

October 24, 1986

Number 21



Leaders of UAW Local 766, AFPRO and Denver Aerospace meet to prepare for the coming Air Force review. Seated, left to right, are Robert Killian, president of UAW Local 766, Jim Webb, chairman of the bargaining committee, and Col. John B. McCabe, Air Force Plant Representative. Standing, left to right, are Stanley F. Albrecht, Denver Aerospace COR team leader and vice president, Production Operations, and Peter B. Teets, president, Denver Aerospace.

UAW leaders stress COR importance

(Editor's note: Bob Killian, president of Local 766, and Jim Webb, chairman of the bargaining committee of the UAW, represent about 1,400 Denver Aerospace production, maintenance, cafeteria, and reproduction employees, and address them here about the importance of COR.)

Recently, we had the opportunity to be briefed on various activities taking place in preparation for the Oct. 27 through Nov. 7 Air Force contractor operations review (COR). We can't help but be impressed by the importance that this audit has to all of us at Denver Aerospace.

While this audit is going to be tough, I believe that we—collectively as company employees—have a number of positive things going for us. We, along with Peter B. Teets, Denver Aerospace president, and Stanley F. Albrecht, Production Operations vice president, know that we have a work force that takes great pride in our abilities and in mission success. But for this to be a successful audit, a number of things must occur.

First, all employees must be familiar with and comply with the policies, practices and procedures (P³) of his or her work area.

Second, seemingly insignificant things will count, such as housekeeping—having a clean and safe work area. This review will be our opportunity to prove to the Air Force that we have established sound work habits and have a great deal of pride in our work and in our company.

Finally, some employees may be nervous about responding to a COR auditor. Our best advice to any employee should he or she be asked to respond to COR questions would be to give direct, factual answers to auditors—clear, crisp responses and only the facts you know. Don't guess. It will be all right to say "I don't have an answer," and then ask your supervisor.

We are confident that when this COR is over, we will have proved that our employees and company are among the top performers in the aerospace industry. ■

Go by the book—COR '86



To All Employees:

The contractor operations review (COR) that begins October 27 presents a unique opportunity. At a time when the entire defense industry is under intense scrutiny, COR allows us to demonstrate our outstanding performance as an aerospace company to the public, Congress, and the Department of Defense (DoD). During COR, which will be conducted by the Air Force Contract Management Division (AFCMD), our operations will be carefully examined. We welcome that examination and are confident the results will reflect well on Denver Aerospace and the defense industry as a whole.

The results of the review will be reported by the Air Force throughout the agencies of the DoD who are our current and potential cus-

tomers. Therefore, a successful review and a positive rating by the Air Force not only will enhance our reputation, but also will aid our future business endeavors. Verification that we fully comply with the operations requirements of our contracts will smooth the way for additional contract awards. Also, those awards lead to the future expansion that means job security and growth for all.

The key to a successful COR is you, our employees. Your professionalism and teamwork, which have contributed to our unparalleled mission success record, will continue to keep us in good standing during the COR. I look forward to our participation in the AFCMD review ahead of us, and view it as another opportunity to excel.

Peter B. Teets
President



To All Employees:

The Air Force Contract Management Division (AFCMD) will be conducting a contractor operations review (COR) at Denver Aerospace from Oct. 27 through Nov. 7. The COR team's primary mission is to evaluate Martin Marietta's ability to comply with contractual requirements and assure product integrity.

Martin Marietta Denver Aerospace calls this Mission Success—the Air Force calls it product adherence to contract specifications.

For the COR, AFCMD pulls together a team of 50 of its best experts to conduct a multi-functional review of Denver Aerospace's total operation. On Nov. 7, they will have assessed the Denver Aerospace commitment to Mission Success. No big secret on how they do

it—they just look at what the contract says and then compare that baseline to Denver Aerospace written procedures and practices and the work actually accomplished. If everything matches up—that's good. If it doesn't—that's not good.

The COR should not be construed as a "witch hunt," but as an opportunity for Denver Aerospace employees to show that they are dedicated to the company's Mission Success and Commitment to Excellence programs. To this end, each and every one of you has an important job to do—be it keeping the factory areas clean, machining parts, designing technically sophisticated components or assuring only high-quality vendors are part of the Denver Aerospace team. Every job is critical to providing high-quality products at a reasonable cost.

I am confident that each of you has the ability and skills to meet the challenge of Mission Success. Working together you'll meet this challenge.

John B. McCabe, Colonel, USAF
Air Force Plant Representative



To All Employees:

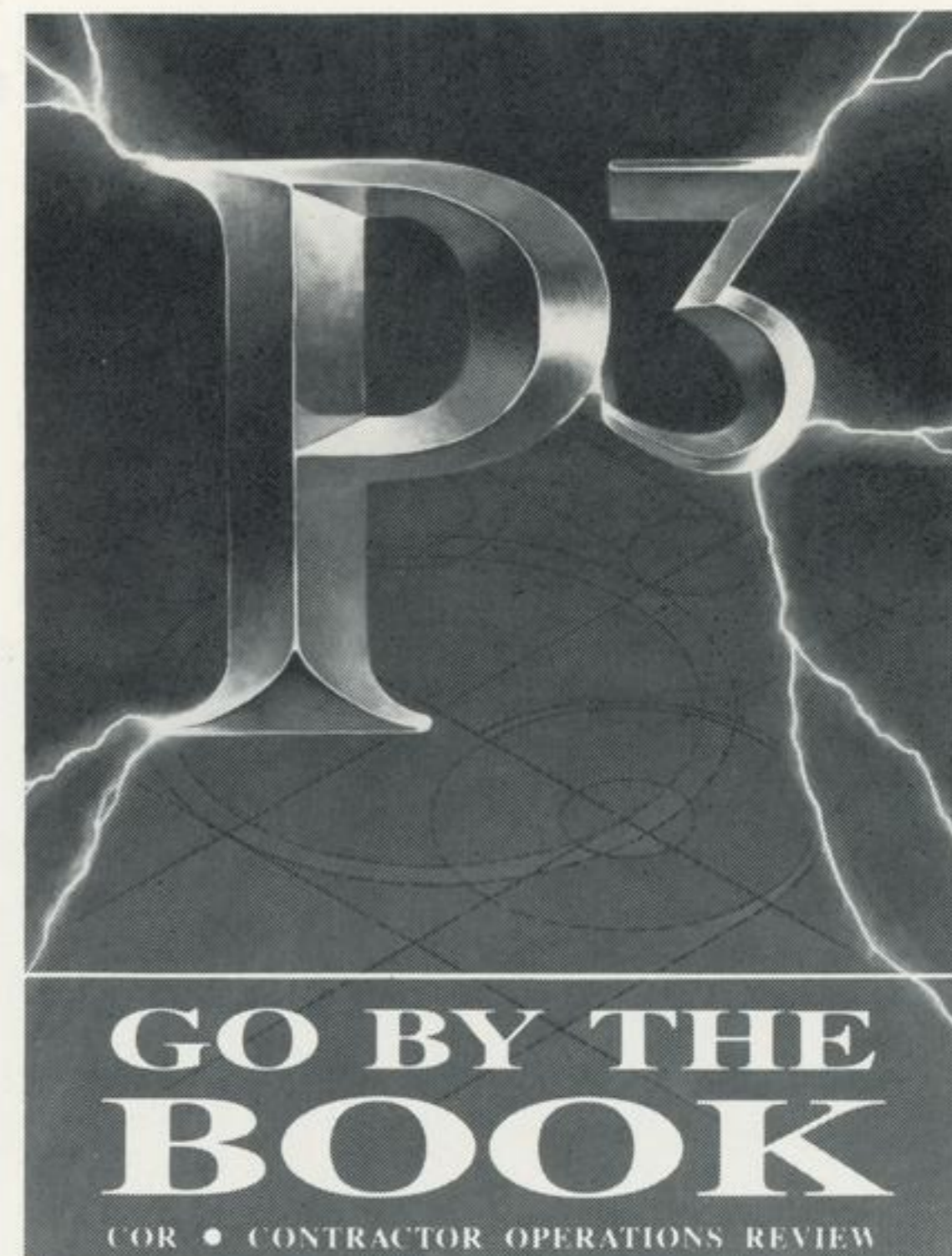
We have just completed a thorough review of our Martin Marietta Denver Aerospace operations by a 52-member team led by Robert Morra, vice president of Technical Operations at Corporate Headquarters. This team, comprised of personnel from all operating elements of the Corporation, spent the week of October 6-10 reviewing all aspects of our operations. The Corporate team provided us with an excellent opportunity to "dry-run" our readiness for the Air Force Contract Management Division (AFCMD) contractor operations review (COR), which begins Monday, October 27.

While noting improvements in all areas since their last review earlier this year, the Corporate team pointed out—to our own COR team

and Denver Aerospace management—areas which must be improved upon before the AFCMD/COR arrives. The general areas of housekeeping, safety, shelf-life, records management, calibration, maintenance and conformance to P³ were stressed as requiring the personal, individual attention of all of our employees: hourly, nonexempt salary and exempt salary.

The Corporate team said that our attitudes toward auditors and COR were good, requiring only a final tuneup and sharpening, before the AFCMD/COR team arrives. We need to make sure that all of us take their suggestions and recommendations to heart as we get ready for the start of COR and a successful review.

Stanley F. Albrecht
Vice President
Production Operations



The COR logo for Denver Aerospace emphasizes P³ for the policies, procedures, and practices manuals that must be followed to assure compliance with contractual agreements.

COR teams arrive Mon.

The Air Force Contract Management Division (AFCMD) contractor operations review (COR), led by Michael W. Page, chief, Missile, Electronics and Space Division, and director of operational reviews, Headquarters AFCMD, consists of 50 members from AFCMD headquarters and various Air Force Plant Representative's Offices (AFPRO) around the country. The review team will arrive at Denver Aerospace Monday, Oct. 27, for a two-week review of operations.

The review will be divided into eight major segments, with Denver Aerospace segment leads as follows: Hatch Wroton, engineering and configuration management; Frank McKenna, business; Richard Hannum, quality assurance; Peter Schoonover, product integrity; Don Sutton, manufacturing; Herbert Watkins, subcontracts; Ron Halcomb, industrial safety and fire protection; and Milt Gray, industrial materiel management.

Peter B. Teets, Denver Aerospace president, and Stanley F. Albrecht, Production Operations vice president and Denver Aerospace COR team leader, will present the Monday morning inbriefing for the AFCMD/COR team. The review of operations will start Monday afternoon, and continue through Nov. 6. The segment team outbriefings will be given by AFCMD to our teams the evening of Nov. 6. Page will give his summary outbriefing to Teets the morning of Nov. 7. Final AFCMD/COR results will come from Maj. Gen. Bernard Weiss, Commander AFCMD, to Teets shortly thereafter. ■

Product integrity is an all-hands effort

One major focus of the contractor operations review (COR) will be in the area of product integrity, according to Pete Schoonover, COR segment lead and manager of central mission success.

"At least half of the Air Force reviewers will be in the factory areas, evaluating hardware before government acceptance."

According to Schoonover, the product integrity COR team is multifunctional, composed of members from quality assurance, manufacturing and engineering. While inspecting hardware, the team will review contractually required military specifications and standards, engineering drawings and process documents.

Using Denver Aerospace inspection procedures, the team will inspect hardware, work instructions, production processing and completed end-item inspection and test results. The COR team will examine hardware, both before and after its been inspected by Denver Aerospace, to assess both manufacturing and quality assurance performance.

"We welcome any comments or concerns employees may have in preparing for the Air Force review of product quality," Schoonover said. "Don't hesitate to call us at Ext. 1-7594." Schoonover is assisted by Bob Barnes. Jim Tutchtou and Ron Sellers will be Martin Marietta facilitators for the factory and the Electronic Manufacturing Facility (EMF) during the two-week review. ■

- Refuse to accept the hardware when it has not been produced to government specifications and standards.

Think of COR as the window our customer sees us through...is our house in order?

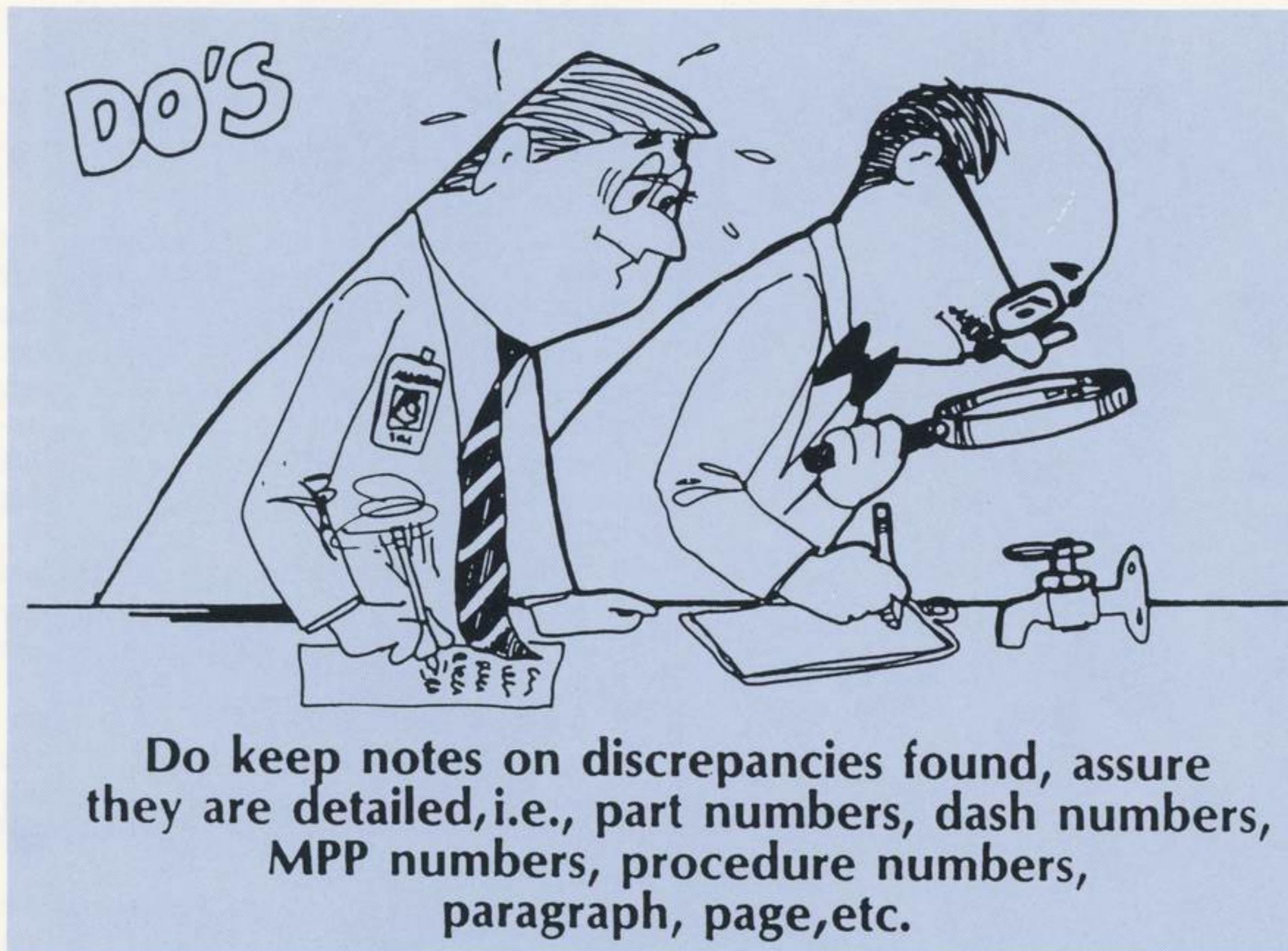
Q: What will the review cover?

A: The DoD, through the AFCMD, will look at the quality of our operations and the capabilities and attitudes of our employees. The quality of our operations includes such things as the effectiveness of our systems and procedures and the adequacy of our facilities. We have invested a great amount of time, effort and capital in developing a first-class operation.

Q: How are employees involved in this review?

A: Our achievements in technology development, test successes and delivery of quality products, together with our steady improvement in cost and schedule control, testify to the dedication and skill of our work force. Our accomplishments and thorough preparation for this review should produce favorable results. We can ensure this if all of us pay attention to these simple facts: do what the contract requires, and know and comply with contractual procedures.

An enthusiastic work force, who are knowledgeable about policies, procedures and practices (P³) in their field, is essential to our success as a company. Your knowledge and willing participation are the keys to our success in COR '86. ■



Q and A on COR...

(Editor's note: On Monday, October 27, the Air Force contractor operations review [COR] team will come to Denver Aerospace, following months of self-inspections, preparations and hard work. Stanley F. Albrecht, vice president, Production Operations, is the Martin Marietta COR team leader. In this special issue of the Martin Marietta News, devoted to the upcoming review, COR and procedures to ensure a successful audit are reviewed. Albrecht, in the following interview, answers questions concerning COR.)

Q: When we say COR, what are we talking about?

A: A contractor operations review (COR) is a thorough systems review at a defense contractor's plant site. It is supervised by the Air Force Contract Management Division (AFCMD), which is located at Kirtland Air Force Base, Albuquerque, N.M. The COR evaluates a contractor's management systems to determine if the contractor complies with contract requirements. The COR team also will inspect hardware and evaluate floor practices. This review complements the daily supervision provided by the Air Force Plant Representative Office (AFPRO) located at each plant.

Q: Is the COR strictly a management concern?

A: No. Management is responsible for assuring that we comply with the terms and conditions of our contracts in producing quality products. A top-grade performance, assuring quality products that are acceptable to the Air Force, requires that each employee know the policies and procedures of the job.

Q: Why is the Air Force conducting CORs?

A: A COR is one method the Air Force can use to assure taxpayers that it is getting the best possible product from defense manufacturers.

Q: What do we hope to achieve during this review?

A: Our aim during COR is to demonstrate to the Department of Defense (DoD) that Martin Marietta is a top-flight aerospace contractor.

We can do this by performing our job in the most professional manner.

Q: Are we being singled out by the Air Force?

A: No. Every contractor facility administered by an AFPRO unit has been audited by a COR team, including Denver Aerospace in February 1985. More emphasis has been placed on conducting CORs since 1984.

Q: How are employees from Martin Marietta expected to respond to COR questions?

A: Give direct, factual answers to the reviewers—clear, crisp responses and only the facts you know. No guessing! If you don't have the answer, ask your supervisor.

Q: What is the effect of a poor review?

A: The immediate impact is that some of our policies and procedures will be disapproved and the cost of business will go up. The Air Force can also:

- Issue management deficiency reports to the contractor;
- Issue a letter of concern to the contractor identifying major problem areas;
- Issue a notice to the contractor that it intends to disapprove the contractor's management systems if the problems remain uncorrected;
- Disapprove the contractor's management systems because of noncompliance with the terms of a contract;
- Reduce or suspend progress payments because of noncompliance with contract requirements;



Standing, left to right, are Bill Kistler, Wade Stanfield, Mike Miller, Jerry Lindy, Jack Anderies and Tom Young. Not shown: Tom Krol.

Manufacturing employees earn kudos in corporate COR audit

In his recent evaluations of preparations for the upcoming contractor operations review (COR), Ken Simmons, corporate director of Production Operations and leader of the corporate manufacturing review team, found "significant improvement" in manufacturing.

Simmons commended manufacturing employees for their "tremendous" attitude. The corporate review team recognized the following individuals for their outstanding conduct during the audit interviews:

- Bill Kistler, Peacekeeper, for acting in a professional, knowledgeable manner;
- Jerry Lindy, Titan wire line, for correctly and courteously challenging a member of the team who failed to show an identification badge;

- Mike Miller, Peacekeeper, for being extremely helpful and demonstrating knowledge of and commitment to his work;
- Tom Young, advanced manufacturing technology, for demonstrating helpful and professional conduct;
- Jack Anderies, tool management, for professionalism during an extensive review of the tooling management system;
- Wade Stanfield, Peacekeeper, for his dedication and for sacrificing his lunch time to observe a critical joint for part slippage;
- Tom Krol, electronics manufacturing, for professionalism and poise during the review—his job knowledge was termed outstanding. ■

'Employee Guide to P³' gives guidelines for performance

During the COR review, employees are urged to refer to a pamphlet describing the company's policies, procedures and practices (P³).

The "Employee Guide to P³" explains the organization of P³ documents, describes how Denver Aerospace contracts guide our methods of operation and provides specific work instructions.

P³ media are the basis upon which we conduct business at Denver Aerospace. The documents assure that the company meets contractual commitments to customers and provides them with the highest quality products.

All employees must understand and adhere to those documents in the P³ media that apply to their jobs and their work areas, or recommend changes to their supervisor when appropriate.

The policies and standard procedures are

maintained together in a set of five volumes, and full sets are available in approximately 275 locations throughout the company. If you have not located a set, management services, Ext. 7-7100, or a COR team member answering the "Go By The Book" hotline, 971-7611, can assist you.

The pamphlet also offers guidelines to assist employees during an interview with an auditor.

The future business of Denver Aerospace depends upon each employee understanding the nature and role of the P³ media. It is only through strict compliance with these policies, procedures and practices that we can continue our excellent record of 100 percent mission success.

The employee guide is meant to be retained after COR; it describes our method of doing business all year. ■

AF to review all work areas

Martin Marietta is committed to providing and maintaining safe and healthful working conditions at all facilities, and all employees are expected to join in this commitment.

Toward this goal, it is imperative that employees keep their work areas orderly and neat. Lasting impressions are made on visitors and on new employees by the first things they see in our departments and our buildings.

Good housekeeping goes far beyond dusting and sweeping. It is an orderly arrangement of operations, tools, equipment, storage facilities and supplies. Good housekeeping reduces safety hazards and improves working conditions. It is everyone's responsibility to see that housekeeping is effective in each area.

Untidy work areas attract attention. Unfortunately, in the upcoming review, it is this kind of attention that may result in an unsatisfactory finding, or Form 3, issued by the COR reviewer. All employees can help by following some simple measures.

- Do not stack shelves so high or in such a manner that the load is top heavy or can shift. If it looks shaky, it probably is shaky and unsafe.
- Put chemicals in proper storage containers and in designated storage areas.
- Use common sense when it comes to neatness. Work areas reflect professionalism.

The occupational safety and health department will provide clarification and guidance in keeping work areas clean, neat and orderly. The safety engineers responsible for each area can be reached at Ext. 7-4444 or 7-3411, and are as follows:

- Manufacturing and Operations (Factory)
 - W. F. Caille
 - K. S. Guthrie
 - D. T. Roseo
 - R. B. Cohan
- Offsite Facilities
 - H. Burchell
 - W. F. Caille
- Space Park
 - W. P. Papas
 - J. R. Bengel
 - C. O. Rose
 - W. E. Hill III
- Test Area
 - R. A. Powell
 - J. Sutherland
 - S. M. Smetana ■

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MARTIN MARIETTA

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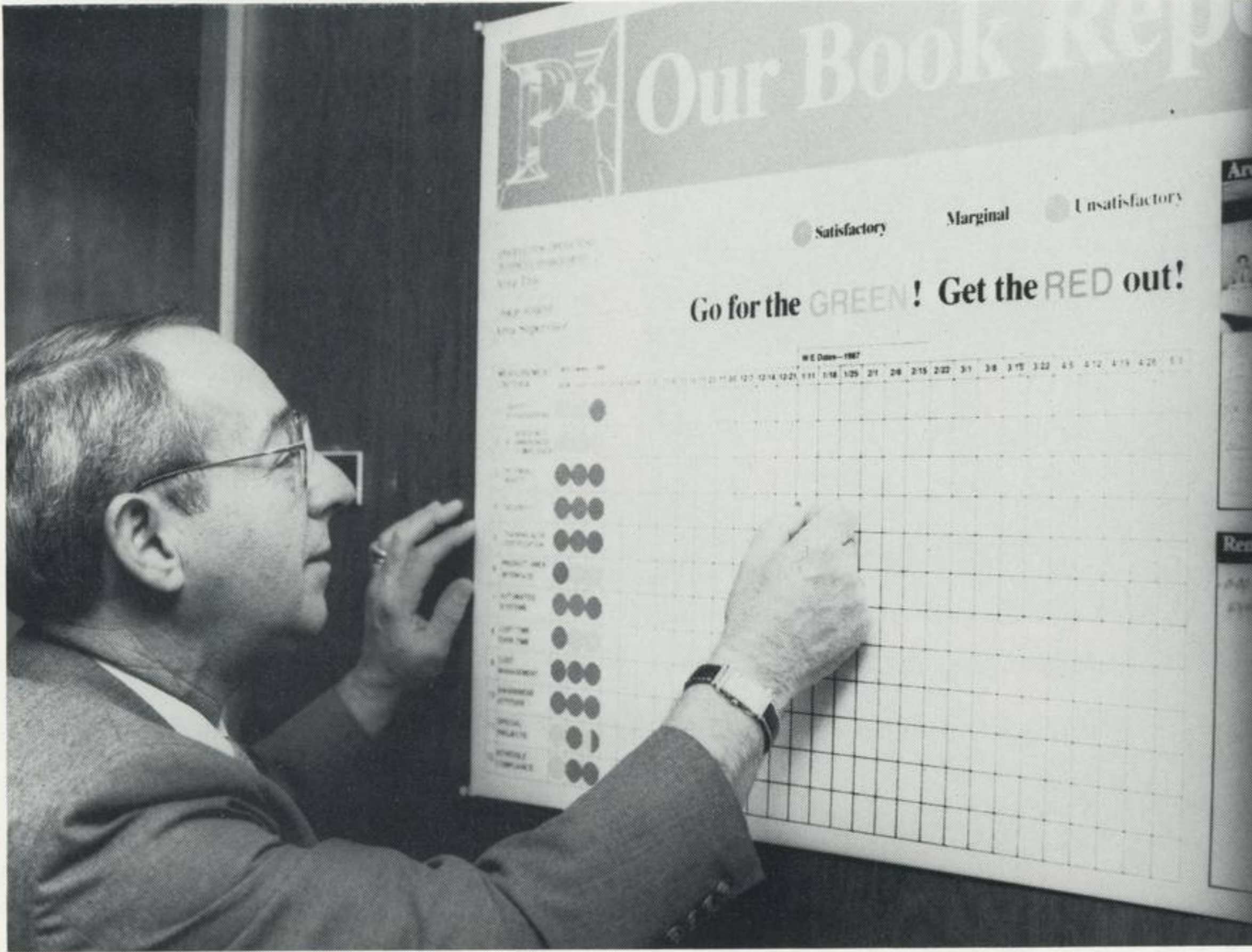
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Business Development	E. W. Andrews	4619
Defense Systems	Norma I. Emerson	1-8089
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DENVER AEROSPACE

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October 24, 1986



Phil L. Rogers, head of business management for Production Operations, adds a top mark to "Our Book Report", charting his department's progress.

Employees given guidelines for coming COR interviews

One of the most important parts of the AFCMD review will involve employee interviews. Any employee may be contacted by the COR team as part of the audit in an effort to determine how well individuals follow policies and procedures. Investigators from the COR team will visit employees in many work areas, asking questions regarding specific work methods used and why.

The manner in which employees respond to these investigators can have a major impact on the outcome of the audit and future business. It is very important that employees respond professionally and courteously to investigators, and cooperate by supplying them with the information they request. The following is a set of guidelines for responding appropriately to a COR interview:

- AFCMD teammembers will be accompanied by a designated Denver Aerospace COR facilitator. The teammember must indicate a "need to know" before anyone is obligated to answer a question. In other words, employees are still responsible for maintaining their awareness of security requirements. AFCMD members cannot criticize an employee for declining to answer a question that might involve security or proprietary data.
- The AFCMD reviewers have a "show me" attitude. As much as possible, they will want to see how business is actually conducted here—not listen to vague descriptions.
- The investigators want to know if the employee has access to work instructions and

understands those instructions. New employees must know the instructions as well as veteran employees.

- The reviewers expect employees to display proper professional etiquette. Be courteous and attentive when asked a question. Allow the entire question to be asked.
- Rephrase the question to the AFCMD teammember. (This indicates that you understand what is being asked.)
- Think about the answer and be concise. State only facts, not opinions. Limit your response to the questions of the reviewers. Do not show or tell more than the reviewer asks.
- If you do not know the answer, refer the question to your immediate supervisor or the designated focal point.

In addition to verbal assurances, the auditors will require documentation to confirm that correct procedures are being followed. If the investigator asks to see proprietary documents such as audit reports or proposals, do not show these yourself. If there are any questions as to the proprietary nature of a document, discuss it first with the company escort.

- Ask for additional time if it is needed to gather supporting documentation.
- Nothing should be signed by anyone other than the Martin Marietta facilitator accompanying the AFCMD teammember.
- Show professional standards: intelligence and knowledge, energy, high personal standards, and caring about yourself, your job and the company. ■

Air Force review adds new terms and acronyms

The new acronyms and terms circulating Denver Aerospace are all part of the upcoming Air Force audit. The following short list of definitions is reprinted for the benefit of those employees who are new or not yet familiar with some of the acronyms and terms.

COR—Contractor Operations Review: This is a thorough audit of a defense contractor by a special Air Force team to ensure that the contractor's management systems and production hardware comply with the terms, conditions and procedures of the contract it holds with the government.

AFCMD—Air Force Contract Management Division: located at Kirtland Air Force Base, Albuquerque, NM. One of this division's responsibilities is COR.

AFPRO—Air Force Plant Representative Office: located at each contractor's facility. It provides daily surveillance of contractor performance. It is under the AFCMD command.

BMO—Ballistic Missile Office: located at Norton Air Force Base, San Bernadino, CA. This office augments the audit team.

CMSEP—Contractor Management System Evaluation Program: The AFCMD management system measurement tool.

COR Command Centers: Central offices for COR reviewers or Martin Marietta COR facilitators.

Command Media: Documentation outlining company principles, objectives, policies, responsibilities and standard work methods that comply with our contractual requirements.

Facilitators: Knowledgeable Martin Marietta individuals appointed by the vice presidents of each functional organization to deal directly with respective COR teammembers throughout the review.

Functional Focal Points: Individuals with expertise in the specific functional area being reviewed. The individuals are usually the first-line supervisors responsible for the performance of the function.

Finding: A nonconformance with or deficiency of written procedures or instructions. Findings are categorized as compliance, adequacy or existence.

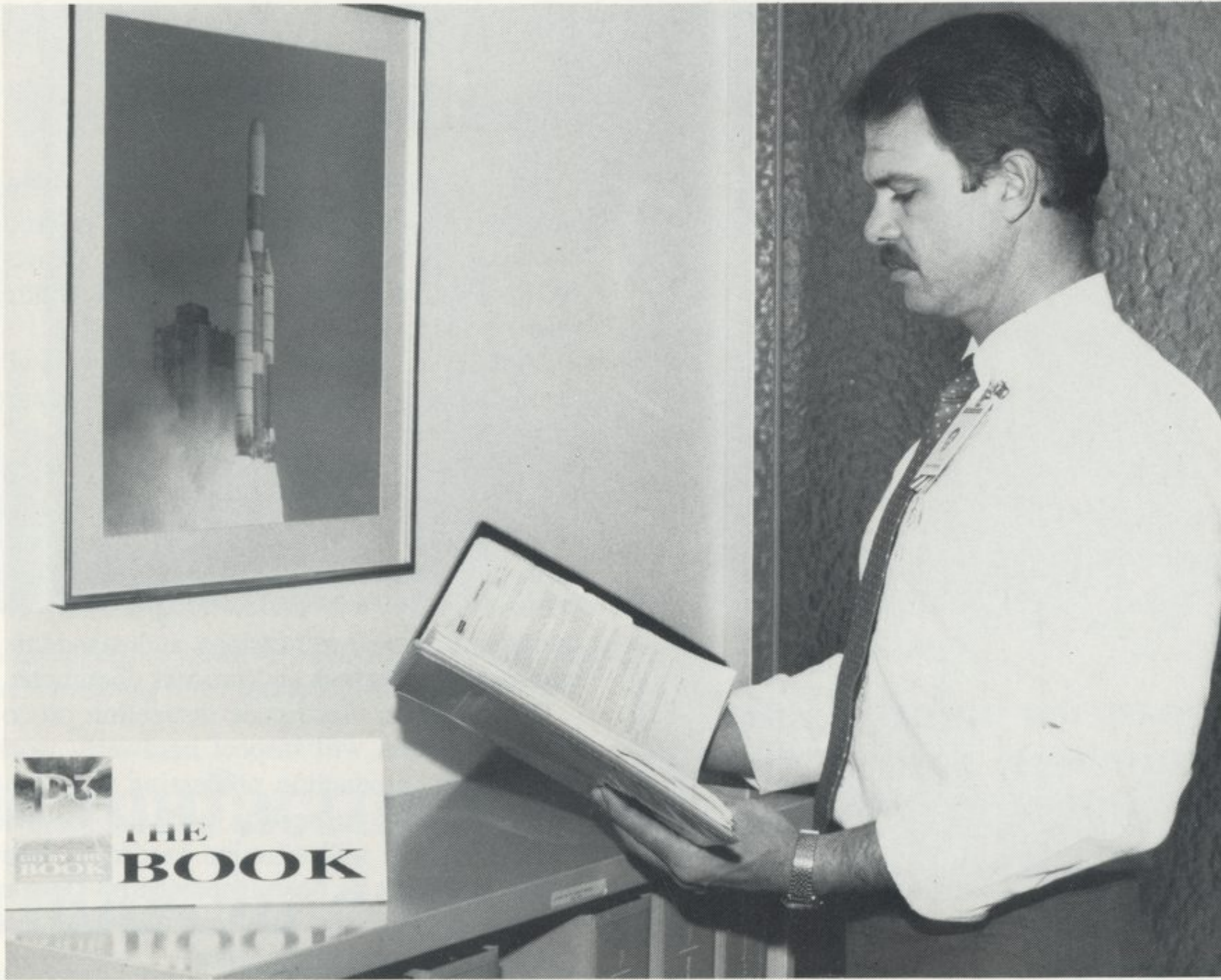
Form 903 (formerly Form 3): The form used by AFCMD teammembers to report findings not in compliance with the terms of the contract's operating policies and procedures.

Form 21: This is the normal in-house AFPRO report of findings.

Form 47: This is a deficiency report issued by AFPRO to the contractor and forwarded to AFCMD.

MOS—Manufacturing Operations Sheet: The sheet containing detailed instructions on the process and assembly of hardware.

PIA—Product Integrity Audit: The COR evaluation of a defense contractor's hardware.



Don Sutton, manufacturing segment lead, stands at one of the 275 P³ command media locations.

TM segment 'well on its way'

One of the eight segments preparing for COR is the TM segment, which is the Air Force designation covering two Martin Marietta organizations. The TM segment comprised of contracts, finance, estimating, planning, internal audit and compensation, reports that the team is well on its way to "going for the green" in preparation for the upcoming COR.

"To pass the test, we need to be 100 percent in all of our activities," said Frank McKenna, TM segment lead and Denver Aerospace controller.

According to McKenna the COR preparation team, led by Vern Vlcek, Gus Hubert, Harold Hamblin, Darcie Eder and Tom Hall, has the attitude that there are "no shades of gray" in this comprehensive review.

Weekly progress is displayed in each of the TM areas, emphasizing the team's action items, detailed P³ training, housekeeping and COR awareness. "We have been tough in our readiness assessments, and we know that the Air Force will be tough as well," McKenna said.

"The entire team has prepared for this review in a highly professional manner, and we are confident that we will work competently and cooperatively with the Air Force team next week." ■

GO BY THE BOOK
COR • CONTRACTOR OPERATIONS REVIEW

MARTIN MARIETTA

EMPLOYEE CREED

When Reviewed, I'm
Confident of Satisfactory
Findings for:

- Safety, Housekeeping and Material Handling
- Compliance to Command Media P³
- Shelf-Life Materials, Tools, Instruments, Slings and Appropriate Certifications
- Control of Nonconforming and Conforming Materials and Hardware
- Following Work Instructions
- Security . . . Employee Badge and Parking
- Quality and Attitude

GO BY THE BOOK