

June 8, 2000

Dear Valued Supplier:

This week IBM, along with a number of industry participants, announced the creation of e2open.com, an independent, global, business-to-business exchange for the computer, electronics, and telecommunications industries. The new exchange will run on technology provided by Ariba, IBM, and i2/Aspect Development.

I've attached a copy of the e2open press release, but I also wanted to take a moment to ensure that you know what e2open is--and is not--specifically as it relates to IBM's procurement mission and strategy.

e2open is an electronic marketplace providing a host of services to both buyers and sellers. For IBM, e2open is not a substitute for our long-established procurement and supplier programs, and we remain committed to delivering the best value to the IBM company. If this can be achieved through participation in the exchange, we will take advantage of the opportunity; however, Global Procurement will also continue to nurture and grow its established supplier relationships.

We are excited by the opportunities e2open presents to all participants in the supply chain. We anticipate that companies in this electronic marketplace will benefit in a number of ways, including:

- Focusing on collaboration opportunities relating to design, development, and production;
- Reducing individual transaction costs through the deployment of common, interoperable systems and processes.

Our relationship with our suppliers is key to IBM's overall success. We will guard these relationships today and in the future to ensure we both win in the global marketplace. IBM's launch of e2open is a potential opportunity to create value--value for the IBM company and for our suppliers alike.

If you have any questions or concerns related to this announcement, please do not hesitate to contact me at (914) 766-2750, or e-mail: [jmp@us.ibm.com](mailto:jmp@us.ibm.com).

Sincerely,



John M. Paterson  
VP, Chief Procurement Officer

Attachment url:<http://www.ibm.com/news/2000/06/07.phtml>