



Mel Melton

ATTN FILE

WALT DISNEY PRODUCTIONS

500 SO. BUENA VISTA ST. • BURBANK, CALIFORNIA 91503 • CABLE ADDRESS: DISNEY

✓ Mr. Bill Horton
American Telephone & Telegraph Co.
195 Broadway
New York, N. Y. 10007

August 15, 1966

Dear Bill:

This is by way of being a progress report of the production of the new "America the Beautiful" film. You will recall that our objective is to follow the format of the existing picture, but attempt to introduce new scenes. Our procedure for making films of this type is to obtain photographic material which lends itself to the story that we are telling. Eventually, this material is assembled into a continuity which makes the best presentation of the story line being conceived. During this process, some of the material would be eliminated because of either time limitations or because the scenes are not appropriate in the story concept. This arrangement of scenic material then serves as the basis for the descriptive narrative. I would expect that this picture will reach the stage where a script consisting of continuity of scenes with descriptive narration will be available soon after the first of the year. In the meantime, you may be interested in knowing what scenes have been photographed and the photography which we plan to do later in the year.

SURFACE SCENES WHICH HAVE BEEN PHOTOGRAPHED

Disneyland. Christmas parade.

Pasadena. Tournament of Roses parade.

Sun Valley, Idaho, in winter. Village, sleigh ride, ice skating, scenic view from Half Dollar Mountain with skiers and ski lift.

Yosemite Valley, California. Panoramic view from Tunnel Lookout Point, Half Dome from valley floor, village.

San Francisco, California. Fisherman's Wharf, Chinatown, cable cars, Lombard Street, Golden Gate Bridge, Golden Gate Park.

Hawaii. Scenic view from Pali, scenic view from Round Top, scenic view from Makapuu Point, University of Hawaii, Waikiki Beach, the palace, pineapple harvest, Moana Hotel banyan tree.

Miami Beach, Florida. Fontainebleau Hotel pool area, Indian Creek Road.

Charleston, South Carolina. Boone Hall Plantation, old town.

Anapolis, Maryland. Midshipmen on parade and noon assembly for orders.

Mount Vernon, Virginia. Various views of the Washington home-
stead.

Washington, D. C. Capitol Building from Pennsylvania Avenue, Jefferson Memorial, Lincoln Memorial, White House grounds.

Gettysburg, Pennsylvania. Various views of Gettysburg battlefield.

New York City. Long Lines room, United Nations, Central Park, Park Avenue, Statue of Liberty from boat.

West Point, New York. Cadets on parade, changing class, and noon orders assembly.

Rockport, Mass. View of colorful harbor from boat.

Concord, Mass. Concord Bridge.

Strafford, Vermont. Vermont church, meeting hall, and park.

South Strafford, Vermont. Vermont village.

Norwich, Vermont. Vermont village.

Tunbridge, Vermont. Covered bridge.

Indianapolis, Indiana. Various views interior Western Electric works.

Springfield, Illinois. Lincoln's home, New Salem State Park.

Chicago, Illinois. Various views of Chicago and lake front from Lakeshore Drive.

New Orleans, Louisiana. French quarter, Canal Street, river activity from boat.

Houston, Texas. Scenes from expressway, telephone building with relay horns.

Colorado Springs, Colorado. Cadets in graduation parade and formations in the quad, airplane fly-by.

AERIAL SCENES WHICH HAVE BEEN PHOTOGRAPHED

Alaska. Anchorage, Mount McKinley, Yukon River, Matanuska Valley, Nome, Fairbanks.

Utah. Bryce Canyon, Zion Canyon.

Colorado. The Rockies, Glenwood Springs, Colorado River.

Wyoming. Teton Mountains.

South Dakota. Mount Rushmore.

Kansas. Farms on plains.

Texas. Petroleum industry cracking plants.

Oklahoma. Petroleum industry cracking plants.

New York City. Statue of Liberty, East River, Hudson River, Fifth Avenue.

Florida. Cape Kennedy, Miami Beach, Key West, Causeway.

Mr. Bill Horton

August 15, 1966

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SURFACE PHOTOGRAPHY PLANNED

Sailing activity from boat in Newport Bay, California.
Cotton harvest in San Joaquin Valley, California.
City of Los Angeles.
Seattle harbor from cable ship if ship's schedule permits.

We have given some thought to the proposed 45 second lead-in, but we do not have any suggestions for your consideration at this time. Did I understand correctly that you hoped the lead-in would somehow tie in with the preshow and, if this is the case, it might be helpful if we had your description of the preshow.

Sincerely yours,

Richard A. Pfahler
Studio Manager

RAP:djm

cc: Jim Algar
Pete Clark
Jack Sayers

AT&T CIRCLE-VISION THEATRE
AT DISNEYLAND

Re-Construction Involves -

1. Major Rehab of Art of Animation Bldg.	7,850 sq ft
2. Major Rehab of Pre-Show Area & Lobby	6,160 sq ft
3. New construction of 2 Story Office Bldg.	3,856 sq ft
4. Construction of Exit Lobby	<u>3,360 sq ft</u>

TOTAL New & Major Rehab Construction -
21,226 sq ft

5. Exhibit Area - Under Canopy, Minor Rehab-Glass Wall, Acoustical Ceiling & New Floor Slab	<u>4,400 sq ft</u>
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TOTAL Area in Complex - 25,626 sq ft

Demolition costs of interiors, floors and slabs, plus adjacent public toilets and the Art Corner Building,
 Totals in Direct Costs \$ 46,008

Construction and Rehab as above
 Totals in Direct Costs \$522,983

SUMMARY

	<u>Total Costs Complete</u>	<u>Costs Less Demolition</u>
Direct Costs	\$568,991	\$522,983
Contractors Overhead 3%	17,070	15,689
Sub Total	586,061	538,672
Contractors Fee 3%	17,581	16,160
Sub Total	603,642	554,832
WED Design & Contingency	108,655	99,869
Sub Total	712,297	654,701
Contingency 10% of \$603,642	<u>60,364</u>	<u>55,483</u>
TOTAL	\$772,661	\$710,184

NOTE ON FACADE: The perimeter of the building complex is 708 lin ft or approximately 16,000 sq ft gross area. Glass Walls, Store Front type Aluminum Doors and Windows reduce this area by 6,900 sq ft, leaving 9,100 sq ft. In addition to the reduction in gross area by Glass Walls, Doors and Windows there is some 2,100 sq ft on the North-East Wall of the Exit Lobby which will be covered by the proposed restaurant which further reduces the Facade open to treatment to some 7,000 sq ft.

X 12-2

AT&T CIRCARAMA THEATER

SCHEME NO. 1 - LOWER FLOOR OF CIRCARAMA TO ELEVATION - 4'

Involves - Show Building

1. Demolition of all existing interior partition etc. including floor slab
2. Excavation of 80' diameter in building
3. Construction of retaining wall and bearing wall on 40' radius
4. Steps, or ramp, entrance and exit
5. Remove East wing complete
6. Patch exterior walls
7. Construction of screen and projection area
8. Patio - Suspended ceiling and slab and glass front
9. Special feature - as sound
10. Automatic Doors - in and out

Preshow Building (Entrance)

1. Maintain same floor level
2. Concrete floor
3. Strip out all interiors
4. Ramp or step down into Show
5. Allow for crowd handling railings
6. New Offices - 2 story North corner
7. New Building, 1 story at East - exist - exhibit area

Handwritten initials in red ink, possibly "AT&T".

AT&T CIRCARAMA THEATER

SCHEME NO. 2 - RAISE BUILDING 4' +

Maintain all floors at 137 (existing Circarama)

Strip all exterior walls and remove framing. Preserve roof structure intact.

Raise building structural steel

Rebuild exterior walls - new construction same as Scheme No. 1.

November 30, 1965

AT&T CIRCLE-VISION THEATRE
AT DISNEYLAND

This Project involves stripping of the existing Circarama Theatre Building Interior, the 45 foot diameter screen, stripping of the interior sets and wood floor in the Art of Animation Building and demolition of the East wing Building, the Art Corner.

Reconstruction of the buildings to make a Circle-Vision Theatre having a screen diameter of 80 feet requires use of the present Art of Animation Building which has an overall diameter of 100 feet.

There were three schemes considered in adapting the buildings to house the 80 foot diameter Circle-Vision Theatre; each scheme had to consider the requirement of 25 feet from finished floor to the roof truss seat on the exterior wall.

SCHEME NO. 1: Provides required wall height by lowering the finished floor level. Excavation in the 100 foot diameter building is confined to the 80 foot diameter theatre area and to ramp entrance and exits. Suitable footings and a retaining wall are constructed on the 40 foot radius which also serves to support the screen wall and projection room floor. The present Circarama Theatre building is excavated to match the new Theatre floor level; ramps are provided at the street entrance to the new pre-show area and at the theatre exit into the Exit Lobby, as per Sketch dated 11/17/65. The merit of Scheme No. 1 is that the super structure is undisturbed, the exterior walls are saved to a great extent; the sprinkler system is saved and there is a minimum of foundation and structural work.

The cost estimate for Scheme No. 1 is provided in detail as this seems to be the logical plan.

SCHEME NO. 2: Differs from Scheme No. 1 only in the finished floor elevation of the Pre-show area. Scheme No. 2 leaves the finished floor at its present level and ramps down to the Theatre level at the Theatre entrance. The costs for this Scheme are shown as an adjustment to Scheme No. 1.

SCHEME NO. 3: Proposes raising the entire structure some 3 feet. This scheme would require complete reconstruction of the exterior walls (or equivalent expense in raising and installing a cripple wall section filler). A considerable expense and time-loss is incurred in the structural steel work. The costs for this Scheme differs from Scheme No. 1 in the costs of elevating the structures, the reconstruction of all exterior walls and the structural steel additions.

INTER-OFFICE COMMUNICATION

D-101

TO Those Concerned
FROM Jack Sayers

DATE November 9, 1965
SUBJECT Lessee Sales Program

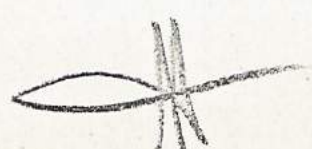
A meeting was held last week at WED with Walt, Mel Melton, Dick Irvine, and John Hench to review the 1967 Tomorrowland development, in view of Ford's withdrawal and other pending lessee matters.

The following recommendations were reached and we have embarked on an immediate program of follow through.

This memo will bring you up to date on potential sponsors, fees discussed, and such exhibit or show ideas as are presently under consideration.

Bell System - We are recommending a new Circle-Vision 360° attraction for Tomorrowland and have discussed this at length with AT&T and PT&T. A preliminary budget has been submitted to them. The agreement would be for five years with an option for five additional years at a fee of \$100,000 per year. Bell would assume cost of the facility, the film and equipment, etc. A meeting with telephone executives from New York and San Francisco is scheduled for next week.

Monsanto - With removal of the limitations imposed by the Ford Pavilion, it was recommended that we enlarge the Monsanto space and create a ride for them based on the micro world or the atom, or both. Fee \$100,000 per year, term five years. Bill Farrell of Monsanto is coming from St. Louis to meet with us next week on the overall project.



INTER-OFFICE COMMUNICATION

D-101

TO _____

DATE _____

FROM _____

SUBJECT _____

Douglas - Since Tomorrowland plans now call for an updating of the present Moon Ride as well as the Space Ride, it was deemed advisable to concentrate Douglas sponsorship on the Moon Ride since there will be added room for corporate displays. Bill Bosche of WDP has been assigned to this development and our office already has arranged meetings for Bill with Douglas representatives. The fee will be increased from \$50,000 to \$75,000 per year, term five years.

Goodyear - Goodyear would have billboard sponsorship of the WEDway and it was decided that at a certain point in the ride the cars could pass through a light controlled area where there would be a Goodyear Exhibit. There also would be billboard identification, references to their sponsorship during the ride, etc. The fee would be \$100,000 per year, term five years.

Seven-Up - This company was proposed for sponsorship of the new dance area in Tomorrowland. Details of identification, etc. to be worked out. Fee would be \$50,000 per year, term five years. Seven-Up would also be given distribution of its products in other selected areas of the Park.

INTER-OFFICE COMMUNICATION

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TO _____

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FROM _____

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Johnson's Wax - This attraction would be the movie "To be Alive" (running time 18 minutes) that Johnson's Wax featured at the World's Fair. A written proposal has been submitted to them, and we are awaiting a reply as to whether or not they are actively interested. The fee would be \$100,000 per year, term five years.

Parker Pen, Scott Paper, Eastman Kodak, PT&T - The idea of a special Service complex was discussed for this group of companies. PT&T would not necessarily be involved in the cost, although this is a possibility depending upon their interest. The area would be a combination rest and display type of operation. Included would be deluxe restrooms and a Scott Exhibit, all sponsored by Scott; a Parker Pen "Pen Pal" operation utilizing a computer to select pen pals with similar interests from other parts of the world (they did this at the World's Fair) along with an area providing room for writing tables or desks; an expansion of Eastman activities to include a second service counter plus retail sales and possibly a dark room for the convenience of guests in changing film. The fees would be: Scott Paper - \$50,000 per year, five year term; Parker Pen - \$50,000 per year, five years; Eastman - to be negotiated.

INTER-OFFICE COMMUNICATION

D-101

TO _____

DATE _____

FROM _____

SUBJECT _____

Lessees outside of Tomorrowland discussed included the following:

Singer Sewing Machine - This would be a Singer Sewing Center on Main Street where the old and the new would be demonstrated and possibly attendants would actually work on wardrobe costumes for "It's a Small World". A letter outlining our proposal has been submitted to Singer. Fee \$50,000 per year, term five years.

Heinz - This company would be represented with sponsorship and identification of the Baby Station, identification in the Market House for the pickle barrel, and billboard sponsorship possibly on the Oaks Tavern where their baked beans would be featured along with barbecued items. Their product exclusivity would be restricted to catsup, pickles, beans, and baby foods. The Hotel has agreed to go along with this exclusivity. Fee \$75,000 per year, term five years. Heinz also is interested, long range, in the possible development of a "Happy Soup" kitchen in Fantasyland. They already have a merchandising tie in with WDP on this product.

INTER-OFFICE COMMUNICATION

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SUBJECT _____

Hills Bros. - This facility is in need of complete renovation. We propose to renew them for a term of five years at \$50,000 per year, \$10,000 of which is to be applied annually over the term to the estimated \$50,000 renovation costs. In view of the heavy demand on our design and construction staff at the present time, it was decided to proceed with negotiations on this basis, with the renovation to be fitted in when possible, but with no committment on date.

If the policy committee so^{*} desires we feel sure that we can also work out a plan whereby Disneyland could assume this operation. The Coffee House presently does not make a profit, but Hills Bros. would subsidize the operation and pay all operational costs.

Clairol - It was decided that a Clairol facility, geared to women, would be a good companion attraction to the proposed Singer Sewing development on Main Street. We have held preliminary discussions with Clairol and will now submit a tentative plan to them and ask that representatives come to the coast for discussions. Fee \$50,000 per year, term five years.

Hertz - Hertz would like to provide some type of service facility for guests where they could talk to people and would

INTER-OFFICE COMMUNICATION

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DATE _____

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like to have three or four spaces adjacent to the Main Entrance for Hertz cars. It was decided that we would meet with Operations to determine the best way for them to participate and this will be done on Dick Nunis' return from vacation. Fee \$50,000 per year, term five years.

- cc: Walt Disney
- Roy Disney
- Card Walker
- Donn Tatum
- Larry Tryon
- ✓ Mel Melton
- Dick Irvine
- Joe Fowler
- Dick Johnson
- Dick Nunis

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TO Those Concerned
FROM Jack Sayers

DATE September 20, 1965
SUBJECT New York Sales Trip

Pete Clark and I have just returned from a swing to several cities in the East on sales presentations. I would like to have a meeting with those concerned later this week, on Thursday or Friday, to discuss these matters in detail and formulate some policy approaches. I am requesting the meeting this week since I plan to take a brief vacation, for about ten days, starting at the end of the week, and I will be in San Francisco until Wednesday in meetings with Pepsi-Cola on renewal of their Golden Horseshoe arrangement.

I will give you the highlights of our meetings and then we can discuss them in detail later in the week.

1. ~~Scott Paper Company~~ - We met with the president of the Scott Company in Philadelphia, and they are quite interested in park participation. They would like to duplicate the service that they provided at the New York World's Fair which consisted of deluxe restroom facilities and an exhibit. They are extremely interested in the new Tomorrowland project and we discussed the possibility of locating them in that area. They do not want to repeat their Enchanted Forest type of exhibit that they have at the fair, but would perhaps go into some type of short movie telling the story of their company and the story of paper.

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TO _____

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SUBJECT _____

2. R. J. Heinz Company - We met with the Heinz people in Pittsburgh, and they, too, are interested in becoming park participants on a billboard basis along with the attendant wholesale privilege on a limited number of products. We spoke specifically of catsup, pickles, beans, and perhaps soups. One thought was to take the Oak Tavern in Frontierland and specialize there in barbecue beef and beans, under the Heinz billboard. They would also have billboard space on Main Street at the old pickle barrel and, since they are a major manufacturer of baby foods, they would be interested in sponsorship of that area as well. We quoted them a minimum of \$50,000 per year which would not, of course, include the baby station. We are running a new analysis on the cost of the baby operation and will then be able to formulate a proposed overall park participation fee for Heinz.

3. United States Steel - We met with Richard Barnhart, Manager of the Consumer Products Advertising Department of United States Steel in Pittsburgh, and learned that they have formulated a new advertising policy. They no longer are interested in institutional advertising for the industry as a whole, but are enlarging their support of the Iron and Steel Institute for those purposes. Their own advertising is hard sell directed at the customer. Mr. Barnhart advised that he would

DISNEYLAND

A Division of Walt Disney Productions

INTER-OFFICE COMMUNICATION

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TO _____

DATE _____

FROM _____

SUBJECT _____

recommend to the institute that they look into Disneyland, and specifically the Lincoln exhibit, and we will follow-up in the very near future.

You may recall that we approached the institute on the Lincoln show before it opened, but were advised that their budgets were limited due to the fact that they had put so much money into the film that the Disney Studio is doing for them. The situation may have changed and we certainly will follow through.

4. Thomas J. Lipton - We had a very pleasant meeting with Oscar Nickel at the Lipton office in New Jersey, and there still is a good possibility that we can work something out that will be satisfactory to us and to them. As is the case with Heinz, we need some definite policy decisions regarding food exhibitors in the park and I hope to go into this matter in some detail with all of you at our meeting.

5. Clairol - We met with the Clairol people in New York and were introduced to the vice president in charge of marketing who has asked us to come up with a definite proposal. Walt told me during our trip that he thought that this should be located on Main Street, so I would like to request some sketches on this and will discuss it in detail with Dick Irvine and keep you advised.

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TO _____

DATE _____

FROM _____

SUBJECT _____

Very independent

In addition to the meetings I have outlined, we had an opportunity to discuss the Johnson's Wax Show and the IBM Show with Walt during our stay in Detroit. Walt saw both of these shows while he was at the fair, and feels that they could be adapted into the new Tomorrowland area. He pointed out that we have two levels to work with and that these shows could perhaps be located in such areas. We already have all of the pavilion details on the Johnson Show and I can get whatever is necessary on IBM. I think it might be wise to give some thought as to where they might fit and have some recommendations for Walt when he returns, since I have been asked to give some kind of report to both companies prior to the fairs and I plan to go to New York approximately October 13 to do so.

IBM is anxious to use its People Wall and, although Walt wasn't too enthusiastic about it, he felt that it might be fit in on the second level with a loading area on the first level somewhere in Tomorrowland.

Also, I spoke with James Ryan, Vice President of AT & T regarding the meeting they held earlier this month on our proposal for enlargement of their show at the Park to the 35mm process. Ryan advised that he has certain questions regarding some of the financial aspects of the deal, but that he feels the outlook is quite favorable. He will be in touch

DISNEYLAND

A Division of Walt Disney Productions

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SUBJECT _____

with me very shortly with requests for some specific information. He was most pleased to learn that General Electric looked good for the Park and felt that this would be very important to his executives in their final decisions.

Before leaving New York, I talked with Bill Mitchell at the Ford Motor Company to see how things were progressing, and was advised that they had held a series of meetings and that Mr. Ford had instructed them to meet the deadline of approximately October 1 with a decision. Certain questions have arisen regarding some of the financial aspects, and I advised Bill to have his people contact Mel Melton for such information.

cc: Roy Disney
Card Walker
Don Tatum
Larry Tryon
Mel Melton
Dick Irvine
Joe Fowler



WALT DISNEY PRODUCTIONS

500 SO. BUENA VISTA ST. • BURBANK, CALIFORNIA • CABLE ADDRESS: DISNEY

December 12, 1966

American Telephone and
Telegraph Company
195 Broadway
New York, New York

Attention: Mr. Henry Habley

Gentlemen:

Under the terms of an agreement currently being worked out between our respective companies, you will maintain and operate an attraction which we are building for your sponsorship at Disneyland.

The attraction utilizes multiple camera projectors, which must be manned, and we believe that a new system, "loop machine", can be installed at a substantial savings of the manpower costs for maintenance and operation. Therefore, we propose that we will expend the money necessary to manufacture and install the loop machines at a cost currently estimated at \$110,000.00, and from the projected savings in maintenance and operational man-hour costs you will repay us all direct costs of manufacturing and installing the loop machines.

The savings are to be determined by using projected staffing requirements, as set forth in a presentation to you dated December 2, 1965, as compared with actual staffing requirements from maintenance and operation. After recoupment of such costs, further savings will be retained by you.

Please indicate your acceptance of our proposal by signing the carbon copy of this letter in the space provided, and returning it to us.

Very truly yours,

Accepted & Agreed to:

AMERICAN TELEPHONE
& TELEGRAPH COMPANY

By

RKO Peary

WALT DISNEY PRODUCTIONS

By

O. V. Melton
O. V. Melton, Assistant Treasurer

Orig. to main files 1/25/67

NO AGREEMENT WILL BE BINDING ON THIS CORPORATION UNLESS IN WRITING SIGNED BY AN OFFICER

WED

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21 → ATT FILE



WED Enterprises, Inc • 1401 Flower St • Glendale, Calif 91201 • 245-8951

imaginering

December 5, 1966

Mr. Arden L. Andresen
American Telephone & Telegraph Company
195 Broadway - Room 2502
New York, New York 10017

Dear Mr. Andresen:

Enclosed is a Xerox copy of our computation of the level annual payment to amortize the \$1,460,000. It is based on the Accountant's Handbook by Rufus Wixon, 4th edition, c. 1956, Section 29-76, and uses a factor of .039214. This factor when applied gives a quarterly payment of \$46,605. Perhaps we should use this factor in the final version of the contract.

I am still working on our people to determine a "not later than" opening date and will advise you as soon as I have it.

Very truly yours,

Neal E. McClure, Legal Counsel

NEM'mc
Enc.
cc: Frank Kurent

Amortization of Quarterly payments over a 10 year period at 5% annual rate on \$140,000

Quarter	Payment	Interest	Princ	Balance
				140,000
1	41665	18250	23365	116635
2		17596	28709	1402936
3		17537	29068	1373868
4		17173	29432	1344436
5		16805	29800	1314636
6		16433	30172	1284464
7		16056	30549	1253915
8		15674	30931	1222984
9		15287	31318	1191666
10		14896	31709	1159957
11		14499	32106	1127851
12		14098	32507	1095344
13		13692	32913	1062431
14		13280	33325	1029106
15		12864	33741	995365
16		12442	34163	961202
17		12015	34590	926612
18		11583	35022	891590
19		11145	35460	856130
20		10702	35903	820227
21		10253	36352	783875
22		9798	36807	747068
23		9338	37267	709801
24		8873	37732	672069
25		8401	38204	633865
26		7923	38682	595183
27		7440	39165	556018
28		6950	39655	516363
29		6455	40150	476213
30		5933	40652	435561
31		5445	41160	394401
32		4930	41675	352726
33		4409	42196	310530
34		3882	42723	267807
35		3318	43257	224550
36		2801	43798	180752
37		2259	44346	136406
38		1705	44900	91506
39		1144	45461	46045
40		576	46029	16 adj
				14564200
				404216
				1457984

Prepared: *JM*
 By: *JM*
 Date: 12/2/66
 Approvals: _____

WED ENTERPRISES, INC.

INTER-OFFICE COMMUNICATION

TO CARL BONGIRNO DATE December 1, 1966
FROM WED ESTIMATING SUBJECT A. T. & T. ESCALATION

At your request we have modified our report of November 29th to indicate cost increases since January, 1966 in lieu of June, 1965. (We have actually used the December, 1965 indices because those for January were not available.)

On this basis, the escalation from the January, 1966 estimate until the February, 1967 date (median point of construction) would be 6.47%. 6.47% of the Facility (less design) cost of \$610,000 is \$39,500.


DAN DINGMAN

DD:ab

cc: ✓ Mel Melton
Neal McClure
Warren Robertson

WED ENTERPRISES, INC.

INTER-OFFICE COMMUNICATION

TO CARL BONGIRNO
 FROM WED ESTIMATING

DATE November 29, 1966
 SUBJECT A. T. & T. ESCALATION File

The November 17th issue of Engineering News Record shows the current cost indices for the Los Angeles Area. These compare with those for June, 1965 as follows:

	June '65	Nov '66	% Increase (17 mos.)
Construction Costs	1,009	1,138	12.77
Building Costs	629	665	5.72

The Construction Cost Index is based on skilled workmen and building materials, while the Building Cost Indices includes common labor as well. We have estimated that Disneyland work should be proportioned as indicated below.

Construction Cost Index	$12.77\% \times 25\% = 3.19\%$
Building Cost Index	$5.72\% \times 75\% = 4.29\%$
	* 17 month increase 7.48%

(On October 5th, we compared June, 1965 indices with June, 1966 indices and showed a 12 month comparable increase of 8.50%. Since that time, however, the indices have dropped from record highs of 1,145 and 672 respectively, due primarily to softening of the steel market.)

Based on the same proportions, the Los Angeles Area 12 month increases shown in the same issue would average 0.43% per month. This is almost identical to the 17 month average, which is 0.44% per month. It is, however, significantly lower than the monthly average of 0.71% indicated by our previous report.

If we assume a median point of February 28, 1967 for A. T. & T. construction costs, the escalation increase would be 7.48%, plus 3 months at 0.43% (1.29%), or 8.77%.

The above increase would be applicable to all facility costs in the Board of Directors' estimate except Design.

Budget Estimate		\$710,000
Less Design		- 100,000
	Sub Total	610,000
	Escalation	$\times 8.77\%$
	Total Increase	\$ 53,500

Handwritten initials

Signature
 DAN DINGMAN

DD:ab

cc: Mel Melton
 Warren Robertson

WED ENTERPRISES, INC.

INTER-OFFICE COMMUNICATION

TO DICK IRVINE DATE NOVEMBER 23, 1966
FROM MEL MELTON SUBJECT _____

Mailed
Through Jack Sayers, Bill Horton of AT&T requested an estimate of the cost covering the stage for the Bell Exhibit at Disneyland, along with an estimate covering the curtain and traverse rod.

Estimated
Our Estimating Dept. here at WED estimated a cost of \$6,500 for the stage -- including design, fire sprinklers, and sub-floor. Grosh submitted an estimate of \$4,700 covering the curtain and traverse rod.

John Wise
This information was passed along to Bill Horton. Bill advised that they, of course, want us to handle the stage and they will handle the curtain and traverse rod.

For your information.

cc: Mr. Bill Horton - AT&T
John Wise

WED ENTERPRISES, INC.

INTER-OFFICE COMMUNICATION

TO JACK SAYERS

DATE November 22, 1966

FROM WED ESTIMATING

SUBJECT BELL EXHIBIT

The Bell stage will cost \$6,500.00 as drawn, including Design, Contingency, fire sprinklers, 2 doors, 2 stairs, and sub floor. Carpeting or partitions above stage are not included. Traverse rod and curtain will cost \$4,700.00.


DAN DINGMAN

DD:ab

cc: Mel Melton
Warren Robertson
Fred Hope
John Wise

AMERICAN TELEPHONE AND TELEGRAPH COMPANY

195 BROADWAY, NEW YORK, N. Y. 10007

AREA CODE 212 393-9800

November 14, 1966

Mr. J. C. Sayers
Disneyland, Incorporated
1313 Harbor Boulevard
Anaheim, California

Dear Jack:

Since we covered a number of subjects with various people during our visit last week, I thought it best to review our mutual conclusions and the steps to come.

-We'll need a description and cost breakdown of the additional costs and operational economics that are included in your continuous projection proposed.) NEAL

-Your final bills for all expense incurred in 1966 should be in my hands by December 1.] MIKE B.

-As soon as it's available, we'd like to review a story board and script outline of the new show.] MARTY

-We're anxious to review your proposed treatment of the leader for the show. "

-You owe us a cost estimate for the pre-show stage construction as revised by Messrs Greene and Horton.] DAN

-As discussed with Messrs Hench and Greene, we'd like to see elevation drawings (or photo of the model) of the building facade. On such drawings, we'd like to have your ideas of how our corporate seal and signature should be treated.] MARTY

Bill
Rec'd from
Jack Sayers

Mr. J. C. Sayers

November 14, 1966

-While at the site, I didn't see the sign announcing our new building and the location of the temporary building. Did I miss it, or hasn't it been done yet?

JACK

-Bertell is re-drawing the signature and billboard for the temporary building. These should be on their way to you this week.

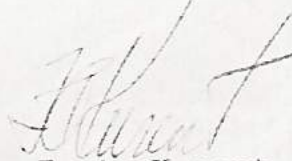
✓

-Our legal folks indicate a meeting with Neal McClure here would be in order perhaps next week or the week after. This would be a work session and not one at which the contracts will be signed. I'll let you know the best date for us and we'll see if Neal can make it.

NEAL
DOWN
MEL

Jack, I'd appreciate your attention to these matters as the clock runs steadily on.

Sincerely,



F. A. Kurent
Assistant Advertising
Manager-Exhibits

WED ENTERPRISES, INC.

INTER-OFFICE COMMUNICATION

TO JOHN WISE DATE NOVEMBER 10, 1966
FROM NEL NELTON SUBJECT BILL EXHIBIT

Thank you for your reminder of the additional electrical costs relative to the installation of the re-re facility in the Bell Attraction at Disneyland.

It is my suggestion that all concerned -- meaning Joe Fowler's office, as well as Dick Pfahler at the Studio, and those in our shop here -- would simply be mindful of not only the additional electrical costs, but also "other" additional costs, such as the loop machines. In those instances where we can set up a separate job -- again, such as the loop machines -- we will do so, accumulating these additional costs in separate numbers. In those instances such as the additional electrical costs, let's let them go to the project number and at the completion of the project get the best judgment of all concerned and make a "percentage" allocation.

cc: Joe Fowler
Dick Irvine
Dick Pfahler
Warren Robertson
Tony Virginia

WED ENTERPRISES, INC.

INTER-OFFICE COMMUNICATION

TO MEL MELTON

DATE November 8, 1966

FROM JOHN WISE

SUBJECT BELL EXHIBIT

*Note to John -
Dick -
all add costs*

Attached is a copy of J. S. Hamel's estimate for the additional electrical costs relative to installation of the Re-Recording Facility requested by WDP for the Circle Vision Theatre. Please note that these costs represent materials and labor which will be included in the basic electrical sub-contract under J. B. Allen's supervision.

It will be difficult, if not impossible to accurately record actual field costs for this work, because of proximity and similarity of other electrical work on the theatre. Aside from considerations on recovery of these costs by D/L from WDP, it would seem that our present need is to make appropriate acknowledgement in our budget for the project for the added costs.

John
John Wise

JW:vm

Enc. 2

cc: Dick Irvine

Kula

208.00
356.00
712.00
271.00
650.00
66.00
206.00
1927.00
4271.00
1922.00
6193.00
929.00
7122.00

Date 10-26-66
Job No. 4665 (a-1)
Building BELL SYSTEM
EXHIBIT

J.S. HAMEL
ENGINEER
Burbank, California

Estimate No. 662610
Sheet No. 1 of 2
Designed By R.C.
Sheet Title
RECAP

CIRCLE VISION RE-RECORDING LINES
BULLETIN NO.

RECAP

Labor Journeymen	48.1 Hrs. @ 6.66	\$3203.00
Labor Foreman	48.1 Hrs. @ 7.39	356.00
Payroll Taxes & Insurance		712.00
Total Labor Cost		<u>\$4271.00</u>

Material Cost		\$1650.00
Sales Tax 4%		66.00
Equipment 12%		206.00
Permit & Fee		
Total Material Cost		<u>\$1922.00</u>

Total Labor Cost		\$4271.00
Total Material Cost		1922.00
Total Labor & Mat'l. Cost		<u>\$6193.00</u>

Overhead & Profit		929.00
Miscellaneous		
Total Estimated Contract Price		<u>\$7,122.00</u>

J. S. HAMEL ENGINEERING INCORPORATED
PRICING SHEET

EST. # 662610
JOB No. 4665 (a-1)

NAME BELL SYSTEM EXHIBIT SHEET No. 2
WORK CONDUIT, WIRE & CABINETS. SHT # E-15 OF 2
ESTIMATED BY R.C. CHECKED BY L.P. DATE 10-26 1966

ITEM	MATERIAL				LABOR		
	QUANTITY	PRICE	PER	TOTAL	HOURS	PER	TOTAL HOURS
<u>CONDUIT</u>							
3/4"	700	21-	C	147-	8-	C	56-
1"	1050	30-	C	315-	12-	C	126-
1 1/4"	500	40-	C	200-	14-	C	70-
1 1/2"	180	50-	C	90-	16-	C	29-
<u>CONDUIT TERMINATION</u>							
3/4"	8	11-	C	88	40-	C	3-
1"	12	18-	C	2-	60-	C	7-
1 1/4"	8	30-	C	2-	65-	C	5-
1 1/2"	4	37-	C	2-	65-	C	3-
<u>WIRE</u>							
#12	1200	20-	M	24-	9-	M	11-
#10	2000	30-	M	60-	13-	M	26-
#1	550	285-	M	157-	26-	M	14-
#16 TW.PB.	2400	38-	M	91-	750	M	18-
COAX CABLE	100	15 FT		15-	8-	C	8-
BELD FOIL # 22G	6000	34-	M	204-	10-	M	60-
3/4" COPPER ROD	(3) @ 10' EA.	10-	EA	30-	2-	EA.	6-
<u>CABINET</u>							
12" X 12" X 6" D.	1	50-	EA.	50-	3-	EA.	3-
24" X 24" X 6" D.	2	100-	EA.	200-	3-	EA.	6-
TERMINAL STRIP BUCHANAN # 525	1 LOT			60-			30-
TOTALS THIS SHEET				1650-			481-

DISNEYLAND

A Division of Walt Disney Productions

INTER-OFFICE COMMUNICATION

D-101

TO Dick Irvine/Mel Melton

DATE November 4, 1966

FROM Jack Sayers

SUBJECT Revised AT&T Schedule

The meeting with AT&T, scheduled for Wednesday, November 9, has been postponed to Thursday morning, November 10.

Those attending will be Frank Kurent, Henry Habley, and Bill Horton from AT&T and Mr. Bertell and Mr. Sosa from the Bertell Design outfit.

Opal Henn, Manager of the Disneyland Exhibit also will be present.

I realize this conflicts with the visit by G.E., but this will be handled, from the standpoint of my office, by Norm Fagrell since he is the coordinator for G.E. anyway.

It might be wise to reserve both the upstairs and downstairs conference rooms for these two meetings.

Frank Kurent also requested that Dick Pfahler be present to discuss the film. I would recommend that we handle this matter at the outset thus freeing Dick as soon as possible.

cc: Norm Fagrell
Dick Pfahler

*Noted
w.d.*

Jack

[Handwritten mark]

MADE IN U.S.A.

DISNEYLAND
A Division of Walt Disney Productions

INTER-OFFICE COMMUNICATION

D-101

TO Dick Irvine

DATE November 3, 1966

FROM Jack Sayers

SUBJECT _____

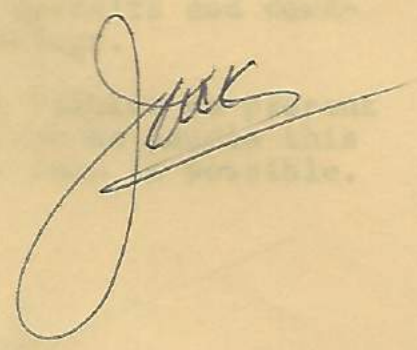
This will confirm a meeting at WED on Wednesday, November 9, at 9:30 a.m. with AT&T. Representatives of their design group will be there along with the AT&T people. At the moment, this will include Frank Kurent, Henry Habley and Bill Horton, although Kurent may not be able to make it.

The primary reason for their visit is to discuss the exhibit area.

Information Copy: Dick Pfahler

cc: Mel Melton

*Noted
w.d.*



11-4-66

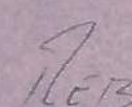
WED ENTERPRISES, INC.

INTER-OFFICE COMMUNICATION

TO DICK IRVINEDATE October 18, 1966FROM BOB BONERSUBJECT Bell System - Character Restaurant
Schedule

The following is the schedule status for subject project:

1. Structural drawings for the basement and much of the building remodel will be released on October 24, 1966, with the remainder of the structural drawings to be released on October 31, 1966. These new release dates represent a slip of 7 to 10 days on the schedule, but the overall schedule does not appear to be affected since the most critical portions of the construction have already begun.
2. In order that the schedule be maintained, the Plumbing & Electrical drawings should be released by October 24, 1966 - at least the portions showing underground construction.
3. The WED Schedule for Restaurant Equipment indicates 90 days (18 weeks) for manufacture and 20 days (4 weeks) for installation. If these time periods are reasonable, manufacture should begin on November 14, 1966-- which means that bidding, layout, and shop drawings should be completed prior to November 14th.
4. Purchase of the elevators could become a critical item if delayed too long. The schedule indicates 100 days (20 weeks) for purchase and installation of both elevators. Assuming these time periods are adequate, bidding should begin not later than October 31, 1966.



Bob Boner

BB:vm

cc: Mel Melton
John Wise

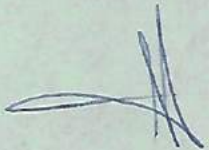
WED ENTERPRISES, INC.

INTER-OFFICE COMMUNICATION

TO JOE FOWLER DATE SEPTEMBER 26, 1966
FROM MEL MELTON SUBJECT AMERICAN TELEPHONE AND
TELEGRAPH COMPANY

Joe:

The attached is for your information. It looks like the general contractor will not have to install the Picture-phone booths. So, the estimate we delivered to you on Saturday covers the proper estimated costs.



WED ENTERPRISES, INC.

CORRESPONDENCE INSTRUCTIONS

Date Sept. 26, 1966

The Attached Papers Are Referred

To Neal McClure *M*

For the Purpose Indicated by the Check Mark

- Please note and file.
- Please note and send to main files
- Please note, initial and return to me.
- Please note and see me about this. _____ A. M. _____ P. M.
- Please answer, sending me copy of your letter.
- Please prepare reply for my signature.
- Please take charge of this.
- To be signed.
- For your information. and return to me.
- Your comments, please
- RUSH—Immediate action desired.
- Please note, initial and route to:

- 1. ~~Dick Irvine~~ *st*
- 2. ~~John Hench~~
- 3. Vic Green *[Signature]*
- 4. _____

REMARKS:

SIGNED Mel Melton

WEST TELEGRAPH COMPANY

NEW YORK, N. Y. 10007

RECEIVED

393-9800

SEP 26 1966

WED ENTERPRISES, INC.
MEL MELTON'S OFFICE

September 23, 1966

Treasurer

re letter of September 20
and we accept your proposal

number of points on the layout
with Vic Green, and I believe

that Presentation Industries
rephone booths and we'll
make those arrangements directly with Alex Thorburn.

I hope to have the formal contract reviewed
here and back to you shortly.

Sincerely,

F. A. Kurent

F. A. Kurent
Assistant Advertising Manager-
Exhibits

c.c. Mr. J. Sayers

10/46 - Copy to Joe Fowler

9-26-66

AMERICAN TELEPHONE AND TELEGRAPH COMPANY

195 BROADWAY, NEW YORK, N. Y. 10007

AREA CODE 212 393-9800

RECEIVED

SEP 26 1966

WED ENTERPRISES, INC.
MEL MELTON'S OFFICE

September 23, 1966

Mr. O. V. Melton, Assistant Treasurer
Walt Disney Productions
500 South Buena Vista Street
Burbank, California

Dear Mel:

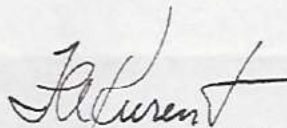
I've discussed your letter of September 20 with Jack Sayers and indicated we accept your proposal as outlined.

There were a number of points on the layout that Bill Horton reviewed with Vic Green, and I believe they'll not alter costs.

We're agreed here that Presentation Industries (DMI) will install our Picturephone booths and we'll make those arrangements directly with Alex Thorburn.

I hope to have the formal contract reviewed here and back to you shortly.

Sincerely,



F. A. Kurent
Assistant Advertising Manager-
Exhibits

c.c. Mr. J. Sayers

10/46 - Copy to Joe Fowler

9-26-66

WED ENTERPRISES, INC.

INTER-OFFICE COMMUNICATION

TO Those Concerned

DATE September 1, 1966

FROM Dick Irvine

SUBJECT Bell System's Display - Tomorrowland

Telephone call from Jack Sayers and Frank Kurent of Bell System, New York City, Thursday, September 1st:

Frank Kurent and Bill Horton will send model of their proposed exhibit in Disneyland to WED, in care of me, via Emery Air Freight, to arrive either Saturday or Sunday. Size of model is 3' X 6' - table height.

Orlando will notify guards to accept package and store until Tuesday. On Tuesday Orlando will have model uncrated and set up in the Upstairs Conference Room.

WED is to provide Wallensack Monaural Tape Recorder for their Presentation.

Harry Bright will arrive at WED at approximately 9:30 A.M. Wednesday, September 7th, to review model with Horton and Kurent. At the conclusion of their meeting (approximately 10:30), they will show their model to Walt, Dick Pfahler, John Hench and Vic Greene.

Kurent and Horton will be staying at the Hollywood-Roosevelt Hotel, and will make their own arrangements to arrive at WED.

Tomorrowland - Interim Display Picture Phone:

Bell System, New York, have a pre-fab picture phone setup, which takes stage space of 15' x 8' x 7' high. They will probably wish to use this picture phone setup in lieu of the existing one at Disneyland. This we will confirm with them when they arrive.

cc: Mel Melton ✓

John Hench ✓

Vic Greene ✓

DISNEYLAND

A Division of Walt Disney Productions

INTER-OFFICE COMMUNICATION

D-101

TO Those concerned

DATE June 21, 1966

FROM Jack Sayers

SUBJECT _____

dated 1-14-1966

The attached note from Frank Kurent of AT&T is self-explanatory.

You will note his particular concern with what he calls the "Pre-feature leader" and his insistence on a 12 minute running time for the finished feature.

Before leaving, however, he said that they would welcome an opportunity to review the probable script and picture content for both a 12 and 15 minute version. He felt that if a marked difference in total effect of the film could be demonstrated by comparing such scripts, he might be able to convince his people to go with the longer version.

For your information.



cc: Dick Irvine
Mel Melton
Dick Pfahler
Neil McClure
Joe Fowler



DISNEYLAND

A Division of Walt Disney Productions

INTER-OFFICE COMMUNICATION

D-101

*up file
6/7*

TO Walt Disney

DATE June 2, 1966

FROM Jack Sayers

SUBJECT AT&T

On Wednesday, June 8, at 9:00 a.m. Frank Kurent and Bill Horton of AT&T will meet with us in the conference room at WED to review the plans for their corporate exhibit in the new Circle-Vision 360° Theatre in Tomorrowland in 1967.

They probably will have lunch with Dick and myself at the Studio and will then go to the Park for the rest of the day.

cc: Mel Melton
Dick Irvine



*Noted
W.D.*



WED ENTERPRISES, INC.

INTER-OFFICE COMMUNICATION

TO Warren Robertson DATE May 4, 1966
FROM Darrell Bankes SUBJECT A. T. & T. Circle-Vision


Per telephone conversation with Les Carey the following information was obtained relative to the A. T. & T. Circle-Vision film shooting.

Total cost as of April 30, 1966 is \$146,619. These costs are being accumulated in a W.D.P. production account number at present under the title "Circle Vision - 360° - U.S.A.".

There is an estimated three weeks of shooting remaining. Editing and scoring will follow.

Darrell

DB:k

cc: Mel Melton 
Carl Bongirno



W

INTER-OFFICE COMMUNICATION

D-101

TO Walt Disney

DATE March 8, 1966

FROM Jack Sayers

SUBJECT AT&T

Meetings with the AT&T group, which will include Henry Habley, Frank Kurent, and Bill Horton, regarding Circle-Vision 360° now have been confirmed for Tuesday and Wednesday, March 15 and 16.

On Tuesday they want to discuss the contract and the film production itself. I will bring them to Dick Pfahler's office at 10:00 a.m. for these meetings.

On Wednesday we will meet at WED to discuss the exhibit area and other matters of an architectural nature. For these meetings we will be joined by Pete Dohanos who is their display expert and hence will be involved in the project.

cc: Roy Disney
Card Walker
Donn Tatum
Dick Pfahler
Mel Melton
Dick Irvine



3-8

WED ENTERPRISES, INC.

INTER-OFFICE COMMUNICATION

TO JACK SAYERS (NEW YORK) DATE FEBRUARY 21, 1966
FROM MEL MELTON SUBJECT AT&T

Dear Jack:

Today's telephone conversation ---

AT&T MEETING - MARCH 9 and 10 (WEDNESDAY & THURSDAY)

Following our telephone conversation, I checked with Dick Pfahler as to his availability on the above days. He has penciled them in and will await further word from you as to the specifics.

Talked with Tommie and advised her we did not feel these preliminary meetings would necessarily involve Walt.

Our fellows, Dick, John, and Marty, will be here and, of course, be available.

I will leave it to you to advise those listed below the specifics.

Keep in touch.



Copies to: John Hench Marty Sklar
 Dick Irvine Donn Tatum
 Dick Pfahler Card Walker

2242

DISNEYLAND

A Division of Walt Disney Productions

INTER-OFFICE COMMUNICATION

D-101

TO Those Concerned

DATE February 8, 1966

FROM Jack Sayers

SUBJECT Scheduled Appointments

Next week promises to be a bit hectic. For your information, the following meetings have been definitely set.

February 16 - Wed. - Dave Burke and Roy Stratton from General Electric at WED - all day.

Bill Lang and associates from Monsanto - at WED for first discussions on new Monsanto ride. (possibly at Palm Springs with Walt - all day)

4:00 p.m. - Presentation to Lincoln Savings and Loan - at Studio. We expect a final decision on their proposed sponsorship of Great Moments with Mr. Lincoln at this meeting, which will be attended by their top executives.

February 17 - Monsanto representatives at WED - all day.

I plan to go to New York early the following week in connection with the General Electric presentation. The following dates have been set.

February 23 - Wed. - Lipton Tea - at their offices in New Jersey - all day.

February 25 - Friday - General Electric in New York - all day.

During my conversation with Jim Ryan this morning regarding AT&T's acceptance of our proposal, I told him that I would be in New York the week of the 21st and he suggested that we get together on some type of interim agreement. Perhaps we should prepare a Letter of Intent covering the broad aspects of the contract which I can take with me.

*Neal
Preparing*

DISNEYLAND
A Division of Walt Disney Productions

INTER-OFFICE COMMUNICATION

D-101

TO _____

DATE _____

FROM _____

SUBJECT _____

- Page 2 -

Also, there is a meeting being held at the Park with the Hertz Corporation on Friday (February 18) of next week and a meeting is definitely set for Friday, February 25, at the Park with Greyhound. Pete Clark and Norm Fagrell are handling the Greyhound assignment.

While in the East, I am hopeful of arranging a presentation to Johnson's Wax and Goodyear on Tomorrowland for 1967.

If time permits, I will also try to get some more concrete reactions from Scott Paper and Parker Pen, both possibilities for Tomorrowland '67.

cc: Mel Melton
Dick Irvine
Donn Tatum
Larry Tryon



real copy

WED ENTERPRISES, INC.

INTER-OFFICE COMMUNICATION

TO DICK IRVINE

DATE

FEBRUARY 1, 1966

FROM JACK SAYERS

SUBJECT

AGENDA FOR MEETING WITH WALT,
WEDNESDAY, FEBRUARY 2, 1966

If time permits, I would like to review the following items during our meeting with Walt:

- 1) MONSANTO - A creative committee is being formed at Monsanto in St. Louis to work with us on a new show. This will probably number no more than three. They have tentatively set February 15th and 16th for their first visit to WED. If this is acceptable, I will confirm it immediately.
- 2) GREYHOUND - I am meeting with Greyhound executives tomorrow at the park. I expect to get a final decision on their Billboard participation at the park. In addition to identification on our parking lot trams, they want representation inside the park in the form of appropriate and mutually acceptable identification on the Main Street Omnibus. I need an o.k. on this. They have been quoted a fee of \$75,000.00 per year.
- 3) GOODYEAR -- This company is quite anxious to hear from us. They want a proposed layout on projection possibilities on their enclosed area on the WEDway "people mover" ride and a rough sketch on how they might be identified in the loading area. With such sketches, we could arrive at an approximate cost allowance and I feel that we could then finalize this contract at once. The actual details of the show could be worked out later.
- 4) JOHNSON WAX - Presentation to this company will be made in mid February. A special slide presentation has been prepared. All we need here is a visualization of their marquee plus the other layouts already available.

WED ENTERPRISES, INC.

INTER-OFFICE COMMUNICATION

TO DICK IRVINE

DATE FEBRUARY 1, 1966

FROM JACK SAYERS

SUBJECT

PAGE -2-

- 5) LINCOLN SAVINGS AND LOAN - This company is asking for a presentation in February. We have everything we need except a concept or treatment of the manner of which they would be identified at the entrance to the show. Details of their identification and participation in the lobby, the pre-show area, and the exit area could be worked out with their cooperation at a later date. However, if we can have the material requested above, it is quite possible that this company will give us a decision prior to the coming summer season.
- 6) PROPOSED TOMORROWLAND REST AREA - We have talked about Parker Pen, Scott Paper and Eastman as participants in this area for the summer of 1967. In view of the present work load, should we continue to push on these possibilities or postpone them for the time being?
- 7) BANK OF AMERICA - We have budget problems, I am sure, on the proposed Garden Area for Bank of America since they presently have a \$50,000.00 allowance. Any additional amounts, for the first year of the contract at least, would require special attention by the board of directors. Ernie McRitchie says this is virtually impossible. As soon as cost figures are available, we should sit down with Ernie and Mel to solve this problem. Therefore, it is urgent that we have cost estimates as soon as possible. They expect to hear from us within the next week.

cc: Mel Melton

DISNEYLAND

A Division of Walt Disney Productions

INTER-OFFICE COMMUNICATION

D-101

TO Those Concerned

DATE December 14, 1965

FROM Jack Sayers

SUBJECT Circle-Vision 360°

I met with the top executives of PT&T in San Francisco last week and gave them our revised presentation. They were enthusiastic about it, and are attempting to arrange a meeting immediately with AT&T executives to get a final position.

If this cannot be accomplished before the end of the year, the San Francisco group will go to New York on January 14 to get it settled. Since the new investment is twice that of their former arrangement, they will need some strong support from AT&T. PT&T formerly paid one quarter of the total cost but, under a new phone company policy, they now are required to pay fifty percent of the cost of any exhibit activities in their particular area.

The PT&T executives are concerned about one aspect of the new plan. They are very worried about the steps leading down to the theatre, since they apparently have had a lot of trouble in the past at other exhibits. A suggestion came up of using a circular ramp down which would not require as much space as a normal straight-away ramp. I would appreciate it if WED would investigate this thought.

The PT&T people were quite frank regarding the total expense of their Disneyland participation. They gave me a copy of their operations analysis for the present exhibit as

Dick
[Signature]

DISNEYLAND

A Division of Walt Disney Productions

INTER-OFFICE COMMUNICATION

D-101

TO _____

DATE _____

FROM _____

SUBJECT _____

- Page 2 -

contrasted with our original proposition, which was made before we decided to retain and adapt the present building. I think you will find this information interesting and I am attaching a copy.

I will keep you advised of further developments.

cc: Walt Disney
Roy Disney
Card Walker
Donna Tatum
Mel Melton
Dick Irvine
Dick Pfahler
Joe Fowler

OPERATIONS ANALYSIS - BELL SYSTEM EXHIBIT - DISNEYLAND

	<u>Present Exhibit</u>	<u>Proposed Exhibit</u>
Sq. Footage Comparisons		
Theatre	1300	9600
Exhibit & Offices	4950	6000)
Audience Capacities) Only 20% inc. exhibit
Theatre	300	1000)
Exhibit	225	270)
Film Comparisons	16mm	35mm

	<u>1965 Est.</u>	<u>Avg. Annual 1st 5 yrs.</u>
Expense		
Facility Lease	\$84,000	\$100,000
Show Lease	34,000	100,000
Interest	-	55,000
Disney Fee	-	100,000
Oper. & Mtce.	138,000	150,000
Personnel	<u>144,000</u>	<u>229,000</u>)
TOTAL	\$400,000	Based on 20% inc. p
Pac. Co. Share Expense	100,000	367,000
		10%/a yr. for sal

Exhibit Investment		
Initial	172,000	250,000
Annual Avg (1st 5yrs)	112,000	150,000) Based on approx. 1/
Pac. Co. Share Exhibit Exp.		costs 1960-65 vs
Initial	43,000	125,000
Annual Avg (1st 5yrs)	28,000	75,000

PACIFIC CO. TOTAL ANNUAL COSTS

Audience Projections	<u>1965</u>	<u>1970</u>
Park	6,000,000	8,500,000
B.S. Exhibit (50% gate)	3,000,000	4,250,000) Potential 42% inc.
Pacific Co. Cost per Visitor	4¢	10¢
Calif. Visitors	53%	
Nevada Visitors	1.36%	
	128,000	442,000

WED ENTERPRISES, INC.

INTER-OFFICE COMMUNICATION

AT&T
File

TO ROLF ANDERSON DATE DECEMBER 7, 1965
FROM MEL MELTON SUBJECT _____

Dick Irvine brought up again this morning the matter of the page that evidently is not in the AT&T brochure presentation.

I agree with Dick in that we should be specific as to "what is not" included in our figures. If it's not too late, let's get a page inserted in the AT&T brochure covering these points.

DISNEYLAND
A Division of Walt Disney Productions

up
11-16-65
29

INTER-OFFICE COMMUNICATION

D-101

TO Walt Disney
FROM Jack Sayers

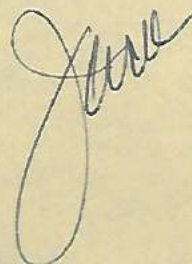
DATE November 8, 1965
SUBJECT AT&T

This will confirm a meeting on Thursday, November 18,
at 10:00 a.m. at WED with representatives of AT&T and
PT&T to discuss Circle-Vision 360° for our new Tomorrowland.

Attending from AT&T in New York will be Jim Ryan,
Henry Habley, and Frank Kurent; from PT&T in San Francisco
Harry Bright, Vice President, and Larry Putnam.

cc: Mel Melton
Dick Irvine
Dick Pfahler

Information copies: Donn Tatum
Card Walker
Larry Tryon
Joe Fowler



DISNEYLAND
A Division of Walt Disney Productions

up file
11-16-65

INTER-OFFICE COMMUNICATION

D-101

TO Walt Disney

DATE November 5, 1965

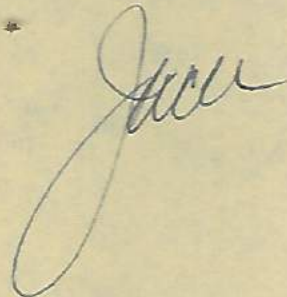
FROM Jack Sayers

SUBJECT AT&T

10:30

Jim Ryan and members of his staff from AT&T in New York, plus representatives of PT&T from San Francisco will be here to discuss the new Circle-Vision 360° projection on Thursday, November 18.

They will be prepared to go forward with our proposal. I would like to bring them to the Studio and have lunch and to meet in your office briefly before lunch, if this meets with your approval.



- cc: Dick Irvine
Mel Melton
Card Walker
Donn Tatum
Joe Fowler
Dick Pfahler

11-9

INTER-OFFICE COMMUNICATION

D-101

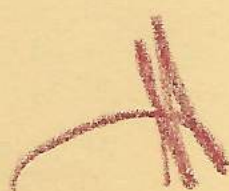
TO Those Concerned
FROM Jack Sayers

DATE October 22, 1965
SUBJECT AT&T

Meetings were held with Joe Cook, Jim Ryan, Henry Habley, and Frank Kurent at AT&T in New York last week regarding the expansion of AT&T's Disneyland show to Circle-Vision 360° for opening in 1967.

In essence, Cook and Ryan stated that they wanted to go ahead with it although there are certain financial problems that must be resolved. I am meeting with Mel Melton Monday afternoon to review these questions and we hope to answer them, to AT&T's satisfaction, by the end of the week.

With this accomplished Jim Ryan and his associates will come to the coast the week of November 8, and will be prepared to finalize the contract and get underway immediately. I pointed out the necessity for start of production as soon as possible for a film that would be scheduled to open in June of 1967. In connection with the Disneyland project, AT&T wants, also, to talk with us regarding a show for the World's Hemis-fair which will be held in San Antonio, Texas in 1968, partly in connection with the games in Mexico City that year.



DISNEYLAND

A Division of Walt Disney Productions

INTER-OFFICE COMMUNICATION

Page 2

D-101

TO _____

DATE October 22, 1965

FROM _____

SUBJECT _____

Ryan felt that perhaps a portion of the new Circle-Vision 360° film (footage shot in the Southwestern part of the country and perhaps some in Mexico) could be taken off the three center cameras and projected on a 200° system for the San Antonio event. At any rate, he will want to explore the possibility of Disney cooperation on their show for the Hemis-fair. I will advise you as soon as the appointment is definitely set for the week of November 8.

cc: Walt Disney
Roy Disney
Card Walker
Donn Tatum
Mel Melton
Dick Irvine
Joe Fowler
Dick Pfahler



Telephone call from Jack Sayers
Tuesday, October 19, 1965
11:40

AT&T is in the Park on the expanded plan.

1. Their people have analyzed the 10-year proposal and have come up with the fact that over a 10-year period they would be charged a 26% interest rate -- not 5%. They don't think this is fair. They want a proposal made up on a five year basis as well as the 10-year basis.
2. They say they are leasing equipment, projectors, etc., from WDP -- why should they pay maintenance cost on this equipment? During the time they have been in the Park they have paid \$20,000 a year maintenance cost on this equipment.
3. They say WDP is charging them a fee of \$100,000 per year, and film rental or amortization on equipment which WDP owns -- what's fair about that? Jack said that in effect we are asking them to pay for the film and pay rental on it even though we own it. They are willing to lease it and why should they have to pay for it on top of that?

Jack said they are going to do a new film which they will pay for -- but we will own it and also ask for a fee.

Jack asked that you get these facts and figures together, review them with Dick Pfahler and Joe Fowler and come up with something more realistic -- in other words, they want all costs to be taken care of under one figure -- not spread over an annual fee, plus equipment maintenance cost., etc.

Jack said he promised the AT&T people that you and he would place a conference call to them no later than this coming Monday and review the proposal with them so they may present the proposal to their management by the end of next week.

Following their presentation of the proposal to their management, they plan to come to the coast the second week in November.

Jack said that since they are ~~exp~~ presently in the Park, perhaps they should be given some consideration -- such as adapting our costs to the formula that they are familiar with.

Jack is going to leave New York tomorrow -- will be back in his office on Thursday, 10/21/65.

During the time they have been in the Park they have paid \$28,000 a year maintenance cost on this equipment.

They say WDP is charging them a fee of \$100,000 per year, and film rental or amortization on equipment which WDP owns -- what's fair about that? Jack said that in effect we are asking them to pay for the film and pay rental on it even though we own it. They are willing to lease it and why should they have to pay for it on top of that?

Jack said they are going to do a new film which they will pay for -- but we will own it and also ask for a fee.

Jack asked that you get these facts and a Chinese translation, review them with Dick Fisher and Jug Fowler and come up with something more, if they are other words, they want all costs to be taken care of and they want to spread over an annual fee, plus equipment maintenance.

DISNEYLAND
A Division of Walt Disney Productions

INTER-OFFICE COMMUNICATION

D-101

TO Those Concerned
FROM Jack Sayers

DATE August 11, 1965
SUBJECT AT&T - Circle-Vision 360°

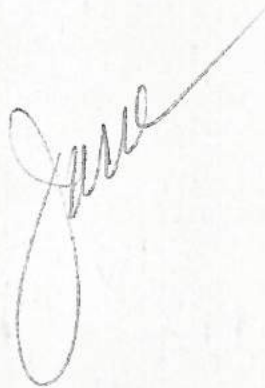
Jim Ryan, of AT&T, and his wife are coming to the Park tomorrow, August 12.

I have advised Jim that Walt Disney Productions is not interested in salvaging the conveyer that is used to carry guests through their exhibit at the New York World's Fair.

In connection with our proposal to AT&T for expansion of their exhibit in Disneyland to accommodate Circle-Vision 360°, Jim advises that they are having a meeting of all companies concerned on September 2, in New York, and that he will keep me closely advised of results.

For your information.

cc: Walt Disney
Roy Disney
Card Walker
Donn Tatum
Dick Pfahler
Dick Irvine
Mel Melton
Joe Fowler



8/13

RECEIVED

JUL 6 1965

WED. ENTERPRISES, INC.
MEL MELTON'S OFFICE

James V. Ryan

July 2, 1965

Normally, for 1966, we will open New Orleans Square adjacent to Frontierland. This will be an addition to the Park on the side of Main Street, U.S.A. and will feature new shops and restaurants, a dance July 2, 1965 the longest and most highly animated adventure-ride in Disneyland's history, the Pirates of the Caribbean.

Additional additions to Fantasyland and Frontierland will be of capacity of more than 60,000 daily. Mr. James V. Ryan, Assistant Vice President - Advertising American Telephone & Telegraph Company, 195 Broadway New York, N. Y. 10007, will be a complete redo of the entire area, accomplish this for an opening date in 1967, we plan to start clearing some areas of the Park in October of this year in order to begin construction to make way for expansion. Work completed, in

Dear Jim:

As you suggested at our recent meeting at the Studio, this letter is being written to give you the basic information on our proposed re-design and enlargement of the Tomorrowland area, and the expansion of the Bell System exhibit as a part of this new development.

We have recently completed some long range studies of our attendance patterns and we are convinced that Disneyland must grow in order to accommodate the new millions of guests that are inevitable in our immediate future. These long range forecasts, based primarily on a straight line projection of our attendance record to date, indicate an attendance of 8,500,000 by 1970, and a 10,000,000 figure within the foreseeable future.

We have, therefore, developed a master plan that will provide dramatic expansion of the Park during the next three years. This summer we are opening "Great Moments with Mr. Lincoln" with a daily capacity of more than 25,000.

For the summer of 1966, we are adding two areas of great significance. First the Fantasyland berm and railroad is being moved back to add another four and one-half acres to this area. "It's a Small World", the Pepsi-Cola UNICEF attraction from the New York World's Fair, will be moved into this area to open in June of 1966. Other attractions will be added here in the years ahead.

X 7-6-65

Secondly, for 1966, we will open New Orleans Square adjacent to Frontierland. This will be an addition to the Park the size of Main Street, U.S.A. and will feature new shops and restaurants, a dance area, and the longest and most highly animated adventure-ride in Disneyland's history, the Pirates of the Caribbean.

These additions to Fantasyland and Frontierland will contribute an added capacity of more than 60,000 daily.

The most significant development in all of Disneyland's history, however, will be a complete redo of the entire Tomorrowland area. To accomplish this for an opening date of June, 1967, we plan to start closing some areas of Tomorrowland in October of this year in order to begin demolition to make way for expansion. When completed, in 1967, we expect Tomorrowland to be more than twice its present size and to represent a new investment of more than twice the \$17,000,000 that was the original cost of the entire Park in 1955.

Negotiations are underway with General Electric, Ford Motor Company, Monsanto, Douglas Aircraft, and Goodyear Tire and Rubber Company to be the major sponsors in the new Tomorrowland along with the Bell System.

For your companies, we propose an all new film in our "Circle-Vision 360°" process which is an improvement on the Circarama film which has served you so well up to this time at Disneyland. "Circle-Vision 360°" is filmed and projected in 35mm, to allow a much higher theatre capacity. As shown at the Swiss Fair in Luzanne last year (and again this year in Munich) the Circle-Vision process permits a capacity of 1,100 people per show. Obviously, 35mm projection permits a much larger screen and longer throw. Several other improvements have been made in the process which results in a much larger and better picture.

We would propose to construct a new building to house "Circle-Vision 360°" and your exhibits, and to locate it at the entrance to the all new Tomorrowland area at approximately the location you now occupy.

RECEIVED

JUL 6 1965

James V. Ryan

July 2, 1965

Page 3
DISNEY, INC.
COMMUNICATIONS OFFICE

You have seen our pictural presentation which shows our plans and visualizations for the new Tomorrowland. This presentation is available for your use at any time, and I would be more than happy to bring it back East to show to any meeting of your associates that you might care to arrange.

I include two copies of our prospectus on the suggested new Bell System exhibit. If you have any further questions please let me know, and I will do everything possible to see that you receive an early reply.

Best personal regards.

Sincerely,

[Handwritten signature]
Jack C. Sayers
Director

As you suggested at our recent meeting at the Studio, this letter is being written to you on the basic information on our proposed re-design and expansion of the Tomorrowland area, and the expansion of the Bell System exhibit as a part of our new development.

JCS:vc

We have recently completed some long range studies of our attendance patterns and we are convinced that Disneyland will grow in order to accommodate the new millions of guests that are inevitable in our immediate future. These long range forecasts, based primarily on a straight line projection of our attendance record to date, indicate an attendance of 4,000,000 by 1970, and a 10,000,000 figure within the foreseeable future.

We have, therefore, developed a master plan that will provide dramatic expansion of the Park during the next three years. This summer we are opening "Great Moments with Mr. Lincoln" with a daily capacity of more than 25,000.

For the summer of 1965, we are adding two areas of great significance. First the Fantasyland horse and railroad is being moved back to add another four and one-half acres to this area. "It's a Small World", the Pepsi-Cola UNICEF attraction from the New York World's Fair, will be moved into this area to open in June of 1966. Other attractions will be added here in the years ahead.

[Handwritten initials]
7-1-65

DISNEYLAND

A Division of Walt Disney Productions

INTER-OFFICE COMMUNICATION

D-101

TO Dick Irvine

DATE June 28, 1965

FROM Pete Clark

SUBJECT _____

Jim Ryan of American Telephone and Telegraph called the other day to ask, in the light of the many changes that are going to take place in Tomorrowland, if we would have any use for the chair mechanism that they are presently using in their exhibit at the New York World's Fair.

Jim would like to talk to someone from WED about it, and would appreciate having someone call him to discuss this possibility.

cc: Mel Melton
Jack Sayers

Pete

[Red scribble]

DISNEYLAND
A Division of Walt Disney Productions

INTER-OFFICE COMMUNICATION

D-101

File

TO WALT DISNEY

DATE JUNE 15, 1965

FROM JACK SAYERS

SUBJECT A.T. & T.

Jim Ryan, Vice President of A.T. & T. has confirmed the plans for his visit next Friday, June 18.

Jim will come to the Park at 10:00 a.m. to see the new Bell Exhibit at Disneyland, and he will then proceed to the Studio for lunch.

Following lunch we will take him to WED to see the new Tomorrowland Slide Presentation and to review the art work for the project. We hope, also, to have some cost information for him at that time.

In view of the importance of this company to our overall Tomorrowland plans, I would like to suggest that Card Walker, Donn Tatum, Dick Pfahler and Dick Irvine join us for lunch, if this meets with your approval.

JS:cb

cc: Card Walker
Donn Tatum
Dick Pfahler
Dick Irvine

Info cc: Roy Disney
Larry Tryon
Joe Fowler
Mel Melton —

Gene

DISNEYLAND
A Division of Walt Disney Productions

INTER-OFFICE COMMUNICATION

D-101

TO Those Concerned

DATE June 2, 1965

FROM Jack Sayers

SUBJECT _____

Attached is a note from Jack Sayers. It is for your information. Let's get together on Monday, June 13, 1965, and review what Jim Ryan of A. T. & T. is coming to the coast Friday, June 18, to see the new overall Disneyland presentation and to discuss possible expansion of the A. T. & T. exhibit into a Circle-Vision 360° presentation in 1967.

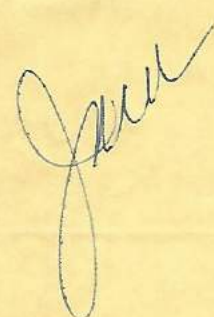
I am working with Mel Melton and Rolf Anderson on a financial proposal.

I realize this is the week of Project Future meetings but it is the only time Jim could make it so we will have to fit him in somehow.

I do not yet know his arrival time, but will attempt to set up a luncheon date at the Studio. If he is available in the morning, we will first show him the Disneyland presentation at WED.

I will keep you advised.

cc: Walt Disney
Card Walker
Donn Tatum
Mel Melton
Dick Irvine
Joe Fowler



INTER-OFFICE COMMUNICATION

D-101

TO Jack Sayers

DATE May 14, 1965

FROM Pete Clark

SUBJECT _____

As you know, Mel Melton and I had lunch at the Park on Wednesday to discuss the rapid development of major projects as they relate to lessees. In going over these, Mel felt it would be wise to have a meeting next week, possibly Thursday or Friday, with Walt, Dick Irvine, Mel, you and me to bring him up to date on Tomorrowland, Small World, etc.

The subject briefly would be as follows:

General Electric

I am sure you have more information since your meeting in New York on Wednesday. A review of the entire G. E. situation would be in order. What our next steps with them will be, etc.

Ford Motor Company

Review of the Ford proposal and possible discussion on the pavilion.

Goodyear Tire & Rubber Company

Discuss meeting held in Akron with Bob Lane, and timetable and material necessary as next step.

American Telephone & Telegraph

Inform all concerned of Joe Cook's visit on May 26, and highlight meeting held with AT&T in New York.

Douglas Aircraft Company

Set tentative meeting with Walt, Mr. Douglas and Ben Marble to show them the presentation on Tomorrowland, and sew up space ride.

Monsanto Company

Discuss direction to go with Monsanto after information and feeling we get from next Tuesday's meeting.

Bank of America

Review the Small World, Bank of America project and discuss what will be needed in the way of material for our presentation to them.

DISNEYLAND
A Division of Walt Disney Productions

INTER-OFFICE COMMUNICATION

D-101

TO Jack Sayers

DATE May 14, 1965

FROM _____

SUBJECT _____

7-Up Company

Inform Walt of the strong interest by 7-Up in becoming a billboard lessee at the Space Bar. We will probably need some visualizations on how they can sign the area for our presentation in early June. Also, are we planning at this time to redo the Space Bar when the Tomorrowland change takes place?

These are the basic subjects we felt needed attention, and prior to the meeting additional information could be prepared for presentation at that time.

cc: Mel Melton
Dick Irvine
Norm Fagrell

Pete

DISNEYLAND

A Division of Walt Disney Productions

AT&T FILE

INTER-OFFICE COMMUNICATION

D-101

TO Those Concerned

DATE May 4, 1965

FROM Pete Clark

SUBJECT _____

Attached is a copy of the May Pacific Telephone News in which the entire back page is devoted to the Bell System exhibit and Disneyland's Tencennial.

This will be distributed to approximately 4-3/4 million telephone company customers in the telephone bills next month.

In addition they have scheduled a similar article to run in their "What's Doing" ad program which covers all weekly papers and some A and B dailies in their territory. The total circulation will be three million plus in over 350 newspapers.

cc: Roy Disney
Card Walker
Don Tatum
Larry Tryon
Mel Melton
Dick Irvine
Vince Jefferds
Dick McKay
Joe Fowler
Jack Sayers
Tommy Walker
Dick Munis
Dick Johnson
Truman Woodworth
Jack Lindquist
Vern Croft
Bob Foster

FAST ACTION
Fully Automatic
Initials add up to FA

Pete

1/18

TELEPHONE NEWS

MAY
1965



FAST ACTION AGAINST CRIME

Fully Automatic Switched Teletypewriter system—the initials add up to FAST. And that's the kind of service

police are getting from this new communications system recently installed for the Los Angeles Police Department. The network gives them:

1. Fast transfer of written information between departments and divisions at speeds of 100 words per minute.
2. Fast connection with a similar system at the Los Angeles County Sheriff's office, thus linking two of the country's largest law enforcement agencies.
3. Fast connection with county and state teletypewriter systems for immediate information on car registration, criminal records, and so forth.

Today, speed in communications is essential in the apprehension of criminals. This new FAST communications system is another effective way of interchanging law enforcement information throughout the nation.

On the occasion of National Police Week—May 10-16—we received the following tribute from J. Edgar Hoover, Director, Federal Bureau of Investigation: "We are always grateful for the ready and willing assistance of the communications industry in providing efficient facilities for our use in crime detection. Your cooperation helps us better meet our responsibility of protecting the lives, rights and property of our citizenry."

OVER 50 YEARS OF CHANGE... AND NO CHANGE

*Picturephone's
transcontinental
debut;
a highlight of
our 1964 annual
report.*



Every year since Pacific Telephone's incorporation, share owners have received an Annual Report on how the business they own has been doing. Like phone service itself, the reports have grown and improved. But their basic message hasn't changed much. In 1912, for example, we were busy keeping up with growth... \$17 million spent on new construction, over 90,000 phones added for a total of nearly 600,000 in the five western states served at that time. Last year we were still busy... spending \$456 million on construction, adding 489,000 phones for a total of 8 million in California and Nevada alone.

Growth and change through the years are reflected in Pacific Telephone's annual reports. Here are a few important milestones: 1914—first transcontinental phone link completed. 1920—millionth telephone installed. 1951—coast-to-coast televi-

sion service introduced. 1952—first coast-to-coast demonstration of picturephone service, between Disneyland and New York World's Fair.

But one thing hasn't changed: For over half a century, each annual report has shown how we've grown with the West and helped it grow through the expansion and improvement of communications service. That's still our most important job.

WHAT TO DO SO YOU WON'T BE BILLED IF YOU REACH A WRONG LONG DISTANCE NUMBER



Just ask the party who answers for the name of his city. Then hang up, dial "0" for Operator, and tell her. She'll see that you're not charged for the call. We certainly don't want you to pay for a call that goes to the wrong number.

Your telephone bill still includes the 10% Federal Excise Tax initiated during World War II. Telephone service is the only household utility so taxed. This cost our California subscribers an extra \$102 million last year. We believe this tax should be removed. You, the customer, would get the total saving.

FUN FOR YOU AT DISNEYLAND'S BELL SYSTEM EXHIBITS



There's more fun than ever in store for this summer's visitors to Disneyland. It's the year of the park's big tenth anniversary "Tencennial Celebration." If you're going to be there, we hope you'll stop in and enjoy the many new admission-free exhibits* at the Bell System's "America the Beautiful" building.

You can challenge electronic equipment to a game of tic-tac-toe, or dare it to guess your age. You can see and hear your telephone voice. You can preview exciting improvements in your telephone of tomorrow.

You'll see a demonstration of Picturephone service here, too . . . a remarkable see-as-you-talk telephone hook-up to the New York World's Fair and Chicago's Museum of Science and Industry.

And you can see "America the Beautiful" in our Circarama Theater. It's a complete-circle color movie that takes you on a spectacular trip across the nation.

So come and enjoy Disneyland's Tencennial Celebration. Our people from Pacific Telephone are waiting to welcome you.



Pacific Telephone
Part of the Nationwide Bell System

DISNEYLAND

A Division of Walt Disney Productions

INTER-OFFICE COMMUNICATION

D-101

TO Walt Disney

DATE March 31, 1965

FROM Jack Sayers

SUBJECT Pacific Telephone & Telegraph

- Page 2 -

At the request of Harry Bright, Vice President of P. T. & T. , we took the key sketches and overall plan for the new Tomorrowland concept to San Francisco this week and presented them before the executive group of P. T. & T. costs, responsibilities, etc. I They had heard some comments by Jim Ryan about the plan and wanted to know what was going on first hand.

I carefully explained to them that this was a concept that was under development and that we hoped to enlist their support in the planning.

Bill Chaffee, Senior Vice President, advised us that under a new Bell System policy, P. T. & T. will be required to pay 50% of all costs connected with the Disneyland Exhibit. Under this new policy, all "regional" exhibits of the Bell System will be charged in this manner. For example, the Bell System of Illinois will assume 50% of all costs at the Chicago Museum of Science and Industry.

For this reason, they were especially anxious to know of our plans. I told them of G. E.'s interest and showed them the Master Plan, indicating the proposed expansion of the Bell System Exhibit to a building which would handle the 35mm process. I also told them about the proposed restaurant overlooking the Submarine Lagoon and possible utilization of electronic or telephonic form of ordering, etc.

DISNEYLAND
A Division of Walt Disney Productions

INTER-OFFICE COMMUNICATION

D-101

TO _____

DATE March 31, 1963

FROM _____

SUBJECT Pacific Telephone & Telegraph

- Page 2 -

At the request of Harry Bright, Vice President of P. T. & T., Overall, the group was very enthusiastic and particularly anxious to know when we would have more detailed information in terms of the timetable, total costs, responsibilities, etc. I told them that we hoped to have at least some more complete details for them by early fall of this year.

cc: Card Walker
Donn Tatum
Mel Melton
Dick Irvine
Joe Fowler

I carefully explained to them that this was a concept that was *Joe* and that we hoped to *Joe* their support in the plan. *Joe*, Senior Vice President, advised us that under a new Bell System policy, P. T. & T. will be required to pay 50% of all costs connected with the Disneyland Exhibit. Under this new policy, all "regional" exhibits of the Bell System will be charged in this manner. For example, the Bell System of Illinois will assume 50% of all costs at the Chicago Museum of Science and Industry.

For this reason, they were especially anxious to know of our plans. I told them of G. E.'s interest and showed them the Master Plan, indicating the proposed expansion of the Bell System Exhibit to a building which would handle the 35mm process. I also told them about the proposed restaurant overlooking the Submarine Lagoon and possible utilization of electronic or telephonic form of ordering, etc.

bcc: Michael Bagnall
Larry Tryon/Don Escen
Mel Melton/Neal McClure/
Jack Sayers/Pete Clark
Doug Houck



WALT DISNEY PRODUCTIONS

500 SO. BUENA VISTA ST. • BURBANK, CALIFORNIA 91505 • CABLE ADDRESS: DISNEY

June 18, 1971

Mr. Larry Putnam, Public Information Manager
Pacific Telephone and Telegraph Company
140 New Montgomery Street
San Francisco, California 94105

Dear Mr. Putnam:

At the suggestion of Mr. Pete Clark, I am writing in regard to the agreement between American Telephone and Telegraph Company and Walt Disney Productions, dated January 1, 1967. Inasmuch as escalation has not been agreed to as provided for in the agreement, I am setting forth below certain facts pertaining thereto.

In September of 1968, I advised Mr. Glen Hall that we had computed estimated escalation in the amount of \$115,760.00. At that time, we had elected to use Construction Cost Indexes as the basis for making our computations.

We were subsequently advised by Mr. Harry Bright that such an approach would not be acceptable to American Telephone and Telegraph Company. Mr. Bright provided us with a method for determining escalation costs that had been developed by American Telephone and Telegraph Company.

After considerable delay, we have now reviewed all of the records involved in an effort to more adequately support our computations. We have, in essence, followed the method prescribed by American Telephone and Telegraph Company. The enclosed schedule reflects the estimated escalation of \$66,130.00. While we feel that the original estimate is reasonable, the lack of documentation in certain areas prohibits us from properly supporting the additional estimate reflected in our first proposal.

I would like to suggest that your representatives meet with ours during the week of July 5 in order to review our records and to arrive at a mutual understanding as to a final settlement. I would appreciate hearing from you at your earliest convenience.

Yours very truly,

WALT DISNEY PRODUCTIONS

Bruce F. Johnson
Bruce F. Johnson
Assistant Controller

BFJ: lac
Enclosure

cc: Mr. Robert Spindler

6/21 - Copy to N. McClure.

WALT DISNEY PRODUCTIONS
SUMMARY OF ESCALATION COST ON A. T. & T. PROJECT

	W.E.D.	J.B. ALLEN	W.D.P. CONST.	W.D.P. PROD.	D/L	TOTAL COST	TOTAL ESCAL.
LABOR:							
Base labor cost	\$ 38,030	\$ 244,974	\$ 40,612	\$ 173,373	\$ 10,245	\$ 507,134	\$ -0-
Escalation cost	1,998	10,836	1,270	2,832	470	17,406	17,406
Total cost	40,028	255,810	41,882	176,205	10,715	524,540	
MATERIAL:							
Base material cost	50,955	58,711	114,820	205,632	16,122	446,240	
Escalation cost		1,229	5,741	1,173	806	8,949	8,949
Total cost	50,955	59,940	120,561	206,805	16,928	455,189	
SUB-CONTRACT-Time & Material							
Regular	40,994	18,429		2,155		62,009	
Escalation cost	3,927	1,290		-0-		5,217	5,217
Total cost	44,921	19,719		2,155		66,795	
SUB-CONTRACT-Firm Bid							
Base labor cost		385,831		12,875		398,756	
Escalation cost		21,207		-0-		21,207	21,207
Total cost		407,088		12,875		419,963	
Base material cost		211,891				211,891	
Escalation cost		4,238				4,238	4,238
Total cost		216,129				216,129	
PRODUCTION O/H							
Escalation cost			38,860	94,150		133,010	2,754
Total cost			1,753	1,001		2,754	2,754
OTHER							
Direct O/H		27,609				27,609	
Escalation cost		1,164				1,164	1,164
Total cost		28,773				28,773	
Fees		28,371				28,371	
Escalation cost		1,199				1,199	1,199
Total cost		29,770				29,770	
Markup	72,059					72,059	
Escalation cost	3,996					3,996	3,996
Total cost	76,055					76,055	
TOTAL	\$211,959	\$1,017,230	\$203,056	\$478,161	\$42,673	\$1,953,079	\$66,130

DEC 4 1968

WED Enterprises, Inc.

Carl Borgirno

Please review AT&T's approach
for propriety.

It appears consistent with
the agreement except that:

- a) Increased costs incurred
by AT&T and WED are
ignored;
- b) Differentiation is made
between "escalation" and
"recoverable escalation,"
(item # 13). Appears
to be a valid
consideration.

Bruce Johnson



They have failed to define how
escalation is to be determined.

Looks like we are right back
where we started!

Perhaps Mel and Neal should
review this as well.

Thanks!

Bruce

Bruce Johnson



© Walt Disney Productions

METHOD FOR DETERMINING ESCALATION COSTS

Escalation costs to be paid by American Telephone and Telegraph Company as provided in the agreement with Walt Disney Productions dated January 1, 1967, assuming that total cost for Show and Facilities exceeds \$1,460,000.

- ✓ 1. Separate actual Show costs (agreement 5b) and actual Facilities costs (agreement 5c).
- ✓ 2. Break Show costs into actual:
 - a) payroll costs (agreement 5b(i)).
 - b) material costs (agreement 5b(ii)).
 - c) percentage representing actual overhead (agreement 5b(iii)).
3. Determine the following Show costs on basis of January 17, 1966, level:
 - a) material
 - b) payroll
4. Determine difference on Show costs between:
 - a) material costs - actual and January 17, 1966, level.
 - b) labor costs - actual and January 17, 1966, level.
- ✓ 5. Break Facilities costs into actual (see I above):
 - a) Payments to Gen. Contractor Allen (agreement 5c(i)).
 - b) Payments to WED Enterprises, Inc. (agreement 5c(ii)).
 - c) Net payments to suppliers of materials and/or services (agreement 5c(iii)).
- ✓ 6. Break net payments to suppliers shown in 5(c) above into actual:
 - a) materials
 - b) services

Ignored

- 7. Determine the amount the net payments under 6(a) above would have been at the January 17, 1966, level.
- 8. Determine the amount the net payments under 6(b) above would have been at January 17, 1966, level.

- 9. Determine difference between 6(a) and 7 above.
- 10. Determine difference between 6(b) and 8 above.

11. Total of 4(a), 4(b), 9 and 10 which is a total of the differences. This total represents the amount that material costs and labor costs increased over those rates in effect on January 17, 1966.

\$ 115,760*

12. Deduct the total amount obtained in item 11 from total actual costs.

1,953,000
\$ 1,837,240

13. If the amount shown in item 12 is more than \$1,460,000:

a) Obtain a percentage of $\frac{\$1,460,000}{\text{the amount shown in item 12 (actual costs less that due to escalation) } \$1,837,240} = \% 79.47$

b) Apply the 14(a) percentage to the amount shown in item 11 and the Telephone Company pays this amount.

\$ 115,760 x 79.47% = \$ 91,994

* If our computation should be the final escalation figure.



Mr. S. T. Hall, Public Relations Supervisor
Pacific Telephone and Telegraph Company

September 16, 1968

WALT DISNEY PRODUCTIONS

500 SO. BUENA VISTA ST. • BURBANK, CALIFORNIA 91503 • CABLE ADDRESS: DISNEY

September 16, 1968

Since escalation is recoverable within the first two years of the term (per paragraph 4), we are most anxious to arrive at an early agreement as to the amount involved. Should you have any questions, please do not hesitate to contact me.

Treasurers Office
EP 17 1968
Wed Enterprises

Mr. S. T. Hall, Public Relations Supervisor
Pacific Telephone and Telegraph Company
140 New Montgomery Street
San Francisco, California 94105

Yours very truly,

WALT DISNEY PRODUCTIONS

Dear Glen:

At your request, I am setting forth our proposal for determining escalation as provided for in the agreement between American Telephone and Telegraph Company and Walt Disney Productions, dated January 1, 1967.

At the present time, Pacific Telephone and Telegraph Company, the sponsoring agency, is being billed \$1,460,000 equally over forty quarters for Facility and Show costs. While such costs approximate \$1,953,000, the lesser amount is being billed in accordance with paragraph 4 of the agreement. This paragraph does state, however, that AT&T is obligated to pay more "to the extent that material costs may be increased over those in effect on January 17, 1966, and applicable costs of labor may be increased over those in effect on January 17, 1966".

In evaluating the construction activity of this project, our specialists have recommended that the Construction Cost Indexes as reported by Engineering News-Record be applied in determining the increased costs referred to above. The median date for all recorded expenditures related to the project is approximately March 1, 1967. As a result, the Construction Cost Index for the City of Los Angeles for March 1967 has been compared with the same index at January 1966 and reflects a 7.2% increase.

The cost of preparing the film for the show has been analyzed separately and reflects an approximate 2.0% increase.

The following schedule indicates the computations involved in estimating escalation at \$115,760:

	<u>Cost</u>	<u>Estimated Escalation Percentage</u>	<u>Amount</u>
Design, development and construction of the Facility	\$1,475,000	7.2%	\$106,200
Film production for the Show	478,000	2.0	9,560
	<u>\$1,953,000</u>		<u>\$115,760</u>

CSB
9/16

Mr. S. T. Hall, Public Relations Supervisor
Pacific Telephone and Telegraph Company

September 16, 1968

PRODUCTIONS

- 2 -

INIA 81503 • CABLE ADDRESS: DISNEY

Treasurers Office

SEP 17 1968


Walt Enterprises

Since escalation is recoverable within the first two years of the term (per paragraph 4), we are most anxious to arrive at an early agreement as to the amount involved. Should you have any questions, please do not hesitate to contact me.

I look forward to hearing from you at your earliest convenience.

Yours very truly,

WALT DISNEY PRODUCTIONS


Bruce F. Johnson
Assistant Controller

BFJ: lac

bcc: Carl Bongirno
Mel Melton/Neal McClure
Larry Tryon/Don Escen
Michael Bagnall/Sal Restivo
Jack Sayers/Pete Clark



graph Company, the sponsoring forty quarters for Facility ,953,000, the lesser amount f the agreement. This paragraph y more "to the extent that material nuary 17, 1966, and applicable costs January 17, 1966".

...urvey of this project, our specialists have recom-
applied in determining the increased costs referred to above. The median date for all recorded expenditures related to the project is approximately March 1, 1967. As a result, the Construction Cost Index for the City of Los Angeles for March 1967 has been compared with the same index at January 1966 and reflects a 7.2% increase.

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		Percentage	Amount
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Film production for the Show	478,000	2.0	9,560
	<u>\$1,953,000</u>		<u>\$115,760</u>

Handwritten initials and date: 9/16

WED ENTERPRISES, INC.

INTER-OFFICE COMMUNICATION

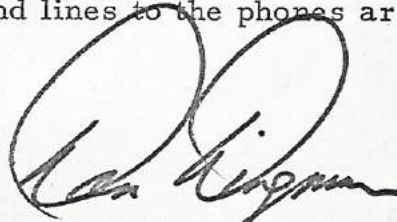
TO DICK IRVINE DATE February 7, 1968
FROM WED ESTIMATING SUBJECT BELL SYSTEM PRE-SHOW

Attached is a summary of our estimate of \$285,000 for the Bell System Pre-Show revisions including modifications current through February 6, 1968.

Please note that the estimate has been divided into three groupings as follows:

Pre-Show	\$225,000
Building Entrance & Kiddie Phones	35,000
Proscenium & Show Entrance	25,000

No allowance has been made for connection of the Kiddie Phones to new heads on the existing master sound drum or for addition of a second drum for these phones. The original installation was provided by Bell and it is assumed this will be the case again. Approximate cost of a new sound drum is \$35,000. New heads and lines to the phones are estimated at \$5,000.



DAN DINGMAN

DD:ab

cc: Joe Fowler, Director of Construction
Pete Clark
✓ Mel Melton
Carl Bongirno
John Hench
John Wise
Fred Hope



WED ENTERPRISES, INC.

INTER-OFFICE COMMUNICATION

Wed
Carl B.

TO CARL BONGIRNO
FROM WED ESTIMATING

DATE January 31, 1968
SUBJECT BELL SYSTEM -
PRE-SHOW

At your request we have prepared the attached composite summary of Pre-show and Entrance Treatment estimates as prepared by this Department.

Please note that the Pre-show design figure includes \$25,000 spent through December, 1967 on previous concepts.

Current consideration is being given to further revisions which could reduce costs an estimated \$50,000 if adopted.

[Handwritten Signature]
DAN DINGMAN

DD:ab

- cc: Dick Irvine
- John Hench
- Warren Robertson
- Fred Hope
- John Wise

		Entrance	TOTAL
601		1,125	83,290
602			4,320
603		3,320	2,975
604			1,345
605		145	740
609-1	Plastics	965	7,965
609-1	Plastics (D/L)	943	943
609-1	Plastics (J. B. A.)	495	495
609-2	Scenic Art Work (Ceiling)		5,880
609-9	Drywall Construction		150
611	Sound Equipment, etc. (Studio)	3,085	3,085
611	Sound Equipment, etc. (Main)	8,813	8,813
611-09	Equipment, etc. (D/L)	960	960
611-09	Equipment (Studio)	40,025	40,025
611-09	Equipment (J. B. A.)	1,570	1,570
611-09	Equipment (Screens)	605	605
612-03	Theatre Curtains & Systems	8,645	8,645
613-03	Air Conditioning	400	400
616-01	Electrical Work	3,310	4,270
622-01	Stage Carpets	4,955	4,955
		11,800	11,800

1-1-68

**WALT DISNEY PRODUCTIONS
CONSTRUCTION BUDGET**

BELL SYSTEM EXHIBIT -

STARTING DATE _____

PROJECT TITLE PRE-SHOW

FINISHING DATE _____

PROJECT NUMBER _____

LOCATION TOMORROWLAND

ACCT. NO.	DESCRIPTION	Pre-Show	Entrance Treatment	TOTAL
601	DESIGN (Incl. \$25,000 for previous concepts)	80,165	3,125	83,290
605-10	Crowd Control	4,320	-	4,320
606-01	Rough Carpentry	2,655	320	2,975
606-07	Millwork by Staff Shop	1,345	-	1,345
609-07	Painting	-595	145	740
609-11	Plastics	-	7,965	7,965
609-11	Plastics (D/L)	-	945	945
609-11	Plastics (J. B. A.)	-	495	495
609-12	Scenic Art Work (Ceiling)	-	5,880	5,880
609-19	Drywall Construction	-150	-	150
611-08	Sound Equipment, etc. (Studio)	3,085	-	3,085
611-08	Sound Equipment, etc. (Mapo)	8,815	-	8,815
611-08	Sound Equipment, etc. (D/L)	960	-	960
611-09	Projection Equipment (Studio)	40,025	-	40,025
611-09	Projection Equipment (J. B. A.)	1,570	-	1,570
611-09	Projection Equipment (Screens)	605	-	605
612-13	Theatre Curtains & Systems	8,645	-	8,645
615-03	Air Conditioning	400	-	400
616-01	Electrical Work	3,310	960	4,270
622-01	Story Concept	4,955	-	4,955
622-02	Slides (Art Work - WED)	11,800	-	11,800
622-02	Slides (Photograph Art - Studio)	2,665	-	2,665
622-03	Music, Sound & Dialogue (Script-WED)	1,180	-	1,180
622-03	Music, Sound & Dialogue (Narration-Studio)	3,010	-	3,010
622-03	Music, Sound & Dialogue (Music-Studio)	7,260	-	7,260
622-03	Music, Sound & Dialogue (WED)	635	-	635
699-07	Equipment Rental	-	300	300
699-11	Direct Job Overhead	645	111	756
699-12	Fee - J. B. A.	407	70	477
699-16	Clean-up	500	150	650
699-99	Projection Overhead	10,523	-	10,523
699-15	Contingency	12,775	1,734	14,509

WED ENTERPRISES, INC.

INTER-OFFICE COMMUNICATION

TO Mel Melton DATE January 25, 1968
FROM Jim Franzen SUBJECT Bell System Pre-Show

The costs to January 20, 1968 are as follows:

T. Hee's time working on a new Pre-Show	\$ 23,300
M. Sklar's time on dialogue while working with T. Hee	2,200
Model Department's work on presentations	900
Slide effects work by Y. Gracey	200
	<u>200</u>
	\$ <u>26,600</u>

The costs through February 7, will be about \$31,000.

We have consistently handled the above costs as an accounts receivable. Since we worked on a new Pre-Show at Bell's request, the above costs are properly chargeable to them.

Jim

1-25-68