

Librascope Corporation, Glendale, California

Loral Total Quality Management (TQM) Corporate Statement

By
Frank C. Lanza
President
Chief Operating Officer

TQM at Loral is measured by the performance of the product we deliver. Is the customer satisfied? Will he come to Loral for future requirements?

The \$3 billion defense electronics corporation we have built has grown and will continue to grow with our continuing commitment to provide products that meet our customers' requirements and to support modernization of these products as requirements and technology change.

TQM is the sum of all the elements that lead to product excellence. It cannot be mandated. It is a culture created by our people in response to our continuing commitment to provide the best product. It encompasses our design disciplines, customer awareness, processes, services, and every aspect of our doing business. Our people provide the intelligence and initiate the actions necessary to realize our goals.

We have established the Loral Corporate TQM Steering Group to monitor and provide guidance for continuous improvement initiatives and to communicate results throughout the corporation. ■

AN/BSY-2 July Executive Review Report



Bill Hudson, Librascope president, welcomes RADM George Sterner, Program Executive Officer for Submarine Combat and Weapons Systems. RADM Sterner and his party were given a tour of the Librascope facilities during the July AN/BSY-2 Executive Review.

RADM George Sterner, RADM (sel) Scott Sears and Capt. (sel) Hube Hopkins, all of NAVSEA, attended an Executive Review Session (ERS) at Loral Librascope on July 21. This marked the first visit to Librascope for both RADM Sterner, Program Executive Officer for Submarine Combat and Weapons Systems (PEO/SCWS) and Capt. (sel) Hopkins, BSY-2 Program Manager (replacing RADM (sel) Sears, who has been named head of the Naval Underwater Warfare Center).

Following a BSY-2 program status briefing given by Bob Lang, the group was taken on a comprehensive tour of Librascope's Production and Engineering facilities. The visitors were shown the significant amount of work in-process on the various BSY-2 displays and weapons hardware. This included live demonstrations of CSDC and CLC operational software with PM/FL for both

displays and weapons equipment.

RADM Sterner was given a presentation by members of Librascope's Systems Engineering department which included some of the Company's IR&D efforts. This session also included a demonstration by Irina Vainshtein of the Company's artificial intelligence software development work. "The Admiral was very interested in our on-going work that has potential application for the New Attack Submarine (NAS), called the Centurion," said Ed Arnold, Vice President, Subsurface and International Programs. "The Admiral will be returning to Librascope in August along with his technical advisors to learn more about our NAS efforts." ■

Note: Librascope management considered the visit to be a total success and wants to extend a sincere "thank you" to everyone for a job well done.

❑ **Loral Plans to Purchase 100 Percent of LTV Missiles**

July 28—Loral Corporation announced that it has been advised by Thomson-CSF that it will not proceed as proposed with its limited participation with Loral in the equity of LTV Missiles.

Loral would not compromise on Thomson's requests for greater participation in LTV Missiles, and therefore, could not meet Thomson's requirements. Accordingly, Loral plans to proceed without partners with an offer for 100 percent of LTV Missiles for not more than \$240 million, and expects to complete the transaction in August. ■

❑ **Space Shuttle Columbia Returns with Loral-Supplied Fluid Science Experiment**

U.S. astronauts returned to earth aboard the Space Shuttle Columbia recently, having conducted a number of important microgravity laboratory experiments during their record 14-day mission. Included in the microgravity research was a study of the physics and interaction of liquids in the Loral-supplied Drop Physics Module (DPM), a zero-gravity chamber that permitted the astronauts to observe fluids, using sound waves to suspend liquid drops from the lab chamber's walls.

Loral Electro-Optical Systems (LEOS), Pasadena, designed and built the DPM for the CALTECH Jet Propulsion Laboratory. LEOS has been part of the JPL team for more than 30 years, providing power and pyrotechnic subsystems for a number of spacecraft, including nine Mariner probes, Viking, Voyager, Magellan, Galileo and Cassini.

The DPM experiments, which consumed nearly half of the mis-

sion's total lab time on the longest flight to date, examined how liquid drops merge in a weightless environment. Astronauts used pure water, water with contaminants, water-glycerin and water-silicon oil mixtures. Loral's DPM used sound waves to suspend the drops—some more than an inch in diameter—in microgravity, removing the effects of the container on the sample being studied. During the experiments shuttle crew members modulated the sound wave to rotate, oscillate and move samples around inside the chamber. Film and video cameras recorded the liquids' behavior through the DPM's glass walls for both subsequent and real-time analysis.

The results are expected to add to scientists' knowledge of the design of time-release medicines and diagnostic tracers that act in the bloodstream; the manufacturing of food, drugs, chemicals and plastics that go through liquid production stages; and the behavior of free drops on earth and their role in weather and climate.

In addition to LEOS' role in supplying the DPM and assisting in training the flight crew, another Loral division, AeroSys, MD, provided round-the-clock support to shuttle engineers from the payload Operations Control Center at NASA Marshall Space Flight Center in Huntsville, AL. ■

❑ **Loral Posts Record First Quarter Earnings of \$29 Million**

Loral Corporation reported net income of \$29 million for the first quarter ended June 30, a 30 percent increase over the \$22.4 million in the same quarter last year.

Sales for the quarter were \$681 million compared with the \$677 million in the same period a year ago. ■

Company Payroll Savings Plan is Designed for the Employee

Librascope employees will have the opportunity to carry on a proud tradition by supporting the Company's largest customer—as well as saving money for the future—by participating in the annual U.S. Savings Bond drive. The drive will run from August 24 to 28.

Putting money away each payday before you collect your paycheck is a way to save. Even a little bit put away regularly will grow faster than you think. And when you are buying U.S. Savings Bonds there is no risk. Your investment is backed by the Government.

When held for five years or more, Savings Bonds pay a guaranteed rate of 6 percent no matter how low the market may go. If the market rises, the Savings Bonds rate can rise too.

The tax liability on the interest earned on Savings Bonds can be deferred from Federal income taxes and is totally exempt from state and local taxes.

Since January 1990, Series EE Bonds can provide a tax advantage for some purchasers when the bonds are bought and used to pay education expenses for themselves or their children.

Bonds are great for vacation planning, providing education funds and for supplementing retirement benefits. By purchasing bonds, you not only help your country, you help yourself to a more secure future. ■


U.S. SAVINGS BONDS
THE GREAT AMERICAN INVESTMENT

Now tax free for education.
It's smarter than ever to start saving today

Loral Librascope Attends Navy League Sea-Air-Space Exposition

Grant Corcoran, Mgr. Naval Systems, Marketing, conducts a technical briefing on Librascope's Multi-function Workstations and Combat System Display Console (AN/BSY-2) capabilities to attendees at the annual Navy League Sea-Air-Space Exposition held in Washington, DC. The show is attended by DoD personnel, their suppliers, Congressional members, and foreign dignitaries.



Dick Kennerknecht, Mgr., Market Planning & Public Relations is shown with representatives from Loral Corporation—from left, Suzanne Torroni, Exhibits Coordinator; Elizabeth Allen, Vice President, Corporate Communications and a member of the Loral Board of Directors; and JoAnn Havala, Mgr., Corporate Communications.



What to do if an earthquake hits - be prepared!

Earthquake Preparedness Video Available

The recent earthquakes again bring home the importance of being prepared to survive the first critical hours in the event of a catastrophic earthquake.

According to Henry Johnson, Los Angeles City firefighter and earthquake preparedness expert, a little knowledge and preparation can dramatically increase your ability to protect both your property and your life.

The Los Angeles City Fire Department has developed a 58 minute video, entitled, "Surviving the Big One: How to Prepare For a Major Earthquake." The video is available for checkout by calling the Human Resources Office, X-1225. The video is aimed at dispelling the myths and explaining

the facts; lists the correct supplies to store at work and home; shows how to safety proof your home; answers "what if" scenarios such as, "What if I'm in a car, in a tall building or in a crowded theater?"; provides coping strategies for the difficult weeks after the first major shockwaves; and reveals your own human perspective and allows you to stop worrying and begin to prepare.

The video was developed under the direction of Donald Manning, Chief Engineer and General Manager, L. A. City Fire Department; Frank Borden, Assistant Chief, Commander Disaster Preparedness Division; and Henry Johnson, Fire and Safety Specialist. ■

Security Reminders

Classified Documents

Employees are reminded that when a new document is generated, or a copy of an existing document is made, or an internal transfer of a document occurs, it is the responsibility of the recipient of that document(s) to notify the Security Department immediately.

Insurance Forms

Medical and dental insurance forms are available in the Compensation and Benefits Office in Building 8.

Workman's Compensation forms are available only in the Security Department in Building 17.

Badges

Employees and visitors are required to wear their Librascope badge at all times and in plain sight while on Librascope property. The badge should be worn above the waist so it can be easily seen by the Security Guards, as well as other employees.



Carpool Info. X-1256

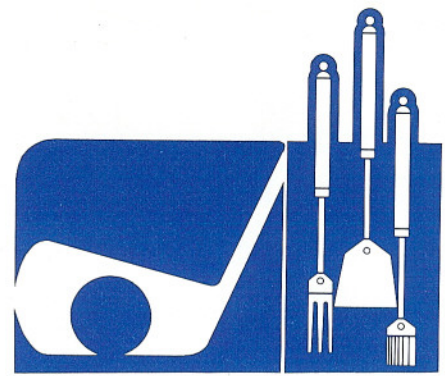
Librascope Dress Code Restated . . .

Hot weather can bring out some strange clothing under the guise of "keeping cool," however, employees are reminded that Librascope has a dress code, and it will be enforced. In instances where the Company has determined that an employee is inappropriately dressed, the employee may be sent home to change into more suitable clothing.

"It is our view that the Company has the right to require employees to maintain reasonable job-related standards of dress, in keeping with work areas, and grooming, in order to promote legitimate business needs," said Frank Yapp, Vice President, Human Resources.

The following **is not** accepted business apparel at Librascope:

- * Shorts (including Bermuda shorts)
- * Tank Tops
- * Halter Tops
- * Spaghetti-Strap Dresses
- * Mini-Skirts
- * Backless, Strapless, See-Through Apparel
- * Thongs
- * T-Shirts (with inappropriate words or pictures)



Golf Club to Hold Tourney & Bar-B-Q

The Librascope Golf Club has announced that they will be holding a golf tournament and barbecue at the Lake Elizabeth Golf Club in Lake Elizabeth, CA.

According to club president, Barry Commons, this will be an 18 hole low net golf tournament followed by a delicious barbecue with hamburgers and all the trimmings. Door prizes will be given.

The cost is only \$38, which includes golf with cart and the barbecue. The event is open to all Librascope employees and their families and/or guests.

Reservations must be made no later than August 10—call X-1218 or 818-502-7040. ■

Retirements



Yo Takimoto, 34 yrs., Final Assembly, pictured with Jim Mandernacht, Design Support.

Libravets thru July

15 Yrs: Doreen Hollensteiner, Robert White
 10 Yrs: Douglas Kim, Nikolai Bobrov, Robert Schmied
 5 Yrs: Valerie Klein

CPR Certified Personnel

Bldg. 1	Tom Wilder	Ext. 1193
Bldg. 8	Serge Ayvazian	Ext. 2392
	Bill Chin	Ext. 1206
	Doug Kim	Ext. 1805
	Steve Lebit	Ext. 1262
	Cheryl Logan	Ext. 1334
	Jerry Mundy	Ext. 1586
Bldg. 17	Diane Howe	Ext. 1522
	Sal Molina	Ext. 2080
	Naim Muthleb	Ext. 3658
	Rosemary Smith	Ext. 1031

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