

CAUSE NO. 199-596-97

DSC COMMUNICATIONS CORPORATION,

Plaintiff,

v.

EVAN BROWN,

Defendant.

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IN THE DISTRICT COURT OF

COLLIN COUNTY, TEXAS

219TH JUDICIAL DISTRICT

**DEFENDANT'S MOTION TO STRIKE
PETITION IN INTERVENTION OF LANCE FLORES**

TO THE HONORABLE JUDGE OF SAID COURT:

Now comes Evan Brown, Defendant in the above-captioned cause, and files this Motion to Strike Petition in Intervention of Lance Flores pursuant to Rule 60 of the Texas Rules of Civil Procedure, and would respectfully show the Court as follows:

INTRODUCTION

On or about July 21, 1997, Intervenor Lance Flores ("Flores") filed his Petition in Intervention in this case. In the Petition, Flores alleges that Evan Brown's idea or solution which forms the basis of this suit is actually the property of Cyber Automation Sciences, Inc. ("Cyber") rather than the property of either Brown or DSC. Flores alleges that he is the CEO and majority shareholder of Cyber. He concedes that he transferred to Cyber all technology rights and limited intellectual property rights to the technology which he claims Brown or DSC has wrongfully appropriated. He repeatedly states in the Petition that a "Cyber team" or a "Cyber group" met with DSC to discuss the technology at issue, that DSC expressed an interest in engaging the services of

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COLLIN COUNTY, TEXAS
BY  DEPUTY

“Intervenor and Cyber” and that Cyber submitted a written proposal to DSC. Based on the allegations in the Petition, it is clear that the technology rights claimed by Flores are the property of Cyber, a Texas corporation. Because Cyber has forfeited its charter for failure to pay franchise taxes, it cannot sue in Texas state courts. Flores’ Petition in Intervention is nothing more than a thinly veiled attempt to prosecute the rights of a corporation which has forfeited its charter and lost the right to sue.

Neither the CEO nor the majority shareholder of a corporation may file suit to enforce the rights of the corporation. Rather, the rights of the corporation belong to the corporation itself, which must bring suit in its own name. Flores therefore lacks the standing or capacity to bring suit on Cyber’s behalf. Moreover, a corporation such as Cyber cannot file suit pro se or otherwise file suit without the services of an attorney. Because Flores has failed to demonstrate that he has a justiciable interest in the subject matter of this suit, and has instead brought suit to enforce the alleged rights of Cyber, the Court should strike the Petition in Intervention.

ARGUMENT AND AUTHORITIES

I. Flores must demonstrate a justiciable interest in the subject matter of this suit.

A party has a right to intervene in an ongoing dispute “so long as he has a justiciable interest in the subject matter that makes it necessary or proper for him to come into the case for his self-protection.” *Beutel v. Dallas County Flood Control Dist. No. 1*, 916 S.W.2d 685, 691 (Tex. App.--Waco 1996, writ denied). In order to determine whether the intervenor has demonstrated a justiciable interest, “the sufficiency of the petition is tested by its allegations of fact construed in conjunction with the allegations of fact set out in the pleadings of those persons resisting the

intervention.” *Metromedia Long Distance, Inc. v. Hughes*, 810 S.W.2d 494, 497 (Tex. App.--San Antonio 1991, writ denied). In other words, “the trial court may determine an intervening party’s justiciable interest in a lawsuit on the basis of the sufficiency of the petition in intervention.” *National Union Fire Ins. Co. v. Pennzoil*, 866 S.W.2d 248, 250 (Tex. App.--Corpus Christi 1993, no writ).

Although the party opposing the intervention has the burden of challenging it through a motion to strike, “once the motion to strike has been filed, however, the burden shifts to the intervenor which must show its justiciable interest in the lawsuit.” *Potash Corp. v. Mancias*, 942 S.W.2d 61, 64 (Tex. App.--Corpus Christi 1997, n.w.h.). As stated by the Texas Supreme Court, “the intervenor bears the burden to show a justiciable interest, legal or equitable, in the lawsuit.” *Mendez v. Brewer*, 626 S.W.2d 498, 499 (Tex. 1982); *see also National Union Fire Ins. Co.*, 866 S.W.2d at 250 (“The intervenor bears the burden to show a justiciable interest in the lawsuit”). Once a motion to strike has been filed, the trial court has “broad discretion in determining whether an intervention should be stricken.” *Guaranty Federal Savings Bank v. Horseshoe Operating Co.*, 793 S.W.2d 652, 657 (Tex. 1990); *see also Metromedia*, 810 S.W.2d at 497. For the reasons set forth more fully below, the Court should exercise its discretion and strike the Petition in Intervention of Lance Flores.

II. Flores has demonstrated no justiciable interest in the subject matter of this suit.

As stated above, when determining whether an intervenor has demonstrated a justiciable interest, the court may look to the allegations of fact in the Petition itself. *Metromedia*, 810 S.W.2d at 497; *National Union Fire Ins. Co.*, 866 S.W.2d at 250 The allegations of fact as stated in the

Petition in Intervention clearly reveal that any rights asserted by Flores in the Petition are actually rights belonging to Cyber. For example, Flores states the following in his Petition:

- “In December of 1983 Intervenor transferred all technology rights of certain computer technology and additionally assigned limited intellectual property rights to Cyber” of such technology. *See* Petition at ¶ 1.
- During a meeting of the Dallas UNIX Users Group, Intervenor offered to Evan Brown of DSC “his services and the services of his company and associates” to assist on a code conversion problem. *See* Petition at ¶ 2.
- “Intervenor indicated that a Cyber team of scientists and engineers could provide computer automated solution” to DSC. *See* Petition at ¶ 2.
- In February 1992, “members of the Cyber group” met with DSC to discuss Cyber’s code conversion proposal. *See* Petition at ¶ 5.
- “In the course of the Cyber group presentation and the discussion which followed, the Cyber group presented copies of the slide presentation and engaged in lengthy and in-depth discussion of the technology that would be used” *See* Petition at ¶ 5.
- If Brown conceived a code conversion solution, it was “the outcome of the that information and intimate knowledge obtained from the Intervenor and/or the Cyber group” *See* Petition at ¶ 7(b).
- Any knowledge gained by Brown to develop his solution “could only have been gained through Mr. Brown’s exposure to the Cyber group’s technologies” *See* Petition at ¶ 7(d).

Moreover, the proposal which was presented to DSC was unquestionably presented by Cyber and not by Flores individually. *See* Exh. A attached hereto.

The information which Flores alleges was obtained by Brown and DSC was obtained as a result of the Cyber proposal and the Cyber presentation. Intervenor has offered no facts which demonstrate that he has an individual, justiciable interest in the subject matter of this suit. Rather, the allegations of fact set forth in his own Petition clearly demonstrate that the rights upon which

Flores bases his claims are rights belonging to Cyber and not to Flores. Because Flores has demonstrated no justiciable interest in the subject matter of this suit, his Petition in Intervention must be stricken. *See Beutel*, 916 S.W.2d at 691.

III. Flores has neither standing nor capacity to enforce the property rights of Cyber.

As set forth above, the facts set forth in the Petition in Intervention demonstrate that the rights upon which Flores bases his claims are rights belonging to Cyber and not to Flores. As an officer or shareholder of Cyber, Flores has no right to prosecute his claims on behalf of Cyber. Such rights belong to the corporation and can only be protected through action taken in the name of the corporation.

The case of *El T. Mexican Restaurants, Inc. v. Bacon*, 921 S.W.2d 247 (Tex. App.--Houston [1st Dist.] 1995, writ denied) involved a suit on an oral agreement between El T. and J. Ronald Bacon, Inc. In 1984, the Bacon corporation ceased paying its corporate franchise taxes and forfeited its corporate charter. *Id.* at 249. In 1985, Bacon brought suit on behalf of the Bacon corporation. He later amended his petition to substitute himself as "successor in interest" to the Bacon corporation. *Id.* At trial, El T. Moved for a directed verdict on the basis that only the Bacon corporation and not Bacon individually could recover on the oral contract. When the motion was denied, El. T appealed. The court of appeals addressed the issues of standing and capacity, describing standing as "a party's justiciable interest in the suit" and capacity as "a party's legal authority to go into court to prosecute or defend a suit." *Id.* at 249-50. To bring suit and recover on a cause of action, the court noted, a plaintiff must have both standing and capacity. *Id.*

The court of appeals held that Bacon could not recover on a cause of action belonging to the corporation, stating that “a shareholder may not sue in his own name and for his own benefit on a cause of action belonging to a corporation, even if that shareholder is indirectly injured. This is true even for sole shareholders.” *Id.* at 251. Because “Bacon could not recover individually on the corporation’s cause of action,” the court of appeals concluded that the trial court erred in denying El T.’s motion for directed verdict and reversed and rendered judgment that Bacon take nothing. *Id.* at 254; *see also Wingate v. Hajdik*, 795 S.W.2d 717, 719 (Tex. 1990)(“a corporate shareholder cannot recover damages personally for a wrong done solely to the corporation, even though he may be injured by that wrong”); *Fredericksburg Industries, Inc. v. Franklin International, Inc.*, 911 S.W.2d 518, 520 (Tex. App.--San Antonio 1995, writ denied)(“it is well settled that a corporate shareholder may not recover damages individually for a wrong done solely to the corporation”); *Kaspar v. Thorne*, 755 S.W.2d 151, 155 (Tex. App.--Dallas 1988, no writ)(“Thorne, as an individual shareholder, has no right to sue to enforce a corporate obligation”).

While Flores claims to be the majority shareholder and CEO of Cyber, the resume which Flores presented to Brown stated that his only affiliation with Cyber was as “Principal Scientist” and that this position ended in 1987 (which was the year before Cyber forfeited its charter for non-payment of franchise taxes). *See* Exh. B attached hereto. In addition, the information available through the Texas Secretary of State lists Flores as the President of Cyber, not as the Chief Executive Officer. *See* Exh. C.. Most importantly, even if Flores could demonstrate that he is the CEO or majority shareholder of Cyber, he would still lack standing or capacity to bring suit in his own name to assert the rights of Cyber. The Court should strike Flores’ Petition in Intervention in its entirety.

IV. Cyber cannot file suit in Texas state courts, nor can it be represented pro se.

As demonstrated by the facts alleged in the Petition in Intervention, Cyber, a Texas corporation, owns the rights to the technology Flores asserts has been misappropriated by Brown or DSC. As set forth in Exhibit C attached hereto, Cyber forfeited its corporate charter for non-payment of franchise taxes in 1988. As such, Cyber has lost its right to sue in Texas courts. *See, e.g., El T. Mexican Restaurants*, 921 S.W.2d 247 (Tex. App.--Houston [1st Dist.] 1995, writ denied) ("A corporation that fails to pay its franchise taxes forfeits its right to sue in Texas state courts"); *see also Hardwick v. Austin Gallery of Oriental Rugs*, 779 S.W.2d 438, 441 (Tex. App.--Austin 1989, writ denied); Tex. Tax Code Ann. §§ 171.251-171.252 (Vernon 1992). Because Cyber has failed to pay its franchise taxes and forfeited its corporate charter, it cannot appear in this case or any other case pending in Texas state courts.

In addition to being barred from appearing in Texas state courts due to failure to pay franchise taxes, Cyber, like any other corporation, may not appear in court without representation by an attorney. Under Texas law, a corporation cannot appear pro se. *See, e.g., R.T.A. International, Inc. v. Cano*, 915 S.W.2d 149, 150-51 (Tex. App.--Corpus Christi 1996, writ denied) ("Texas Rule of Civil Procedure 7, allowing parties to appear either in person or by an attorney, has been held to apply only to individuals, and not corporations"); *Electronic Data Systems v. Tyson*, 862 S.W.2d 728, 737 (Tex. App.--Dallas 1993, no writ) ("In litigation, only a licensed attorney can appear and represent a corporation"); *Dell Development Corp. v. Best Industrial Uniform Supply Co.*, 743 S.W.2d 302, 303 (Tex. App.--Houston [1st Dist.] 1987, writ denied) ("corporations may appear and be represented only by a licensed attorney").

As a corporation, Cyber cannot be represented in this case or any other by Lance Flores, who is not a licensed attorney. Moreover, as a corporation which has failed to pay its franchise taxes, Cyber cannot file suit in Texas state courts. Flores' Petition in Intervention is nothing more than a thinly veiled attempt by Flores to file suit on behalf of Cyber in his own name. Even if Flores had the standing or capacity to sue on behalf of Cyber, such a suit would be barred since Cyber has lost its right to sue. Such a suit would also be barred since a corporation such as Cyber cannot appear pro se through a non-lawyer such as Flores. To allow the Petition in Intervention to stand would be to allow Cyber to avoid the penalties associated with forfeiture of its corporate charter and to be represented pro se in this case. Rather than countenance such a result, the Court should grant Brown's Motion and strike Flores' Petition in Intervention in its entirety.

CONCLUSION AND PRAYER

WHEREFORE, PREMISES CONSIDERED, Defendant Evan Brown prays that the Court grant Defendant's Motion to Strike, strike the Petition in Intervention of Intervenor Lance Flores and grant Brown such other and further relief to which he may be justly entitled, either in law or equity.

Respectfully submitted,



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ATTORNEYS FOR DEFENDANT EVAN BROWN

CERTIFICATE OF SERVICE

The undersigned certifies that a copy of the foregoing instrument was served upon the attorneys of record of all parties to the above cause in accordance with Rule 21a, Texas Rules of Civil Procedure, on this 15th day of October, 1997.



FIAT

This Motion is set for hearing on the _____ day of _____, 1997, at _____ o'clock, ____m., before the Honorable Curt B. Henderson, 219th Judicial District Court, Collin County, Texas, sitting by assignment for the 199th Judicial District Court, Collin County, Texas.

JUDGE HENDERSON

MOTOROLA

PROPOSAL FOR
Z-8000 Conversion
Feasibility Study &
Proof of Concept

PROPOSAL DATE: FEBRUARY 14, 1992

Cyber Automation Sciences, Inc.

EXHIBIT

A

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Overview

Motorola Cellular Infrastructure Division supports approximately four and one-half millions lines of Zilog Z-8000 assembler program code for its cellular switch product. The Motorola switch is provided OEM by Digital Switch Corporation (DSC) with the operating system. The majority of application code for the switch has been developed by Motorola in Z-8000 code. The cellular switch division presently develops new applications using the ANSI "C" language. Motorola has observed benefits of the use of "C" opposed to assembler. New development using "C" has proven to be significantly more cost effective. This observation is confirmed by DSC which does its new development in "C".

Motorola technical management is considering conversion options that would allow Motorola to convert programs from Zilog Z-8000 assembler language code into ANSI standard "C" programming language programs.

Motorola realizes that a large scale conversion project of this nature is a difficult one requiring specialized expertise. Additionally, Motorola understands that the application of artificial intelligence technologies offers promise for aiding in this conversion process. Consequently, Motorola is seeking outside assistance to bring additional expertise to the conversion project. The chosen consulting firm will need to demonstrate considerable expertise in similar large-scale conversion projects as well extensive knowledge of Z-8000 assembler and "C". Cyber Automation Sciences is uniquely qualified for this engagement.

Cyber Automation Sciences, Inc. (Cyber) proposes to automate the conversion of the existing code base using a multi-phased approach and employing the latest advances in conversion technology. The primary focus of the conversion would be the development of custom designed coding profiles which reflect the system environment. Cyber will also develop a conversion tool with an Artificial Intelligence (AI) engine that uses the latest advances in brain theory algorithms.

This proposal covers the first phase of the conversion effort - an analysis to determine the complexity of the problem, and a proof of concept demonstration of the conversion tool. During this first phase Cyber will perform an architectural analysis that will examine the current software design. This would include but not be limited to such considerations as physical addressing, time critical dependencies and the categorization of software by function and style.

To conduct the evaluation, all code to be converted and relevant documentation will be analyzed. After this analysis is completed a statistically representative number of samples will be modeled. From the analysis of the code samples we will be able to determine the amount of code that will need to be processed to insure optimized "C" code generation.

The resulting data from this analysis will be loaded into a database for subsequent analysis. Specific pattern recognition algorithms would be used to determine the amount of code that lends itself to automated conversion versus that requiring human intervention. Preliminary design rules would be formulated for use in the proof of concept.

This initial phase will also include a proof of concept demonstration. This effort will require Cyber to build a Z-8000 to Cyber Instruction Primitive Library (CIPL) translator and a portion of the ANSI "C" backend. A sample of Z-8000 Assembler code will be converted to ANSI "C". The proof-of-concept demonstration process will be completely automated but will not convert all "C" instructions.

Cyber estimates that by using a joint Cyber and Motorola team, we can complete a specification for the project and a proof of concept demonstration of the technology to be used in the conversion process by July 31, 1992. Projected fees and expenses for the project are provided in section VII.

The subsequent sections of this proposal detail the approach of the feasibility study and proof of concept. A detailed work plan, project management approach, staffing and estimated fees are provided. Cyber wishes to thank Motorola for their con consideration of our proposal for this critical project.

Cost Benefit

This section considers the advantages of converting assembly language programs to "C" and considers costs associated with converting.

There are several significant advantages of using a "C" environment for development and maintenance rather than assembly language. Here is a summary of these advantages:

Engineering resources for "C" development and maintenance are widely available, engineering resources for Z-8000 assembly are not.

There is a large base of support tools for "C".

"C" is an evolving language with projected long life.

Maintenance cost for "C" versus assembly are significantly reduced (assuming reasonable design rules incorporated in development).

"C" is portability to other platforms.

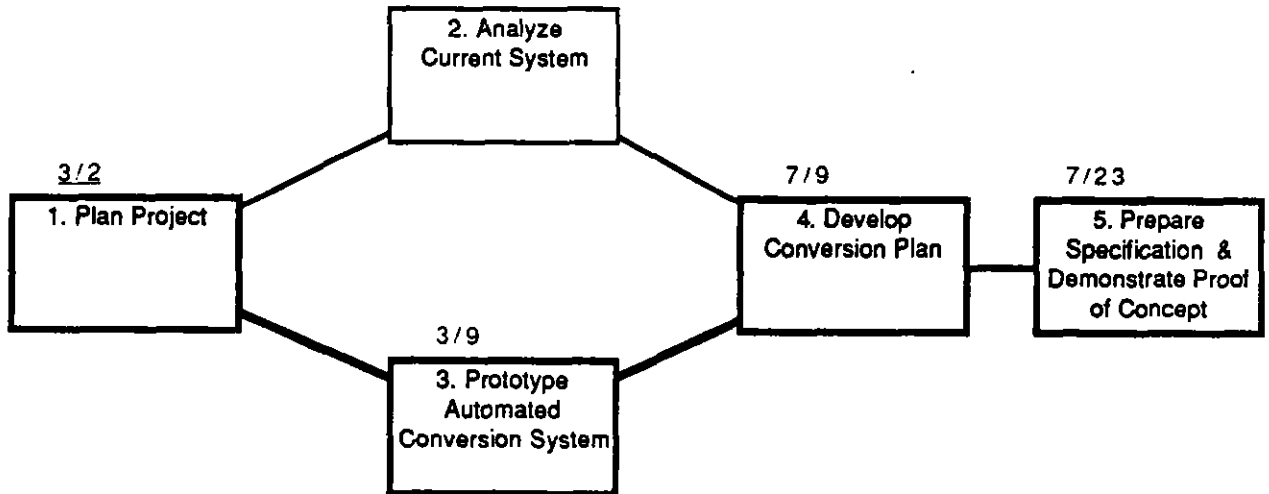
Reduced time-to-market development cycle for "C" systems.

The conversion process can be done by hand or automated. A conversion by hand has been attempted at DSC and aborted as not a feasible means of conversion. Cyber estimates the manual conversion of the 4.5 million lines of code to be between \$94.5M to \$144M based on Cyber's previous study of conversion of DSC Z-8000 programs. Cyber is confident it can produce significantly better conversion of the code and with conversion efficiency of about 85-100% as a function of the characteristics of the individual program attributes. We estimate the amortized conversion cost per line for the 4.5M lines to be approximately between \$0.96 to \$1.14 per line not including the approximately 8-10% which may not be directly convertible by automated means. We believe that a higher rate of conversion may be attainable but it is not possible for us to estimate the amount of improvement nor the effort required to achieve such results until the first phase of the project has been completed.

Statement of Work

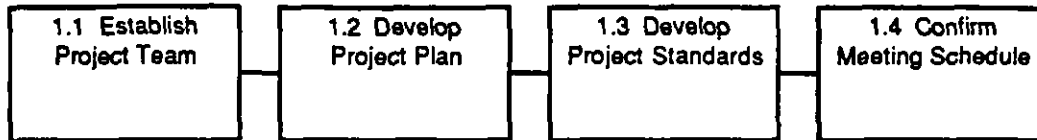
This section presents the Cyber workplan. A description of each task, required Cyber and Motorola resources, deliverables, and task duration are provided.

The following presents an overview of the project tasks and target timeframes:



* All dates show earliest start date

Task 1 - Plan Project



Description: The purpose of this task is to prepare for the Z-8000 Conversion Feasibility Study, ensuring that the necessary resources are available and management controls are in place. During this task, the first step is to establish the project team. Next, the project plan is developed, including the statement of objectives and project scope, the description of the approach, the inventory of the deliverables, and the project workplan is developed in more detail. In addition, the project standards are developed, and the meeting schedule is confirmed.

A variety of technical expertise is necessary for this project. We therefore must find experts from a variety of domains. With respect to the hardware and software of the environment, we must include both Z-8000 and those knowledgeable about the process of software development at Motorola, including such areas as system analysis, configuration management, quality, reliability, assurance, test development, and testing.

Cyber will provide a analyst to develop procedures to manage the knowledge captured in Cyber's knowledge acquisition tool. The tool is a tool which collects relevant system expertise into a knowledge base. To consolidate and synchronize the information captured on each, requires a strict set of procedures. Our experience on projects of this nature has shown this activity, knowledge base coordination, is critical to the success of the project.

Task Duration: 1 week

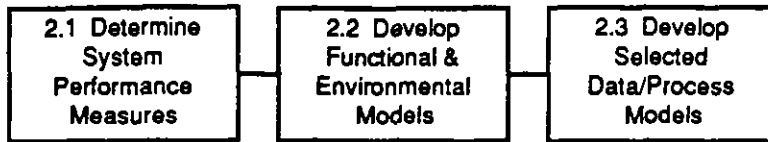
Staffing:

Cyber Automation:	
Project Leader	1 full time
Project Manager	1 full time
Motorola:	
Project Manager	1 part-time

Deliverables:

- Statement of Objectives
- Description of Approach
- Inventory of Deliverables
- Project Schedule / Resource Estimate
- Project Standards Document

Task 2 - Analyze Current System



Description: The task involves analyzing, reviewing and validating the nature of the conversion project. This process enables Cyber to more accurately predict schedule, costs, resources (tools, engineering and support) needed for the full conversion.

During this task the Cyber team will consider: code size requirements, real-time requirements, coding style anomalies and other assembly to "C" conversion issues unique to the Motorola conversion project. This would include but not be limited to such considerations as physical addressing, time critical dependencies and the categorization of software by function and style.

In order to accomplish the task representative models (intuitively determined by experts in Z-800 assembly and conversion technology) of the conversion system will be developed. This will provide the conceptual construct of the conversion system functions and hierarchy. Once identified (modeled), the modeling process will be extended to include the system's behavioral schema.

The Behavioral Model of the system provides the knowledge and data with which a realistic determination of complexity and magnitude of the conversion effort can be expressed from both empirical and theoretical models. This model accommodates the system's or subsystem's Control Activity, Process Parametric, and Physical Structure. The elements which comprise the aggregate consists of such information of events, memory constraints, register constraints, process states, process transitions, system conditions and time.

The Data Model allows the determination of how efficiently the target code (ANSI "C") can represent or maintain the data structures declared in a particular routine. Of more importance is whether or not the data structure could or should be modified. This issue is important in order to maintain integrity of the data structures thought the entire system. This directly effects how the conversion algorithms will derive data structures or what heuristic must be incorporated in to the conversion processes.

Model Analysis incorporates the knowledge and data gathered foregoing models. The Methods Specification, Task Schedule, Resource List and Cost Schedule will be determined from the analysis. From this information the selection, and configuration of our tools will be obtained. Also, the resource requirements and schedules will derived as well by assigning tasks and work.

Task Duration: 12 weeks

Staffing:

Cyber Automation:	
Project Scientist	1 full time
Project Manager	1 full time

Knowledge Engineer

1 full time

Motorola:

Project Manager

1 part-time

Domain Expert

1 part-time

Deliverables:

Conceptual Model:

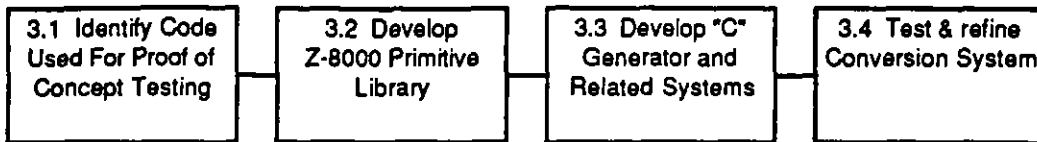
Behavioral Model

Functional Model

Data Model

Model Analysis

Task 3 - Prototype Automated Conversion System



Description: The primary focus of this task is the conversion of two Z-8000 subroutines to the "C" language. During this task, those subroutines will be chosen, they will be analyzed and a conversion tool will be designed to convert the assembly code to "C" language code. This will include a Z-8000 to Cyber Instruction Primitive Library (CIPL) translator and a portion of the ANSI "C" backend.

The final product of this phase will be a prototype AI system for converting Z-8000 assembly code into structured "'C'". This process will be partially automated and partially consisted of a structured walk through in which the processes and results can be verified.

This task will be handled in four steps:

1. Identification of the two programs to be converted
2. Develop Cyber Instruction Primitive Library (CIPL)
3. Development of the "C" generator and related system
4. Test of the system by converting the two programs

Step two can be thought of as the generation of the rule-base which will convert the software, using the conversion system. This rule base represents the knowledge of the expert.

Step three is the design and development conversation system. This software must:

1. integrate the data and knowledge bases
2. integrate the rule base produced in step 1
3. contain an inference engine to apply the rules over the Z8000 subroutines, and
4. provide a partial user interface.

Many factors will be taken into account when choosing the inference engine. It is critical that the engine work properly for the data, knowledge, and rule bases developed for the program, and that it provide the correct type of inferencing. Some of the engines we will consider include forward chaining, backward chaining, case-based reasoning, beam search, reasoning under uncertainty, neural networks, and fuzzy logic.

Task Duration: 20 weeks

Staffing:

Cyber Automation:	
Project Leader	1 part time
Project Manager	1 full time
Knowledge Engineers	2 full time

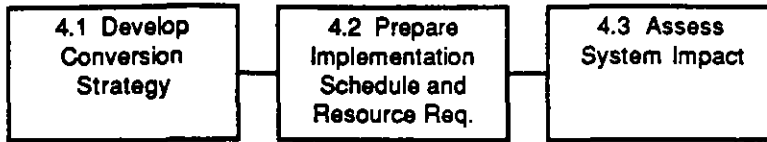
Motorola:

Project Manager
Domain Expert

1 part-time
1 part-time

Deliverables: Conversion system Design Specification
Conversion System Prototype
Selection of Two Z8000 Programs
Documentation of computational power necessary for the conversion

Task 4 - Develop Conversion Plan



Description: The purpose of this task is to evaluate the code to be converted and estimate the resources required and time frames for the various conversion phases. The plan will encompass priority of programs to be converted, synchronization of conversion efforts to resolve program interdependencies, and identification of sets of classified code (programs) to be converted. A schedule will be developed in order to effectively coordinate the efforts of the tool development and the immediate conversion needs of Motorola.

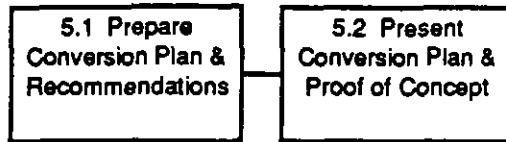
Task Duration: 2 weeks

Staffing:

Cyber Automation:	
Project Leader	1 full time
Project Manager	1 full time
Knowledge Engineer	1 full time
Motorola:	
Project Manager	1 part-time
Domain Expert	1 part-time

Deliverables: Conversion Plan

Task 5 - Prepare Specification and Demonstrate Proof of Concept



Description: The purpose of this task is to conclude the analysis and Proof of Concept Demonstration, document the findings, and present the prototype system and recommendations to management.

A business case will be prepared to document the conclusions and a presentation of the prototype Conversion System will be presented. The presentation will include a Conversion Plan with projected costs for the full conversion and each of the implementation phases.

Task Duration: 1 week

Staffing:

Cyber Automation:	
Project Leader	1 full time
Project Manager	1 full time
Knowledge Engineer	1 full time
Motorola:	
Project Manager	1 part-time

Deliverables:

- Cost / Benefit Analysis
- Conversion Plan
- Prototype Conversion System

The knowledge engineering process will be carried out using the Mind Path Knowledge Engineering Methodology. This Methodology is recognized as one of the leading knowledge engineering methodologies available. During the five year history of Mind Path this Methodology has been adopted by several leading edge firms in the development of knowledge based systems and has served as the core training for there knowledge engineers.

The Partial list of Mind Path Clients include:

- DuPont DeMo Comp
- Texas Instruments
- McDermott Oil
- Arthur Andersen

Cyber Automation & Mind Path

Members of the Cyber Automation Science team have worked on the Force Requirements Exert System (FRESH). This expert system is currently the largest in operation by the U.S. Navy. It's function is to schedule the nearly 300 ships in the Pacific Fleet. Ship scheduling is accomplished by having a large database of naval information, such as fleet makeup, geographic locations, and ship speeds. Added to these data are knowledge bases detailing the required tasking of the Naval resources as well as Naval regulations about time-at-sea, task force composition, and maintenance. The rule-base contains assertions and decision processes of Naval ship schedulers gathered from over four years of knowledge engineering. Once scheduled, the expert system maintains the schedule by monitoring Naval message traffic and detect significant events that may interrupt the schedule. The system then automatically reschedules the ships to maximize the number of tasks accomplished and minimize idle time.

Proposed Project Staffing

Project Staffing Profile: Lance Flores
Role: Project Scientist

Lance Flores held the positions of principal scientist at Cyber Automation Sciences, Inc., a custom systems research and development company specializing in expert systems and transaction/data-base development for various industries including semiconductor, financial, banking, and retail. He has published papers on computer technologies, and has been a speaker at industry conferences such as WESCON. His course of independent research over the past seven years has included brain theory algorithm development and inferential processing. He has recently contributed to and was featured in a documentary film on artificial intelligence produced by the Sendero Institute and Mind Path Technologies. He has held staff and management positions at Mohawk Data Sciences, Corp., Mostek Corporation, Wang Corporation, Digital Equipment Corporation, and Cyber. He has also consulted to other major companies including Goodyear Aerospace, LTV Vought, RCA Laboratories at Princeton Station, National Presort Inc., and JCPenney. He has fourteen years experience in semiconductor technology, computer technology and information processing.

During his career in computer and high technology, he has served in several companies with profit and loss responsibility. He developed analysis and data base systems for Digital Equipment Corporation. As part of the Corporate Technology Center start-up team for Wang Laboratories, he was responsible for the creation of standards, policies, and evaluation of technology purchases. As an individual contributor, he has developed sophisticated models of the product development and marketing process for Wang and Mostek Corporations and held the position of Manager of Technology Evaluation and Product Manager respectively.

His employment at Mostek included consulting to many industry leaders on semiconductor technology and computer architecture. He consulted on a number of varied topics including a 1K bit wide video processor, video simulation, and memory design.

At Mohawk Data Sciences he held the position of senior designer on their parallel multi-processor computer. He was responsible for several innovative design techniques which became a corporate design standard.

Project Staffing Profile: John Wawro
Role: Project Manager

John Wawro has over fifteen years of experience in data processing project management, systems analysis and telecommunications. Responsibilities have included preparation of preliminary and final specifications, supervision of systems generation, testing, debugging, delivery and installation of both batch and on-line systems for the banking, financial, manufacturing, oil and gas and insurance industries.

As a consultant he managed the business card project for VISA International. The deliverable was a program product containing both batch and on line components that was commercially distributed and intended to make VISA competitive with American Express in the corporate credit card market. He subsequently installed the product in the Southwest States Bankcard Association and consulted with EDS on their credit card system.

With Bunker Ramo corporation he managed a four year, five million dollar project to automate the teller system for Citizens and Southern Bank in Atlanta, Georgia. This project included the design, development and installation of both software and hardware products.

In other assignments he developed an accounts receivable system for Southern Union Oil, evaluated the Telecommunications systems for Brookshires, developed standards and procedures for FoxMeyer Drug in their conversion from Unisys to IBM and developed the order entry subsystem for Overhead Door Corporation.

Mr. Wawro holds a BA from the University of Toronto and an MBA from the University of Washington. He received his training in data processing from EDS as graduate of their Systems Engineering Development Program.

Project Staffing Profile: Alex Tsakiris
Role: Knowledge Engineering Manager

Alex Tsakiris, founder of Mind Path Technologies, has over six years of experience developing knowledge based systems, and over twelve years of experience in systems development and consulting. Mr. Tsakiris is a recognized expert on knowledge engineering and knowledge based systems. He has spoken to a wide variety of groups and professional organizations on knowledge based systems development, and his video tapes and training courses are used at many of the nations leading companies.

Mr. Tsakiris began his career with Price Waterhouse employing structured techniques in large systems development projects for large mainframe computer clients. At Price Waterhouse, Mr. Tsakiris developed an expertise in business application and management reporting systems, both from a systems development and end-user implementation perspective.

As the founder of Mind Path technologies, Mr. Tsakiris has worked with his colleagues in helping clients develop leading edge AI-based solutions, and in developing state-of-the-art software tools for knowledge based systems development. While at Mind Path, Mr. Tsakiris has lead the knowledge engineering development programs for DuPont Company, and Texas Instruments.

Mr. Tsakiris has a Bachelor of Science in Quantitative Information Systems, a Master degree in Business Administration, and is completing a Doctorate in Management Information Systems.

Project Staffing Profile: Michael Gately
Role: Knowledge Engineer / Analyst

Michael Gately has over eight years of experience in the field of artificial intelligence. After graduating from Georgia Tech in 1983, Mr. Gately joined Texas Instruments in the Artificial Intelligence. During his three years in this lab, Mr. Gately worked on the Force Requirements Expert System (FRESH), the U.S. Naval application of the DARPA Strategic Computing Initiative. In his role as Expert System Team Leader, Mr. Gately had responsibility for all aspects of the rule- base, knowledge- base, and inference engine - as well as eight programmers and knowledge engineers.

Mr. Gately left the AI Lab to become a founding member of the Neural Network Program within Texas Instrument's Central Research Laboratory. During his five years in this area, Mr. Gately designed the Neural Network workstation, a tool for designing and using neural networks in practical applications. Mr. Gately has applied neural networks to image understanding, radar classification, speech understanding, and process control.

Mr. Gately holds two U.S. Patents and has published over 30 articles on expert systems and neural networks.

Mr. Gately received his Bachelors of Industrial Engineering and Masters of Computer Science degree from Georgia Institute of Technology.

Project Fees and Expenses

Our fees are based on our actual time expended at our standard daily consulting rates. For the purposes of this proposal, our fees are based on conservative assumptions of the time required for the specification and proof of concept, as well as Motorola's participation in the project. As the project workplan is developed and resources from each side are allocated, our anticipated fees will be updated.

Our rates are determined by staff level, as follows:

	Daily Rate	Hourly Rate
Project Leader/Scientist	\$1,500	\$187
Project Manager	\$1,200	\$150
Consultant/Analyst	\$1,500	\$120

Cyber estimates the cost of developing the specification and prototype conversion system to be \$412,000. This amount includes all engineering labor and resources necessary to complete the analysis, prototype development, documentation, and demonstration of proof-of-concept. For the purposes of this proposal, our fee is based on our conservative assumptions of time required of all defined tasks including data gathering and exchange of knowledge between Cyber and Motorola. During the initial task, as the project workplan is developed and resources from each side are allocated, our anticipated fee will be updated to include travel expense.

It is our practice to render progress invoices on a semi-monthly basis for the apportioned payment schedule plus any incurred travel expenses accrued to that time. Invoices are payable net 15 days of invoice date and are discounted 2.25% if received within 10 days of invoice date.

The complete invoice schedule is:

Prerequisite Payment	\$82,400
First Month	00
15th of Second Month	41,200
30th of Second Month	41,200 + cum travel expenses
15th of Third Month	41,200
30th of Third Month	41,200 + cum travel expenses
15th of Fourth Month	41,200
30th of Fourth Month	41,200 + cum travel expenses
15th of Fifth Month	41,200
30th of Fifth Month	41,200 + cum travel expenses
Total	\$412,000

Total

All travel and lodging expenses are billed at actual cost.

Progress reports will be provided on the 15th of each month beginning the second month of the project with summaries of the analysis and prototype development.



Participated in the installation, training and implementation at the DEC VAX-8200 site and participated in the installation of the IBM 4381 site.

System Statistics: Loan System
(excludes Secondary Mortgage, Customer DB, & expert system)

	Screens	Routine Reports	Algorithms
Mortgage Loan	125	61	1329
Commercial Loan	83	58	594
Consumer Loan	70	66	468
	-----	-----	-----
	278	185	2,391

System Features:

- On-Line Real-Time Update
- Multi-Branch Processing
- Terminal, Transaction and Field Level Security
- Interface to General Accounting System
- Recovery Capabilities
- Transaction Audit Trail
- Flexible Processing Options
- Batch and On-line Posting of Transactions
- Integration of all Modules
- Acceptable Response Time (1 to 5 seconds)
- User Friendly Environment with Help Facilities
- System Administrator and User Documentation

Project: Automated Banking System (Commercial Loan Module)

Company: Cyber Automation Sciences, Inc.

Position: Principal Scientist

Intra-System Xactions: Secondary Mortgage Market System, Cash Flow Mgmt. System, Asset/Liability System

Inter-System Xactions: Deposits & Teller Transaction System, Executive Decision Support System

Development System: MicroVAX II, IBM XT/AT (screen development)

Development Environment: uVMS, MS-DOS, FOCUS, 'C'

Development Team: One senior, and one junior engineer

Delivery Vehicle: FOCUS & 'C' source code

Target Systems: Twin VAX-8200, VMS , data shadowing
IBM 4381, DOS, MVS

Job Description:

Solely responsible for the design and development of the Commercial Loan Module (CLM) which consists of two separate data bases. The loan origination sub-module is a three level hierarchy with twelve segments, twelve keys and three indexes. The loan processing module has two levels of hierarchy with sixteen segments. Both are cross referenced to the Secondary Mortgage Market data base and the customer data base. The CLM processes all delinquencies, payment and other transaction captured from the pre-posting and verification operations which are batched up from both tape and down-line loading from other machines. The system generates an audit trail of all transactions which are in turn run against the accounting system for proofing and verification. Developed all related reports and transaction processes.

Commercial Loan Module Features:

Multiple Loan Types

- Land only
- Home Improvement
- Residential Purchase (short term notes)
- Construction - Custom Home
- Construction - Spec. Home
- Commercial Development
- Multi-Family Dwelling

Processing
Term

Commercial Loan System

Scheduled Interest
Scheduled Principal & Interest
Negotiated Terms
Fixed & Floating Rates
Net Profits Participation
Net Operating Income

Commitments & Line Of Credit Accounting

Full Back Dating of Financial Activity

Direct & Indirect Liability Reporting

Full Collateral Processing

Under Margin Reporting

Examiner Reporting

Loan Performance Analysis

Transaction Audit Trail

Project: Data base for Semiconductor Component Characterization

Company: Digital Equipment Corporation, Acquisition & Test,
Marlborough, Ma.

Position: Principal Scientist

Inter-System Processes: Interface and cross referenced to Design Data Bases (off-site networked) in Hudson, Ma., Maynard, Ma., And other development sites.

Development System: DEC VAX-11/780

Development Environment: VMS, Datatrieve, FORTRAN

Delivery Vehicle: Compiled object code

Target Systems: Four coupled VAX-11/785

Job Description:

Solely responsible for the design and development of the data base and procedure processing. Programmed all algorithms for various statistical correlations of device failure mechanisms from life studies. Computed infant mortality, mid-life, and end of life using Weibull and other statistical methods. All statistical programs were written in FORTRAN. Data base included information about vendor, device type, device parametrics, test lots, stress testing results from environmental testing, and accelerated stress testing. Data base tracked device revisions deviations in performance and device parametrics and allowed direct cross reference to other design, purchasing, and simulation databases.

Project: Database and Semiconductor Processing Tracking System

Company: Wang Laboratories, Corporate Technology Center

Position: Mgr. QRA & Failure Analysis

Inter System Processes: Polling of various instruments and process control computers to accumulate and semiconductor process information, intermediate device parametrics. Communications interface to HP3000, HP Desktop computers, Fairchild computers and various instruments via IEEE-488 bus.

Development System: WANG VS-100

Development Environment: FORTRAN, Assembler

Delivery Vehicle:

Target Systems: Same as development machine.

Job Description:

Participated in the programming and interface to external systems.

Directly responsible for writing algorithms for computing correlation, and other statics. Soley responsible for developing and programming file system (network).

Search Result

Rank 1 of 1

Database
CORP-ALL

Information current through 08-11-1997
Database Updated: 09-02-1997
Update Frequency: DAILY
Source: SECRETARY OF STATE

Name: CYBER AUTOMATION SCIENCES, INC.

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DALLAS TX 752

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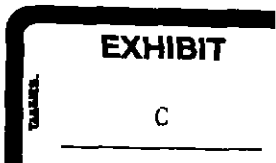
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Name: BROWNELL, JOHN
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TOPEKA KS



Status: DIRECTOR

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 Title: TREASURER
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 Status: OFFICER/DIRECTOR

Name: R. J. MARTIN, JR
 Title: INCORPORATOR
 Address: DALLAS TX

Name: PIERSON, PAT
 Title: NOT AVAILABLE
 Address: 9442 CAPITOL OF TEXAS HWY
 AUSTIN TX 78759
 Status: DIRECTOR

Type: DOMESTIC PROFIT CORPORATION
 Date of Incorporation 05-13-1983
 Status: CHARTER FORFEITED--FAILURE TO PAY FRANCHISE TAX
 SINCE 01-18-1988

Good Standing Status: CORPORATION WAS NOT IN GOOD STANDING WHEN FORFEITED

Duration: PERPETUAL
 State ID Number: 0065550100
 FEIN: 17518888106

Stock Description: 1,000,000 CO @ \$1.00*1,000,00+

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