

10 October 1994

Venture Capital
59 Bryanston Street
Marble Arch
London W1A 2AZ

Telephone 071-723 7030
Direct Line 071-611 2505
Facsimile 071-611 1350

Mr Peter Jennings
Department of Trade and Industry
Kings Gate House
66-74 Victoria Street
London
SW1E 6SW

Dear Mr Jennings,

British Gas plc has been supplying Hydroflow water conditioners to customers for the past two years. In that time, we have supplied over 4,000 units via our service engineers and retail outlets. Service-related applications are primarily the protection of combination boilers and thermal heat stores, whilst "over-the-counter" sales have been largely to customers wishing to solve scale-related problems.

Our Research & Technology Department has been monitoring the supply of Hydroflow units to our customers. I understand that a recent follow-up exercise by R&T with customers who have purchased Hydroflow has provided very positive results. These results support our original expectations for the performance of the Hydroflow unit.

I hope that you will find this information encouraging. If you have any queries, please do not hesitate to get in touch with me.

Yours faithfully,



Richard J Rudman
Venture Capital Manager

0923 800243

To	<u>Lewis Rosen</u>	
Company	<u>Hydropath</u>	
From	<u>R. Rudman</u>	
Company	<u>Global Gas</u>	
Tel No	<u>071 611 2505</u>	No. of Pages <u>1</u>
		FAX
		Post-it Fax Note
		Ref No: 7088