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DATE: 10/12/89
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(415) 725-5850
ATTENTION: Dr. Edward A. Feigenbaum
FROM: Tom Kehler

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If all pages are not received, or if copies are illegible, please contact:
Maria Massoni at (415) 965-5716
October 6, 1989
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TO: Qunio Takashima
FROM: Tom Kehler

Qunio, during your visit we discussed IntelliGenetics. IntelliCorp maintains a 40% shareholder position in IntelliGenetics and for strategic reasons would like to divest. We are looking for a party that would be willing to move quickly in that IntelliGenetics is anxious to get the issue settled.

IntelliGenetics is running at about 8 million in revenues and is break-even. About 80% of the business is government contracts. The most exciting of the contacts is the GenBank contract which is the database for the multi-billion dollar Human Genome Project. Strategically, this places IntelliGenetics at the fountainhead of information critical to the future of biotechnology based products.

IntelliGenetics products and technologies are focused on rapid pattern directed search of text databases. They have strong leadership technology in this area. Their products are sold to the leading research and educational institutions.

Amoco Corporation owns 60% of the venture and is interested in continued investment.

Please let me know if you can identify qualified, interested partners. IntelliCorp would be willing to sell its interest for somewhere in the 3 to 4 million dollar range.

TPK/baw