

Karl Storz Imaging, Inc. 175 Cremona Drive, Goleta, CA 93117

October 20, 1998

Mr. Paul Welch  
Laboratory Construction & Design Consultants, Inc.  
4117 Via Andorra  
Santa Barbara, CA 93110

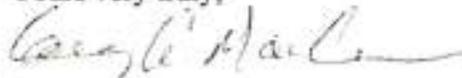
Dear Mr. Welch:

This letter will confirm the nature of the services you provided to Karl Storz Imaging, Inc. and our experience with you.

LCDC was engaged to assist in short term and long term planning for our facility. We found your knowledge of building engineering to be quite good and you made many wise and useful recommendations regarding the layout and operation of the facility. As a project manager you did everything possible to move things along and deliver on time.

Your work ethic is exceptional and we never encountered a problem with missed delivery times. We enjoyed working with you on our facility planning project and expect that we will use your expertise on specific issues that may arise.

Yours very truly,



GARY A. MACKER, CPA  
Chief Financial Officer