

INTELSAT

Thomas Chow, Ed Jurkiewicz Win Chairman's Awards

Thomas Chow, International Satellite Services (ISS), and Edmund Jurkiewicz, Mobile Communications, are the latest recipients of the COMSAT Chairman's Award.

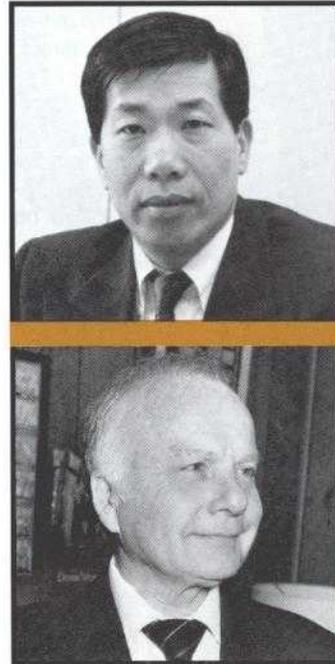
The award includes a monetary stipend and is presented to employees whose performance has significantly contributed to the overall success of the corporation.

Chow, director, international services, was cited for his work in developing the new department into a vital resource within COMSAT to provide contact with its customers and foreign counterparts.

"Tom manages his assignments and staff extremely well and displays untiring energy in his involvement with the program," said Vice President, Sales and Business Planning, ISS, Stephen Carroll. "Tom is well liked and respected not only within COMSAT, but by his peers in the telecommunications industry. Tom is hard working, totally dedicated to his job and COMSAT, and extremely conscientious."

"In short, Tom Chow is not only one of the most highly respected engineers in our industry, but has the added gift which only a few great engineers have — market savvy," said Carroll.

Chow has been instrumental in convincing PTT's to introduce INTELSAT's digital services (Intelsat Business Services and International Data Routes) in Costa Rica, Indonesia, Hawaii and Korea, resulting in increased revenues. Chow has



Thomas Chow (top) and Ed Jurkiewicz (bottom).

also been vital to discussions in Argentina and Venezuela regarding joint ventures in telecommunications.

In the realm of broadcast services, Chow wears many hats. Besides managing the technical issues and applications possible on the new INTELSAT-K (to be launched early next year) he is also the designated coordinator between COMSAT engineers and customers during the implementation of new satellite technologies.

Chow serves as customers' main point of contact on unusual technical issues requiring his expert advice. He unofficially serves as ISS's resident

expert on high power mods, compression technology, satellite newsgathering, satellite transition issues and reconfiguration of service between satellites. In addition, Chow assists with all new service implementations requiring an unusual configuration or technical assurances of service quality.

He has been an invaluable liaison with AT&T. His presentations have sparked AT&T's interest in using the INTELSAT-K, as well as stimulating AT&T Tridom's interest in the international VSAT market. His contacts with equipment suppliers helped put AT&T in touch with the right companies to purchase equipment so MTS activations could be expedited.

The engineer resides in Virginia with his wife and three daughters. He received

continued on page 8

FINANCIAL

Restructuring Results in \$16.3 Million Loss

The World Systems Division (WSD) recorded 11 percent revenue growth attributable primarily to Mobile Communications which registered volume and revenue growth in excess of 30%. In total, WSD operating income grew 9 percent to \$114.2 million.

The corporation's decision to restructure COMSAT Video Enterprises (CVE) in the fourth quarter of 1990 resulted in a net loss of \$16.3 million or 87 cents per share on revenues of \$456.8 million for the year. Absent the one-time restructuring charges, net income was \$56.3 million or \$3.01 per primary share. The restructuring resulted in a pre-tax charge of \$97.6 million or a loss of \$3.88 per primary share.

For the fourth quarter of 1990, the loss was \$66.3 million or \$3.55 per share. Absent the restructuring charge referred to above, net income in the fourth quarter was \$6.3 million or 33 cents per share. Revenues for the fourth quarter were \$116.8 million, an increase of 16 percent over the fourth quarter in 1989.

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COMSAT Systems Division revenues increased 16 percent on the strength of new contracts entered into during the year. Operating income declined due primarily to the winding down of higher margin contracts and start-up costs associated with a new unit seeking inter-national ventures.

CVE realized a 6 percent increase in revenues through price increases and the addition of more rooms to the network. The \$97.6 million restructuring charge taken in the fourth quarter and other operating expenses resulted in an operating loss of \$124.6 million

Need For Information on Middle East Conflict Increases Demand For Satellite Services

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Since the outbreak of war January 16 in the Gulf, demand for COMSAT satellite services via the INTELSAT system has increased dramatically.

COMSAT has added over 1000 circuits providing voice and data services used for public switched phone and fax. Digital multiplexing has been employed on some international data route channels to increase output.

Over 600 International Business Service (IBS) circuits have been added, too. These T1 circuits can be multiplexed to provide up to four private voice circuits per IBS circuit. Their major use is private voice and data networks, but they can also be used for videoconferencing.

The demand of network news services for 'round-the-clock' satellite links pushed demands for video services to new heights as well. COMSAT now has full-time, (24-hour) three month TV leases with ABC, CBS, CNN, NBC, and the DoD news pool (now managed by ABC). Since January 16, COMSAT has added 13 full-

time transponder leases for CNN, NBC, RAI, European Broadcast Union, NHK, Fuji TV, Tokyo Broadcasting Service, and Nippon Broadcasting.

Occasional-use TV traffic skyrocketed in the first 48 hours of the conflict. ISS normally averages 15-30 requests per day for occasional-use video. On both January 16 and 17, at least 90 bookings were recorded each day, and traffic has remained above average levels since then.

The recent surge in demand has made ISS's Network Control Center, headed by Kenneth Sweigart, manager, operational services, extraordinarily busy.

"Operations has handled all of these activities without a glitch. While the pace is hectic, our customers are treated with the courtesy they deserve and their needs are met," said Claus Fuchs, director, ISS Operations. "The credit for all this goes squarely to Kenn Sweigart and his dedicated staff of controllers who are doing an outstanding job indeed."

CVE, Orioles and Red Sox Give Washington a "Classic" Baseball Weekend

Major league baseball returns to the nation's capital when COMSAT Video Enterprises (CVE) sponsors the 1991 "COMSAT Baseball Classic": two exhibition games between the Baltimore Orioles and the Boston Red Sox, April 6 and 7 at RFK Stadium. Both games start at 1:30 p.m.



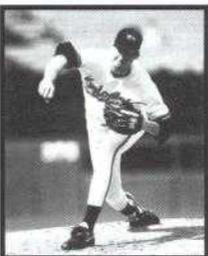
Roger Clemens

"It's great to have the opportunity to start the season off with two great teams" said Robert J. Wussler, president and CEO of CVE, at the January 30 press conference announcing the game. "We're delighted to be a part of it."

This marks the second year COMSAT has been title sponsor of the game. Last year more than 21,000 fans saw the Orioles drop a high scoring contest to the St. Louis Cardinals 11-10. With the aid of the wind and the short left field fence (only 265 feet), fans were treated to 11 home runs.

Others participating in the press conference were Orioles Manager Frank Robinson, pitchers Ben McDonald and Dave Johnson, Orioles General Manager Roland Hemond and Red Sox General Manager Lou Gorman. John Miller, the Birds' radio voice, hosted the event. Radio and cable television personality Larry King made an unexpected appearance.

1991 looks to herald improvement for the Orioles since they made some moves in the offseason to put punch back into their lineup. They signed former Red Sox star rightfielder-designated hitter Dwight Evans to a free-agent contract, and made a trade with the Houston Astros for power hitting first baseman Glenn Davis. The Red



Ben McDonald

Sox augmented their already explosive lineup with the acquisition of right-handed slugger Jack Clark.

More than just the baseball-starved fans of Washington will win with this game. 50 cents from every full price ticket sold will be donated to Special Olympics International and the American Cancer Society.

The Washington-area press descended on the game en masse last year, giving COMSAT a good deal of exposure. The Orioles get good publicity in the Washington area, a market that now accounts for a significant percentage of the attendance at Memorial Stadium during the regular season.



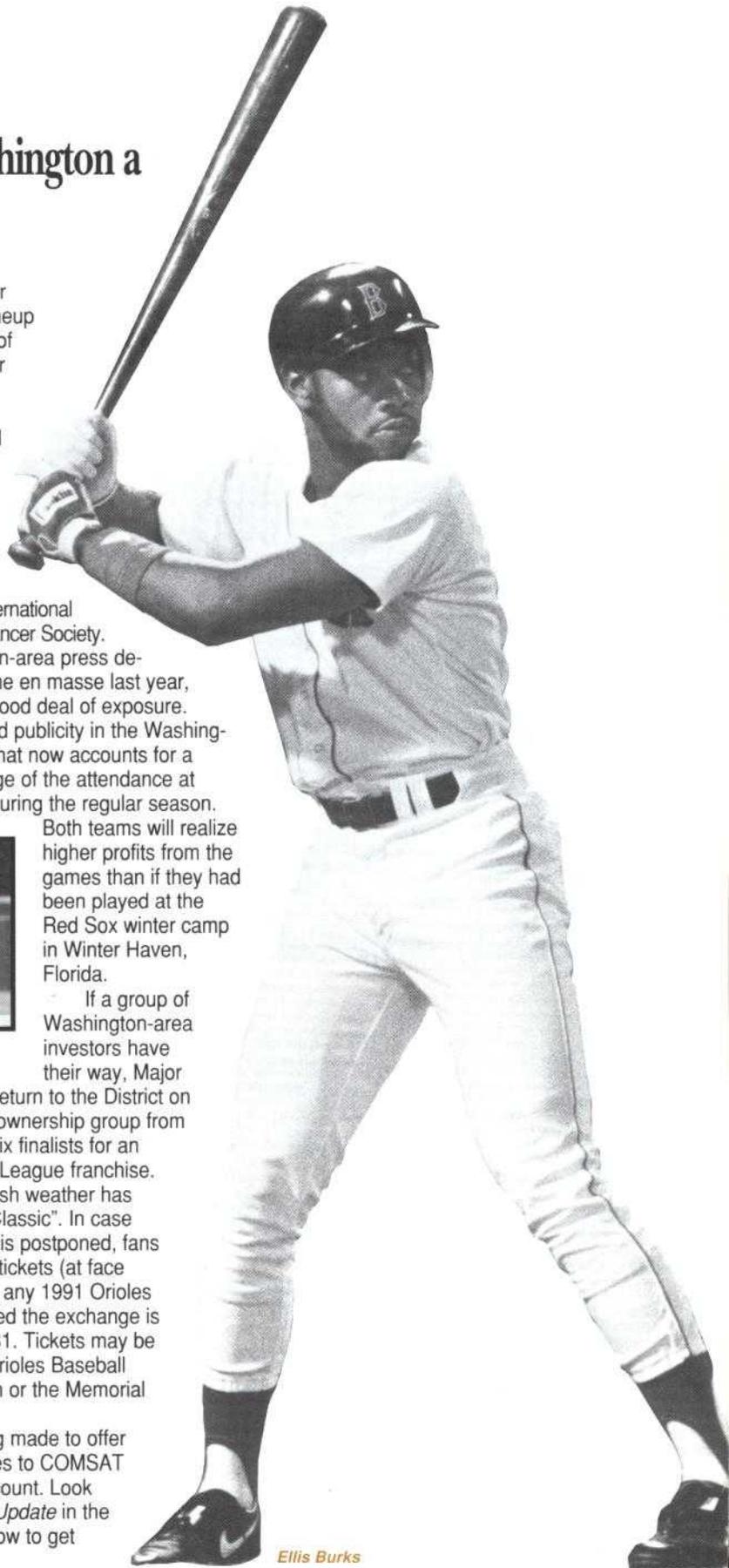
Cal Ripken

Both teams will realize higher profits from the games than if they had been played at the Red Sox winter camp in Winter Haven, Florida.

If a group of Washington-area investors have their way, Major League play might return to the District on a regular basis. An ownership group from the area is among six finalists for an expansion National League franchise.

In the past, harsh weather has accompanied the "Classic". In case either of the games is postponed, fans can exchange their tickets (at face value) for a ticket to any 1991 Orioles home game, provided the exchange is made prior to May 31. Tickets may be exchanged at the Orioles Baseball Store in Washington or the Memorial Stadium Box Office.

Plans are being made to offer tickets to both games to COMSAT employees at a discount. Look for details in *News Update* in the coming weeks on how to get seats.



Ellis Burks

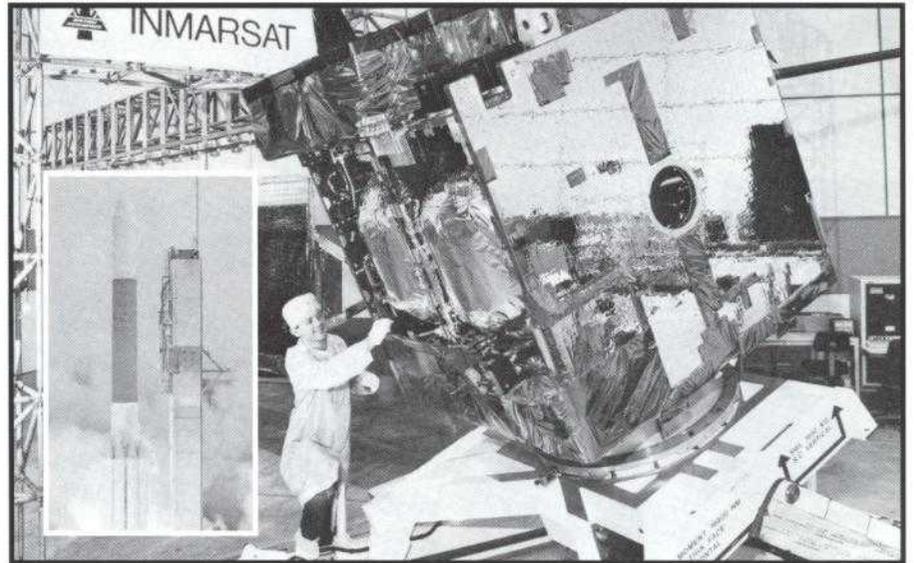
COMSAT MOBILE

Second Inmarsat-2 Spacecraft Is Being Readied for Launch

The second of Inmarsat's second generation mobile communications satellites is nearly ready for launch from Cape Canaveral. The spacecraft, built by British Aerospace, is tentatively scheduled at press time for launch March 9, with a final date expected once all systems are checked.

The Inmarsat-2 (F2) spacecraft is the second of four which will make up Inmarsat's second generation of satellites. It is a new kind of satellite, specifically designed to handle mobile communications applications. Unlike other communications satellites, it will operate in the L-band frequencies and can provide communications to earth stations small enough to be hand-portable. Until this generation of satellites, Inmarsat had been leasing capacity on other satellite systems.

Once all four satellites are launched and in operation, the Inmarsat-2 system will increase the capacity of the current generation of satellites by three to four



A British Aerospace engineer makes a routine check of the Inmarsat-2 satellite before its launch next month. The satellite will be carried aloft by a McDonnell Douglas Delta Rocket (at inset).

times, each satellite carrying 250 voice circuits. The third and fourth spacecraft

are scheduled to be launched by Arianspace in late 1991 and early 1992.

COMSAT Helps Get News of Paris-Dakar Rally to France via Inmarsat

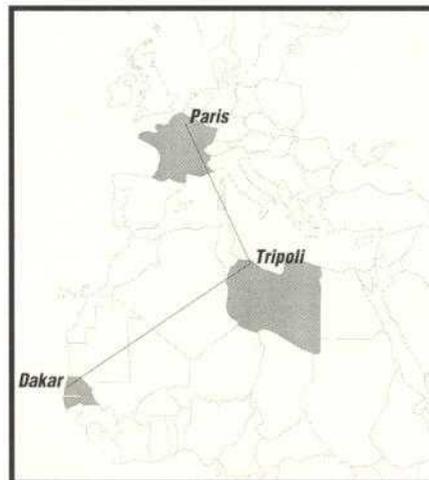
The Paris-Dakar Rally is one of the biggest international motor sporting events annually, and this year COMSAT Mobile Communications helped bring news of the race back to thousands of fans in France.

T.D. Com, a French communications company, equipped two all-terrain vehicles with transportable satellite terminals to cover the Rally which ran from January 2-18.

The company used the 56 kilobits per second (Kbps) mobile data service to provide audio feeds of interviews with race drivers and to send timing data from each rally checkpoint back to broadcasters in France covering the 5,500 mile (9,000 kilometer) race. Mobile Telesystems Inc., the first manufacturer to have its terminals case-approved for the service, provided T.D. Com with the equipment for the broadcasts.

"In the past broadcasters have come

to COMSAT with requirements for high quality audio feeds from mobile and remote sites back to central locations, but there hasn't been a practical way to do it



until now," said George Zachmann, COMSAT Mobile Communications' vice president, international relations.

"This capability is a major improvement over telephone, cellular and radio systems which actually limit the quality of the audio. Digital audio is uplinked from the small terminal to our coast earth station where it is interconnected with the public switched international data network for delivery to the broadcast facility," Zachmann said.

This enhanced service offers a 56 Kbps digital link from the mobile and an analog audio channel to the mobile which can be used for voice coordination or data up to 9,600 bps. In addition to high quality audio feeds, other applications for the service include slow scan video, rapid photo transmission, seismic survey data transmissions, and multiplexed voice and data transmissions.

CSD Knows the Meaning of Marketing

In these times of increasingly stiff competition in markets at home and abroad, and with so many businesses failing, a company's success depends on its marketing efficacy. Nevertheless, many people, including business executives, undervalue the importance of marketing and do not distinguish it from selling. They think the terms are synonymous.

At COMSAT Systems Division (CSD), the marketing concept postulates that corporate activities be customer-oriented. This means understanding customer wants and requirements before developing a solution which satisfies them at a profit. Selling is virtually the opposite, making a product and then persuading someone else to buy it.

"You must be intimately aware of the needs of the customer," says Larry Burch, CSD director, government and commercial marketing and business development. Burch believes this awareness must be attained long before planning a proposal, a formal written response to a request for a proposal (RFP), issued by Government agencies to solicit goods and services from industry.

The long lead time referred to by Burch is important because of the indefatigable effort associated with intelligence gathering. Collecting information on the customer and the competition is vital in deciding whether CSD has a good chance of winning a procurement competition. Furthermore, every action taken and every decision made in the development of a proposal is based on or affected by marketing intelligence.

Last minute decisions to bid and respond to an RFP only after it has been issued means marketing has been sleeping on the job, according to Burch. Ron Johnson, vice president and general manager, CSD International, agrees, saying "the key to making a good bid decision is making sure you know the market, know the customer, know the competition."

CSD's marketing mission is evident — know the customer; be unrelenting in devising a solution. To this end, analyzing information about the industry status, capabilities and strategic goals is paramount. The analysis of customer specified

requirements and unwritten needs and an objective evaluation of CSD's capabilities are key in deciding whether or not to pursue an opportunity alone or with another firm.



"In today's competitive marketplace it is difficult for one company to consistently handle entire projects alone," said Dr. Ralph Fulchino, vice president, government and commercial marketing. The synergy resulting from teaming arrangements has given a competitive edge to CSD in capturing an important contract at the Defense Communications Agency's National Communications System. For this procurement, CSD teamed with Bell Atlantic Mobile Systems in New Jersey to beat out two fully integrated communications companies, Alascom and Contel ASC.

The division's biggest 1990 procurement award, LOCSTAR, was fueled by CSD International effecting a consortium including two other firms. CSD partners, French companies Thomson DAS and Syseca, provided unique insights into the operational and customer environments, while CSD offered the COMSAT name, a real discriminator in global markets.

L to R—Dr. Ralph Fulchino, vice president, government and commercial marketing; Dr. Ron Council, director, DOD marketing and business development; Christine Coady, director, international marketing and business development; Dr. Eric Novotny, vice president, business development and international programs.

continued on page 8

J E F F E R S O N

Science Fair Gives Jefferson Students Chance To Show They Have the Right Stuff

With a strong emphasis placed on science education, Jefferson Junior High School's Science Fair, scheduled for February 19-23, takes on an air of extra importance each year.

Although the event's obvious focus is on science education, Jefferson's interdisciplinary approach to education ensures the students strengthen more than just their science knowledge while preparing their entries.

"We reinforce research and writing

skills, as well as math and science," says Science Teacher Diane Brown. "Math teachers give students help in compiling and interpreting the data. English teachers lend a hand to help write reports. Besides making the project a total educational experience, it takes some pressure off the science teachers as well."

Many students tackle challenging subjects that would make older peers take pause. One of Brown's students is preparing a project on women in the workforce. She was able to draw on some research Brown had done - while studying for her Master's Degree.

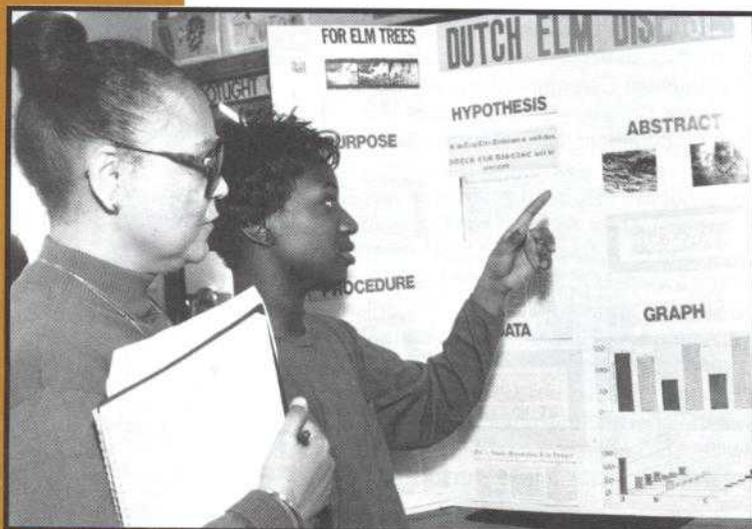
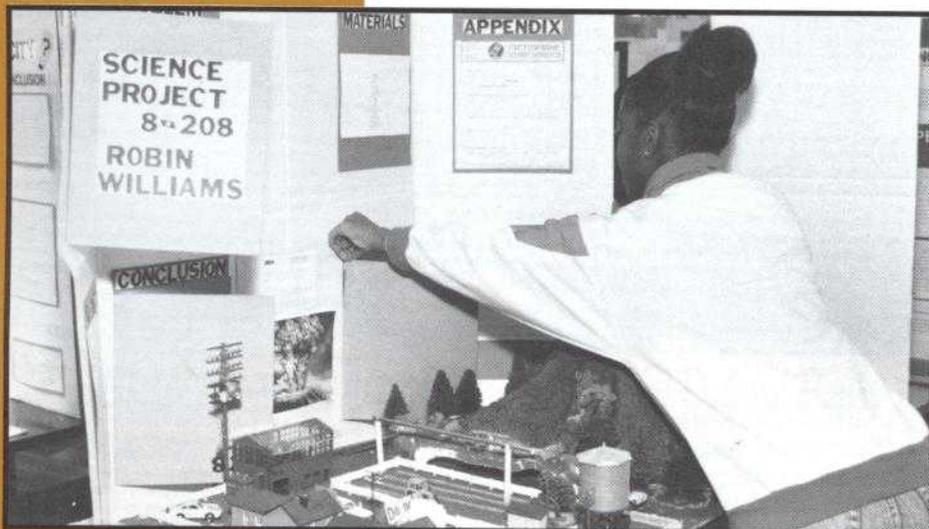
... Jefferson's interdisciplinary approach to education ensures the students strengthen more than just their science knowledge while preparing their entries.

Computers are also playing a vital role in the students' projects. From simple word processing to complex tables and graphs, students are spending hours in front of the keyboard frantically preparing for the competition.

This year students will compete in 13 different categories ranging from Biochemistry to Zoology. One winner will be chosen from each category, with an overall prize selected for the top project. Entrants are not separated by grade. "We don't differentiate according to grades - age has no relevance on achievement at this level," said Brown.

Although the school would like to encourage students to compete in District-wide competition, the city only allows 25 students from each school to enter District-wide. "We'd like to send more, but we're just not allowed to," said Brown.

The fair is also a good example of how the Jefferson-COMSAT alliance can work in terms of volunteerism. Again this year COMSAT employees will assist students in completing their projects, and serve as judges as well.



JUNIOR HIGH

Channel One's Jefferson Debut Gets Rave Reviews

Channel One, produced by Tennessee-based Whittle Communications, is a satellite-delivered 12 minute daily news program designed for junior and senior high school students.

The Channel One broadcasts are just the beginning of what the service has to offer. Whittle equipped the school with a Ku-Band antenna and two VCR's to tape the show automatically every morning.

Besides receiving Channel One, schools also receive the Classroom Channel and the Educators' Channel. The Classroom Channel offers a wide array of dedicated instructional programming.

CHANNEL ONE

Topics range from history, economics, grammar, math, science and foreign language instruction.

Information on the Educators' Channel is dedicated to helping teachers keep up with the latest trends in classroom instruction and career development. Programs on the channel include "American Classroom," hosted by McNeil-Lehrer co-anchor, Judy Woodruff.

Channel One gets high marks from social studies teacher Winston Hall who says, "So far the quality of the program is excellent. The students are attentive - the show is generating a lot of classroom discussion. We're already getting requests for replays and special programs."

The commercials inserted in the broadcast have "added a little humor," said science teacher Diane Brown. Although she suggested the commercials have a better public service touch. "We should use the commercials to persuade students to convey positive messages" besides selling a product.

"In fact the commercials can be used as a teaching tool as well," said Hall. "I've been working in this school system for 25 years and I know how tough it is to get programming like this. The commercials are most definitely worth the trade-off," said Hall.

In exchange for the right to use these

programs, schools must guarantee students watch Channel One in class at least nine out of every ten school days. Since the program is transmitted in the morning, the school principal has a chance to review it prior to airing in the

classroom. The service is now received in about 6,000 schools nationwide.

During Black History Month, the Channel One broadcast has been followed by a five minute daily segment on historically Black colleges and universities.

Black History Month Gives Students Chance to Learn About Their History, Culture

February's Black History Month celebration is certain to keep Jefferson students busy as they take time to learn about Black Americans' contribution to their country and the world.

70 students attended an anti-drug, anti-violence rally at the D.C. Armory February 1 to kick off the month long celebration. The next day students had a chance to glimpse at their futures when they attended the Historically Black College and University Day Fair at Landover Mall.

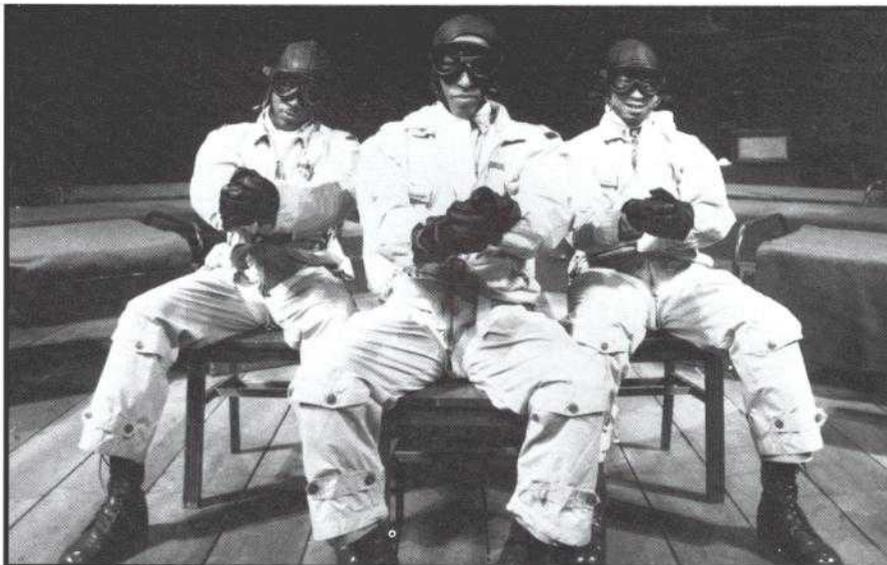
Historically Black colleges and universities have enjoyed a revival in the past few years, as a perception has grown that predominantly white institutions cannot meet the needs and aspirations of Black students.

Historical theater will play a major role

in the month's events as well. Students will attend a performance of "Black Eagles" at Ford's Theater. The play recounts the struggle of the Tuskegee airmen, who formed the first Black fighter squadron, and had to fight as hard against racism at home as they did the Nazis in World War II.

A group of seventh grade students will go to the Smithsonian to see a performance about another resident of Tuskegee, Tuskegee Institute that is. Booker T. Washington, one of the pre-eminent scientists of his day, will be the subject of a Smithsonian "Discovery Series" play.

The Jefferson High Expectations Club will have one of the most exciting outings of the month when the 40 seventh grade students visit the wives of African ambassadors.



Jefferson students will witness the story of the Tuskegee airmen when they attend the Ford's Theater production of "Black Eagles".

MARKETING continued from page 5

"The COMSAT name has very high recognition overseas," says Dr. Eric Novotny, vice president, business development and international programs, "and this means we are trusted by the customer." Dr. Novotny believes that his customers' familiarity with COMSAT can be as significant in marketing as representatives knowing their customers.

In just four years CSD International, both as an exclusive contractor and subcontractor, has been very successful in winning information in telecommunications contracts in Turkey, South Korea and Japan. In a joint venture with Radisson and Americom, CSD is providing the information and telecommunications services for the Moscow Business Center. Negotiations are underway between the Czech PTT and CSD on a contract for two new INTELSAT earth stations.

CSD Government and Commercial has been awarded contracts and contract modifications to support major federal programs sponsored by the U.S. Information Agency/Voice of America, NASA and NBC.

CSD knows maintaining its winning ways will not be easy. The global marketplace is increasingly crowded with new and tougher competition. But with careful planning and execution, CSD marketers know they will be up to the challenge.

Rhode Island's Governor Sundlun, COMSAT Board Member, Celebrates 71st Birthday

Bruce Sundlun, a COMSAT Director, incorporator of the company and newly inaugurated Governor of the State of Rhode Island, takes some time out from last month's board meeting to blow out the candles on his birthday cake. The cake was specially decorated with drawings of the Rhode Island Statehouse and the COMSAT symbol.



CHAIRMAN'S AWARDS continued from page 1

his bachelor's degree in Electrical Engineering from Hong Kong University.

Jurkiewicz, director, transmission systems engineering, was cited for his leadership in bringing resources to bear on the Inmarsat-2 satellite development program that were needed to ready it for launch. He was also cited for his leadership in the very successful and competitive Inmarsat-3 procurement.

The eight year COMSAT employee was "the catalyst" to bring management's attention to problems in the Inmarsat-2 program, said Dan Swearingen, vice president, mobile engineering. His cogent observations led the Director General to convene a special panel to make recom-

mendations to reform project management and solve technical problems that were delaying the program.

"Ed makes sure the people who make decisions don't launch mistakes," said Swearingen. "He's done an outstanding job providing COMSAT's technical oversight of satellite programs and ensuring their integrity. He's done this in a way to keep the good will and respect of everyone involved." Jurkiewicz continues to serve as a member of the Inmarsat-2 program review panel.

He joined COMSAT's West Coast Office in 1983 as part of a COMSAT General engineering group sometimes referred to as the "COMSAT Foreign Legion," an isolated group "doing their own thing," said Jurkiewicz. He played a

critical role in capturing several satellite consultancy programs. He joined Mobile Communications in Washington in November, 1988.

Jurkiewicz spent 11 years with the European Space Agency before joining COMSAT. There he was deeply involved with the Marecs program (some of whose satellites still comprise part of the Inmarsat system) and Aerosat: a joint U.S.-European aeronautical satellite program whose funding was cancelled.

The native of Poland holds a bachelor of technology degree from the College of Technology in Yorkshire, England, and a Masters Degree in Telecommunications from Birmingham University. He and his wife live in Washington. His three adult children live in California.