

Certificate of Service

I certify that on January 15, 2003, a true and correct copy of the United States' Response to Public Comments, related to the proposed Final Judgments in this matter against Defendants and agreed to by Defendants pursuant to the Stipulations and Orders filed with the Court, was served on the following counsel:

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James J. Tierney.

November 1, 2002.

To Attn: Reneta Hesse, Chief,
Networks and Technology Litigation
Section, Antitrust Division, U.S.
Department of Justice, Washington, DC
20530.

Re: MATRIXx Asset Sale contingencies,
Justice Department Settlement with
Mathworks, Inc.

Dear Hesse, I believe the 2 million dollar sale price plus the US Department of Justice trustee costs is acceptable if the additional MATRIXx revenue shortfall contingencies mentioned later in this letter are imposed on Mathworks to quickly and effectively restore competitiveness to the dynamics and control tools marketplace.

The MATRIXx assets sale makes no financial sense without additional contingencies. The 2 million dollar purchase price is too much risk in the current market conditions. The risk is due to severely reduced [redacted as confidential] annual MATRIXx revenue under Mathworks that is likely to reduce much further without the proper measures to restore competitiveness in the dynamics and control tools marketplace.

It was Mathworks that blatantly committed anti-trust violation of Section 1 of the Sherman Act. It must be Mathworks that pays for restoring competition in the marketplace. It is just not fair for the MATRIXx customers to be held hostage and pay the price for restoration of credibility to the MATRIXx products.

From a marketing standpoint large legacy aerospace projects (examples are

International Space Station and Boeing projects) have too much invested in MATRIXx tools over the last two decades that simply cannot switch to Simulink/RealTime Workshop tools because of prohibitive costs, lack of Ada support and lack of tool maturity. MATRIXx tools SystemBuild and AutoCode has evolved and has been successfully used on large aerospace projects for over 20 years while Simulink and RealTime Workshop have only been around for about 5 years. RealTime Workshop Ada has not even been released.

I believe true competition can only be restored when marketing, customer support, development, sales and annual revenues for MATRIXx assets are restored to the annual 15-16 million dollar levels immediately prior to Mathworks' acquisition of MATRIXx assets. The software development effort for MATRIXx under Wind River for financial year 2001 is estimated at about 2.5 million dollars. The marketing, customer support and sales were rolled into the overall WindRiver budget.

An ISI colleague of mine has already contacted a large number of people who were MATRIXx software developers just prior to Mathworks' acquisition of MATRIXx assets and confirmed that a substantial number of them were willing to join our group or for that matter any group willing to acquire MATRIXx assets and repair the market damage inflicted on the product by Mathworks. Formation of such a workforce would immediately place a demand for MATRIXx operating budgets which I would estimate about 4-5 million dollars annually. Compared to all the potential buyers, some key ex-ISI employees, including myself, are the most qualified to put together the original ISI/WindRiver team of MATRIXx developers and restore competition in the marketplace. And I urge the US Department of Justice to seriously evaluate this issue when choosing a suitable buyer for the MATRIXx assets.

I believe it is imperative that the US Department of Justice impose an annual penalty on Mathworks equal to MATRIXx sales revenue shortfall from the 2001 15-16 million dollar levels until the MATRIXx revenues are restored to the 2001 levels or until September 1, 2007, whichever comes first. These revenues are to be used to cover any operating budget shortfall for whoever is best qualified to acquire MATRIXx assets and restore competition to the marketplace. I also urge that the US Department of Justice require that Mathworks place such funds in escrow because there have

been recent complaints by WindRiver about Mathworks not making the most recent installment payment.

In summary when I place a bid for MATRIXx assets, the bid will be contingent upon Mathworks making up for the revenue shortfall until MATRIXx products is restored to the pre-2001 annual revenue levels. I would appreciate the cooperation of the US Department of Justice, its trustee, SoundView Technology Group, and all the parties involved to make this happen and restore competitiveness to the dynamics and control tools marketplace.

Sincerely,

/S/

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9021 (cell).

Comments of The Center for the Advancement of Capitalism to the Proposed Final Judgment

Pursuant to the Tunney Act¹, The Center for the Advancement of Capitalism submits the following comments in response to the Proposed Final Judgments filed with the Court on June 21 and August 15, 2002.

Introductory Statement

The Center for the Advancement of Capitalism ("CAC") is a District of Columbia corporation organized in 1998, and exempt from income tax under Section 501(c)(4) of the Internal Revenue Code. CAC's mission is to present to policymakers, the judiciary and the public analyses to assist in the identification and protection of the individual rights of the American people. CAC applies Ayn Rand's philosophy of Objectivism to contemporary public policy issues, and provides empirical studies and theoretical commentaries on the impact of legal and regulatory institutions upon the rights of American citizens.

CAC has no financial interest in the outcome of this case, nor has CAC received any compensation from the defendants in connection with these comments.

Comments

The Proposed Final Judgment ("PFJ") currently before the Court seeks to undo the impact of the February 2001 agreement between MathWorks and Wind River. MathWorks obtained the exclusive right to distribute Wind River's MATRIXx software, and as a result MathWorks was able to combine

¹ Antitrust Procedures and Penalties Act, 15 U.S.C. § 16(b)-(h).