ADVANCED MEMORY SYSTEMS, INC.

September 22, 1970

Professor F.J. Corbato Group Leader Computer Systems Research Project MAC 545 Technology Square Cambridge, Mass. 02139

Dear Professor Corbato,

My apologies for not getting this to you sooner. We will see Dick Ruth and his staff in Phoenix this week. If anything of significant interest develops I will call you early next week. We look forward with great interest to the meeting because of the tremendous impact we believe the SSU can have on system performance. As I mentioned to you we are already attached to the IBM S/360. However, we have had to imitate the current IBM drum so there would be no software impact.

To get the full performance from the SSU it should be attached as a new level of memory such as we discussed. This will also allow the system software to be greatly simplified. Our excitement stems from the fact that you and Dick Ruth have the resources to use the SSU as it really should be.

The price of the unit will vary widely dependent on the user. For example, the price per bit to S/360 end users ranges from 1.41 to 1.98 cents depending on size (8 megabytes down to 2 megabytes). The price in a quantity of one for a 4 megaword (36 bit) unit such as we discussed would be about .80¢/bit. In larger quantities the price drops still more to less than . 60¢/bit.

Our hope, of course, is to reach an OEM agreement with G.E. (for HISI) for multiple units that will bring the price to you down to a minimum. I look forward to talking with you again in the near future. Please call me if I can do anything in the meantime.

David N. Martin

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SSU Programs Manager

DNM:pjb