

CONTROL DATA CORPORATION  
Inter-Office Memorandum

May 19, 1972

TO: W. C. Norris                 HQS14A     cc: H.D. Clover  
    W. R. Keye                     HQS14B     R.C. Gottier  
    R. D. Schmidt                 HQS13C     R.G. Lareau  
   R.E. Wesslund

FROM: J. E. Thornton                 ADL OPS

SUBJ: Cray Research Inc.

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MAY 22 1972

I visited S. R. Cray in Chippewa Falls on Thursday, May 18, 1972 to discuss further the proposed agreements between CDC and Cray Research Inc. I'll use CRI to designate his new organization; however, we should be advised that there may be a conflict with Collins Radio as to the official use of initials.

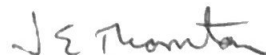
W. C. NORRIS

I brought a copy of the consulting agreement and indicated that we would like to talk about the other two agreements in another week. I repeated our previous conversation which had prompted the proposal of three agreements in order to refresh S. R. Cray's memory.

He responded that he was in no hurry to sign complex agreements because he had come to the conclusion that he "wasn't going to use any past technology" after all. He expects to take a "year or two" at basic research and then decide how to proceed.

I asked if he planned a public offering of stock and he replied that he would not in the near future. He expected about a dozen initial investors, in which he includes CDC, at about \$250,000 each and his input of \$500,000. This would hold him for a "year or so," at which time either more of the same or a public offering could be decided.

I visited the office he is leasing in Chippewa Falls and also visited the site where his new Lab is being built. He ran into a zoning snag and reported that CDC's Chippewa Laboratory land had inadvertently not been properly zoned either. He reported that this is all corrected now. The former zoning was agricultural and the new zoning is general industrial with a conservancy zone along the river.



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J. E. Thornton  
Vice President  
Computing Development Laboratories