

MEMORANDUM

TO: Mark Gershien

FROM: Scott Yeager *Scott*

cc: George Tronsrue III
Doug Bradbury
Kevin O'Hare
Jerry Brockhurst
Tim Devine

DATE: October 1, 1990

SUBJ: High Incidence of "Special Applications" in Houston from End Users such as EDS, Baylor Medical, TCB and others.

You commented that you were concerned about the high incidence of "special applications" in Houston and the time spent pursuing them. Your concern was that these projects were detracting from Houston's focus on selling DS0, DS1 and DS3 circuits on Network in Downtown.

These opportunities are being generated as a result of our pursuing DS0, DS1 or DS3 potential on the Downtown network or on the Expansion backbone. Obviously, an internal system needs to be developed to respond to them to allow them to be pursued in a realistic time frame.

This memo should explain why this is occurring and the issues from the customer's perspective. ~~These projects are a direct result of our effort to be responsive to the customer needs including the DS0, DS1 and DS3 business from these customers. Dark fiber is being offered by SWB as a solution to all the customers network requirements. This is creating problems for MFS when approaching customers.~~

The customers who have raised these "special applications" issues are not unique. They do have a profile. They are large End Users located in multiple buildings with voice, data and possibly video requirements between buildings and to their carriers.

Houston sales is actively pursuing End User to End User applications as well as End User to IXC applications. Discussions start with the customers DS0, DS1 or DS3 requirements to their