

July 9, 1999

Dear Valued Business Partner,

Re: A Look at the New Millennium

Technology is responsible for countless innovations and the emergence of many new, and successful businesses. Like many executives, I attribute the efficiency of my firm to the use of technology, and to the realization of how important technology is to society at large. At Watson Rice, we use the best resources available to produce the most favorable results with the client's best interests in mind.

I recently read Bill Gates's book, *Business @ the Speed of Thought*, in which he asserts that "Business is going to change more in the next ten years than it has in the last fifty years." The following passage from his book is, in my opinion, most insightful and truly captures the future of technology. Mr. Gates states, "the 20th century has brought an incredible amount of innovation and progress to our world. Remarkable people with extraordinary ideas have resulted in more changes during these hundred years than in any other century in history. The pace of innovation stands to only increase as we enter the 21st century. Business is going to change more in the next ten years than it has in the last fifty years, driven by the Internet, personal computers, innovative software, and new generations of digital devices. The digital revolution is about enhancing the power of mind just as the industrial revolution was about enhancing muscle power."

"Organizations that succeed in this atmosphere of innovation will do so by using technology to build new flows of information to effectively create digital nervous systems. A digital nervous system will enable an organization to see, understand, and react to its environment, to sense the needs of consumers and customers, and to identify and meet competitive challenges - all more quickly and with greater precision than has ever been possible. And thinking faster, moving faster, and being more agile will make those organizations more efficient, more prosperous, and more successful."

At Watson Rice, our goal is to build our own strong "digital nervous system." We plan to team with various technological delivery service systems and programs, such as Microsoft Windows Operating Systems, Windows NT, Microsoft Office 2000, Lotus Smart Suite Millennium Edition, and other industry leaders such as Hewlett-Packard, BAAN, CISCO, and US WEB/CKS, in building systems and network infrastructures, software products, custom applications, and other tools, plus the expertise we already possess, to reap the benefits of a digital nervous system.

Only a business which can leverage the technology of the past and embrace the resources of the future will be able to survive the next hundred years of rapid innovations. Are you ready?

Like Mr. Gates, I believe that only businesses that invest in the development of technology plans inclusive to the digital network can hope to be there beyond the next millennium. If you are interested in discussing how best to take advantage of such resources and proven technology solutions call me at (212) 447-6162.

Sincerely,

Watson Rice LLP
Bennie L. Hadnott
Managing Partner