

Yeager, Scott

From: Hardie John
To: Behrens Lisa
Cc: Collins Lorraine; Luginbill Steve; Yeager Scott
Subject: RE: Network99
Date: Thursday, September 22, 1994 7:03AM

Lisa,

I have the signed MSA and DSO from Net-99 for their MAE-East connection. We will send the hardcopy out to you. Here is the electronic copy. Note that they are asking for a 10/1 delivery.
<<File Attachment: NET99ORD.XLS>>

Jim Johnson and I are working on a rider to the MSA that will cover a national backbone deal with Net-99. That should be coming soon.

Thanks,

John H

From: Behrens Lisa
To: Hardie John
Subject: RE: Network99
Date: Tuesday, September 06, 1994 8:47AM

Order # is N99-A94IA-E6

From: Hardie John
To: Behrens Lisa
Subject: RE: Network99
Date: Tuesday, September 06, 1994 06:57AM

The DSO would be for a 10 Mbps Ethernet connection to MAE-East.

From: Behrens Lisa
To: Hardie John
Subject: RE: Network99
Date: Friday, September 02, 1994 3:35PM

John,

Sorry I'm late in getting back to you, but I had to get the billing out today. The MSA is N99-A, but I need to know what kind of service they are getting in order to give you a DSO number.

Lisa

From: Hardie John
To: Behrens Lisa
Subject: Network99
Date: Friday, September 02, 1994 12:04PM
Priority: High

Lisa,

I need an MSA number and an DSO number for a company called Network 99.

Thanks,

John H

Yeager, Scott

From: Yeager Scott
To: Fenn AI
Subject: FW: Net-99 Concerns
Date: Wednesday, November 09, 1994 11:00AM
Priority: High

FYI

From: Hardie John
To: Soe Stefanie
Cc: Patterson Garry; Luginbill Steve; Larson Paul; Yeager Scott
Subject: Net-99 Concerns
Date: Wednesday, November 09, 1994 8:33AM
Priority: High

I've heard from Joe Stroup at Net-99 that he has some concerns over the services Telecom has been provisioning for his customers. He says so far Net-99 has had five customers provision T-1 lines through Telecom, and every one has been deilevered late and every one has had service problems after installation. In addition, Joe says they have contacted the Telecom NOC when they have had service problems and, he claims, been turned away because he didn't have circuit ID numbers.

Stefanie, is there any way you could check into the history of these five orders and figure out if there is something that we could do to head off whatever is causing these problems? Also, let me know if there is anything Datanet can do to make the provisioning of Net-99 customer circuits run more smoothly.

Thanks,

John Hardie

Yeager, Scott

From: Yeager Scott
To: Fenn Al
Cc: Johnson Jim
Subject: FW: Net-99 Order
Date: Wednesday, November 30, 1994 8:36PM
Priority: High

Great news. Do you want this to be a Nov or Dec order? This is a great way to start the month or end the month.

From: Hardie John
To: Luginbill Steve
Cc: Yeager Scott
Subject: Net-99 Order
Date: Wednesday, November 30, 1994 7:14PM
Priority: High

Steve,

attached is an order signed by Net-99 tonight. As we discussed, the deal Joe Stroup signed was this:

Native Ethernet between three cities (DC, Chicago and San Jose) at \$14K per city (\$42K total) per month for two years. He also has the option to add more cities at \$14K, which will drop to \$12K per city after he gets six cities going with us.

This deal comes out slightly higher than our list price. The list price on a one year deal would be \$43,167, however that price includes the cost of local loops (DS-3 plus hardware) for the full year. We will not have any local loop cost for at least 4 months while Net-99 co-locates with Datanet. It is also likely that Net-99 will strike deals with Telecom for new space after their six months are up, so it is possible that we will never have standard local loop costs in some sites.

Even though Net-99 will be paying us like a standard customer for the 10 Mbps backbone, the shared revenue T-1 deal with Net-99 will still be in effect. So for all the other cities, we will still receive half of Net-99's revenue.

I think this is a very good deal for Datanet and Network 99. Charging him at a full rate brings in far more revenue in the short term than we would have received from the revenue sharing deal. It is true that Stroup will be selling to Internet aggregators, however I think it is going to take him some time before he even begins to approach the level of traffic now generated on our backbone by UUNET. UUNET is the third largest Internet provider in the world, but they don't average more than about 1-2 Mbps out of most cities, with a peak in DC of around 6 Mbps. In the mean time, we will be charging him for a full 10 Mbps connection.

For Net-99, this is a good deal because it eliminates the need for them to connect to all the NAPs, a proposition that would have cost at least \$30K per month, just to maintain high speed connectivity to ANS and the other major ISPs around the country. Now, he can use Datanet to have high speed connectivity to the other providers at MAE-East and MAE-West if that comes together.

Here is a copy of the service order form. I will be in San Jose on Thursday until about 10am. I will have called you to talk about this further by that time.

<<File Attachment: N9910X3.XLS>>