

First CSD Update: Doing Business in the Soviet Union

Companies planning to do business in the Soviet Union should "expect to be in for the long haul," says international attorney Barbara Dillon Hillas.

"You have to accept that you can't do a deal for the quick buck," she adds.

Hillas, an American business lawyer who spent two years in the Soviet Union, made her comments at last month's CSD Update in Clarksburg. The session was the first in a series of quarterly meetings for all CSD employees hosted by the division president, Joel R. Alper. The meeting was transmitted live via satellite by COMSAT Video Enterprises to CSD employees in Melbourne, Fla., Santa Paula, Calif., and L'Enfant Plaza.

Currently of counsel with the Georgetown law firm of Heron, Burchette, Ruckert & Rothwell, she went to Moscow in 1987 with her husband, an American Foreign Service officer. While she was there, she used her legal training and linguistic talents (she speaks six languages) to help firms take their first steps in the world of Soviet business.

"A lot of smaller firms were lured to the Soviet market by press reports about perestroika," she says. "Unfortunately, many had failed to do their homework."

One of the major sticking points encountered by American firms is that the Soviet ruble is not convertible to Western currency.

"The Soviets need just about everything the Americans have to offer," Hillas explains. "But getting paid can be a problem, since hard currency transactions with the Soviets can be difficult to arrange."

The Soviet ruble, she explained, is not convertible to western currency. However, there is a good chance that as events continue to unfold in the Soviet Union, this policy could be gradually reversed.

The Perils of Perestroika

Hillas explains that perestroika, the



"The Soviets need just about everything the Americans have to offer."

restructuring of Soviet society, can work against smaller American firms.

"Almost every ministry has been reorganized, so many firms were finding that this great contact they had had moved," she says. "When these people disappear into the bureaucracy, there are no Yellow Pages issued to help you find them." Hillas said that the U.S. Commerce Department's Moscow of-

fice has been able to help some firms, "but they're understaffed and way overworked. They just can't keep up."

A Word of Warning

"Americans tend to be extremely cocky," Hillas added. "We tend to forget that there is a Japan and a West Germany, and a France and Italy right behind them."

These people have been doing business with the Russians since before the Revolution, in some instances," she said. "They're used to how the Russians negotiate."

And soon, according to Hillas, the newly freed nations of Eastern Europe will be competing as well. "They see a big potential market in the Soviet Union," she said.

Patience and a willingness to stay in for the long-term will be the keys to Soviet success, Hillas added.

"It took McDonald's 14 years to open their first restaurant," she said. "It may be challenging, but those who are there for the long haul will do well." ■

Chairman's Breakfast



COMSAT Chairman and CEO Irving Goldstein hosts his monthly Chairman's Breakfast at Clarksburg. The event is designed to give new employees a chance to meet Goldstein and get his perspective on COMSAT's future, while sharing their thoughts about the company.

COMSAT Mobile to Provide Communications Services to AMSC

COMSAT Mobile Communications announced early last month that it has signed a \$9.35 million contract with the American Mobile Satellite Corporation (AMSC) to provide satellite and ground station services. The contract takes effect in April, 1990, and runs until December 31, 1992.

"This deal is significant for three reasons," says Roger Cochetti, vice president of business development and planning at COMSAT Mobile. "First, it is the largest single sales contract entered into by the Mobile unit so far. Although it is only temporary, it is also our first substantial direct involvement in providing land mobile service."

"Finally, this contract was a very complex one," Cochetti explains. "Winning something like this shows we can put together a complex deal and sell it to our customers."

To say that the deal was complicated may be an understatement. For a four week period last July, Business Development Manager Jerry Nagler, Linda Wellstein, an attorney from General Counsel, and engineer Matthew Teitz of the Mobile Engineering Group put together proposals for AMSC and Inmarsat that required a great deal of coordination, and conducted negotiations that allowed for very little sleep.

Missed the Picnic

"If you noticed four people weren't at the employee picnic last summer, it wasn't because we didn't want to go," Cochetti says. "It was because we were trying to put together this deal."

The proposals compiled for AMSC and Inmarsat were so comprehensive, they resembled small telephone books.

In addition to the services COMSAT Mobile contracted to provide AMSC, the Mobile group also had to negotiate with Inmarsat and COMSAT General. These two entities are providing the services that allow Mobile Communications to meet its obligations to AMSC.

"Negotiating with the Inmarsat offices in London made for a long day," Cochetti recalls. "Their business day

started at 3 a.m. our time."

We would negotiate with London, and then go on until 5 p.m., and often later, with AMSC," he explains. "Between sessions we would rewrite the proposals, reflecting changes that day's negotiations had produced."

"It was a challenge," he adds.

Approval from the Federal Communications Commission is required for

the deal to become official. Cochetti says he expects that to be forthcoming in the next few weeks.

"We do not anticipate that this will be a permanent situation," Cochetti says. "We are only an interim service provider to AMSC."

But we will be pleased to provide this service for as long as the customer wants it," he adds. ■

C-Link: New Wave in Maritime Communications

The newest wave in satellite communications, COMSAT's C-Link service system, was introduced by COMSAT to the West Coast fishing industry at the Fish Expo trade show in Seattle, Washington late last year.

The new, low-cost communications service gives smaller boats the benefits and safety features of satellite communications that had been unavailable to them. The service can also serve as a back-up to store and forward data messaging on ships already equipped for Inmarsat-A service.

"There are approximately 50,000 vessels in the maritime industry that, until now, could not take advantage of satellite communications because of their small size or the cost of equipment," said John "Ted" R. O'Brien, Jr., vice president of marketing and program management for COMSAT Maritime Services. "The size of C-Link equipment—much smaller than a Standard-A system—allows it to fit virtually anywhere on any size vessel."

COMSAT's C-Link service is carried over the Inmarsat system, and will become commercially available in late-1990 through the earth stations in Santa Paula, Calif. and Southbury, Conn.

The C-Link service uses a compact mobile terminal and small antenna weighing less than ten pounds. It will provide capabilities for two-way data (text) transmission; one-way fleet mes-

sage broadcasts; global paging; and monitoring and position reporting. The service uses all-digital store-and-forward techniques operating at transmission speeds of 600 bits-per-second. It cannot, however, be used for standard telephone voice service.

"In addition to standard messaging services, some of the applications we're exploring for the fishing industry include periodic data collection and remote monitoring of on-board equipment," says Sam Farrar, director of information services. "And, interconnection with our electronic mail system will also allow fishermen to determine the best market price for their catch."

The Standard-C equipment, which is being developed by a number of manufacturers, is expected to cost between \$5,000 and \$10,000. COMSAT expects to charge approximately \$1.05 per kilobit for a ship-to-shore message and \$1.25 per kilobit for a shore-to-ship message. The company plans to file its tariff for the service in mid-1990.

COMSAT is currently equipping its two coast earth stations to accommodate C-Link service and has developed preliminary guidelines for commissioning new terminals used for this service as they are installed. ■

This article is reprinted from the Maritime Services publication Marifacts.

CSD Appoints Marketing and Program Management Directors

Two regional marketing directors and a new senior director of government programs were announced last month by COMSAT Systems Division.

New international marketing directors are Christine Coady, Director Asia and Pacific, and Eduardo A. Lentz, Director for Latin America and the Caribbean. Assuming the new post of Senior Director of Government Programs is James A. Mazzei.

According to David J. Cade, vice president of marketing and business development, Coady and Lentz will be responsible for formulating marketing and new business strategies and opportunities throughout their respective areas of responsibility.

"Both bring impressive credentials to their new positions," Cade added.



Christine Coady



Eduardo A. Lentz



James A. Mazzei

Mazzei joins COMSAT from the Harris Corporation where he managed engineering and technical assistance contracts in Washington, D.C. Previously, he was a program manager with the Fairchild Communications & Electronics Company.

"We're pleased to add Jim's expertise to CSD's overall management of contracted U.S. government programs," Ron Johnson, vice president, engineering and programs said.

Prior to being named a director, Co-

ady was manager of marketing support for international Marketing and Business Development. She is a native of Kodiak, Alaska and holds a B.A. degree in economics from Whitman College, Walla Walla, Wash.

Lentz was born and raised in Buenos Aires, Argentina. He earned a masters degree in electronics engineering

from the Buenos Aires Technological Institute. Before joining COMSAT he served as a telecommunications consultant with the Organization of American States and as a general manager of a telecommunications and computer equipment company in Argentina.

Mazzei holds an undergraduate degree in communications arts from the University of Notre Dame and both a B.S. and M.S. in electrical engineering from the University of Missouri. ■

Corporate Training: 'World Class Training for a World Class Company'

1990 CORE CURRICULUM

ADMINISTRATIVE SERIES	PC SERIES	TECHNICAL SERIES	SALES & MARKETING SERIES	MANAGEMENT SERIES
<ul style="list-style-type: none"> Communication Skills Writing Workshop Customer Relations Time Management Stress Management Team Skills People Skills 	<ul style="list-style-type: none"> Introduction to Macintosh Microsoft Word Advanced Microsoft Word Excel Advanced Excel McDraw II Powerpoint Hypercard 	<ul style="list-style-type: none"> Project Management for the '90's MacProject Advanced MacProject Technical Writing Technical Presentations Proposal Development ADA Programming Expert Systems Overview Systems Engineering Overview 	<ul style="list-style-type: none"> Strategies for Providing World-Class Service Professional Selling Skills Account Development Strategies Federal Marketing & Contracts Global Marketing 	<ul style="list-style-type: none"> Effective Supervision Management Development Program: <ul style="list-style-type: none"> Priority Management Performance Management Situational Leadership Fostering Innovation Team Process Total Quality Managing Change Ethics & Leadership Negotiating Skills Finance for Managers Executive Development

1990 COMSAT SEMINARS

INTERNATIONAL SERIES	FOREIGN LANGUAGE SERIES	SPECIAL PROGRAMS
<ul style="list-style-type: none"> Europe 1992 Glasnost & The U.S.S.R. Eastern Europe Update Japan & the Pacific Rim International Negotiating Cross-Cultural Short Course "Going International" 	<ul style="list-style-type: none"> Introduction to French Berlitz French I Berlitz French II Business French Introduction to Spanish Berlitz Spanish I Berlitz Spanish II Berlitz Japanese I Berlitz Russian I 	<ul style="list-style-type: none"> Professional Forum <ul style="list-style-type: none"> Discovering the Future Training on Change Leadership & Quality Seven Habits of Highly Effective People Controlling Stress Influencing with Integrity Understanding Financial Reports Career Workshops Employee Relations Series Leadership Roundtables Executive Programs <ul style="list-style-type: none"> LCB Customized Corporate Wide

"The business theme of the 1990's is going to be 'world-class' everything," says Bren White, director of COMSAT's Corporate Training and Development. "And you don't become, or remain, a world-class provider of quality services without continually learning and improving."

White adds that keeping up with all the revolutionary changes in the world involves an on-going learning process.

"The learning must be world-class, in both quality and focus," he continues.

The listings above spell out the many seminars and classes available to COMSAT employees. For more information, give White a call at X6407.

COMSAT to Offer Digital Mobile Satellite Services in the 1990s

COMSAT Mobile Communications has announced its plans to participate in the introduction of two new digital-based satellite communications services by 1993. The new services, called Inmarsat-B and Inmarsat-M, will provide system efficiencies in terms of cost and operation and are expected to be offered at lower rates than those for existing Inmarsat-A services.

"In introducing these new services, I would also like to emphasize COMSAT's continued commitment to our customers currently equipped for the Inmarsat-A analog system," said Ron Mario, vice president and general manager of COMSAT Mobile Communications, in a recent letter to customers. "We intend to continue commissioning new Inmarsat-A terminals for at least three years after Inmarsat-B and Inmarsat-M services are operational on a global basis."

We also intend to provide Inmarsat-A services through our Southbury and Santa Paula coast earth stations in the Atlantic and Pacific Ocean Re-

Inmarsat-B digital terminals will be approximately the same size as the current Inmarsat-A terminals.

gions for ten years, or longer, if there is a strong demand for Inmarsat-A services," he said.

Inmarsat-B digital terminals will be approximately the same size as the current Inmarsat-A terminals. They will be capable of transmitting and receiving voice, facsimile, telex, and data services.

The Inmarsat-M digital transceivers will be smaller and less expensive than Inmarsat-A terminals are today. Although designs are not yet finalized, Inmarsat-M equipment is expected to support voice services with options for data and facsimile serv-

ices. These compact terminals will broaden the satellite services available to smaller vessels, land-mobile vehicles, and low-volume users.

User charges for both Inmarsat-B and Inmarsat-M services are expected to be less than Inmarsat-A service charges, as digital terminals use less bandwidth.

It is also possible that Inmarsat-A users today will be able to upgrade to Inmarsat-B service by replacing certain components of the below-decks equipment.

The recommissioning of existing Inmarsat-A terminals, which is done when terminals are transferred to other vessels, is expected to continue throughout the transition period. ■

This article is reprinted from the Maritime Services publication Marifacts.

COMSAT Lends a Hand to "Komputers 4 Kids"

By now, you have noticed the boxes placed in the elevator lobbies at the Plaza and outside the Clarksburg cafeteria marked "Komputers 4 Kids". Hundreds of employees have already placed thousands of dollars of register tapes from local Safeway and Giant food stores in these containers.

The goal: Collect enough receipts to earn computers, printers and software for Jefferson Jr. High School. The students, parents and teachers at the school have already gotten the campaign off to a running start on their own, but they need our help.

COMSAT employees who put the yellow Safeway slips and the blue Giant receipts into the boxes can help us reach our goal that much faster.

So lend a hand. We'll let you know how we're doing each week in your News Update. ■

Disney! Spielberg! COMSAT! Present . . . Spiders?

COMSAT may have a role in an upcoming Disney-Steven Spielberg adventure thriller to be released this summer.

The film, which is still in production, features an American, Indiana Jones-like professor who travels into the Amazon to search for rare spiders. What accidentally comes back to the States, however, is a ferocious arachnid that wreaks havoc on the unsuspecting populace.

Where does COMSAT fit into the picture? The company, which has dealt with Disney in the past, has a promotional agreement with the film's producers to feature COMSAT's "Phone Call in a Suitcase" service. In the film, the professor makes what he may refer to as "a COMSAT call to the US", and sets up his versatile luggage to facilitate the conversation.

COMSAT's supporting role is not a certainty, however.

"The scenes may still end up on the cutting room floor," says COMSAT Mobile's Vice President of Business Development Roger Cochetti. "So we'll just have to wait and see." ■

PROMOTIONS

Congratulations to the following COMSAT employees who were promoted between October 1 and December 31, 1989.

CLARKSBURG

Renaë Hebb, *Information Specialist II*
Carol Seib, *Word Processing Coordinator*
Melvin Bohne, *Director, Contracts and Procurement*
Trudy Roberts, *Data Administrator*
John Schmuhl, *Vice President and General Manager, CVE*
Paula Webb, *Account Representative*
Earl Davis, *Senior Technical Specialist*
Spiros Dimolitsas, *Department Manager*
Ruth German, *Division Administrator*
Dilip Gokhale, *Associate Department Manager-Labs*
Jeffrey Sanders, *Senior Technician*
Paul Ebert, *Director, Systems Design*
Mohamed Haggag, *Director, Network Analysis/Development*
Tony Hazelwood, *Associate Systems Programmer*
Sherry Lloyd, *Executive Assistant*
Robert McCauley, *Senior Systems Engineer*
Glenn Muth, *Associate Engineer*
Lewis Reed, *Property Accounting Assistant*
Geza Serenyi, *Manager, Business Applications*
Warren Thomas, *Program Administration Manager*
George Ward, *Manager, Facilities Engineering*

L'ENFANT PLAZA

Sonia Mariano, *Benefits Assistant*
Michael Troiano, *Assistant Controller*
Christine Coady, *Regional Marketing Director*
George Brown, *Senior Network Controller*
Terry Davis, *Administrative Secretary*
Kenneth Dorvee, *Operations Engineer II*
Richard Engblom, *Manager, Earth Station*
Tish Fonda, *Manager, Exhibits and Special Events*
Armin Jabs, *Manager, Customer Service*
Rudolph Otto, *Senior Network Controller*
Donald Tucker, *Operations Engineer II*

EL SEGUNDO

William Bicksler, *Principal Engineer*

MELBOURNE

Richard Lingo, *Western Region Manager*
Virginia Oehler, *Supervisor of Administration*



SERVICE ANNIVERSARIES

Congratulations to the following COMSAT employees who celebrated service anniversaries with the company between October 1 and December 31, 1989.

Quarter Century Club

Congratulations this month to Alexander Yenyó, who is only the third COMSAT employee ever to celebrate 25 years with the company. Yenyó, a manager of computer operations, joined COMSAT on October 19, 1964.

20 Years

George Robertson
Granville Albright
Ralph Ambrose
Henry Parker
Richard Porter
Norma Brougham
Franklin Graves
Allen Flower

15 Years

Patricia Carlton
Elizabeth Christie
Wanda McKinley
Gilmore House
Ronald Kuenzli
Philip McNally
Larry Palmer
Frederic Rieger
Ronnie Hicks
Patricia Hogan
James Nelson
Dilip Thakkar
Alan Gerace

10 Years

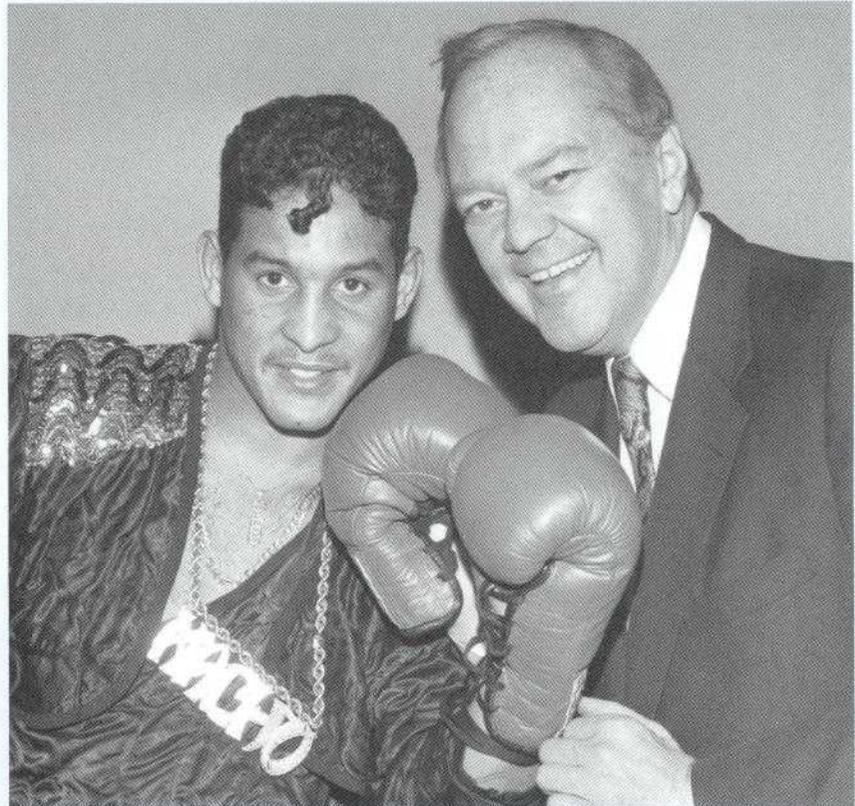
Maria Khandagle
Esmerelda "Bambi" Kirkpatrick

James Campbell
Edward Eiser
Bernard Geller
Robert Kroll
George Tough
Daniel Wilcox
Donald Arnstein
Robert Johnston
Eric Novotny
Alethia Watkins
Ann Mancini

5 Years

Patrick Delaney
Renaë Hebb
Hugh Manley
William Nolte
Franco Cosentino
Mark Hutchins
Wartan Karapetian
Samuel Kouvaris
Marlene Lang
Hsi-Ming Lee
Mohamed Haggag
James Lane
Chris Llana
Elizabeth Young

CVE Broadcasts Championship Boxing



CVE President and CEO Robert J. Wussler helps Hector "Macho" Camacho tune up for his February 3 bout with Vinny "The Pazmanian Devil" Paziienza in Atlantic City. The fight, which was won by Camacho, was broadcast by CVE.