

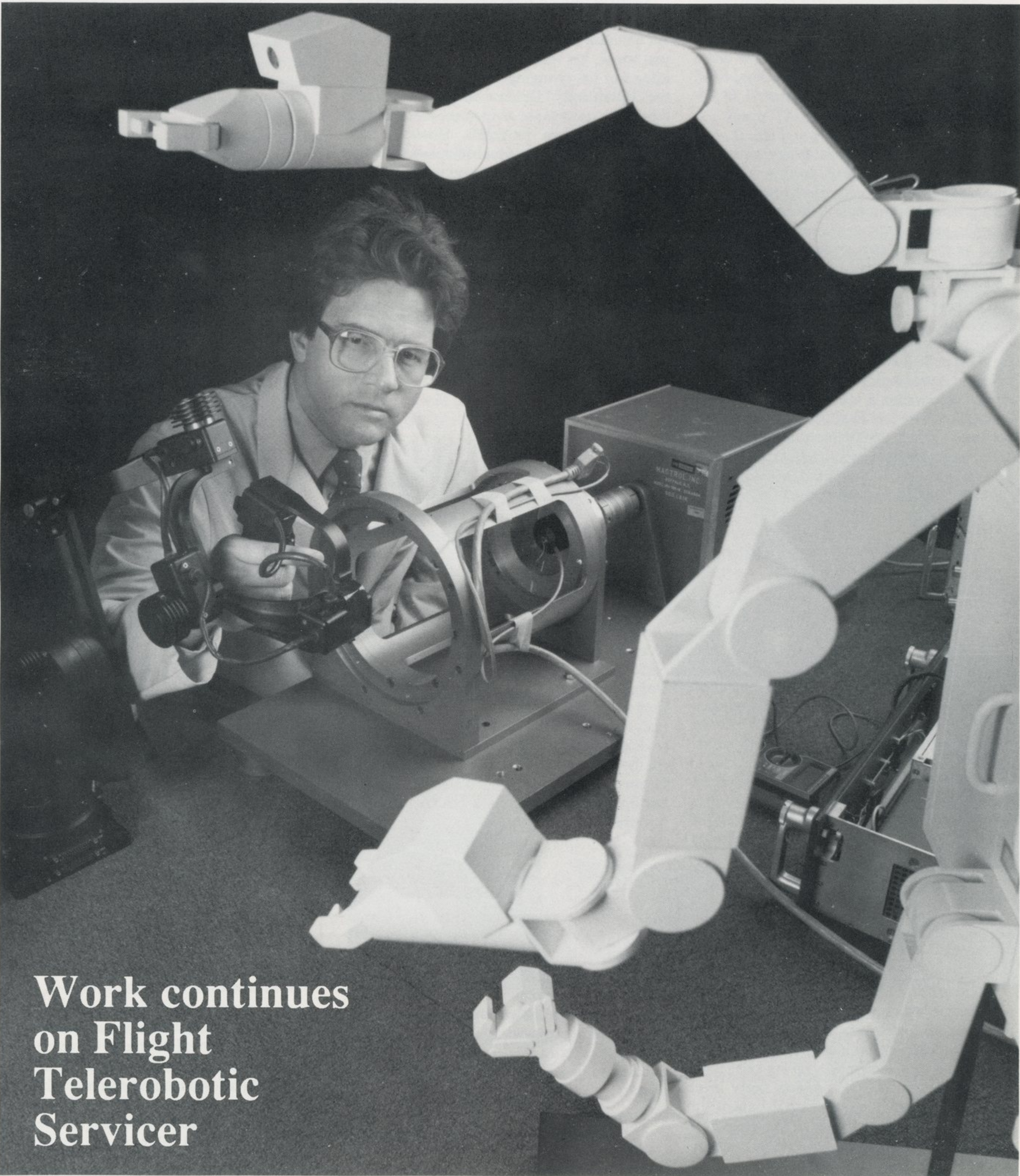
MARTIN MARIETTA

# news

ASTRONAUTICS GROUP

December 1, 1989

Number 25



**Work continues  
on Flight  
Telerobotic  
Servicer**

# Spencer: Astronautics Group LROP shows solid future

*(Editor's note: The Martin Marietta News recently interviewed Joseph C. Spencer, vice president of Business Development, to learn more about the corporation's Long-Range Operating Plan and specifically how that plan applies to the Astronautics Group. The highlights of that interview are printed below.)*

*News: About this time each year it's common to hear management talk about the Long-Range Operating Plan (LROP). Although the term seems self-explanatory, what does the LROP mean to the Astronautics Group and to the corporation?*

**Spencer:** We've just finished reviewing our Astronautics Group LROP, so this is a good time to explain the process. Each operating element is asked at the middle of the year to begin a planning process that evaluates everything related to its business—orders, sales, profits, backlog, new business, capital, facilities and personnel—looking ahead five years. This five-year forecast, aimed at 1990-94, really touches every aspect of our operation. The Astronautics Group management then reviews these operating plans in September, and in October the consolidated Astronautics Group plan is submitted to the corporation's senior management in Bethesda, where it is finalized and made ready for use on Jan. 1, 1990. So, quite simply, our LROP begins at each operating unit, progresses to the Astronautics Group level, and is consolidated with the entire corporate LROP.

*News: You mentioned orders, sales, profits and backlog. Please take a minute to define what these terms mean to the Astronautics Group.*

**Spencer:** Orders are the amount of new business brought in during the year that may span several years of actual work performance. Sales represent the amount of work accomplished during the year, while profit is the money earned from those sales. One of the important measures of our business is backlog. Backlog is the value of the work we have yet to perform based on all the orders we have received. We currently are forecasting a backlog at the end of this year of \$6.9 billion, which equates to almost three years' worth of sales.

*News: This information is helpful, but what does this really mean for the Astronautics Group employees?*

**Spencer:** This backlog provides a firm business base to which we then add the follow-on work that our customers are planning for us and the competitive new business we are committed to win. This total then makes up our sales forecast. Our current LROP projects fairly level sales over the next five years even in light of our changing marketplace. If things happen as currently planned, we should have stable employment during this period. There may have to be

minor adjustments, but we do not foresee any major perturbation to our level of employment at this time.

*News: Please explain what you mean by our changing marketplace?*

**Spencer:** Being primarily a Department of Defense and NASA contractor, we are dependent on those budgets to fund our programs. As you know, we see in the papers each day the effects of the changing world environment on the Department of Defense budget. At the same time, we expect to see an increase in the budget for NASA space programs. However, this probably will be a gradual increase. Another aspect of this changing environment is our increasingly competitive marketplace. All of this says that we must work very hard on our Total Quality Management initiatives, like the High-Performance Work Teams and the introduction of MRP II, to reduce costs and increase productivity. If we don't do this, our competitors, fighting for their share of the marketplace, will make it more difficult for us to get the business we are counting on in our LROP.

*News: Please briefly break down the elements of the LROP, talking specifically to our key product areas.*

**Spencer:** Obviously, our work in the expendable launch vehicle arena with our Titan family of vehicles puts us in an enviable position. We see a stable ELV marketplace over the next five years. We are the nation's cornerstone corporation for this effort. Our backlog and long-standing tradition of mission success back up my comments. We also see modest growth in the spacecraft area, and we will continue to be a part of that increase thanks to our excellent performance for NASA and the Department of Defense. Although the Strategic Modernization Program and Strategic Defense Initiative budgets appear to be declining, we already are searching for and finding new business to back-fill these areas. We will continue to market our Commercial Titan and have a number of potential opportunities to launch NASA and other government payloads.

*News: The papers recently have devoted a lot of coverage to the President's Earth-Moon-Mars initiative. Does the Astronautics Group have a role in that upcoming program?*

**Spencer:** We already have a team in place here at the Astronautics Group working on this new and exciting initiative for the corporation. Our planetary exploration heritage and ongoing study contracts in this arena put us in a great position to be a part of this Earth-Moon-Mars activity.

*News: All of this is certainly encouraging for the Astronautics Group. Could you speak more*

*about our stability, especially the competitive new business we must win?*

**Spencer:** As I mentioned earlier, we are committed to win significant new business over the next five years. Specifically, we must win approximately \$2 billion to meet the stable sales projection of our LROP. We currently have identified and are pursuing more than \$10 billion of potential new business. We are dedicated to win as much of that as we can. We have had a very good track record to date, and for this to continue we must stay on our course to become more competitive.

*News: We've spent a lot of time discussing the Astronautics Group. What about the outlook for the corporation?*

**Spencer:** At a recent corporate-wide review of the new LROP, it became apparent that our corporation is in an enviable position with respect to other major aerospace companies. This is attributed to our outstanding performance on current programs and to a high win rate for new projects. That rate is about 65 percent for bids of more than \$500,000, which far exceeds the industry average. Thus, like the Astronautics Group, the corporation sees a steady future.

*News: You've mentioned our established programs, but what's the outlook for some of the upcoming projects?*

**Spencer:** This is where I'd like to quickly point out our new, exciting programs like the Flight Telerobotic Servicer, upgraded Titan II, and the Advanced Launch System (ALS). It is areas like these that show our diversity and our opportunity for growth. For example, the FTS contract has opened up the doors for us to exploit the space robotics field while providing a crucial piece of the Space Station Freedom. We've just recently experienced an important development in the Commercial Titan area with the signing of the Mars Observer contract. We're also continuing our competitive ALS thrust, developing new launch vehicle technology. The Titan II and its capability to be enhanced for missions like the Midcourse Space Experiment also provides us with many new business opportunities.

*News: We've certainly had a chance to touch on a variety of topics. From your perspective, what's the most important message you have for Astronautics Group employees?*

**Spencer:** I see a sound future with a stable base and steady employment. To ensure that this forecast happens, we all must continue to perform in an outstanding manner, while improving and enhancing our TQM efforts to ultimately increase productivity and reduce costs. Those actions will allow us to remain very competitive. ■

## Remember ethics during holidays

The Christmas holiday season traditionally is a time of giving and receiving. But when the gifts, invitations or gratuities involve suppliers or other business contacts, the Martin Marietta Code of Ethics and Standards of Conduct is quite specific.

"The season makes no difference," said George Sammet Jr., corporate ethics director. "Employees should neither offer nor accept any gifts or invitations from business contacts."

The Martin Marietta Code of Ethics states: "Martin Marietta personnel are not permitted to accept gifts from individuals, firms, or representatives of firms who have or seek business relationships with Martin Marietta."

Likewise, Sammet says, "If the past is any indicator, we can expect many invitations from suppliers to attend Christmas parties of various kinds. Our policy is to courteously decline to participate. This policy applies to all employees, not just those involved in procurement."

In addition, "Federal, state, and local government departments and agencies have regulations concerning acceptance by their employees of entertainment, meals, and gifts from companies and persons with whom the departments and agencies do business or over whom they have regulatory authority. Martin Marietta employees may not give, or offer to give, to such government employees any entertainment, meal, or gift regardless of value," the Code of Ethics says.

Both the Astronautics Group Ethics Office and the corporate Ethics Office are available to answer questions about the Code of Ethics. The Astronautics Group's office may be contacted at Ext. 7-4530 or 1-9959, while the corporate office numbers are 1-800-338-4427 or MARCALL 356-9400.

## On the cover

William W. Putney, a senior engineer in Space Systems, conducts tests on the hand controller that will guide the Flight Telerobotic Servicer during operation in space. Space Systems, selected by NASA's Goddard Space Flight Center, is designing and building the FTS, a space robot that initially will help astronauts assemble and maintain the Space Station Freedom in the mid-1990s. As envisioned by NASA, the robot will enable astronauts to accomplish routine assembly and maintenance work without leaving the Space Shuttle or Space Station.

## Commercial Titan receives contract to launch Mars Observer spacecraft

Commercial Titan, Inc., has received a \$156.6 million contract from the National Aeronautics and Space Administration's Lewis Research Center to launch NASA's Mars Observer spacecraft on a Commercial Titan space booster in September 1992.

*"(The contract) may very well be an example of future NASA and U.S. government launch procurement approaches."*

*—Edward M. Browne*

The Mars Observer, to be launched from Cape Canaveral, Fla., will orbit the planet, measure its surrounding atmospheric and magnetic environments, and transmit the data to Earth for analysis.

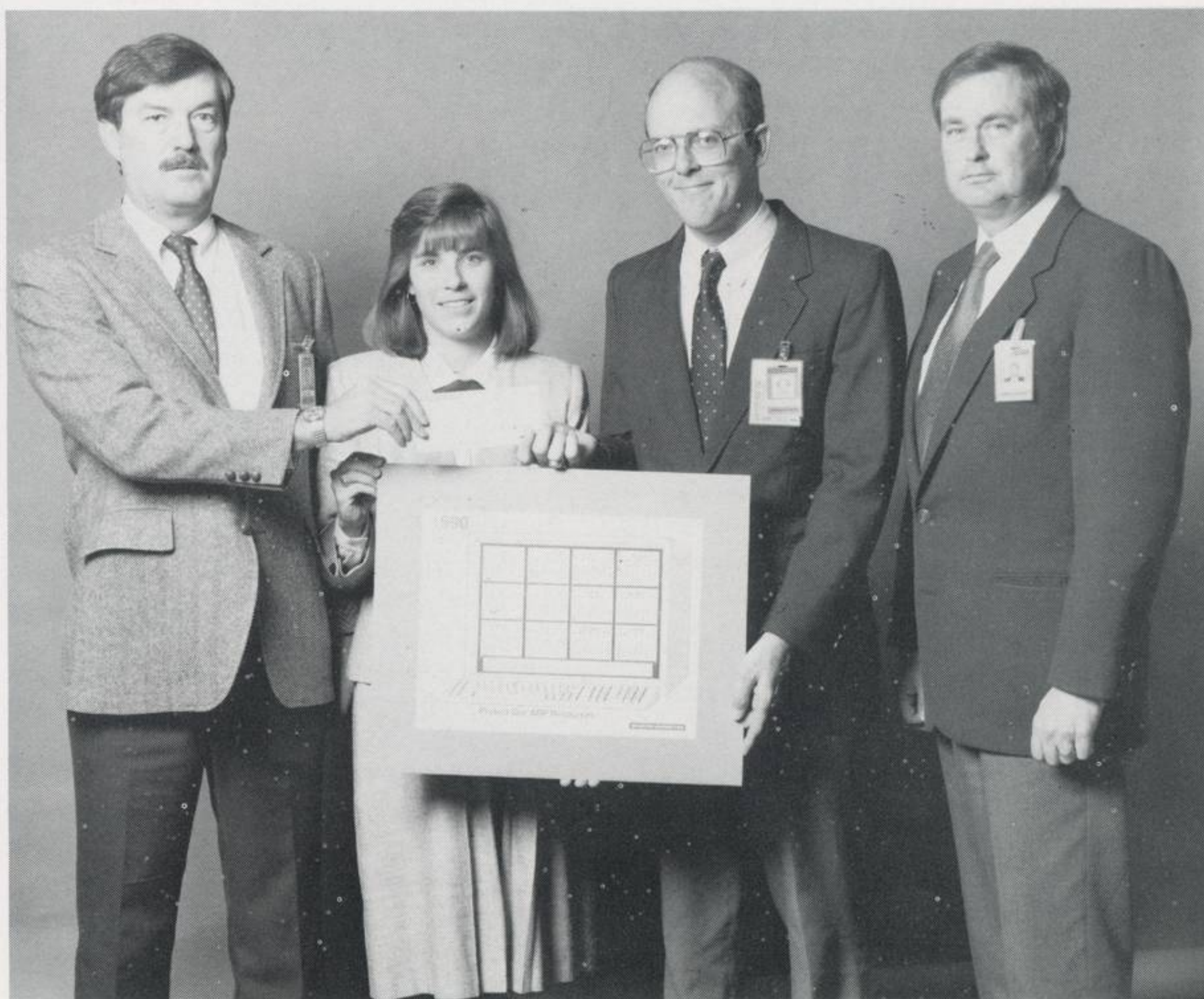
Edward M. Browne, president of Commercial Titan, Inc., said this marks the first time NASA has contracted for commercial launch services for a planetary mission and "may very

well be an example of future NASA and U.S. government launch procurement approaches."

The Mars Observer will be the first U.S. mission to Mars since 1976, when two Viking spacecraft, built in Denver and launched by Titan IIIs for NASA, landed on the planet. The Mars Observer will be sent on its final trajectory to Mars by the Transfer Orbit Stage. Strategic Systems is building the commercially developed upper stage under contract to Orbital Sciences Corp. of McLean, Va.

The Commercial Titan, a derivative of the Air Force Titan III, can place up to 32,500 pounds into low-Earth orbit.

The company has contracts to launch five satellites or spacecraft on four Commercial Titans starting this month. In addition to the Mars Observer, the Commercial Titan will launch the JCSAT 2 communications satellite for the Japan Communications Satellite Company paired with the Skynet 4A for the United Kingdom Ministry of Defence later this month, and two INTELSAT VI communications satellites for the International Telecommunications Satellite Organization in the first half of next year. ■



### Security awareness pays off

Art Lloyd, manager of Security, left, Sharon McManus, education and training specialist for Security, center left, and Paul Nordberg, director of Security, right, present Bob Ratliff a \$200 check for designing the 1990 security awareness poster (pictured). Ratliff, who works in the Software Center of Excellence, was one of more than 30 employees who participated in this inaugural event to create and design the annual poster. His name will be featured on the poster, which will be delivered to Astronautics Group employees, and those at Cape Canaveral and Vandenberg, before the Christmas holiday break.

## New salaried employee medical plan nears end of inaugural year

The Designated Provider Network (DPN) medical plan for salaried employees has been highly successful in its first year of operation at the Astronautics Group, Carolyn Aldorfer, chief of Employee Benefits, said.

"I'm pleased to announce a few enhancements," Aldorfer said. "These include greater coverage for physical therapy and allergy evaluations; an expanded list of prescriptions that can be purchased in a 90-day supply rather than 30 days; and the establishment of a mail order prescription program. Other items intended to better serve the employee are the elimination of a primary care physician's authorization for an annual well-woman examination with a specialist, and an expedited procedure for faster claim processing under the opt-out portion of the program."

The DPN plan was implemented last January for salaried employees to better control health care costs through a primary care physician's management of a full range of medical services. By participating in the DPN plan, employees generally are responsible for a smaller share of the medical costs than if they select the Basic (Connecticut General) Plan, Aldorfer said. However, she points out there is more flexibility with the Basic Plan. By using the opt-out feature of

the DPN program, employees still maintain the same freedom of choice of provider as the Basic plan permits, but coverage is provided at a 70/30 copayment level versus an 80/20 copayment level under the Basic Plan.

By participating in the DPN plan, employees generally are responsible for a smaller share of the medical costs than if they select the Basic Plan, Aldorfer said.

Health maintenance organizations (HMOs), such as Comprecare and Kaiser, were maintained for the benefit of those already participating, Aldorfer said. And HMOs were added in some parts of the country where the DPN plan was not available.

"Within the Astronautics Group, 80 percent of our salaried employees participate in either the DPN or an HMO," Aldorfer said. Throughout the corporation, approximately 60 percent of all salaried employees participate in either the DPN plan or an HMO.

Details of the changes and the menu of plans available to salaried employees were mailed to homes around Nov. 13. Aldorfer said employees have until Dec. 8 to change health plans for 1990. Change forms should be sent to the Employee Benefits office, mail stop DC1343.

## Operation Santa Claus volunteers needed

Operation Santa Claus, a non-profit employee organization, has provided holiday cheer and greetings for the past 31 years to needy children and families throughout our community.

Over the years, more than 11,000 children have been touched by the ongoing efforts of Astronautics Group employees, and many local social services agencies have repeatedly recognized Operation Santa Claus as the largest single continuing volunteer program of its kind.

This year, Operation Santa Claus plans to provide food, clothing and toys to 700 children in 200 families on Dec. 19. To reach that goal, Floyd Teiffel, Operation Santa Claus chairman, says \$35,000 must be raised and about 250 volunteers obtained.

"If each of us gave only \$3, the program could be fully funded," Teiffel said.

Bo Rodriguez is the lead of volunteers who are collecting donations. Boxes for donations will be located in cafeterias. Employees may contact Rodriguez on Ext. 7-7537.

Teiffel requests that volunteers notify him regarding participation. This year volunteers will receive a confirmation letter with full details. This will help ensure that there are enough volunteers to make deliveries. Teiffel can be reached at Ext. 7-8122 or 7-8123.

Most volunteers will help wrap and deliver packages from 4:30 to 6:30 p.m. Tuesday, Dec. 19, at St. Mary's Church, 6843 S. Prince St. in Littleton. ■

## Employee services/recreation

**Mile High L5**—Club members and guests will meet at 7 p.m. Monday, Dec. 4, in the first floor meeting room of the Public Service building at Kipling and Hampden. For details, contact Mark Schloesslin, Ext. 1-9057 or 779-5692.

**Satellite Ski Club**—Club members and guests will meet at 7 p.m. Dec. 13 at the Bear Creek Run Apartments clubhouse, Kipling and Morrison roads. Members can sign up for ski trips to Utah, Feb. 8-11, and Crested Butte, Feb. 23-25. For more information, call Dan Ruedy, Ext. 1-9547, or Bob Fogua, Ext. 7-7122.

**Saddle Club**—Ridge Riders club members will meet at 7 p.m. Tuesday, Dec. 5, in the recreation area clubhouse. For details, contact Mary Smith, Ext. 1-8154, or Irene Woodzell, 688-9676.

**Hunting and Fishing Club**—The group will meet at 5 p.m. Monday, Dec. 11, in the clubhouse at the recreation area. For more information, contact Mel Smith at Ext. 1-8682.

**Radio Club**—The Waterton Amateur Radio Society will meet at 5 p.m. Tuesday, Dec. 12, in the hamshack at the recreation area. For further information, call Jeff Owings, Ext. 7-3629 or 7-6898.

**Red Rock Bowmen**—Archery club members will meet at 4:45 p.m. Tuesday,

Dec. 12, in the clubhouse at the recreation area. All members are required to attend. For further information, call Dave Unruh, Ext. 7-0477.

**Scuba Club**—Fathom Dive Club members will meet at 6 p.m. Wednesday, Dec. 13, at A-1 Diving Company, one block west of Santa Fe at 1800 W. Oxford Avenue. Upcoming dive trips include LaPaz in April 1990. For details, contact Carol Claypool, Ext. 7-4194, or Larry Espelage, Ext. 7-6371.

**Martin Marietta Masters and Corporate Games Qualifying Bowling Tournament**—Qualifying will be conducted Jan. 13, 20, and 21, 1990, at Fun Plex Super Bowl. Flyers with more details will be in recreation racks by the end of next week. Registration forms with \$15 fee per player must reach the Employee Services office at Deer Creek by Dec. 21.

**Parapsychology Club**—No meeting will be held in December. Next meeting Jan. 18, 1990. Watch for details in next newsletter.

**Toastmasters Clubs**—Littleton Systems Center Toastmasters meets at 4:30 p.m. Wednesdays in LSC Room 209G. The contacts are Michele Stillman, Ext. 7-3582, or Marti Friend, Ext. 1-1806. Titan Toastmasters meets at 6 p.m. Mondays at Mission

Trujillo Restaurant, 181 Ridge Road (Broadway and Ridge Road). Contact Mark Willey, Ext. 1-6183. The Littleton Club meets at 7 p.m. Tuesdays at the John Christianson Library (Arapahoe and University). Contact George Fosdick, Ext. 7-9923.

**Career Women's Association**—CWA invites all Martin Marietta employees and their spouses to hear LeAnn Nelson, Wednesday, Dec. 6, discuss putting your fashion look together. Guests are encouraged to bring items from their wardrobes for a personal analysis from Ms. Nelson. Social time will begin at 5:30 p.m. at the Best Western Hotel, I-25 and Belleview, with the speaker at 6:45. Cost is \$3 for members and \$5 for nonmembers. Reservations are due by 3 p.m. Monday, Dec. 4, to CWA boosters.

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R. Christopher Talley Editor

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