

EXHIBIT E

(PX 131)

**To Motion of Entity Defendants VENROCK Associates, *et al.*
for Judgment as a Matter Of Law Pursuant to FRCP 50(A)**

From: Oppenheimer, Stephan
Sent: Tuesday, January 02, 2001 1:57 AM
To: Walker, Charlie
Subject: RE: cadant and pro rata

I agree with you. That's fine, and I will let Eric know.

-----Original Message-----

From: Walker, Charlie
Sent: Monday, January 01, 2001 10:37 PM
To: Oppenheimer, Stephan
Subject: cadant and pro rata

I would counsel caution on speaking for anything more than our pro rata. venrock has dropped the ball on this deal in a bad way...we should not now be saving their chestnuts. eric/venrock need to endure the consequences by both giving up their previous warrants (pro rata) and carrying their fair share in this bridge. only if a subsequent round closes would I support our going beyond our presumed pro rata....(absent foreknowledge that the company was about to be sold....). Also, I think the essence of our presentation in the last friday call was that if a bridge were to come together, we would be doing our pro rata...

let's discuss if you might be headed in a different direction.

-----Original Message-----

From: "Eric S. Copeland" <esc@venrock.com>@CHASE
Sent: Thursday, December 28, 2000 5:40 PM
To: Oppenheimer, Stephan; Charlie Walker
Subject: RE: Closing Date

Thanks much, Stephan.

-----Original Message-----

From: Oppenheimer, Stephan [mailto:Stephan.Oppenheimer@ChaseCapital.com]
Sent: Thursday, December 28, 2000 5:31 PM
To: 'Eric S. Copeland'; Oppenheimer, Stephan; Charlie Walker
Subject: RE: Closing Date

1) Re: timing, I have our counsel focused on this now - we can have a term sheet for you to look at early next week (Tue/Wed), and I have told them that this would have to close by the second week of Jan.

2) I support the idea of a larger bridge, as we discussed before, although HSR needs to be considered. If a Series B is ever to get done, it is probably in everyone's interest to work on that soon, before interest wanes. With a larger bridge, the Company will have enough cash to go over the threshold of \$10MM in assets, given the \$4MM or so in non-cash assets it has today.

I am supportive of CCP (JP Morgan Partners in 4 days) putting in \$5MM on the right terms, as we have discussed.

-----Original Message-----

From: Eric S. Copeland [mailto:esc@venrock.com]
Sent: Thursday, December 28, 2000 8:21 PM
To: Stephan Oppenheimer; Charlie Walker
Subject: Closing Date
Stephan and Charlie,

I would like to try to get this bridge together by the 15th, rather than the 31st. I'm concerned about targeting a later closing date given that the \$1 MM end of January cash is, I've just discovered, dependent on getting \$600 K in lease back from Comdisco. If this is too short a time for your attorneys, I can get ours to pull together the docs. Just let me know.

I also think we should take as much cash as KB and CommVest are willing to cough up--maybe as much as \$10 MM between them. Apex may be willing to join the fray as well, to be determined sometime the first week of January when they return from vacation. My guess is that if Apex is in, they will also speak to \$5 MM. In this market, I am loath to turn away any willing participant.

I would also like you to consider putting \$5 MM into the bridge to match the commitment of Venrock, KB and CommVest. You'll be taking a board seat going forward and this justifies, I believe, being more aggressive than simply taking your pro-rata.

Eric

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