Work: 914/937-5108

PERSONAL

Date of Birth: 10/20/32
Married, 2 daughters

EDUCATION

1955	BA	UNIVERSITY OF VIRGINIA
1959	MBA	DARDEN BUSINESS SCHOOL, UNIVERSITY OF VIRGINIA

EXPERIENCE

1959-1986	IBM CORPORATION
81-86	Manager of Marketing Strategy White Plains, NY
69-81	Manager Systems Science Institute and Advanced Business Institute
	Manager, Corporate Litigation, IBM Corporate.
	District Manager of Marketing Programs IBM Data Processing Division New York City
	Manager of Management Development
59-68	Branch Manager Kingsport, TN
	Marketing Representative and Regional Manager Richmond and Charlottesville, VA

RUSSELL REYNOLDS ASSOCIATES, INC.

Old City Hall
45 School Street
Boston, MA 02108
617 523-1111

February 6, 1987

PERSONAL AND CONFIDENTIAL

Mr. Gardner Hendrie
342 Green Street
Northboro, MA, 01532

JOSEPH F. CASHEN

Dear Gardner:

Joe Cashen has declared that he is now quite interested in meeting the rest of our search committee and actively pursuing the position of Executive Director for the Computer Museum. This is largely due to his favorable impression of the enthusiasm you, Mitch Kapor, Bill Poduska and others have brought to the Museum and to your description of this assignment as a "business problem."

The skills which Joe could bring to the assignment are many, including excellent people management skills as observed first hand by you at RCA and by Bill at Prime. Joe has strong technical skills and roots in the computer industry which in many ways parallel those of our most involved board members; when he first visited the Museum he said he forgot to be objective about the exhibits because it was a nostalgic experience.

While Joe does not have a blueprint for the next stage of development, he is confident that with study he would be able to identify the best strategy. This confidence in his own ability is one of the reasons I feel Joe would be successful in the role of Executive Director. He is unusual in having made the transition from start up to large company, and said that he enjoyed the challenge of each stage.

The attached resume is one is created from my interview notes so that the details may be less than perfectly accurate. Nonetheless, as I understand it Joe was raised in the Philadelphia area and began his career with RCA upon completing his BSEE at Drexel in 1957. Working as a circuit designer in the Advanced Industrial Development (as opposed to the Defense) group, he was involved in design for industrial automation and digital process control. Joe continued to attend school at the University of Pennsylvania working toward his MSEE; however, when RCA decided to move the new Division to Natick, Mass., he was unable to complete that degree.

Mr. Gardner Hendrie
February 6, 1987
Page 2

Having relocated to Boston, Joe continued in circuit logic design, working in your group, as I understand it. By 1962, RCA decided that the business was not going to be profitable on a stand alone basis and sold the division to Foxboro. While many on the team (including GH) left for other opportunities, Cashen remained with Foxboro since they promised a management opportunity. He joined the Digital Systems Division reporting into Product Development, a forty person group under Joe Lombardo, a Division General Manager. His last role there, in 1967, was as Director of Hardware Development.

Cashen left to join Honeywell, where many of his RCA colleagues were, Honeywell having purchased Computer Controls in 1966. (Ironically, Joe recalls that in 1965 Computer Controls was ahead of DEC!) There, he managed fifty people as Vice President, Systems doing special systems development in the area of data acquisition and control systems. Ultimately Cashen ran both hardware and software systems from a technical point of view, although he was measured on a p&l basis.

Cashen remained with Honeywell until 1972, when he left to join Bob Barron, Bill Poduska, Bob Berkowitz, Sid Halligan, Jim Campbell, and John Carter in founding Prime. Dave Dunn of Idanta Partners assumed the CEO role and later Ben Robelyn also acted as CEO until Ken Fisher joined the company in 1975. Apparently, Prime recently honored the founders at a dinner and all but one was present.

In reflecting back over his years at Prime, Joe said he most enjoyed the years 1975 to 1980. In the early days he did "a bit of everything--including sales calls, customer service, as well as engineering", but as the company grew he "found new ways of gaining satisfaction." The Engineering group he managed was at approximately 400 people by 1981, with Fisher leaving in July and Joe Henson assuming the CEO role in December.

Early in 1982 Henson wanted to bring in his own team and appointed Roland Pampel SVP for Engineering. Cashen became Corporate Vice President, Quality Assurance and took on internal and external issues at a senior staff level. For one year Cashen functioned as one of the top five officers and in May of 1983 he took a sabbatical-type leave of absence. While he was made to feel that there was an important role at Prime, in the following months he concluded that he would resign from the company.

Mr. Gardner Hendrie
February 6, 1987
Page 3

In May of 1984 Cashen was approached by a recruiter who described a turnaround situation where a U.K. company needed to quickly replace the CEO of the US business. With one day's notice, Joe met three Directors at the offices of Testa Hurwitz & Thibeault (Dick Testa represented the company). Cashen agreed to work with Acorn Computer in a consulting capacity and took over the CEO role on the spot.

Over a few months Cashen worked energetically to reposition the product, which was too expensive for the education market in the US. He came close to establishing a network of former Apple school sales representatives (switching sales strategies from the direct force Acorn had structured), but ran into a fierce competition with Applied Computer Techniques (Apricot). Apparently there was a feud between the founders which resulted in the sales force group joining ACT at a higher commision structure.

With no reasonable distribution strategy, Cashen went to the Board in the U.K. and recommended they quit the market. He believes that he "almost pulled it off" and does not regret the effort.

Since his experience with Acorn, Joe has pursued a number of personal interests vigorously, including an upland game preserve in which he is a key owner. He is an avid hunter and outdoorsman and also spends a great deal of time with his six children, who range in age from fifteen to twenty-two. He has not felt compelled to take on another assignment, although many ideas have been presented.

In personal terms, Joe is poised, outgoing, and relaxed in conversation. He was very cooperative in meeting with me and since your conversations and warmed to the challenge of the Museum position. He candidly states that the education mission is not compelling to him, but that other aspects, such as learning many new things, "solving the business problem", and serving the "customers" of the Museum, are most intriguing.

I hope we'll be able to schedule the balance of the Search Committee to meet with Joe Cashen this week.

Sincerely,



Laura Barker Morse
Managing Director

LJBM:sb

JOSEPH F. CASHEN
26 Bear Hill Road
Sherborn, MA 01770
Home: 617/653-1997

PERSONAL

Date of Birth: 9/30/34
Married 1962 (Patricia), six children,
ages 15 to 22

EDUCATION

1957 BSEE DREXEL UNIVERSITY
 Philadelphia, PA

1957-59 Course work toward MSEE,
 University of Pennsylvania

EXPERIENCE

1983 ACORN COMPUTER

 Chief Executive Officer, U.S.

Joined Acorn Computer in 1983 in this
turnaround situation to replace the
CEO. Attempted to reposition the
product in the U.S. and change the
sales force but ultimately
recommended exiting the market.

1972-1983 PRIME COMPUTER

82-83 Corporate Vice President,
 Quality Assurance

72-82 Vice President, Engineering

Reported to the Chief Executive
through three management changes.

In 1972, left Honeywell to join the
six other Founders of Prime.
Subsequently managed staff from
start-up through 400 person
engineering group.

EXPERIENCE, con'd

1967-1972

HONEYWELL, INC.

Vice President, Systems

Earlier, various engineering management roles following purchase of 3C.

Recruited to Honeywell after their purchase of Computer Controls Corp., in 1966. The Division at that time was headed by Lowell Bensky, and Cashen joined to run the 50-person Systems Group.

1962-1967

FOXBORO CORPORATION

Circuit Logic Designer,
Engineering Manager, Digital Systems Division, ultimately supervising hardware development.

Foxboro acquired RCA's Digital Systems Division. 200 employees were merged with the Hardware Development Group and reported to Division General Manager, Joe Lombardo.

1957-1962

RCA CORPORATION

Natick, MA

59-62

Industrial Automation Process Control
Worked on pre-launch products for the Saturn mission. RCA attempted to consolidate business.

57-59

Camden, NJ
Circuit designer in the Advanced Industrial Development Group based in Camden, NJ. Reported to Gardner Hendrie under the overall supervision of Dick Sonnenfeldt. Engineering work focused on industrial automation digital process control. In 1959, RCA moved 110 people to Natick, MA.

RUSSELL REYNOLDS ASSOCIATES, INC.

LAURA BARKER MORSE
Executive Director

Old City Hall
45 School Street
Boston, MA 02108
617 523-1111

September 24, 1986

PERSONAL AND CONFIDENTIAL

David Donaldson, Esq.
Ropes & Gray
225 Franklin Street
Boston, MA 02110

Dear Dave:

Russell Reynolds Associates is pleased to confirm that we are underway to recruit an Executive Director to serve as Chief Executive of the Computer Museum. The person we seek will report to the Board of Directors and will have overall responsibility for the management of the Museum, working closely with the Executive Committee and with the Founding President, Gwen Bell.

It was my understanding that at the Board meeting last night, the Search Committee, chaired by Gardner Hendrie, was empowered to hire this executive. I will plan to meet as soon as possible with that Committee to further refine the position description.

In the interim, Gardner Hendrie and I will stay in close touch with you since it is important to move quickly in identifying outstanding prospects for the position. You have agreed to be the administrative person on the Search Committee. Accordingly, I'm sending you this confirming letter and will address the statements of fees and expenses to you as our work progresses. Let me know if at any time you need additional clarification or would like me to send copies of correspondence to others on the Board or Executive Committee.

Concerning our fee arrangements, we have agreed that our fee will be \$18,000. We will set our billings at \$6,000 per month payable at the end of each of the first three months of the search. We also charge for direct recruiting-related expenses, such as travel and communications costs.

The assignment may be cancelled at any time, although our fee will not be less than the first month's billing plus expenses, nor less than the accrued interim billings to the date of assignment resolution.

David Donaldson, Esq.
September 24, 1986
Page 2

Although we expect to complete the assignment within the three month billing period, we will continue our work for at least an additional three months, charging only for out-of-pocket expenses. In the unlikely event the assignment has not been completed at the end of six months, we would review our total effort with you before proceeding to determine whether there should be any change in the specification or direction. Our objective, clearly, is to complete the assignment to the satisfaction of the Board.

Enclosed for you files is a duplicate of this letter. We would appreciate your signing this and returning it, indicating your acceptance of the terms stated herein.

Best regards,

Sincerely,

Laura Morse

Laura Barker Morse

Accepted: _____ Date _____
David Donaldson
Chairman, Executive Committee

LJBM:sb

AGENDA

10/16/86

SEARCH COMMITTEE

Specification - the committee

What sort of person are we looking for?

Where are we likely to find him/her?

Approval/Modification of Specification

Compensation Proposal - the committee

Search Process - Laura Morse

Next Meeting

October 7, 1986

TO: SEARCH COMMITTEE MEMBERS
Dave Donaldson
Bob Everett
Mitch Kapor
Ralph Linsalata
Bill Poduska
Ed Schwartz
Hal Shear

FROM: Gardner Hendrie
Laura Morse

RE: Computer Museum Executive Director Search

I. October 16th Meeting

A meeting of the Search Committee will be held on Thursday, October 16th from 4:00 to 6:00 p.m. at the office of Russell Reynolds Associates (third floor of Old City Hall). Please call Laura Morse's office if you need instructions as to parking or location. All members of the Committee, with the exception of Bill Poduska, are able to attend. Hendrie and Morse will meet separately with him on October 14th to gain his views.

II. September 29th Preliminary Meeting

On September 29th, a preliminary meeting was held of the committee members who were available. Attending were Gardner Hendrie, Dave Donaldson, Hal Shear and Laura Morse and Jack Vernon of Russell Reynolds Associates.

1. Initial Contacts

Laura Morse has begun initial source calling to industry executives to alert them to the opening and elicit ideas of professionals who have experience in four areas of importance:

Computer industry knowledge;

Educational interest/expertise;

Management capabilities;

Leadership/fund raising capabilities.

2. Not-For-Profit Universe

Jack Vernon of Russell Reynolds Associates gave an overview of the museum world and commented on the outstanding science museums in the U.S. based on his recent search work for the Hong Kong Museum. It was agreed that the likelihood of recruiting our ideal candidate from the technology museum world was slim. However, conversations with and perhaps visits to one or more of those museums might be useful for members of the Search Committee or the Executive Committee. In order to alert the not-for-profit world to this opening, an advertisement will run the week of October 13th in the Chronicle of Higher Education. Responses will be sent to the Search Committee, c/o of Laura Morse.

3. Compensation

Discussion on the compensation aspects of the position was held. We discussed whether it would be possible for candidates with an existing speaking or consulting base to continue that involvement. It was agreed that if the time were clearly defined and those engagements were because of industry leadership, it would be acceptable.

4. Timetable

The search process was reviewed and will be discussed further at the next meeting. The group agreed that it is important to introduce the Executive Director to the Board in February. That will require the Search Committee to be available for interviewing candidates with some frequency over the next few months.

5. Position Specification

We discussed the general outline of the position specification. We would like to adopt the final version on October 16th.

LJBM:sb
enclosures

AGENDA

10/16/86

SEARCH COMMITTEE

Specification - the committee

What sort of person are we looking for?

Where are we likely to find him/her?

Approval/Modification of Specification

Compensation Proposal - the committee

Search Process - Laura Morse

Next Meeting

Gwen needs to respect dir.

Dir. needs to respect Gwen for what she can

Adeline Nahmen is a no/no for dir.

COMPUTER MUSEUM

MEMBERS OF THE SEARCH COMMITTEE

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THE COMPUTER MUSEUM

EXECUTIVE DIRECTOR

The Computer Museum, in downtown Boston, is the world's first and only museum devoted solely to computers and computing. An independent, not-for-profit institution with an international audience and membership, the museum seeks to educate and inspire the public through dynamic exhibitions and programs on the technology, application and impact of computers in society. Candidates will be evaluated on demonstrated management capabilities; interest in and experience with educational programs, either public or private; enthusiasm for and knowledge of ~~the high~~ ^{computers & computing} ~~technology/computer environment~~, and outstanding leadership and communications skills.

Salary commensurate with experience. Send resume and letter to ^{Search} ~~Screening~~ Committee, c/o Laura Barker Morse, Russell Reynolds Associates, 45 School St., Boston, MA 02108.

THE EXECUTIVE DIRECTOR OF THE COMPUTER MUSEUM

Candidates will be evaluated against four important criteria:

- o Proven administrative and managerial ability
- o Demonstrated interest or experience in educational programs, either public or private
- o Knowledge of and enthusiasm for computers and ~~high~~ ^{technology} ~~technology~~ _{computing}
- o Personal leadership qualities including communications skills at all levels

We expect these experiences to have been gained in one of the following arenas:

- o Senior level management experience in a high technology/
computer company

(including corporate education or professional
development staff assignments)
- o The academic/not-for-profit communities at large
- o The science-technology museum world

JOB DESCRIPTIONS: THE COMPUTER MUSEUM

CHAIRMAN OF THE BOARD. Responsible for the overall trajectory of the institution. A leader in capital fundraising and general promotion of the Museum. Spends at least one breakfast, lunch or dinner on Museum business per week. Comes to most Museum functions and acts as host. Uses every opportunity (speaking engagement etc.) where it is appropriate to "plug" the Museum. The Museum has the highest priority of any public service non-profit institution in which the person is involved. Generates enthusiasm among the public, donors, and the staff. "Is a star salesman." Is available on the phone as needed.

This should be a person within the industry that commands respect. The Chairman should be a fundraising leader, either by raising the money from others (if he doesn't have the personal means) or by making significant personal contributions and urging others to do the same.

The Chairman should believe in the Museum and its future. The Chairman should share the vision and need for a "third wave", international museum on computers. The Chairman should take on the 1988 challenge and move the Museum toward success in the 90s.

The first two chairman, Ken Olsen and Bill Poduska were leaders in the industry. Models for a more active chairman include people who recently retired and have the energy to do the job. (Leo Beranek took over the Symphony after he left Channel 5; Frank Hatch who ran an ad agency and for governor, now works on The New England Conservatory; Howard Johnson was chairman of the MFA after he was President of MIT). It is important to have a search group, identify candidates, go after them, and get them to take the job.

CHAIRMAN OF THE EXECUTIVE COMMITTEE. On moving to Boston, this was thought of as a "lawyer's job," who could informally keep things moving on the right track and be a counsellor to the Chairman and the Museum's top leadership. Perhaps this is time to rethink that job, with a lawyer simply put on the Board to provide counsel to the Museum. At this point in time, the Chairman of the Board might well chair the Executive Committee.

VICE-CHAIRMAN OF THE BOARD AND CHAIRMAN OF THE CAPITAL CAMPAIGN. An organizer and enthuser is needed to chair the capital campaign. To put the organization together, and facilitate "sales." The person needs to understand the process, have completed it, but need not be the top salesman. The time involved here is again one breakfast, lunch or dinner per week and using contacts to get the job done. The term of this job is until January 1989.

MEMO

November 10, 1986

TO: The Computer Museum Search Committee

FROM: Laura Morse and Gardner Hendrie

Enclosed is a brief summary of the meeting we held at Russell Reynolds' office on October 16th. Our next meeting will be at 4:00 p.m. on November 20th, also in the Russell Reynolds' office. A report on the search progress will be given at that time.

Also enclosed is the candidate report on Tom Lutz, who is meeting with four members of the Search Committee on November 12th. The enclosed letter should be considered highly confidential and is being sent to Committee members only. We are making every effort to keep the names and backgrounds of candidates and applicants confidential until later in the search process.

Specifically, please don't discuss the identity of candidates outside the Committee, even with other Board members or Museum staff. This is a courtesy to candidates who have permitted us to evaluate their career history on a confidential basis. Thanks for your cooperation.

If you have a conflict on the 20th, please call Susie Baldwin, Laura's secretary, at 523-1111.

LJBM:sb

November 10, 1986

TO: MEMBERS OF THE SEARCH COMMITTEE

RE: Minutes of the meeting, October 16th, 1986

PRESENT: Gardner Hendrie
Dave Donaldson
Bob Everett
Mitch Kapor
Ralph Linsalata
Ed Schwartz
Hal Shear
Laura Morse (Russell Reynolds)
Observers: Bill Olsen, Russell Reynolds
Associates, and Ted Johnson

The Search Committee met and reviewed the position specification, making some modifications. The Committee emphasized that we are seeking a chief executive officer and the following non-essential and essential qualities were agreed upon:

NON-ESSENTIAL

Not for profit expertise

Ph.D.

Golden resume (capstone)

Male

In depth computer experience

U.S. National

ESSENTIAL

Enthusiasm for vision

Leader, builder, communicator

Mgmt. capabilities; having supervised multifunctional areas

Sensitivity/interpersonal skills

Some knowledge of computer community

Deals well with uncertainty

Minutes of October 16 Meeting
Page 2

Laura Morse is revising the specification to conform the Committee's consensus.

We reviewed sources of candidates which include those earlier identified (industry, not-for-profit/academia, science museum).

Compensation was discussed and the Committee is comfortable with a \$90,000 salary. The Committee is open to the individual maintaining outside speaking engagements or limited consulting to supplement the compensation offered.

The search process will progress with Laura Morse recommending candidates to be interviewed by as many Committee members as can be scheduled. Backgrounds on candidates will be regarded as highly confidential in the interim.

The next meeting of the Committee will be November 20th, at 4:00 p.m. at the Russell Reynolds' office.

LJBM:sb

ORGANIZATION

The Computer Museum, situated in downtown Boston, is the world's first and only museum devoted solely to computers and computing. Begun as an historic collection in 1971, the Museum was incorporated ten years later as an independent, not-for-profit institution. Annual attendance at this 55,000 square foot facility now exceeds 90,000. With an international audience and membership, the Museum seeks to educate and inspire the public through dynamic exhibitions and programs on the history, technology, application and impact of computers in society.

RESPONSIBILITIES

As chief executive and a member of the Board, the Executive Director will report to the Board of Directors and will work closely with the Executive Committee of the Board. He or she will be expected to establish institutional goals, develop short and long term operating and strategic plans, allocate resources, staff the organization, and fund its future development.

The role of Executive Director is a new position, incorporating areas of management responsibility which previously were directed by the Museum's Founding President, who now desires to focus on Exhibitions and Collections. The total staff numbers 30, with capable professionals heading curatorial, development, membership and marketing functions. In addition to continuing current programs, the Museum wishes to expand educational outreach. This will include seeking the support and involvement of other institutions, public agencies, foundations, and the private sector.

The Executive Director will be expected to build consensus and lead the Board of Directors, the Trustees, and other affiliates of the Museum in promoting its expanded mission, with particular emphasis on funding for annual and capital campaigns.

QUALIFICATIONS

We seek an outstanding leader who shares the vision of the founders and the Board of this international museum, which is to preserve, celebrate and educate the public to the history and importance of computing worldwide. Such understanding may have been gained through affiliation with a leading computer or technology company, or through a strong avocational interest in computers and their applications. This executive must have the sensitivity and experience to manage the multifunctional operations of this not-for-profit organization, as demonstrated by previous accomplishments. In order to lead the educational thrust and to identify sources of financial support for those programs, this executive should have a personal or professional interest in education. Leadership qualities of the highest caliber are needed to inspire the confidence and support of major corporations, foundations, and governmental entities, as well as to motivate the staff and Museum community towards an ambitious program of growth. Intelligent, energetic, and a team builder, this individual must be an exceptional communicator with a reputation for meeting objectives.

COMPENSATION

The Board of Directors offers an attractive compensation package commensurate with the challenge of building this institution, which is already supported broadly within the computer industry. This opportunity should be attractive to executives as a capstone to earlier career achievements.

RUSSELL REYNOLDS ASSOCIATES, INC.

LAURA BARKER MORSE
Executive Director

November 7, 1986

Old City Hall
45 School Street
Boston, MA 02108
617 523-1111

PERSONAL AND CONFIDENTIAL

Mr. Gardner Hendrie
Chairman
The Computer Museum Search Committee
342 Green Street
Northboro, MA 01532

THOMAS D. LUTZ

Dear Gardner:

I am quite enthusiastic about Tom Lutz as a candidate for Executive Director of The Computer Museum. Lutz has the industry background, management experience, and enthusiasm for computers and computing which we feel are essential in this position. He has had managerial responsibility for diverse functional groups in a number of professional settings, and has built organizations from scratch. He has had not-for-profit experience, both as the top MIS executive at the Mayo Clinic and currently at Baylor University, and is reputed to be a leading educator in the area of information systems.

Age 49, Lutz began his career with IBM and led technical education programs for ITT and Nolan, Norton, the Boston based systems consulting firm. He also worked in a Boston area start up, Higher Order Software, whose two founders were women software developers. Comfortable dealing with senior executives, Lutz has assembled a high-powered board of directors to advise on Baylor's curriculum. He is a frequent speaker and now does so for the Amdahl Lecture Series. He is intrigued with the challenge of the Museum and, because he and his family have lived in Boston and own a vacation home in New Hampshire, the idea of returning to this area is highly appealing.

At the present time, Tom Lutz is Executive-Information Systems, and Director of the Masters Program in Information Systems Management at Baylor University School of Business in Waco, Texas. Concurrently, he consults to a number of companies such as Armco and Honeywell Bull on issues surrounding the effective management of technology. His "mission" in a consulting assignment is generally to

Mr. Gardner Hendrie
November 7, 1986
Page 2

improve the client organization through personal and professional staff growth, and through defining and enhancing corporate ethics. Lutz is a man of strong conviction who emphasizes collegiality in all of his efforts. With a high energy level and an outgoing personality, he derives satisfaction from helping organizations grow.

At Baylor for just eighteen months, Tom has completely implemented a graduate course of study for the Business School and is now working on an undergraduate course curriculum. The Dean of the Business School, who has a number of business interests in Texas, is trying to persuade Tom to affiliate with him long term, but Tom and his wife are ready to leave Texas at the end of this assignment. He would be available to begin a new position early in 1987.

By way of early background, Lutz was born in Kansas in 1937, the only child of a Baptist minister. His family moved to Wisconsin and Tom later graduated from high school in Aberdeen, South Dakota. He began working at an early age, usually 30 hours a week from the time he was thirteen. Fortunately, Tom was an excellent student and received scholarships, first attending Northern State College in a pre-engineering program, and completing his credits at South Dakota School of Mines in 1960 with a BS in Mathematics. Later, while based in New York with IBM, he received a Masters in Operations Research from New York University.

During his college years, Tom was active in music, dramatics, worked full time, and was pastor of a church. While still in college, he married his wife, "Cheke," whose father was a Baptist minister also. During Tom's senior year, he taught at a South Dakota high school, was named to Who's Who Among Students, and maintained a B+ average.

Upon graduation, he joined IBM as an Applied Science Representative (systems engineer) in St. Paul, Minnesota, serving educational, scientific and research-oriented computer users. His work with the Mayo Clinic evolved into a full time assignment, where he was seconded by IBM to teach doctors the computer systems, and oversee implementation of a real time computer system for medical research.

Mr. Gardner Hendrie
November 7, 1986
Page 3

In 1965, he went to the IBM Systems Research Institute in New York, and taught courses related to systems technology and mathematical disciplines. During this time he was also a visiting lecturer at two New York area colleges. Following this interim year, Tom became a permanent member of the SRI staff, teaching courses in time-sharing, data acquisition, and process control, and continued some personal research in the area of man/machine interfaces. He also was responsible for opening SRI's first location in Europe and establishing the first fee-based education courses for IBM.

Tom led in founding, in 1969, the IBM System Science Institute in New York City with the goal to sell and deliver advanced curricula to IBM customers. He served as Director and also taught at the Pratt Institute Graduate School of Engineering and Science in Brooklyn. There, as an Adjunct Professor, he taught Operating Systems, Statistics, Time Sharing and Mathematics.

Lutz was promoted to Manager, Systems Science Education for IBM in White Plains and built a marketing organization to sell the advanced education products. He opened new facilities and managed curriculum requirements, as well as supervising the development, promotion, and educational quality of the Systems Science Institute. Within the United States he opened four training facilities and also ran international projects. Tom believed his next promotion would be an enlargement on those responsibilities and rather than remain a "special purpose" education manager, he decided to leave IBM and join the Mayo Clinic as head of Information Systems.

At the Mayo Clinic between 1973 and 1980, Lutz had executive responsibility for a staff of 80, a \$5 million budget, and had reporting to him managers of System Support, Application Development, and Medical Research Computing. He organized and technically integrated the administrative, clinical, and research information systems, and installed 80 computers including two mainframes, 20 minicomputers and 60 microcomputers. He also developed an organization which successfully marketed medical computing products and services, and had revenues of \$3 million.

Mr. Gardner Hendrie
November 7, 1986
Page 4

By 1980, there appeared to be no new challenges at Mayo Clinic and Tom was open to an assignment as Director of Worldwide Education for ITT Programming. ITT, at that time, had \$22 billion in revenues, 150 autonomous companies and more than 6,700 people devoted to information systems. Their SVP of Advanced Technology, Dr. Al Goodson, was given the task to put programs in place throughout the operation to improve their use of computing power. The Director of Programming, Jim Frame, was recruited from IBM and in turn recruited Tom Lutz. In that position, Tom had 16 people in New York, several in Europe, and a budget of \$5 million. Five managers reported to him in Education, Curriculum Development, Executive Briefing, Program Education, and European business. He also ran the administrative side of the Programming operation. This included reviewing the business plans for all the autonomous companies of ITT, and general management audits of their operations.

During this time, he actively lectured, consulted, and wrote for outside organizations, activities which he continues and which have routinely contributed a substantial percentage of his income. While at ITT, Lutz was approached by Dick Nolan, and was intrigued with the idea of moving to a smaller organization where he could have a significant impact on its way of doing business.

Lutz accepted an offer from Dick Nolan to join Nolan & Norton as a Principal (the first outsider to do so), and establish an education business with the target of \$4 million in annual revenue. The goal was to develop and deliver an executive and management education package which would address the critical business issues of information technology. Within a year Lutz established this program on a highly profitable footing. He supervised six consulting professionals and, on a project basis, purchased the time of other consultants.

Among the companies he sold such training programs to were the Pontiac Division of General Motors; TRW; IBM; and Hercules. The educational product sold for between \$50,000 and \$500,000 and combined some educational techniques with subject matter. In addition to directing the education program, Tom also was responsible for the corporate communications program of Nolan, Norton. While his

Mr. Gardner Hendrie
November 7, 1986
Page 5

business unit was successful and exceeded all targets, he increasingly had a conflict with Dick Nolan, who was unhappy to have consulting become overshadowed. Tom was very sensitive to this, and when Jim Frame asked him to take on a "rescue mission" at Higher Order Software, he saw it as a way to exit Nolan, Norton.

Higher Order Software was a client of our office, and I'm acquainted with the President and Founder, Margaret Hamilton, who was a project leader at Draper Labs prior to forming this company which was funded by Venrock and others. Tom was recruited by Jim Frame, who was Chief Operating Officer, but Frame became discouraged and left before Tom began. Unfortunately, neither could reverse many of the problems and decisions which were made prior to their arrival, primarily because Hamilton had difficulty in transitioning from a development viewpoint to a profit-oriented business. When the investors decided to pull back, Tom accepted a standing offer to establish the program at Baylor.

I am impressed with his accomplishments at Baylor, which included fielding a board of advisors. Tom has promised to send a copy of the invitation which he wrote asking them to join the Board and laying out his expectations for their participation.

In my opinion, Tom would be an excellent choice for Director of the Museum since he is personable, soft-spoken but powerful, works hard but is easy on others, and has a great deal of pride but few ego demands. Coincidentally, an industry observer who knew him at Higher Order Software told me that Lutz is an outstanding communicator who can describe complex situations with simple flip charts. He is said to have excellent personal selling skills. People who have worked with him feel that he is fair, forthright, and confident. You will have to judge whether his style will work with the Museum's constituencies.

In that regard, Tom told me that he met Ken Olsen at a Christian Computer Users' Conference, and that he would be comfortable approaching Olsen or any other industry CEO on behalf of the Museum. For him, this situation offers an opportunity to contribute to the industry; build something

Mr. Gardner Hendrie
November 7, 1986
Page 6

worthwhile; and educate others about the history and importance of computing. His concern is that his background may not be viewed as sufficiently "technical" when compared with others who have been scientific leaders.

In personal terms, Tom is of medium height and build, wears glasses, and looks older than his age. He and his wife have a son at Baylor, a daughter, age 16, who is in high school, and an older son working on his own.

Tom is planning on being here for the full day on November 12th, and I look forward to your reactions after meeting with him.

Best regards,

Sincerely,



Laura Barker Morse

LJBM:sb
cc: Search Committee

TOM LUTZ
309 Trailwood Drive
Waco, TX 76710
Home: (817) 772-8776
Home office: (817) 776-9295
Baylor office: (817) 755-2114

PERSONAL

Date of Birth: 9/15/37
Married, three children

EDUCATION

1960	BS	SOUTH DAKOTA SCHOOL OF MINES & TECHNOLOGY Rapid City, SD Mathematics
1969	MS	NEW YORK UNIVERSITY Operations Research

EXPERIENCE

1985-present	<u>BAYLOR UNIVERSITY SCHOOL OF BUSINESS</u> Waco, TX	Executive in Information Systems Director, Master's Program in Information Systems Management
1983-present	<u>TOM LUTZ MANAGMENT GROUP</u> Waco, TX	President
1984-85	<u>HIGHER ORDER SOFTWARE, INC</u> Cambridge, MA	Vice President
1983-84	<u>NOLAN, NORTON & COMPANY</u> Lexington, MA	Principal & Director of Education and Communications

EXPERIENCE, con'd

1980-1983	<u>ITT CORPORATION</u> New York, NY Director, Management & Programming Education
1973-1980	<u>MAYO FOUNDATION</u> Rochester, MN Head, Information Systems
1960-1973	<u>IBM CORPORATION</u> White Plains, NY
1972-73	Manager, Systems Science Education White Plains, NY
1969-71	Founder & Director, Systems Science Institute New York, NY
1966-69	Senior Faculty Member, System Research Institute New York, NY
1965-66	IBM Sabbatical Appointment IBM Corp., New York
1960-65	Applied Scientist St. Paul, MN

COMPENSATION HISTORY

While at ITT, Lutz's base salary was \$120,000 plus \$20,000 cash bonus and options.

At Nolan, Norton he recieved a \$100,000 base salary plus a \$25,000 bonus and stock.

Typically, he has earned up to \$20,000 per year from outside speaking engagements.

On November 12, 1986, I met with Tom Lutz, a potential candidate for Executive Director of the Computer Museum. He is straight forward and direct, yet clearly a very good salesman, especially, for himself. His specialty is customer education with a particular thrust toward executive workshops for top-level executives and workshops for workers dealing with the impact and issues of information systems and technology. He has a consulting business to which he devotes six days a month, which with four associates yields him a significant amount of outside income. He indicated that the fee for an executive attending one of his workshops was \$1,000 a day. He also has made a couple of video tapes which are marketed through another organization. He claims his average monthly royalties from those tapes is \$1,500. My guess is that his abilities as a speaker, presenter, and salesman may be in some way related to the fact that his father was a baptist minister.

He claims to be a tough, but fair manager, and to really enjoy turn-around situations. When asked what stimulated him about a job and what kinds of things made him move on to another job, he indicated that he enjoyed the challenge of something new and the learning experiences that occurred when doing that. He indicated that he might very well move on from the computer museum after three years when discussing what he might be doing five to ten years from now. He believed that in ten years he probably would be writing a book.

He spent some time talking about the experience at Higher Order Software, which was run by two ladies who did not have any commercial genes. He indicated that one of the founders, Margaret Hamilton, still considered him a friend, even though she was eventually forced out of the company (however, not by Tom Lutz).

I do not think that Tom Lutz and Gwen would chemically blend. I am sure that Tom would make all the necessary outward efforts to work with Gwen, but I question that he would command her respect or deal with her in a way that she felt comfortable with in the long run.

The other issue with Tom is that he has no natural sense of the history and the significant events in computing, and thus, would absolutely require a Gwen Bell or an equivalent person to meet the Museum's mission of collecting important computer artifacts and educating through history.

On September 25, 1986, I met with Gwen Bell to review her views on: the transition in the overall structure of the computer museum and the characteristics of the individual we should be searching for. Gwen said that the thing she liked to do best and which she would like to continue to do was going around and speaking for the museum and making deals for money and collections. She also indicated that she very much wanted to work for the museum. She wanted a job at the museum and she viewed that she could also and was in fact probably was the only person at the museum who is really interested in the collecting aspects of the museum. She of course is also interested in the exhibits and the current role outlined for the board is for her to be curator of exhibits and the collections.

In terms of the issue of pushing Oliver Strumble down in the organization, that will not be a problem since he has already been planning to leave the museum for a career in industry after he completes the AI and software exhibits.

I asked Gwen specifically whether she was going to join the Smithsonian since Gordon is currently located in Washington, and she said no. She had no interest in that. It is too bureaucratic and too scholarly and she is not really a scholar. She talked to Dave Donaldson and confronted him with his statement as of last January that he wanted her out of the museum and he now says absolutely that she needs to be a part of the museum.

Gwen's view of the ideal executive director would probably be (if I could paraphrase) as follows:

1. A capability to raise money.
2. The ability and inclination to court state and local government and charitable foundations and other organizations not directly related to the computer industry for support.
3. The ability to court the business (as opposed to the intellectual) leaders of the computer business and get their support.
4. The ability to manage the day to day affairs of the museum.
5. The ability to maintain and enlarge the support of individuals who have made significant amounts of money in the computer business since they are the most likely source of revenue over the next couple of years (this is probably more my idea than Gwen's).

I went over the names of the members of the search committee to get Gwen's assessment of their value in identifying and selling the right candidate. I'll list the names one at a time making a brief comment after each name:

Mitch Kapore - he should be very helpful and seems to really understand what the museum is all about.

Ed Schwartz - a really straight foreword, likable person who is behind the museum and is also has a good understanding of it.

Bob Everett - A founding member of the museum and probably the most significant fund raiser other than the Bells so far. An avid supporter and clearly understands the museum's business.

Hal Shear - Not clear that he understands the museum or has much to offer. Not a board member.

Ralph Lancelotta - The same comment on Ralph.

Dave Donaldson - Chairman of the executive committee. He does not understand the museum as an entity that well, but clearly wants to make certain that the search does not make a mistake.

Bill Podoska - I told her that she didn't need to say anything about Bill because I knew him well.

Among Gwen's random comments she thought the executive director might very well be somebody who has already made money and thus was not doing this for financial gain. I agree with this view.

The bottom line is that Gwen seems to be in pretty good shape. Though this has obviously been a very traumatic series of events for her. I told her that my objective was to, within the influence that I could wheel on the committee, see that the next executive director was somebody whom she felt made a stronger museum than the current museum.

THE EXECUTIVE DIRECTOR OF THE COMPUTER MUSEUM

PROFILE

- Shares the vision of The Computer Museum.
- Synergistically compatible with Gwen Bell.
- An articulate fund raiser who can lead the fund raising campaigns and enlist the active support of the Board of Directors.
- A proven executive with skills and experience applicable to managing the operations of the Museum.
- A capable communicator both upwards to the Executive Committee and Board of Directors, across the organization to all employees and outward to the many constituencies of the Museum.
- Has a strong interest in and understanding of the new emphasis on the education portion of the Museum's mission.
- Possesses the ability and credentials to inspire the confidence and support of major corporations, foundations and federal, state, and municipal governments.

JOB DESCRIPTION

1. Manage the ongoing operations of the Museum.
2. Lead The Computer Museum first to national and later to worldwide prominence with a staff noted for its excellence and record of achievement.
2. Translate the long range vision of the Museum into both short term operating plans with specific identifiable goals and long range strategic and financial plans that communicate the future direction and needs of the Museum.
3. Organize and motivate the Board of Directors and the other affiliates of the Museum to achieve the desired level of funds in the capital campaigns.
4. Inspire the creation of an innovative long range education program that becomes the model for Museums and other informal learning forums.

ROPES & GRAY
225 FRANKLIN STREET
BOSTON, MASSACHUSETTS 02110

(617) 423-6100

IN PROVIDENCE

30 KENNEDY PLAZA
PROVIDENCE, R.I. 02903
(401) 521-6400

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IN WASHINGTON

1001 TWENTY-SECOND STREET, N.W.
WASHINGTON, D.C. 20037

(202) 429-1600

TELECOPIER: (202) 429-1629

December 5, 1986

Laura Cooper Morse
Russell Reynolds Associates, Inc.
Old City Hall
45 School Street
Boston, MA 02108

Re: The Computer Museum

Dear Laura:

With apologies for the delay, I enclose herewith the contract between the Computer Museum and Russell Reynolds governing the search for a new Executive Director. I have signed the contract on behalf of the Museum, despite the fact that I have yet to obtain the consent of the Executive Committee to its terms. They are bothered, as you know, by the fact that the contract requires three monthly payments regardless of the progress or outcome of the search; some members of the Committee would prefer to have the third payment made only on successful completion.

However, being closer to the search process I realize that our failure to sign the contract in its present form could seriously jeopardize your ability to conduct the search with the full resources of Russell Reynolds; I have, therefore, signed it on the assumption that come what may it will all work out in the end. I have also presented your two bills to the Museum with instructions that the first one be paid forthwith. We meet again as an Executive Committee on the 18th of December, and I hope at that time to obtain authorization for the second payment.

I apologize for the hassle that this represents. As a seller of services myself, I am keenly aware of the fact that prompt payment for services is a key ingredient in ensuring that the service is promptly, efficiently and

Laura Cooper Morse

-2-

December 5, 1986

cheerfully delivered, and I want no part of any group which does not appreciate that fact. You have been prompt, efficient and cheerful, despite our dilatory approach toward signing the contract and making payments, and for that you have my deepest appreciation.

I am pleased at the progress that the search is making and am confident that with your help and the time and energy of Gardner and his committee the search will be successful.

Sincerely,

A handwritten signature in black ink, appearing to read "David", with a large, sweeping initial "D" that loops back.

David M. Donaldson

DMD/alr

cc: Gardner Hendrie ✓

RUSSELL REYNOLDS ASSOCIATES, INC.

LAURA BARKER MORSE
Executive Director

Old City Hall
45 School Street
Boston, MA 02108
617 523-1111

September 24, 1986

PERSONAL AND CONFIDENTIAL

David Donaldson, Esq.
Ropes & Gray
225 Franklin Street
Boston, MA 02110

Dear Dave:

Russell Reynolds Associates is pleased to confirm that we are underway to recruit an Executive Director to serve as Chief Executive of the Computer Museum. The person we seek will report to the Board of Directors and will have overall responsibility for the management of the Museum, working closely with the Executive Committee and with the Founding President, Gwen Bell.

It was my understanding that at the Board meeting last night, the Search Committee, chaired by Gardner Hendrie, was empowered to hire this executive. I will plan to meet as soon as possible with that Committee to further refine the position description.

In the interim, Gardner Hendrie and I will stay in close touch with you since it is important to move quickly in identifying outstanding prospects for the position. You have agreed to be the administrative person on the Search Committee. Accordingly, I'm sending you this confirming letter and will address the statements of fees and expenses to you as our work progresses. Let me know if at any time you need additional clarification or would like me to send copies of correspondence to others on the Board or Executive Committee.

Concerning our fee arrangements, we have agreed that our fee will be \$18,000. We will set our billings at \$6,000 per month payable at the end of each of the first three months of the search. We also charge for direct recruiting-related expenses, such as travel and communications costs. As you know, our normal fee is one-third of the first year's cash compensation received by any individual engaged through our assistance. Upon completion of this project, we would like to have the difference between \$18,000 and our normal fee be regarded as an "in kind" contribution to the Computer Museum.

David Donaldson, Esq.
September 24, 1986
Page 2

The assignment may be cancelled at any time, although our fee will not be less than the first month's billing plus expenses, nor less than the accrued interim billings to the date of assignment resolution.

Although we expect to complete the assignment within the three month billing period, we will continue our work for at least an additional three months, charging only for out-of-pocket expenses. In the unlikely event the assignment has not been completed at the end of six months, we would review our total effort with you before proceeding to determine whether there should be any change in the specification or direction. Our objective, clearly, is to complete the assignment to the satisfaction of the Board.


Enclosed for you files is a duplicate of this letter. We would appreciate your signing this and returning it, indicating you acceptance of the terms stated herein.

Best regards,

Sincerely,



Laura Barker Morse

Accepted:  Date Dec 5, 1986
David Donaldson
Chairman, Executive Committee

LJBM:sb

RUSSELL REYNOLDS ASSOCIATES, INC.

LAURA BARKER MORSE
Executive Director

Old City Hall
45 School Street
Boston, MA 02108
617 523-1111

December 10, 1986

PERSONAL AND CONFIDENTIAL

Mr. Gardner Hendrie
Chairman
The Computer Museum Search Committee
Sigma Ventures
342 Green Street
Northboro, MA 01532

ROBERT F. ANDERSON

Dear Gardner:

Bob Anderson was highly recommended to me as a superb manager who is also "a very nice guy" with outstanding skills in managing relationships with subordinates, peers, and board level executives. Highly energetic at 61, Anderson began his career with Honeywell in 1956 in sales and marketing. He has been the advance guard for a number of new business units and has also been something of a troubleshooter within the company. From our discussion, it seemed that he has met with success in each assignment from heading Strategic Planning to running the engineering group in Billerica. Currently, he supervises a staff of 80 in his role as Vice President, Marketing Services.

A 1950 graduate of MIT, Anderson has decided to leave Honeywell Information Systems, given the pending divestiture. He is not, however, ready for retirement and will be considering alternative career opportunities. He has not as yet made this widely known, so that we have an opportunity to focus his attention on The Computer Museum, should we choose to do so.

By way of background, Bob Anderson was raised in Arlington, the youngest of five children. His father was a CPA. He and his wife, Claire, have 8 children, all of whom are successfully launched. Following his graduation from MIT, where he majored in Engineering Management, he went to work for duPont and, between 1950 and 1956 was an industrial engineer assigned to plants in Richmond and Wilmington.

Mr. Gardner Hendrie
December 10, 1986
Page 2

Anderson returned to New England in 1956 to join Datamatic, which was then jointly owned by Raytheon and Honeywell. (A year later, Honeywell bought out Raytheon's investment.) Bob was a sales engineer until promoted to Sales Manager and assigned to open a Washington, DC office with responsibility for building a federal systems business, which he successfully did. In 1960, he was moved to head the New York City sales office, which was something of a turnaround. He managed 50 sales representatives and a total staff of 150, building the business to where they generated \$1 million in sales weekly.

Returning to Massachusetts as Director of OEM sales, he initiated that activity for Honeywell and a year later was asked to establish an industry marketing group. Two years later, he was again asked to pioneer a new commercial area as Director of Marketing, Planning and Administration. Promoted to Vice President, he added Program Management in 1969, and took on total responsibility for strategic planning for all of Honeywell's information systems in 1981. In these roles, he reported to Clancy Spangle, Division President, who later headed Memorex.

In 1977, Bob was given line responsibility for the General Products operation including international. This operation sold refurbished computers which was an extremely profitable "harvest" opportunity for the company. Next, in 1979, Bob took on responsibility for the Billerica minicomputer engineering department, which was experiencing some trouble. Reporting to Jim Pompa, he had developmental responsibility for their hardware and software. Ross Belsen, now at Lexidata, headed the hardware side and Paul Derby, a general manager with Honeywell Information Systems, ran software. A total of 900 people reported to Anderson in this key position.

Four years ago Anderson took over in the Applications Systems Division with responsibility for custom and special products. He was also charged with implementing the SNAP (Shipboard non-tactical ADP program) contract with the U.S. Navy. This \$600 million contract was the largest ever undertaken. Once that was implemented, Anderson became Vice President-Marketing Services. He has responsibility

Mr. Gardner Hendrie
December 10, 1986
Page 3

for all Honeywell advertising, public relations (although not their PR agency), sales promotion, field communications, sales training, technical communications, guest services, and the quality management issues within the U.S. Marketing and Services Group. Strategically, he is responsible for setting policy about corporate image, product introductions, and policy statements. He reports to Jim Verrant in Minneapolis, who I initially talked with about our search.

I think that Anderson would be an outstanding choice for Executive Director of The Computer Museum. He has the enthusiasm for the industry, experience in communicating about it, and the management track record to do an excellent job. He has taken on many new assignments in his career, and would transition comfortably to the not-for-profit world, in my estimation.

Anderson is a low key, straightforward person who makes a good personal impression. Tall with white hair, he conveys both energy and competence. In our meeting, he was quite modest about his record of success at Honeywell (he was not "selling" himself). When I asked him to describe what his superiors generally said during reviews, he responded easily. He said that he is regarded as an integrator who makes things happen. Also, "I'm credited with having creative ideas." In terms of management style, he said: "People like to work for me. I like to develop subordinates and I am thought of as a problem solver." Those characteristics all seem very compatible with our goals.

I look forward to hearing your reactions to your meeting with Bob Anderson.

Best regards,

Sincerely,



Laura Barker Morse

LJBM:sb

DOB ~~B 1/14/3~~
3/14/30

BRADFORD I. TOWLE

Home: (winter)
295 Independence Road
Concord, MA 01742
(617) 369-8030
or (summer)
11 Winfield Lane
Osterville, MA
(617) 428-4042

Work: IBM Corporation
Northeastern Area
303 Wyman Street
Waltham, MA 02254
(617) 895-2309

Education and Previous Business Associations 1947-1983

Webb Institute of Marine Engineering
and Naval Architecture

(195)

B.A. in Business Administration and
Economics - Tufts University

Executive Program in Business Administration
Columbia University - Graduate School
of Business

Aspen Executive Program
Aspen Institute for Humanistic Studies

Conference for Business Executives on
Federal Government Operations
Brookings Institute (Advanced Studies Program)

IBM Advanced Management School
Sands Point

IBM Executive Program
Sands Point

Corporate Real Estate Management
American Management Association

Planning and Managing Real Estate
American Management Association

Real Estate Management and Principles
Sacred Heart University

Co-chairman, GSA Study on Selection of Architects

Member of the IBM Art Committee

Member of the Board of Trustees of Council for
the Arts in Westchester County

Member of the Executive Committee of Council for
the Arts in Westchester County

Business & Non-Profit Associations - 1986

✓ Associated Grantmakers of Massachusetts	Board & Executive Committee Member
School Volunteers for Boston	Board Member
Massachusetts Youth Leadership Foundation	Chairman of Advisory Board
University of Massachusetts, College of Management	Board of Advisors
Boston College Institute of Corporate Community Relations	Member of Advisory Board
✓ Museum of Science	Member of ComputerPlace Advisory Board
Cotting School for the Handicapped	Board of Trustees Chairman of Advisory Council
✓ Greater Boston Chamber of Commerce	Member of Education Committee
Greater Boston Chamber of Commerce	Member of Computer Education Sub-committee
Greater Boston Chamber of Commerce	Member of Adult Literacy Sub-committee
Greater Boston YMCA	Member of Public Affairs Committee
Massachusetts High Tech Council	Member of K-12 Education Committee
Private Industry Council	Member of Education & Youth Employment Committee
Associated Industries of Massachusetts	Member
Givers' Group	Member
Governor's State Job Training Coordinating Council	Member
Greater Boston Chamber of Commerce	Member of Executive Club
Massachusetts Business Roundtable	Deputy

2 + 2 kids

15, 18, 28 + 29

-3-

Business Associations - 1986 (Continued)

Massachusetts High Tech Council	Member
Museum of Science	Member of the Corporation
New England Council	Member
United Way	Corporate Member
United Way	Member of Multi-Year Strategic Fund Raising Committee

Work Experience
IBM Corporation

Information Systems Group, North-Central Marketing Division 1982-Present

Regional Community Relations Manager

Area Manager of External Programs

Real Estate and Construction Division 1967-1982

Controller

Vice President, Plans and Controls

Vice President, Operations

Vice President, Staff Services

Director of Design

Data Processing Division 1954-1967

Sales Trainee, IBM Boston Branch Office

Sales Representative, IBM Pittsfield Branch Office

National Account Manager, IBM Boston Branch Office

Data Processing Manager, IBM Hartford Branch Office

Branch Manager, IBM Providence Branch Office

Equipment and Order Control Manager, Eastern Region

Controller, Eastern Region

Manager of Finance and Administration, Eastern Region

*Pilot -
now external*

January 14, 1986

TO: MEMBERS OF THE SEARCH COMMITTEE

FROM: Laura Morse and Gardner Hendrie

RE: Minutes of Committee Meeting, January 12, 1987

PRESENT: Gardner Hendrie
Dave Donaldson
Mitch Kapor
Ralph Linsalata
Ed Schwartz
Hal Shear
Laura Morse

NEXT MEETING: Tuesday, February 10, 8 am, at Mitch Kapor's office, 124 Mt. Auburn St., Cambridge.

An update on the status of The Museum was given by Ed Schwartz, including issues of staffing and fund raising. When the Executive Committee meets on January 16th, members of the Search Committee will indicate that the process is moving ahead smoothly. It was agreed that we should have another meeting prior to the full Board meeting on February 18th. The next meeting was scheduled for the same location on Tuesday, February 10th at 8 a.m.

The list of candidates who have been interviewed was reviewed. It was agreed to sign off Bob Anderson and to complete interviews with Brad Towle. Concurrently, Laura Morse will be checking references on Towle. It was agreed to have Dick Rutledge of IBM interview with the Committee. That will be scheduled for the week of January 26th when Mitch Kapor returns to Boston. Gardner Hendrie will be having lunch with Joe Cashen to try to generate further discussion on his part, and will also meet with Brad Stroup of Data General to learn more about his interests and concerns. Tom Lutz continues to be held in reserve.

Refinements of spec: in general, we continue to seek industry experience. Consensus was reached that an IBM background would be positive and that management skills, rather than technical skills, must be the first priority. Of course, we would be pleased if one candidate possesses both. The software industry was discussed, and Mitch Kapor noted that because of its youth it would be an unlikely source.

The Committee reviewed additional suggestions as to sources and prospects which will be followed up by Laura Morse.

AGENDA

11/26/86

SEARCH COMMITTEE

Review of Candidates Contacted

Solicitation of Names

Meeting with Roger Nichols

Interviews with Tom Lutz

Discussion of the "Education" portion of the Specification

Next Meeting

AGENDA

1/12/87

SEARCH COMMITTEE

Update of Current Museum Status

Review of Active Candidates

Review of Candidates Interviewed Since Last Meeting

Anderson
Towle
Stroup
Rutledge

Specification Issues

Next Meeting

Bottom line: Greater risk reward potential with Rutledge:

RISKS: Greater cost, likeliness to big deal things, moving to Boston, greater difficulty for me to communicate with him.

REWARDS: Knows what the high ground and being number one is like, may be able to take advantage of the foothold that the Museum has and bring it off quicker.

Cashen is a safer route but perhaps less potential.

RISKS: Less of a strategic marketing person.

REWARDS: Understands startups and doing everything; understands the fundamental product better; comes from our strengths in the "engineering" community who understand/appreciate the Museum.

A parable. In the last year, the Silicon Valley High Technology Center has gone through three presidents, each with press announcements and the whole biz. The first was Jim Adams from Stanford (that didn't work out), the search committee chose Roger Staehle Dean of Engineering from U of Minnesota who moved out there with great fanfare and lasted one month. Left due to major disagreements with Ritter, the Chairman of the Board. Last month a new announcement was made of a San Jose person from Arthur Anderson who has taken the job. How can we learn from this?

DETAILED COMMENTS

Management:

Cashen. Familiar with startups and would be familiar with the problems that we still have of doing everything without a large organization to do it for you. Says he is a consensus builder/manager and happiest when others buy his ideas as their own. (This is an excellent trait when working with a volunteer board and committees.)

Rutledge. Big organization experience with armies to follow a lead. Seems to be more authoritarian. Studies a problem, arrives at a solution and sells it as his own (a la the "Marts" and IBM). Knows how to manage in a big organizational setting. Very proud of his accomplishments. I personally have always had trouble with this form of "Type A" male.

Marketing:

Cashen. Familiar with the "product" as it is and I think has some vision about the role of computers in society and what the role of the Museum might be in society.

Rutledge: Clearly doing a strategic marketing plan and then selling it is "his thing." He knows what "capturing the high ground" is all about. He would try to do it. Don't know if he has the "patience" to really work the Museum problem. He could sell any product, any way; will pattern the information about the Museum so that it sells.

Selling:

Cashen: Our best prospects, the folks who have made a lot of money from small companies, would be comfortable with him. The large foundations and companies, where we have made little inroad, is new territory.

Rutledge: Because he came out of IBM doesn't really mean he can sell them on the Museum. May have stronger capabilities of selling to the large foundations/organizations. Better salesman for all large major institutional supporters.

Startups:

Cashen: He has been there. Knows that there is a hard haul ahead. Wasn't in a market for a job. Not clear that he needs/wants to make another impact.

Rutledge: Lots of things get covered up in a large organization. What is the record on people leaving IBM and being successful in small organizations? Wants to make an impact on a smaller institution, i.e., job with Fortune 1000 (not 100).

TOM LUTZ
309 Trailwood Drive
Waco, TX 76710
Home: (817) 755-2114
Work: (817) 776-9295

6/1985-present

Currently at BAYLOR UNIVERSITY, Waco, TX. Responsible for building Masters program in Information Systems Management. Concurrently establishing leadership program for Baylor's Graduate School of Business.

1/1984-6/1985

HIGHER ORDER SOFTWARE

Vice President-Sales & Marketing

Interim position at the request of the Board to restore customer confidence to troubled start-up.

1983-1985

NOLAN & NORTON
Waltham, MA

Senior Vice President in charge of building an education practice

1979-1983

ITT
New York, NY

Vice President-Executive Education

1960-1979

IBM

Last title: Director, Systems
Science Institute

Reported to Russ Drew--Vice President,
Education.

TOM LUTZ
Page 2

EXPERIENCE, con'd

Previous positions:

MAYO CLINIC--Head-Information Systems (a sabbatical appointment)

IBM--Applied Scientist, New York and Minneapolis.

Concurrent to position at Baylor, consults to a number of companies including IBM, where his client is Jim Horrigan (who is responsible for Information Systems based in Austin); Amdahl, where he has been an invited Lecturer on their Lecture Series; ITT; Honeywell, and others. At Baylor Lutz has put together an Advisory Board consisting of representatives from General Dynamics; Texaco; EDS; IBM, and Sun Oil. They meet for a weekend quarterly to discuss goals for the Baylor program. Individually, the executives were recruited to that Board by Lutz.

Dick Rutledge

good strategist
good salesman
good people skills
no incite in computer history
good fund raiser
no business operating experience
questions on intelligence

manager of business

- ① raising \$
- ③ developing ~~outreach~~ marketing
- ② developing product

Joe Cashen
motivated

29 30 1 2 3
MTWTF

6 7 8 9 10
MTWTF

13 14 15 16 17
MTWTF

Mitch Kapor
~~577-8500~~ 576-5715

4-6 4-6

Bill Poduska
964-1000

Sellar 4-6 3-5 X 4-6

Ed Schwartz
493-5500

X 4-6 4-6 4-6

Bob Everett
271-2529

X X 4-6 4-6

Dave Donaldson
423-6100

4-6 X 4-6 X

Ralph Linsell
439-9260

4-6 — unconfirmed

Hal Shear
542-6633

4-5:30 4-6

G.C. W X X X

X X

Laura Morse

4-6 4-6 4-6 4-6

Search Committee

2:30 -

- Mitch Kagon - ~~617~~ 577-8500
- Bill Poduska 964 1000
- Ed Schwartz 493-5500 ✓ - gone until 10/14
- Bob Everett 271-2529 (Mitne) ✓ tomorrow
- ✓ Hal Shear 542-6633 ✓
- ✓ Dave Donaldson 423-6100
- ✓ Ralph Linsellanta 439-9260 ✓

Gardner H. (Chairman)

job description
process
time table

Science Museum Roger Nichols
Chuck Hawthorn

~~Jim Giroux~~