

To: Marc Kuffler, Tom McDonough
From: Doug Kern
cc: Mary Jane Louaver
Re: "Catch That Train" Costs

Below is a "best guess" attempt at capturing costs for the "Catch That train" project.

We are in the process of pulling together actual expenses with the appropriate documentation. Unfortunately, I need to ask if I can have this prepared by early next week. The reason for this is everybody is busy working on the other information that you requested. Specifically this is: impact analysis, preparation and creative changes for the Friday meeting, revising project budgets to reflect brand changes, and analyzing and developing live action versus CGI ending solutions.

Anyway, here's a high level:

• Final Design Document \$84,648.

This is the cost as listed on the project breakout (line #20). It reflects workstation and operator time as specified. Note: these costs assume delivery of the design bible on 10/15/95. Since this date slipped, there will actually be more days involved, however, since this is a firm bid job, these costs will not be passed along. In short, you win!

• Expenses: TBD

We are in the process of putting together an actual expense analysis. Because the Gantt chart is designed to reflect milestones and deliverables, certain line items such as travel, messengers, stock footage, disks etc. are not included. They were of course itemized in the initial bid format.

This will take a few days to compile.

Also to be included in this section will be PM requested travel, i.e.: Phoenix.

• 47-Tek (Programming): TDB

The initial payment of \$90,000. as covered (and paid) by the short form contract covers delivery through TDR, initially scheduled for 9/15 delivery. With the change in the platform, TDR is now scheduled for mid- November delivery.

There will be some additional costs to cover the work necessary to convert to the PC platform. These costs are outlined in Mark Hirsch's memo, dated 10/12:

Decide Config	4 days	10/16
Build Sample	3 days	10/19
Test/Analyze	5 days	10/26
Determine diff.	1 day	10/27
New Platform	5 days	11/3
Review		

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Mark Hirsch will provide documentation to support actual resources put against this. Note, by our contract we are only obligated to pay next milestone or work to date, whichever is the lesser of the two. This should not exceed \$80,000.

In addition, we have forwarded \$60,000. for purchase of the Sony Playstation development kit. Since this has not been spent, perhaps we can apply this to the next milestone payment, less the cost of purchasing the PC required equipment.

I think that's it. The rest of the subcontracted costs, live action, CGI, music etc. begin after design bible is complete. I do of course reserve the right to have this information reviewed by both Mary Jane and my finance department.

Marc and Tom, I hope this provides you with enough of the information for now, while we move forward to get together the rest of the things that you need.

If you have any questions please call me or Mary Jane.

Regards,

Doug Kern

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