

Hart Closet construction industry letters of support

Hart Closet Patent for "one piece" pre-manufactured units

LAW OFFICES OF  
**HUGHES & MULTER, P.S.**

A PROFESSIONAL SERVICE CORPORATION

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PATENT, TRADEMARK,  
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& LITIGATION

REPLY TO  
**BELLINGHAM**  
OFFICE

March 5, 1991

Mr. Greg Hart  
HART INDUSTRIES  
150 East 3rd Avenue  
Vancouver, B.C.  
CANADA V5T 1C8

SUBJECT: U.S. Patent Application 07/147,158  
For: "PREFORMED UNITIZED CLOSET"

Dear Greg:

We have received the issue fee receipt for the application noted above, indicating it will issue March 12, 1991 as Patent No. 4,998,388.

We will keep you advised as things progress.

Sincerely,



ROBERT B. HUGHES

IR103  
Rev. 2-90

ISSUE NOTIFICATION



UNITED STATES DEPARTMENT OF COMMERCE  
Patent and Trademark Office  
ASSISTANT SECRETARY AND COMMISSIONER  
OF PATENTS AND TRADEMARKS  
Washington, D.C. 20231

FEB 15 91

APPLICATION NUMBER	PATENT NUMBER	ISSUE DATE	ATTORNEY DOCKET NO.
07/147,158	4998388	03/12/91	P4222

ROBERT B. HUGHES  
HUGHES & MULTER, P.S.  
1720 IOWA STREET  
BELLINGHAM, WA 98226

APPLICANT(S) GREGORY R. ENGLEHART, SURREY CANADA

INTERNATIONAL CONFERENCE  
*of*  
BUILDING OFFICIALS  
***Certificate of Membership***

*This is to certify that*

**Gregory R Hart**

is a Professional member of the  
International Conference of Building Officials



*John S. Trow*  
President

INTERNATIONAL CODE COUNCIL

*This is to certify that*

**Gregory Hart**

*is a member of the International Code Council,  
a professional association dedicated to protecting the health, safety and welfare  
of the public by making buildings safer.*

0260150

Membership No.

Professional Member

Membership Category

March 13, 2002

Date of Membership



*Paul E. Myers*  
Paul E. Myers  
Chairman, Board of Directors

*James L. Witt*  
James L. Witt  
Chief Executive Officer



APRIL 8, 1985 / MEMBER, ASSOCIATED CONSTRUCTION PUBLICATIONS



# Pacific Builder & Engineer

SERVING THE HEAVY CONSTRUCTION INDUSTRY OF WASHINGTON, OREGON, IDAHO AND MONTANA

## Launching Bridge Girders

Unique Creek Built

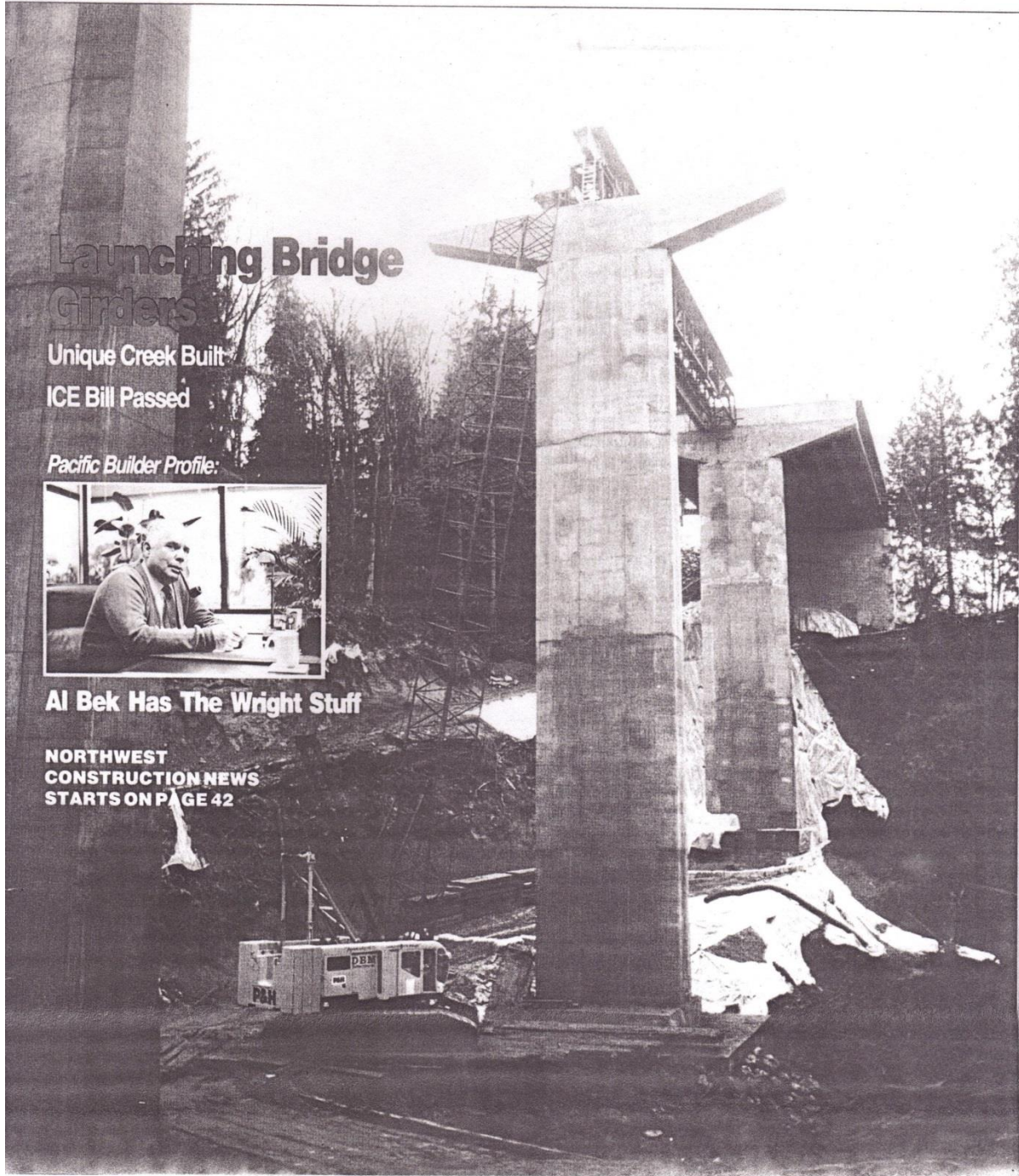
ICE Bill Passed

*Pacific Builder Profile:*



**Al Bek Has The Wright Stuff**

**NORTHWEST  
CONSTRUCTION NEWS  
STARTS ON PAGE 42**



## Howard S. Wright's Alvin K. Bek

*His friends call him "colorful," but Al Bek, president of Howard S. Wright Construction Co., has given more than color to the City of Seattle. He has helped shape much of its skyline.*

Photos and Text By  
Douglas Canfield

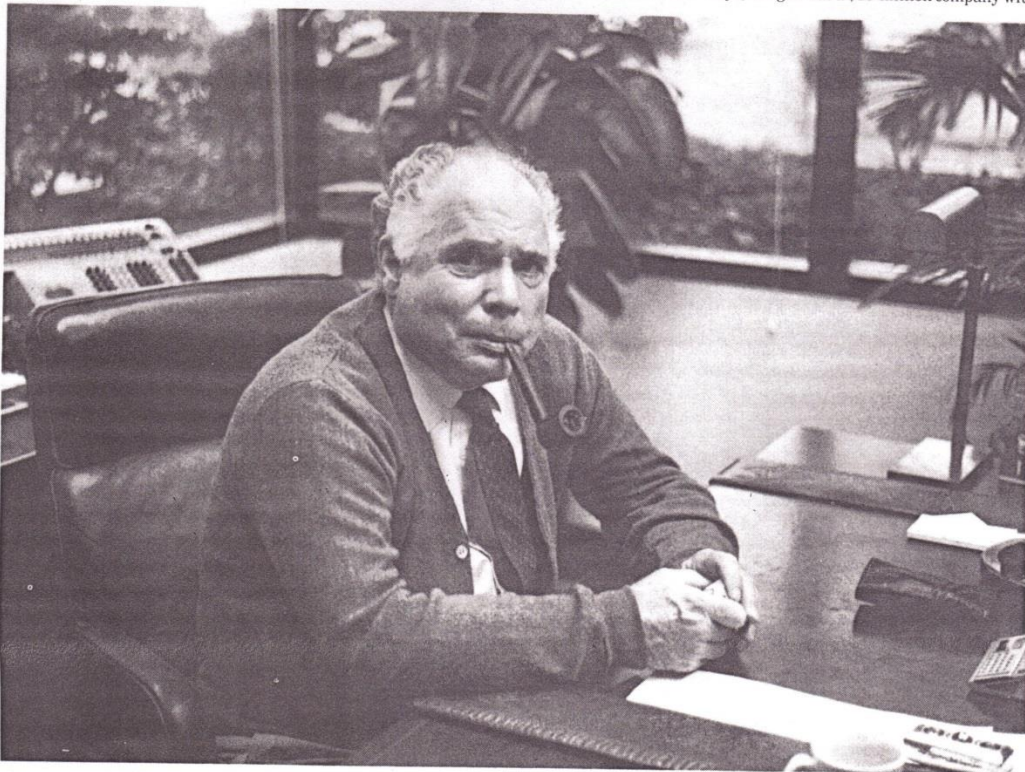
**A**l Bek, president of Seattle-based Howard S. Wright Construction Co., is a captivating story teller, whose easy laugh and comfortable appearance are unexpected in the aggressive realm of high-risk, high-rise development. But his salty, good-humored tales reveal more about the man than charm. Short, balding and with the weathered face of one who has worked outdoors, Bek has combined practical construction sense with corporate savvy in a way that makes him ideally suited to lead the Northwest's largest privately-owned construction corporation.

"The person of Al Bek, the amiable, reassuring professional pipe smoker, belies the man," confides an associate in one of the region's leading design firms. "Beneath that cultivated casualness is a shrewd, no-nonsense executive who is leaving his mark not only on the Howard S. Wright Co., but on the Seattle construction industry as well."

Among the marks that Bek and his company have made on Seattle are the Space Needle, the Monorail, the Coliseum, the Westin Twin Towers, the Sheraton Hotel and the 76-story Columbia Center. And

soon, Wright will begin construction of the city's new \$91-million convention center.

A trained civil engineer from the Midwest, Bek was lured to the Pacific Northwest in 1946 by an ex-Navy friend who offered him a job selling World War II surplus construction equipment. When the equipment was gone, Bek set to work liquidating other surplus supplies, and when those were gone, he worked for several small contractors around Seattle. In 1952, he was hired by Howard S. Wright as an estimator. In those days, Wright was a \$10-million company with



few or no commercial office building projects on its roster. Commercial buildings became the company's specialty, however, and as Wright's star rose, Bek climbed with it.

"I went from estimator to chief estimator to vice president to president," he says. "And here I am, 33 years later." Bek's office (in parent company Wright Schuchart's headquarters near downtown Seattle) reflects his position as the leader of a \$150-million firm. He has a modern leather office chair and a mahogany desk. On the desk are family photographs and a jar of colored jelly beans. To the left of his desk is a sitting area. There, four easy chairs rest on a large Persian carpet around a glass-topped coffee table. A book describing New Zealand's best golf courses lies on the glass. Chinese, Italian and American Indian art hang on the walls. His door is open.

During the 1950s, he says, "We worked on the Pacific Northwest Bell building, and to my knowledge, that was the first office building to be built in Seattle in 20 years. The next was the Norton Building, and that one really started the chain of new office building projects. Before then, there were mainly hospitals, schools, Boeing work and government work. We started to do what we do best when developers began to build speculative office buildings."

#### Negotiated Work

Virtually all of Wright's work is negotiated. With speculative office developments, negotiating a contract means arriving at a construction cost which will allow a developer to make a profit leasing the building once it's up. In the years Bek has been with Wright, annual lease prices of prime Seattle office space have increased from \$6 per sq. ft. to more than \$25 per sq. ft. And Wright's construction costs have risen from about \$15 to \$50 per sq. ft.

Bek is sure that negotiated contracts are in a developer's best interest, and he enjoys the challenge of bringing in a building on budget. "Value engineering" is the method Wright employs to get this done. The company works with a client and its architect for about a year before starting to build a major project.

Teamwork between the contractor, owner and architect is essential to create the best possible building within a given budget. Wright's challenge is to keep construction costs low without interfering with the visible design of a project. Anyone can save money by taking all of the granite off a building and replacing it with stucco, says Bek. But that's not the Wright way.

"We had a project in Boise where we were running into budget problems," he explains. "The architect had a column that he wanted a certain size, and he also had stepped a joist. We would have had to put a lot more rebar into the columns to achieve that shape. Instead, we lowered the joist and added \$25,000 worth of concrete to the columns. Those changes saved \$150,000 worth of rebar, and no one could see the size of the columns or that the platform was all at one elevation (instead of stepped) because they

were hidden behind acoustical tile ceilings."

For most of its jobs, Wright develops the estimate which serves as the project's budget guideline. This estimate costs construction of a building's five main components — structural frame, mechanical system, electrical system, skin and transportation system — at about 80 percent of the total budget. Wright's fee (profit plus main-office overhead) is added on top of this, and the architect has the remainder of the budget to use for design enhancements.

Wright's estimate also serves as the basis from which a developer arranges financing.



**"We started to do what we do best when developers began to build speculative office buildings."**

For this reason, Bek is very serious about his company's estimates.

"Architects won't guarantee their estimates," Bek explains. "But when I give an estimate, it has weight. It has the reputation of my company behind it. If I miss it, I not only embarrass myself, but I also embarrass my company. And many times, I have to back the estimate up whether it's profitable or not."

Both the Monorail and Space Needle projects were negotiated contracts. The contract to build the Monorail (an above-road train system linking the city's downtown and Seattle Center park) was unusual in that Wright actually received partial payment for the job from ticket sales until the owner could pay off the balance. The Space Needle created the most public excitement, however, of any project Wright has built. And it was on that job that Bek met Martin Selig, a man who would become Seattle's most successful developer.

The Space Needle, the graceful steel tower

which distinguishes Seattle's city skyline, was built in 1961, the year prior to the Seattle World's Fair. In the midst of the project, a young Selig approached Bek and offered to swap a Space Needle T-shirt in exchange for a ride to the top of the structure. Bek said no. But Selig persisted, offering to give each man on the crew a shirt. Bek agreed to this, and the two men have been friends since. The association proved profitable for Wright, which went on to build all of Selig's Seattle developments — developments that include about 20 percent of the city's total downtown office space.

#### Responsibilities Have Changed

As president of the company, Bek has less time to spend in the field than he once did. Most of his attention is directed to business matters such as attracting the best employees, staying competitive as a union contractor, finding new markets and acting as his company's lead salesman.

He's still a builder, however, and he enjoys working on the complex construction problems that often require old-fashioned field experience to get the job done.

Building the Seattle Coliseum was a challenge, he says. "We got the concrete work in and the steel struts up, but then the drawings were not definitive. According to the specs, we had to start cables off the steel, bend them down through the (structural) concrete and tension them. When they were tensioned, they had to inscribe four ft. by eight ft. concrete segments in a hyperbolic parabola. The problem was figuring out what angle to start the tendons off the steel so that they would inscribe the four ft. by eight ft. segments when they were tensioned. I had \$500,000 worth of those segments stacked up and waiting.

"I went up to the University of Washington's computer department and asked the department chief if he could give me the angle to start the tendons. He said, 'Yes, I think we can if you've got about four weeks.' So then I tried the head of the university math department. But finally, one of our old-time job superintendents experimented with piano wires, and by trial and error, we were able to string those piano wires and tension them at angles correct for the big cables.

"This is the kind of problem in construction that is fun and challenging."

#### Staying a Leader

To stay at the top, Wright needs to attract good employees. This isn't always easy. The company has difficulty finding chief estimators, personnel with 15 years' experience in high-rise construction. Builders of this caliber often either own their own small company or are top executives at medium-sized firms. Therefore, Wright looks to colleges for many of its full-time staff. Bek is pleased with the education that new graduates are receiving in universities, but believes that it takes four to five years of on-the-job training before these raw recruits can be considered valuable employees.

Wright looks for new employees with degrees in engineering or construction management. Three or four graduates are hired

each year. These employees spend their first two years training in the field. After that, they receive another two years of training as estimators. When the company is satisfied with their progress, these employees are given a choice of staying in the office as estimators or going back to the field.

In addition to full-time staff, Bek also is concerned with union employees. He fears that without union cooperation, union contractors will lose their ability to stay competitive with open-shop contractors. Bek says that Seattle-area contractors are negotiating with unions on a job-by-job basis and that this process seems to be working here. In other regions where Wright works, however, unions have resisted negotiations, resulting in the loss of some markets for union contractors.

"In Hawaii," he explains, "the markets for single-family dwellings and for buildings (of

any kind) up to three stories have been almost completely lost by union contractors."

Wright has had some work in Hawaii, and is hoping to get more by joint venturing with a Hawaii-based contractor that needs more mainland contacts. Most of Wright's work has been in the Northwest and on the West Coast. But today, Bek is aggressively seeking new geographical markets. Phoenix, Ariz., and Reno, Nev., are two "hot spots" he's looking at.

It's expensive to send personnel on the road looking for new projects, but Bek must maintain the company's volume to keep his people working. Finding new jobs and acting as his company's number-one salesman are perhaps Bek's primary responsibilities.

"I have a marketing department, but basically their job is to get me the opportunity to go in," he says. "They see the architects and

developers, so that when an opportunity comes up, they've opened the doors."

But when all is said and done — the job sold, the negotiations completed, employees hired, unions satisfied and the building built — it's Al Bek's philosophy that likely will ensure his company's good fortune.

"To be successful in this business," he says, "you've got to be proud of every job you do."

Bek eases back in his modern leather chair. Behind him on a credenza sits a bulky relic which he says is a Freedman calculator. New, it cost more than \$1,000 and was the best calculator an estimator could buy, Bek adds, placing his hands on it fondly.

The valves are sticky now, but Bek keeps it anyway. "It's practically a museum piece," he says, starting to chuckle. "But then, so am I." □

## Howard S. Wright Construction Co. Enters Its Second Century

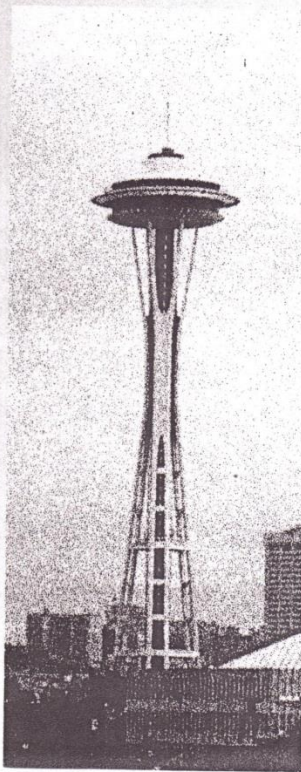
**H**oward S. Wright Construction Co. is celebrating its 100th birthday this year. And though the firm is now only one division in a family of companies headed by Wright Schuchart Inc., Wright Construction remains the backbone of the business that was established by its namesake in Port Townsend, Wash., in 1885.

Howard Wright was a skilled carpenter, born in Nova Scotia to English parents. In the early 1880s, at the age of 24, he moved to the Olympic Peninsula. At that time, Port Townsend was one of the fastest growing towns on the West Coast, and Wright set to work building houses in the booming frontier community.

Wright moved to Everett, Wash., in 1893 where he expanded his construction business to include schools, apartments and commercial structures. In 1923, both Wright's son, Howard H. Wright, and Wright's son-in-law, George Schuchart, joined the firm. A decade later, these two men became joint owners of the company. During this period, the firm was relocated to Seattle.

The 1930s were important years for the company. In the mid-30s, Wright built the Northwest's first pulp and paper mill for the Puget Sound Pulp and Paper Co. in Bellingham, Wash. It also built the Gainsborough Apartments in Seattle, Cougar Stadium and Waller Hall at Washington State University, Pullman, the Aberdeen World newspaper building, Aberdeen, and Cascadian Hotel in Wenatchee.

In addition, the company began to



diversify through the acquisition of several Everett companies: American Tugboat Co., American Piledriving Co., Washington City Dock Co., American

Ice and Cold Storage Co. and Everett Sand and Gravel Co.

From 1941 to 1944, most of Wright's contracts were war related. But following World War II, the company became involved in private construction again, building a number of commercial projects in Seattle. Among these were the Logan and Norton buildings, Seattle's first new office buildings since the war, and Northgate, the region's first shopping mall. Wright also completed major structures for the 1962 World's Fair — the Monorail, Coliseum and Space Needle, the Northwest's first revolving restaurant. Other noteworthy projects included the Seattle Post-Intelligencer Building and Children's Orthopedic Hospital.

In 1956, the company was reorganized when Howard H. Wright became seriously ill. Wright and his brother-in-law, George J. Schuchart, turned over company management to their sons, Howard S. Wright and George S. Schuchart.

Today, Wright Schuchart, Inc. has four major operating divisions. The company provides construction for virtually any type of project. The Wright Schuchart companies are made up of Howard S. Wright Construction Co., the commercial division; Wright Schuchart Harbor Co., the industrial division; General Construction Co., the marine division; and Alaska General Construction Co., the arctic construction division, as well as several affiliates. Wright Schuchart also operates affiliate companies in Canada. □

August 04, 2002

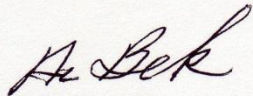
To whom this concerns:

Greg Hart and I first met in May of 1985 while I was President of the Howard S. Wright Construction Company. My first introduction to Greg was by Mr. Martin Selig. At the time Martin was the owner of the Columbia Center of which I built for him. In those days, Greg was working on establishing a Puget Sound pilot market for his construction invention, the Hart Closet. Although we did not have a project at the time to incorporate Greg's invention, we did support his innovative construction ideas and enthusiasm.

After my retirement from the Howard S. Wright Construction Company, I not only continued to support Greg's efforts with his invention, but also helped Greg as a consultant to his Hart Closet project.

Over the years Greg and I have established a solid friendship and mutual respect for each other. Throughout the years I have known Greg, he has proven to be a loyal friend, honest, a dedicated hard-worker and thoroughly knowledgeable of the construction industry. There is no hesitation on my part in recommending Greg to anyone. If there is a task or challenge for Greg, he is a person who will do all he can to effectively accomplish the goal.

Yours truly,



**Alvin K. Bek**  
10619 Marine View Dr.  
Seattle, WA 98146

# Martin's Columbia Center built by Al Bek

HOWARD S. WRIGHT CONSTRUCTION CO.



**MARTIN SELIG**  
REAL ESTATE

6200 COLUMBIA CENTER  
701 FIFTH AVENUE  
SEATTLE, WASHINGTON 98104-7090  
(206) 467-7600

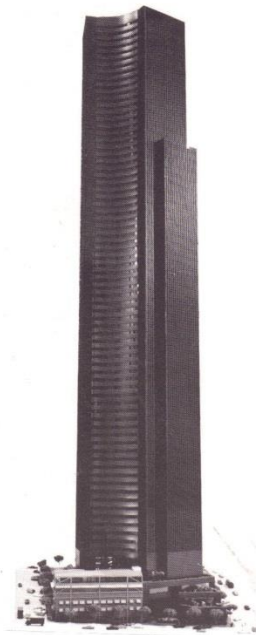
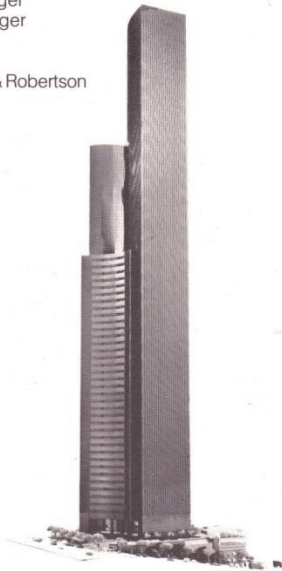
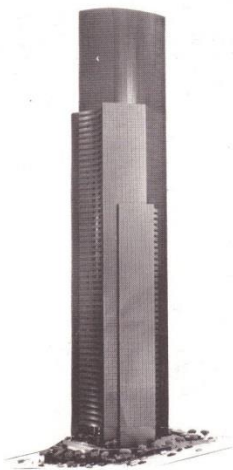
## **Columbia Center, Seattle**

The largest high-rise office tower west of Chicago, rising 76 stories. Each floor displays nine corner offices and combines the finest view of the city with a prestigious address central to financial, retail and governmental centers.





Location	Seattle, Washington
Completion	Scheduled for 1984
Owner	Martin Selig
Architect	Chester L. Lindsey Architects
Project description	76-story office building incorporating the latest in energy efficiency systems with retail and service areas on lower levels and a 6-story underground parking garage.
Gross building area	1,950,000 square feet
Construction cost	\$100,000,000
Type of structure	Structural steel frame with aluminum and heat-absorbing glass curtain wall.
Type of contract	Negotiated, guaranteed maximum, fixed fee.
HSWCC personnel	<i>During Design:</i> A.K. Bek, Exec. Vice President of Commercial Operations W. D. Ellermeier, Vice President of Estimating Chuck Holcom, Lead Estimator <i>During Construction:</i> Harleigh Farwell, Senior Vice President, Construction Clem Kynaston, Project Manager Jum Horst, Field Project Manager Jim Little, Project Engineer <i>Other credit</i> Structural Engineers: Skilling, Helle, Christiansen & Robertson Mechanical Engineers: Aungst Engineering, Inc.





ANOTHER TREE  
DEVELOPMENT CORPORATION

July 1, 1988

Hart Industries Inc.  
1241 Homer Street  
Vancouver, B.C.  
Canada V6B 2Y9

Attention: Mr. Gregory R. Englehart  
President

Dear Greg:

I am writing this letter to thank you for showing me your new Fiberglas product, the Hart Closet. That was some showroom you had.

As you know in the past, we have been in the construction of single family and multi-family residential construction, and we are now in hotel construction and development. We see a possible fit of your product with our construction, and its design. In the near future we would like to review the possible use of your Hart Closets in the design of our new Hawthorne Suite Hotels.

We understand you are currently working with the William Lyon company, Pacific Scene, Fieldstone and others to locate pilot sites. When they, or a company like them engage in the use of your product in the construction process, we would be most interested to see the installation sites, and talk to the users to hear their reaction regarding their crews, sales personnel and of course, their customer.

We find the aesthetics to be most desirable, and we feel there may be an advantage to the speed of installation during the construction process. We also like the fact that your product is maintenance free, fire retardant, non-toxic and will eventually carry the I.C.B.O. approval.

Please keep me informed of your progress as you enter the California market, and good luck with your new venture.

Very truly yours,

ANOTHER TREE DEVELOPMENT CORPORATION  
PER:

Merrill Butler III  
Vice President

369 Pine Street, Suite 224  
San Francisco, California 94104  
(415) 421-5435 FAX: (415) 421-6030

4675 MacArthur Court, Suite 500  
Newport Beach, California 92660  
(714) 752-4970 FAX: (714) 955-1621



**SOUTHERN CALIFORNIA DIVISION**  
A subsidiary of Centex Corporation  
listed on the New York Stock Exchange

June 22, 1989

Hart Closets, Inc.  
P.O. Box 2806  
LaHabra, CA 92632

Dear Mr. Hart:

I work for Centex Homes in Riverside and met you at a BIA Convention in Riverside several months ago along with our Purchasing Director, Stephanie King.

I was interested in your closets for a project at my home that had not funded yet. You said that there was a good chance of your supplying the closets for the project and to give you a call.

Well, the foundation should be going in during the next month and am scheduling framing and accessories. Please give me a call at your convenience.

Sincerely,

A handwritten signature in cursive script that reads "Dowie 'Skip' Crittenden".

Dowie "Skip" Crittenden  
Director of Customer Service

3190 Chicago Avenue, Riverside, CA 92507, (714) 781-4000



**SOUTHERN CALIFORNIA DIVISION**

A subsidiary of Centex Real Estate Corporation  
listed on the New York Stock Exchange

May 30, 1991

To whom this may concern:

Please accept this letter as our testimony to Gregory R. Hart and the Hart Closet with its related storage accessories and concepts.

We find the Hart Closet invention to be interesting and of merit. As a builder, we support the concept of a pre-molded closet which could accept a "snap-in" organizer system which would not require the use of tools for installation.

We also support the concept of a closet which could be installed in 15 minutes instead of the hours it currently takes to build a closet during the course of construction.

Please be advised this is not to be understood as any future commitment on our part but rather our support of Greg Hart's invention and its related organizer concepts.

Sincerely,

A handwritten signature in blue ink that reads "Dowie H. Crittenden Jr." followed by a stylized flourish.

Dowie H. Crittenden Jr.  
Director of New Home Warranty

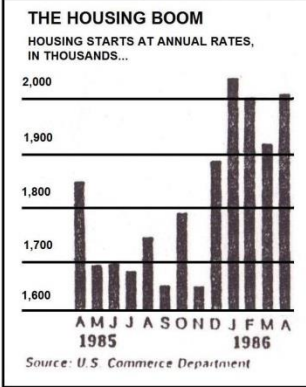
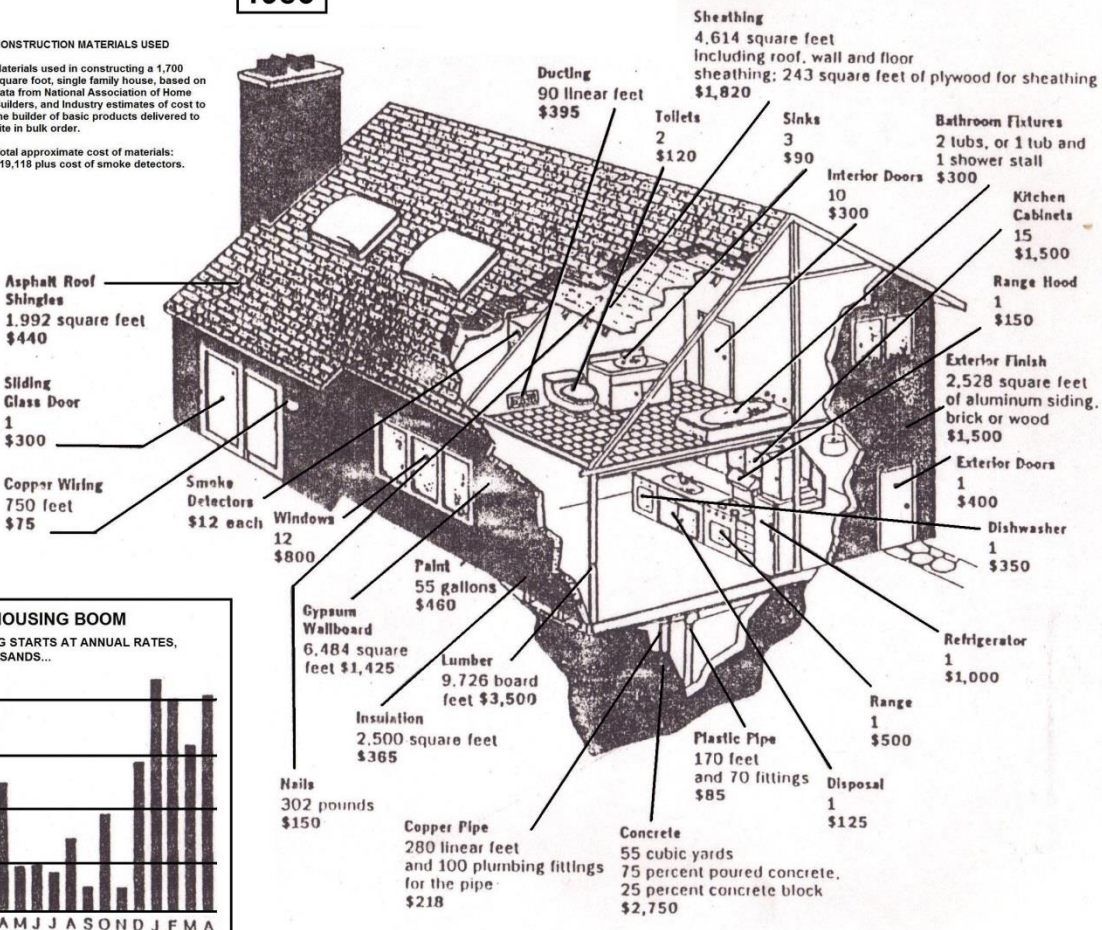
DHC/dt

**1986**

**CONSTRUCTION MATERIALS USED**

Materials used in constructing a 1,700 square foot, single family house, based on data from National Association of Home Builders, and industry estimates of cost to the builder of basic products delivered to site in bulk order.

Total approximate cost of materials: \$19,118 plus cost of smoke detectors.



**CLOSETS - 7 PER HOUSE AVERAGE - \$1225**

**MORE SALES POTENTIAL THAN INSULATION OR ROOFING**

The following letter presented questions as we began the HC project



March 10, 1985

**W.O. CRANE & ASSOCIATES LTD.**  
marketing communications

To: Greg Englehart  
From: Bill Crane, Fraser Cowie  
Re: Marketing Considerations/  
Hart Closet System

Market Definition

In approaching the marketing planning for the Hart Closet System, we must be sensitive to the fact that there are actually two markets involved. And, importantly, those markets have vastly different characteristics. The differences in market characteristics dictate different marketing and communications approaches.

One market is comprised of major corporate development companies such as Daon, Cascade, Quadrant, Imperial. The other market is comprised of independent contractors. As one would imagine, there is a point where the demarkation between these two markets blurs, i.e., large independent contractors and smaller corporate developers.

Market Characteristics

Corporate Developers

Independent Contractors

- |  |   |
|--|---|
| 1) Large single sales with low cost of sale.                 | Smaller individual sales at a higher cost of sale.            |
| 2) Relatively limited number of potential buyers             | Huge numbers of potential buyers                              |
| 3) Concentrated around major urban areas                     | Majority in urban areas as well, but sizeable numbers outside |
| 4) Decision making diffuse -- financial officers, architects | Decision making centralized -- often one man(owner/operator)  |
| 5) Delivery -- in bulk to job direct (in quantity)           | Delivery through distribution network/construction supply(?)  |
| 6) Sales - direct through long term cultivation/pres.        | Sales - brokered through distributors/material suppliers      |
| 7) Geographic -- localized history of major projects         | Geographic -- localized history of smaller building projects  |
| 8) Communications - special                                  | Communications -- direct mail                                 |

- |  |  |
|--|--|
| interest publications and<br>direct contact/A-V support      | combining both sales message<br>and instruction on product use |
| 9) Demonstration at shows --<br>building trade, not consumer | Demonstration at shows --<br>both building trade & consumer    |
| 10) A/V sales presentation and<br>instructional material     | Application instruction/printed<br>piece packaged with product |

#### Positioning

We do not yet have cost projections on the Hart Closet, and until those figures are nailed down we simply cannot determine how we wish to position the product. Depending on the finalized cost of production we have three options.

Option 1: If costing can demonstrate an appreciable savings in construction in terms of time, materials or a combination of both, our approach would be to stress cost savings as our predominant sales feature. Quality considerations would be used as reassurance only. To take this position, cost savings would have to fall in the 20--30% range -- impressive, but not unbelievable. Our market would be limited strictly to people in the building trades.

Option 2: If cost factors cannot demonstrate an appreciable savings in construction, then we must sell on the basis of a higher quality product that is (hopefully) price competitive with traditional building techniques. The problem with this position is two-fold. 1) Although many builders are quality conscious many more are cost conscious, and our message will not have the same level of impact. 2) We may have to force the market somewhat by delivering a "quality closet" message to the consumer -- a significant added expense.

Option 3: If cost factors reflect only a modest savings in construction, we may have to take a position that incorporates both quality and savings. This is the weakest of the three options, because it incorporates the necessity splitting the essential thrust of our message and the necessity of approaching the consumer market as well as the building trades.

#### Additional Points for Discussion

- 1) Cash flow capabilities and requirements vis-a-vis limitations on breadth of initial approach and target dates for positive cash flow above and below the line.
- 2) Union reactions -- should we anticipate a level of resistance from the unions primarily affected by the introduction of the Hart Closet, i.e., carpenters, dry wallers, finishers?
- 2) Timing considerations: time to production (in what quantities)?  
Timing to market preparation. Response time on major projects?  
Time to establish distribution network and prepare it for

marketing effort(education/enthusiasm).

4) Staff requirements to support marketing effort--technical sales manager for corporate accounts, retail sales manager for construction supply companies and distribution network.

5) Have closet systems acquired a glamour similar to the bathroom craze of 15 - 20 years ago? Recent home shows seem to indicate a heightened interest. Is there a trend we can take advantage of?

6) Public relations options with special interest publications.

We will look forward to discussing these and other points with you when we get together next Tuesday.



The Fieldstone Company, 14 Corporate Plaza, Newport Beach, CA 92660 (714) 851-8313

June 1, 1988

Mr. Gregory R. Englehart  
J.J. HART, INC.  
1241 Homer Street  
Vancouver, B.C., Canada V6B 2Y9

Dear Mr. Englehardt:

I would like to take this opportunity to thank you for thinking of The Fieldstone Company and for showing us your pre-fabricated closets.

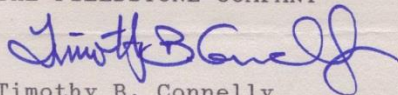
I was very impressed with the whole concept and wish you all the best with you company. I was especially impressed with your attitude of providing customer service as the No. 1 issue within your organization. We feel our homeowners deserve such attitudes.

We are currently making a study of the pros and cons on you product. At this time, we are all very interested.

Once again, thank you and please stay in touch.

Sincerely,

THE FIELDSTONE COMPANY



Timothy B. Connelly  
Project Coordinator

**FieldStone**  


"HART CLOSET" QUOTE

Date: February 14, 1989

SITE NO.

COMPANY: Pacific Scene, Inc.  
2505 Congress St.,  
San Diego, CA., 92110

SITE LOCATION:  
POWAY CONDOS

Attention: Mr. Tony Cassolato  
Project Manager

(619) 299-5100

Dear Tony:

Thank you for the opportunity to quote our NEW "HART CLOSETS" for installation in your construction site. Our "HART CLOSET" quote is as follows:

A) Re: 6 condo units.

<u>HART QTY.</u> <u>PER UNIT</u>	<u>HART QTY.</u> <u>TOTAL</u>	<u>HART</u> <u>SIZE</u>	<u>HART</u> <u>COST EA.</u>	<u>HART</u> <u>TOTAL</u>
2	12	2'-0"	\$198.64	\$ 2,383.68
6	36	3'-0"	\$209.29	7,534.44
8	48	6'-0"	\$262.54	12,601.92
			S.T.	\$22,520.04

B) Re: 1 townhouse unit.

2	2	2'-0"	\$198.64	\$ 397.28
2	2	3'-0"	\$209.29	418.58
4	4	6'-0"	\$262.54	1,050.16
			S.T.	\$ 1,866.02

The combined total cost to you of A and B is: \$24,386.06  
OUR PAYMENT TERMS ARE NET 30 DAYS.

Based on average working man hours, installation time for your NEW "HART CLOSETS" is at 15 minutes per closet.

Your NEW HART CLOSETS estimated installation time is at 26 HOURS! NOW THAT'S FAST!

Please be advised, your framing carpenters should install the Hart Closets at wall erection to effect maximum speed.

E.&O.E.

E.&O.E.

PLEASE BE ADVISED OF THE FOLLOWING:

- 1/ Our NEW "HART CLOSET" quote to you includes Sales Tax and delivery to your project site.
- 2/ Proposal prices are good for 60 days; upon acceptance, pricing is good for an additional 120 days for delivery. Beyond the above a 5% maximum escalation applies at every 6 month interval thru completion of job.
- 3/ Our prices include the HART shelf, pole, final inspection and repair.
- 4/ We may need advance notice to manufacture your NEW "HART CLOSETS" on time for your construction. This is based on our manufacturing capacities, your critical path, your site location and the size of your construction site. In any case, we will work with you and advise you to help co-ordinate the best time for order placement, delivery and installation.
- 5/ WE ARE ALWAYS READY TO ASSIST YOUR CREWS AND/OR SUB-TRADES WITH INFORMATION PERTAINING TO THE INSTALLATION OF YOUR NEW "HART CLOSETS". THIS SERVICE WILL BE PROVIDED TO YOU THROUGHOUT YOUR CONSTRUCTION CRITICAL PATH.
- 6/ We will provide service repairs to your NEW "HART CLOSETS" upon receipt of your "damage notice" to us. FIVE DAY LEAD TIME IS REQUIRED ON ALL SERVICE REPAIRS.
- 7/ At the finish stage of your construction of each unit, we will make a service call to your unit at which point we will deliver the "HART" rod and shelf for your NEW "HART CLOSETS". This service call will also allow us to talk with your project personnel regarding your NEW "HART CLOSETS" and any needs they may have at that time can be discussed.
- 8/ We will be available to your sales people and can provide them with information on your NEW "HART CLOSETS" in order they may sell your units more effectively to the buying public, fully utilizing "HART CLOSETS" as a "new product" edge over your competition.
- 9/ We will be available to your purchaser for information pertaining to the purchase of closet organizers compatible to their NEW "HART CLOSETS".
- 10/ ALL OF THIS SERVICE WE PROVIDE IS COMPLIMENTARY TO YOU, OUR VALUED CUSTOMER!

Please be advised, my company will do all it can to give you the best of QUALITY, VALUE and SERVICE when you buy our NEW "HART CLOSETS".

E.&O.E.  
E.&O.E.

July 25, 1988

Mr. Gregory R. Englehart  
President  
HART INDUSTRIES, INC.  
1241 Homer Street  
Vancouver, British Columbia V6B 2Y9  
CANADA


Dear Mr. Englehart:

I am sorry I was not available when you recently called.

I have forwarded the information that you supplied on to my colleagues at A-M Homes which would be the organization and the people for you to discuss the proposal with.

As soon as I have a preliminary reaction, I will put you in touch with the appropriate person.

Sincerely,



Michael F. Johnstone  
President

MFJ:ddj

The largest apartment owner in NY & NJ



OFFICE OF THE UNDERSIGNED  
BUILDERS AND REALTORS  
97-77 QUEENS BLVD.  
REGO PARK, N.Y. 11374

718-459-9021-2-3

July 19, 1991

Gregory Hart  
Hart Industries Inc.  
13407 N.E. 20th #2  
Bellevue, WA, USA 98005

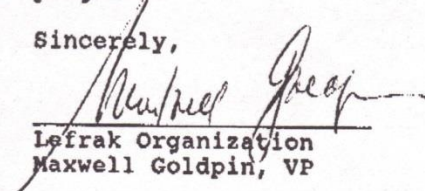
Dear Greg,

I was very pleased to learn that The Masco Company is interest in your Closet.

I want to wish you success in your presentation. I know that if these people are sophisticated as us they too will find that your Closet is indeed a wonderful invention and can do the job and save money.

Good luck and keep me informed of your progress.

Sincerely,

  
Lefrak Organization  
Maxwell Goldpin, VP



**MALCOLM DRILLING CO., INC.**

200 Oyster Point Blvd. • South San Francisco, CA 94080  
(415) 952-9052

May 10, 1988

J.J. Hart Inc.  
1241 Homer Street  
Vancouver, B.C.  
Canada, V6B 2Y9

Attention: Mr. Gregory R. Englehart  
President

Dear Greg:

I am writing this letter to thank you for showing me your new fiberglass product, the Hart Closet.

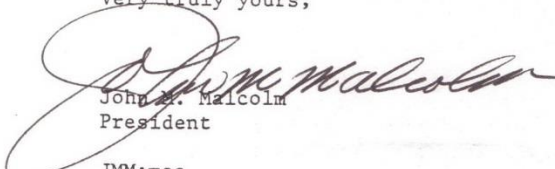
As you know, we are in the construction of residential buildings, and we see a possible fit of your product with our construction and its' design. However, before we make any commitment, we would like to see the application of your product with other construction companies and their sites.

We understand you are currently working with the William Lyon Company and Fieldstone to locate possible pilot sites. When they, or a company like them engage in the use of your product in the construction process, we would be most interested to see the installation sites, and talk to the users to hear their reaction regarding their crews, sales personnel and of course, their consumer.

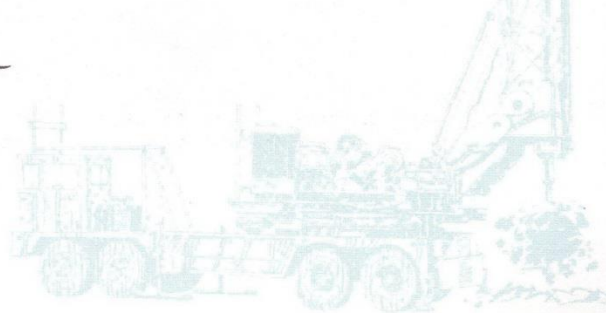
We find the aesthetics to be most desirable, and we feel there may be an advantage to the speed of installation during the construction process. We also like the fact that your product is fire retardant, non-toxic and will eventually carry the I.C.B.O. approval.

Please keep me informed of your progress as you enter the California market, and good luck with your new venture.

Very truly yours,

  
John M. Malcolm  
President

JMM:moa





**MALCOLM DRILLING CO., INC.**

200 Oyster Point Blvd. • South San Francisco, CA 94080  
(415) 952-9052 FAX (415) 952-5542

May 30, 1991

Hart Industries, Inc.  
1416 South 260th Place  
Kent, WA 98031

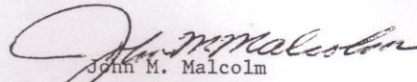
To whom it may concern:

This letter is to confirm our interest in the Hart Closet invention.

We find the Hart Closet system un upgrade to our industry and recognize this system as an economical way of passing construction cost saving on to the consumer.

We stand behind this system and all its concepts one hundred percent.

Sincerely,

  
John M. Malcolm  
President

JMM:moa

## Marlborough Development (1973) Ltd.

1110 Henderson Highway, Winnipeg, Manitoba R2G 1L1

Phone 338-0371

December 14, 1987

Mr. Greg Engelhart  
1241 Homer Street  
Vancouver, B.C.  
V6B 2Y9

Dear Sir:

Re: Closed Systems for Fort Garry Place, Tower C

We are presently drawing up plans for our third tower at Fort Garry Place which will contain between 300 to 356 residential units.

We are enclosing a blueprint of a typical floor plan and would request a quotation to install your units.

The quotation I understand would be supply only, but you would supply the necessary manpower to train our crew.

We look forward to doing business with you.

Yours truly,

MARLBOROUGH DEVELOPMENT (1973) LTD.



M. Bergen  
President

MB/ab  
Encl.



1175 Sherwin Road  
Winnipeg, Manitoba  
Canada, R3H 0V1

Telephone  
(204) 694-2529



December 10, 1987

J.J. Hart International, Inc.  
#303-1112 S. 344th Street  
Federal Way, Washington  
U.S.A. 98003

Attention: Gregory R. Englehart

Dear Greg:

Thank you for your letter of November 23, 1987.

*This letter is to confirm our interest in distribution of your product in Canada. We would put this through one of the divisions of Gesco Industries Inc. who as you are aware is the largest national distributor of floorcoverings in Canada.*

*In addition to this, as mentioned in our meeting, our California company would be in a position in spring of 1988 to take a serious look at investing in your company.*

Yours very truly,  
METROPOLITAN EQUITIES LIMITED

A. Shnier  
President

AS/sw

KC MOONEY  
ARCHITECT  
2425 QUEBEC  
VANCOUVER  
V5T 4L6  
873 1011

May 20, 1988

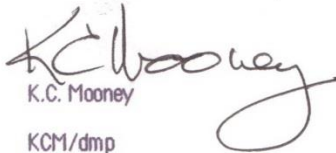
Mr. Gregory R. Englehart  
J.J. Hart Inc.  
1241 Homer Street  
Vancouver, B. C.  
V6B 2Y9

Dear Mr. Englehart:

As you know I have been waiting for the right project in which to install the Hart closet. Well it looks like to opportunity has arrived in the form of a 40 unit, luxury garden apartment complex in Richmond. I would like to sit down with you and go through the preliminary plans early next week. You have a superlative product and I'm looking forward to seeing it for the first time in one of my projects.

Give me a call and we can arrange a time for the plan review.

Yours truly,

  
K.C. Mooney  
KCM/dmp



**Pacific  
Scene, Inc.**

May 9, 1988

Mr. Gregory R. Englehart, President  
J. J. Hart, Incorporated  
#303 - 1112 South 344th Street  
Federal Way, Washington 98003

Dear Mr. Englehart:

Thank you for showing us the line of fiberglass closet units.

We are a developer of for sale single family units and are always looking for products that simplify the construction process and make for a better delivered product.

We plan to review new projects that we have in the planning stage for possible application of your products and as soon as we have a potential project, we will contact you.

Very truly yours,

PACIFIC SCENE, INC.

Peter D. Schofield  
Vice President

PDS/klS



**Pardee Construction Company**  
A Weyerhaeuser Company

May 5, 1988

Mr. Gregory R. Englehard  
J.J. HART INTERNATIONAL, INC.  
1241 Homer Street  
Vancouver, B.C., Canada  
V6B2Y9

Dear Greg:

Thank you for the presentation of your fiberglass closet unit.

At the present time, we do not have any projects that would lend themselves to your new product.

Please keep us informed of your progress as you enter the California market, and good luck with your new venture.

Sincerely,

PARDEE CONSTRUCTION COMPANY

Eric S. Borsting

Vice President  
Architecture/Planning

ESB:dh

# PASS

CONSTRUCTION CORPORATION

January 28, 1991

Mr. Gregory R. Hart  
Manville Sales Corporation  
P. O. Box 5108  
Denver, CO 80217-5108

RE: PVC plastic  
Manville/Hart closets

Dear Gregory:

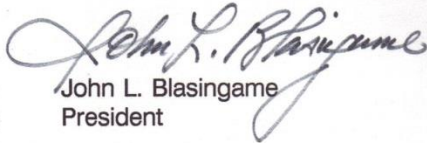
Our marketing staff and construction personnel studied the Manville PVC plastic that you sent to us. We primarily reviewed its general appearance as a surface to be cleaned and abused.

1. The color matches what most production builders select as the flatwall paint color commonly known as "Navajo White." The color is what we would want to match the balance of our painted surfaces.
2. Our marketing people had the luxury of not knowing which side of the sample plastic was the finished side. They all commented that the leather texture was much more attractive than the smooth side.
3. If the product could be improved, it might be a marketing tool to consider having a texture closer to the common drywall texture known as "Orange Peel." This is just a suggestion.

We like the product as it is presented and look forward to your production of the Manville/Hart closet.

Sincerely,

PASS CONSTRUCTION CORPORATION

  
John L. Blasingame  
President

42-280 BEACON HILL, #D-6 □ PALM DESERT, CA 92260 □ (619) 568-1619  
1777 LINCOLN AVENUE □ BANNING, CA 92220 □ (714) 849-2800

November 12, 1990

Mr. Gregory Hart  
c/o Manville Sales Corporation  
717 17th Street  
P.O. Box 5108  
Denver, CO 80217-5108

Dear Greg:

*Thank you very much for taking the time to show me your new and improved Hart Closet. I feel that you and Manville are definitely headed in the right direction with the panelized system and the rest of your cutting edge ideas for Americas overlooked closet areas.*

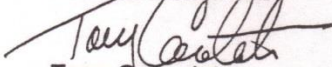
*I feel that this latest version is a 150% improvement over the initial Hart closet and I am excited for all of you and the obvious bright future of your product.*

*Please remember to send us a brochure on your company and also lets set up a luncheon in early December for you to display your product to our in house architects, engineers and project managers.*

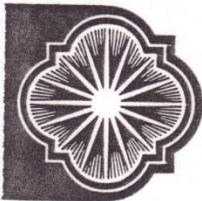
*I look forward to hearing from you and good work on a job well done.*

Sincerely,

**POINTE BUILDERS**

  
Tony Cassolato  
Project Manager

AC:ves



**Pointe Builders**

3130 Bonita Road  
Chula Vista, CA 92010 • (619) 691-1800  
2728 N. 24th Street  
Phoenix, AZ 85008 • (602) 956-4300

# SCHWEGER ENTERPRISES

GENERAL CONTRACTOR  
DONALD E. SCHWEGER



November 24, 1987



J. J. Hart International, Inc.  
#303 - 1112 S. 344th St.  
Federal Way, WA. 98003



We find that the Hart Closet, a pre-manufactured one piece unit, installed in our apartment complexes have worked out very well, much to our satisfaction.

*Donald E. Schweger*  
D. E. Schweger  
Schweger Enterprises



EAST ROAD R.R. 1, IOCO, B.C. V3H 3C8  
Telephone ~~939-8840~~ (604) 461-8066

February 18, 1988

J.J. Hart Inc.  
1241 Homer St.  
Vancouver, B.C.  
Canada, V6B 2Y9

Attention: Mr. Greg Englehart

Dear Greg:

This letter is written regarding the 19 Hart Closets we installed in one of our housing projects at 804 Alderside Road, Port Moody, B.C. for Mr. and Mrs. Stewart.

We have had nothing but positive and enthusiastic responses on the Hart Closet, not only from our customer, but all who have had the opportunity to view it.

Other builders in the area have asked where they could get information on your fiberglas Hart Closets. Realty companies who have been through our project are extremely impressed with them, and they would like to show other builders and clients your product.

We have not had any negative comments. In fact people rave about the aesthetics, easy long term care and the stylish fashion of the Hart Closet.

At this point in time we do not anticipate any cost over-runs. However, should there be any slight added cost, it is far outweighed by the fantastic response we are receiving on your Hart Closet.

The installation was smooth, and shelves and rods were installed in seconds.

Our construction company will definitely use the Hart Closet in other construction sites, and recommend your product to other people and companies.

Thank you for your great service and fantastic product.

Sincerely,  
Vern Sparks Construction  
Per:

Vern Sparks  
President





July 12, 1988

Mr. Gregory Englehart  
HART INDUSTRIES, INC.  
1241 Homer Street  
Vancouver, B.C. Canada V6B2Y9

Dear Mr. Englehart:

Thank you for showing us the line of fiberglass closet units offered by your company.

We are a developer of country club communities featuring condominiums and single family residences. Since we build on a fast-track schedule, we are always looking for products that simplify the construction process and at the same time uphold our standard of quality.

We plan to review upcoming projects that are currently in the planning stages for possible application of your products and will contact you as soon as we have an appropriate project.

Sincerely,

SUNRISE COMPANY

Phil Dwornik  
Contract Administrator



May 29, 1991

To Whom It May Concern:

Please accept this letter as our testimony to Gregory R. Hart and the Hart Closet with it's related storage accessories and concepts.

We find the Hart Closet invention to be interesting and of merit. As a builder, we support the concept of a pre-molded closet which could accept a "snap-in" organizer system which would not require the use of tools for installation.

We also support the concept of a closet which could be installed in 15 minutes instead of the hours it currently takes to build a closet during the course of construction.

Please be advised this is not to be understood as any future commitment on our part but rather our support of Greg Hart's invention and it's related organizer concepts.

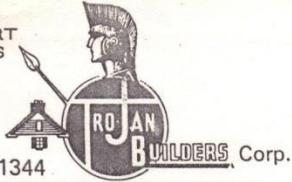
Yours truly,

**SUNRISE COMPANY**

Phil Dwornik  
Vice President Purchasing

PD/ta

HERBERT  
HARRIS



631-1344

24266 143rd Ave. S.E.

KENT, WASHINGTON 98031

February 12, 1988

J.J.Hart International, Inc.  
#303-1112 S. 344th. St.  
Federal Way, WA.,  
USA, 98003

Attention: Mr. Gregory Englehart

Dear Greg:

This letter is written pertaining to your new Hart Closet which we have installed in one of our construction sites.

When we first installed them, we received average and mixed response from customers, trades and the like.

Now that our project is finished and the sheetrock and carpets are in, we have had nothing but positive and enthusiastic reactions and comments on the Hart Closet.

Other builders in the area have seen them and asked where they could get information on your product. Many realty companies whom have been through our project are extremely impressed with them, and they as well as we feel the aesthetics and ease of long term care, are a sure winner for the purchaser.

We have not had one negative comment from any potential customers, in fact they rave about how unique and stylish the Hart Closet is.

I don't know at this point if I save on the conventional closet methods or the Hart Closet, but I'll say that as far as I am concerned, the positive and enthusiastic responses we are getting on your product, far outweigh any possible overrun in cost, if there be any.

I must mention that when we installed the shelf and rod in each closet, they went in position in a matter of seconds, and fit perfectly.

We will definately use the Hart Closet in future construction and recommend your quality product and service to any firm or person who contacts us with an interest in the product.

Thank you for giving us the opportunity of using in our construction, this unique quality product.

Sincerely,

*The WILLIAM LYON Company*

1631 NORTH FIRST STREET, SUITE 100, SAN JOSE, CALIFORNIA 95112 • (408) 977-0101

March 17, 1988

J. J. Hart International, Inc.  
#303 - 1112 S. 344th Street  
Federal Way, Wa. 98003

Attn: Mr. Gregory R. Englehart

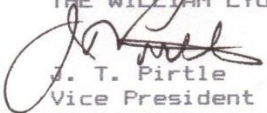
Dear Mr. Englehart,

Thank you for showing us the line of fiberglass closet units.

We are a developer of for sale single family and condominium units and are always looking for products that simplify the construction process and make for a better delivered product.

We plan to review new projects that we have in the planning stage for possible application of your products and as soon as we have a potential project, we will contact you.

Very Truly Yours,  
THE WILLIAM LYON COMPANY

  
J. T. Pirtle  
Vice President

REAL ESTATE DEVELOPMENT



Together we're better

---

August 24, 1989

Gregory R. Hart  
Hart Industries, Inc.  
150 East Third Avenue  
Vancouver, British Columbia J5T 1C8  
Canada

Dear Greg:

Thank you for your interest in Manville and the professional presentation of Hart Closets.

We have a sincere interest in the Hart Closet and its longer term potential. We will be investigating further prior to our next meeting. Please provide the specifics on your patents and the references you feel we should contact.

Our concept of an initial approach is to contract for your services as a consultant to work with Manville personnel in the development of a business plan. You may wish to speak with your attorney to determine the specifics you would prefer relative to this type of arrangement.

Please forward the information requested and your thoughts on an initial approach.

Very truly yours,

A handwritten signature in black ink that reads 'Don Steinle'.

Don R. Steinle  
Director of Marketing  
Building Insulations Division

DRS:rc

cc: R. Larson  
R. Mathewson

**KIRK DEVELOPMENT**  
INC.

May 29, 1991

To whom this may concern,

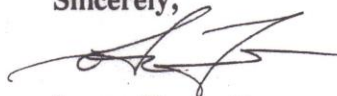
We are providing this letter at Greg Hart's request in an effort to support his "Hart Closet" invention, and the related accessories which have recently been developed.

Having spent a number of hours talking to Greg about his development, we share his contagious enthusiasm, and would be very pleased to see the Hart Closet incorporated in buildings, both commercial and residential. Obviously, labor is a large component of building cost, and at a time when other costs are outstripping the buyers ability to keep pace, it would be most refreshing to have a new product which is both cost-saving and practical, not to mention capable of various configurations.

We hope that you will give every accommodation to Greg, since it is readily apparent that he is motivated by a sincere belief in his product, and a missionary zeal to see it adopted as the industry standard. If this product were readily available, we would be most interested in putting it in our houses.

Please don't hesitate to contact the undersigned for any further information.

Sincerely,



Lorne Truscott  
Controller