

ANOTHER SUCCESSFUL C2M DELIVERY

The original C2M CCTA Operations Module (OM) was delivered, integrated and tested in Otranto, Italy last June and July and has been in use by the Italian Air Force (IAF) for Operator and Technician Training. The second OM has been undergoing modification through the incorporation of system enhancements, including improved voice communications due to the addition of an E1 Trunk and Digital Voice Recorder (DVD Technology); incorporation of Italian National cryptographic equipment; addition of MIDS antennas and connectivity to interface with a Power Amplifier, and implementation of Operator capability to perform selective Plot Displays. These

modifications were performed under a separate ECP Contract that began early in 1999 and was completed through formal in-plant sell-off in March 2000. When fielded, the enhancements will provide the IAF with a system of unparalleled capability to perform the air defense function.

The original OM shipment by sea required almost two months to reach Otranto from Agoura Hills. To minimize transportation time and facilitate the exchange between the OM currently in Italy and the modified item, the IAF picked up the OM in Italy in their C-130 Aircraft and flew it through the Azores and McGuire AFB, New Jersey, landing

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The OM is moved into position for loading on to the Italian Air Force C-130 at Pt. Magu NAS.



Looks like a tight squeeze, but it really will fit!

Data Systems **to** **DAY**
Litton

Litton Newsbriefs

PRC Awarded Support Services Contract

PRC is one of ten awardees of the Technical Acquisition Support Services (TASS) Blanket Purchase Agreement (BPA) awarded by the U.S. Air Force Materiel Command, Space and Missile Center (SMC). The Air Force and other related DoD agencies will use the \$390 million BPA to support Space and Missile Center activities. PRC's work under the TASS BPA will include systems engineering and integration, speciality acquisition, integrated logistics support, computer resources and software and acquisition security. The potential value of the contract to PRC is approximately \$60 million.

Electro-Optical Receives Special Operations Night Vision Systems Contracts

Electro-Optical Systems Division (LEOSD), headquartered in Garland, Texas, received a group of multi-year Indefinite Delivery/Indefinite Quantity (ID/IQ) 5 year contracts from the U.S. Navy's Naval Surface Warfare Center (NSWC) - Crane Division to produce a maximum quantity of 9,800 night vision systems for the U.S. Special Operations Command. The total potential value of the contracts to Litton is approximately \$68 million.

PRC Attains SEI Highest Level Designation

PRC has received a Software Engineering Institute (SEI) software capability maturity model (CMM) Level 5 rating, the highest improvement level that a company can earn. It demonstrates that PRC has achieved an optimizing level of maturity indicating that it can manage rapid technology change, prevent defects and continually improve software processes used in the organization. Only 1.4% of all U.S. companies and 2.3% of companies serving defense and federal agencies that report CMM results to the SEI have achieved this goal. For PRC and its customers, the SEI CMM Level 5 rating means reduced software development costs, fewer defects in software used in

C2M

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at Pt. Magu NAS on April 10. Meanwhile, the modified OM was delivered to Pt. Magu NAS, 146th AW (ANG C-130 Wing). On April 11, the incoming OM was off-loaded and the modified unit loaded onto the IAF C-130 and returned to Otranto, Italy, where it is being integrated with the live radar and communication environment in preparation for the in-country training course to start May 8. When it is completed in early August, the OM currently undergoing modi-

fication at Agoura Hills will be transported by air from Pt. Magu

The 146th AW located at Pt. Magu was, until a few years ago, our neighbor at the Van Nuys Airport. They very graciously supported the IAF and Litton through the use of their facility and personnel. The entire swapping process went off without a hitch, taking only a few hours. Of course, this event also required the coordinated actions of many Litton personnel, as well as the IAF and 146th. □



With a little extra help,

the OM is loaded.....



...and on its way

to Otranto, Italy

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Litton Special Scholarship Goes to One at Data Systems



Christine Scott was presented with a National Merit Special

Scholarship certificate by Division President Bill Allison. Also on hand for the presentation were Litton Industries' COO Harry Halamandaris (far left), Vice President of Business Services Tom Kelly (far right) and proud father Andy Scott. Christine ranks in the top 3% of graduating seniors nationwide.

Christine Scott, daughter of Senior Training and Development Representative Andy Scott, is a recipient of one of the twenty Litton Industries Scholarships awarded for 2000. The National Merit Scholarship Corporation, which administers the program, bases its annual selections on student test scores, academic records, personal leadership and significant extracurricular accomplishments.

Christine attends Adolfo Camarillo High School, where she has been active in the Spanish Club, Marching and

Concert Bands and has participated on the cross-country and track teams. She won the Adolfo Camarillo High School 4.0 GPA award for 1997, 1998 and 1999 and has received Golden State Exam honors and recognition for Chemistry, U.S. History, Spanish, Writing and Reading Comprehension.

Christine's volunteer activities include tutoring, as well as working with the Camarillo Library and the Ventura County Fair. She has been a member of the Girl Scouts for eight years, serving

as scribe, treasurer and patrol leader. Along with her troop, she has assisted Habitat for Humanity in Piru and participated in float building for the Rose Parade.

In her leisure time, Christine enjoys going to Magic Mountain with friends and playing with her two dogs. She loves cartoons and comics, and is an accomplished 'webmaster' who maintains numerous webpages.

Christine, who plans to become a veterinarian, will attend UC Davis in the fall where she will major in Animal Sciences, with a specialization in companion animals, and minor in Japanese.

Scholarships under this program, ranging from \$2,000 to \$3,500 per year, are four-year awards renewable annually based on the student's continued good academic standing.

Litton encourages all employees whose children meet National Merit Scholarship requirements to enter the scholarship competition. Students who will be in their junior year of high school in the fall of 2000 can obtain information on next year's Preliminary Scholarship Aptitude Test/National Merit Scholarship Qualifying Test from their school. Litton Merit/Scholarship entry forms are available from Human Resources. Information concerning the deadline for entering the 2002 competition will be distributed in September 2000. □

Ed Clarke Chosen as First Agoura Hills Employee of the Month



Employee of the Month, Ed Clarke, enjoyed the perk of reserved parking space #1 for the month of May.

In response to DSD President Bill Allison's directive at the March 31 all hands meeting in Agoura, the Agoura Hills Management Club has instituted an Employee of the Month program. This honor will be presented monthly to a nominee whose selection is based upon his or her contributions to Data Systems, consistent performance, noted achievements, dedication and motivation. All Agoura Hills employees are eligible. The Employee of the Month receives a lucite desk memento of the occasion, has their photograph displayed in the lobby of Building 1 and is entitled to use reserved parking space number one for the entire month.

The honor of being chosen as Agoura Hills' first Employee of the Month goes to Ed Clarke. Since joining Litton in 1994, Ed has worked on a number of projects including UKTACC, OAADS, MCE R/SAOC and, currently, RADIANT/ IRAD. He has been a major contributor to a number of proposal efforts.

Seventeen More ICARE Awards Given in San Diego



Pictured above are the latest ICARE winners from San Diego.

From right to left (front row) Leon Tacio, Davanh Douangphachanh, Souk Keovoravongsa, Thongphanh Vorachak, Bouaninh Siharath, Chuck Ferrer (second row) Jerry Conklin, Frank Cruz, Kanhkong Souryamath, John Estrada and (back row) Paul Vohariwatt, Tim Pettit, Rob Gwaltney, Paul Miller, Jack Mierzwa and Don Kenney were presented with their ICARE awards by Vice President and General Manager Lou Kelly. Winner Steve Cain was unable to attend.

One team of thirteen and four individuals received ICARE honors at the San Diego award ceremony held on April 26

The team of Frank Cruz, Paul Vohariwatt, Paul Miller, Jerry Conklin, Jack Mierzwa, Steve Cain, Tim Pettit, Robert Gwaltney, Don Kenney, Thongphanh Vorachak, Leon Tacio, Kanhkong Souryamath and Davanh Douangphachanh was nominated by

Kevin Castanien and Paul Souval for their dedication and tireless effort on the completion of the Tactical Tomahawk Weapon Control System (TTWCS) Tomahawk Equipment Cabinet (TEC) racks. The timely delivery of this equipment was crucial to maintaining the critical path on the TTWCS program. The result was an excellent customer evaluation of this newly designed rack system

John Estrada was nominated by Lynne Smith for his outstanding work on the Palletized Loading System (PLS) vehicle manual. His timely integration of the "Point to Point" capability was a significant advancement of the Interactive Electronic Technical Manual's (IETM) functionality.

Chuck Ferrer was nominated by Dave Thompson for his invaluable support on the HTU program during year end. He provided a crucial link between Engineering and Manufacturing in adjusting the planning documentation during the build and overseeing the numerous changes required in the configuration tracking database prior to shipment. His actions were instrumental in helping the HTU production department reach its goals for the period.

Souk Keovoravongsa was nominated by Gary Varga for coming to the immediate aid of the Shipping Department during year end to troubleshoot and resolve complicated computer related problems so that shipment deadlines could be met.

Bouaninh Siharath was nominated by Dave Thompson for her outstanding work in the HTU production department during year end. She provided immediate support not only in the assembly area, but in the test department as well. She also updated the tracking data base and supported two shifts during that period. □

Litton Ship Systems' St. Pé Receives Humanitarian Award

Jerry St. Pé (center), Chief Operating Officer

of Litton Ship Systems and Executive Vice President of Litton Industries, received the Humanitarian of the Year Award from the Epilepsy Foundation of Mississippi. Dr. Bruce Parks, President of the Epilepsy Foundation, made the presentation in Biloxi on March 23. Dwight Evans (right), President of the Mississippi Power Company, was chairman of the 2000 Humanitarian of the Year Tribute held at the Beau Rivage Resort. Representing Data Systems, President Bill Allison hosted a table for members of the Ocean Springs facility. In attendance were David Johnson, Gerald Jackson, Jim DeMarco, Doug Otto, Cathy Davis, Blair Sherwood, Trey Endt, Mike Ebi and Brad Duvall. □



IMPORT/EXPORT NEWS

Import/Export News is a new addition to this publication. Its purpose is to provide information on defense trade policy, licensing practices, and compliance issues. Direct questions and/or comments to Jean Tschopp, Division Export Coordinator at (818) 707-4063, or to Reina Bergfors, Export Coordinator at DSD San Diego at (858) 623-6757.

Export Reminder

This is a reminder that transfer of technical assistance, technical data and hardware to foreign entities or persons – even in the U.S. – requires export licenses from either the Department of Commerce or Department of State. Severe penalties are imposed for non-compliance, so before you contact potential foreign customers, confer in advance with the Data Systems Export Coordinator.

Export/Import Site on the Litton VPN



Have you visited the new Export/Import site on the Litton Virtual Private Network (VPN)? The site, <http://172.16.1.25/vpn/>, which was brought on-line in June 1999, includes recent Federal Register Notices, copies of the most recent Denial List, the last two International Business Newsletters, links to various export/import/international business related web sites, current events and export-related issues. Future additions to the site will include upcoming events, seminars and conferences of interest.

Is Another Change to the Canadian Exemption Imminent?

The U.S. and the Canadian Government continue to have meetings to negotiate revisions to the Canadian exemption. While the Canadian Government wants to see the restrictions relaxed, the U.S. Department of State is believed to be clarifying the Canadian National issue and seeking change in Canadian law. While the U.S. might add a limited number of additional products, it is expected that the "build-to-print" offshore procurement restriction might be lifted. However, as of this writing no new revisions have been published regarding the Canadian exemption.

Controlling All of Data Systems Technical Data Exports

One of the areas of export control that frequently gets the least attention is the "intangible" exports, particularly releases of technical data to foreign persons via the phone and faxes, during in-house meetings with foreign customers and on plant tours for foreign visitors. Make sure that visits and plant tours by foreign nationals and disclosures via telephone or fax with foreign nationals are conducted with prior approval of the Data Systems Export Coordinator. The Export Coordinator should pre-approve such transfers, maintain appropriate records, and report technical data exports as required by the ITAR 123.22 (d).

What was it that Boeing and Raytheon were just fined for? You guessed it - export violations relating to the unauthorized transfers of technical data to foreign persons. □

Employee of the Month

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On the R/SAOC Program, Ed was the Principal Systems Engineer. He led the System Engineering IPT and provided technical direction for the entire Program.

Ed works extremely hard, has superior knowledge of systems and software and the ability to organize and lead technical tasks exceptionally well. He looks for the best total system solution to challenging problems, taking cost, schedule and technical issues into account.

His all-around technical excellence and ability to communicate, along with his relentless drive and willingness to tackle the most difficult problems are consistently recognized and appreciated by all his teammates, including the customer.

Congratulations go to Ed - a most deserving first Employee of the Month!
□

Newsbriefs

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the field and the ability of project teams to effectively measure their project status and meet tight schedules.

TASC and Loronix Announce Partnership

TASC, Inc. and Loronix Information Systems, Inc. are partnering to develop state-of-the-art digital video capabilities that will use behavioral recognition software to detect events caught on camera. The partnership will integrate TASC's behavioral recognition software with Loronix's family of networked digital video management systems, creating the most advanced video solution in the security industry. The two companies will develop technology that can extract information from digital video sources by recognizing certain types of behavior, patterns and objects defined by a user. □

In the Spotlight



This month's mystery employee is Program Manager Michael B. Smith.

Mike became a part of Data Systems in July 1981 as a result of an on-campus recruitment program at San Diego State University. Mike, who majored in Finance, was hired to work in the new Engineering Cost Control organization where he was responsible for helping to track and manage program costs. In 1985, he moved to Cost Accounting, but returned to Engineering Cost Control a year and a half later when a promotional opportunity arose. In 1990, having attained the position of Group Leader as well as his MBA from Pepperdine University, he left Engineering Cost Control for a position in the Program Management organization. Initially, he had responsibility for providing inputs for the Division financial plan, measuring cost and schedule performance and explaining significant cost and schedule variances. Still part of Program Management today, he has most recently worked on the C2M, P3I and OCU programs.

One of his proudest accomplishments was his effort on the 1996 P3I Integrated Baseline Review (IBR). An IBR involves detailing a program's full work breakdown structure so that the customer can see the entire program is planned, budgeted and linked to the master schedule. In addition to conducting the IBR, Mike also had to provide program management training courses to the others involved in this effort, so the success of the review was especially gratifying to him.

Although his responsibilities have always been focused on tracking costs and schedules, Mike says the years have brought changes in the way the work is accomplished. When he first arrived in 1981, all the tracking was done manually. The advent of the computer certainly changed that tremendously and has necessitated mastery of a number of software programs. In addition, Mike says his biggest challenge in the past year, due to all the systems changes, has been to become more creative in find-

ing ways to obtain the data needed for analysis. He's content with his work right now, but can envision also teaching business management courses at some future point.

Although Mike thought that he would eventually relocate back to San Diego, he says it's the friends he's made at Data Systems that have kept him here all these years. At one time, he was quite active in the Management Club, serving as treasurer, vice president and president. Following the birth of daughter,



Laura, now almost 6, he curtailed some of his extracurricular activities to spend time with her as she went through a number of surgeries to try and correct some hearing loss problems. Although she still suffers from significant hearing loss in one ear, she is doing well and attending regular school. And, along with Mike and her mom, Beth, she is eagerly awaiting the birth of baby brother, Daniel, in late July.

Mike has always loved to travel. A program he enrolled in during college afforded him the opportunity to travel in Israel and Egypt, just after the Begin-Sadat peace treaty. One of his favorite experiences was a visit to the Valley of Life and Death about 600 miles from Cairo.

Other trips abroad have included visiting relatives in Germany and a trip to London two years ago to visit Beth who

was working there for an extended period. While there, the family toured the museums of London and took the Eurostar (Chunnel) under the English Channel to visit the Eiffel Tower and the museums of Paris. Next on the agenda is a visit to family in New Zealand as soon as Daniel is old enough to travel.

Mike and his family, including three dogs and four cats, have lived in Castaic since 1987, where they've watched the town grow from 2,000 residents to 15,000 - they even rate a couple of stoplights now! In his spare time, Mike, who swam competitively and played goalie on the water polo team in high school and college, still enjoys swimming. He's also an avid fan of the San Diego Padres and Chargers.

Mike thinks his co-workers would characterize him as a good team player, who is tenacious when looking for answers, but tries to work within the system to meet his objectives. He is a big believer in communication, a trait he says has earned him the title of 'e-mail king.' Mike says his philosophy of life and the key to a happier existence is to maintain a positive attitude, even in the face of adversity. Most importantly, he believes in striking a balance between his work and his family life, giving his best efforts to both.

Congratulations to Karen Santen, J.R. Mann, Estelle Cervantes-Loy, Chris Huffman, Mark Wilcox, Brad Barker and Darrell Kee for correctly identifying Mike.

Our next mystery employee joined Data Systems Ocean Springs in 1980 to develop software for the L-3212 and hand-held terminal programs. After leaving the company for a few years, he returned to work on the TAOC/MCE and LHD 5 programs. Do you know who he is?

Please submit all entries to Data Systems Today Spotlight Contest at M/S 15-07 by June 6, 2000. Include your name, employee number, location and extension. A total of ten winners will be chosen at random from all correct entries. Winners will each receive a pair of movie tickets to an Edwards, General, Pacific, AMC, Mann or United Artist theater. All current Data Systems' employees are eligible to participate. □

Promotions

Congratulations go to the following employee.

Business Services: Ellen Gilbert to Human Resources Specialist. □

On Board

Data Systems welcomes the following new employees.

San Diego: Toni Gibson, Christy Rivers, Darrel Wilson. □

Gone Fishin'

Data Systems salutes its retirees on their years of service and wishes them success in the years ahead.

Douglas Otto

Douglas Somerville □

Hotline

Employees may call the Division "Hotline" with any questions or comments or perceived noncompliance with the "Standards of Conduct"

Agoura Hills.....818-706-4669

Other Ca.....1-800-843-5165

Outside Ca.....1-800-237-0934 □

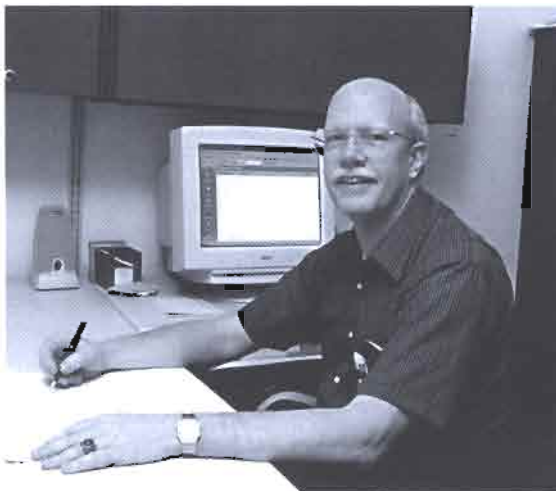


United Way

A world of help is in your hands.

Milestones

Congratulations to the following employees who celebrated their anniversaries during the month of May. Employees with 20, 25, 30 and 35 years of service are invited to be pictured here.



Robert Mendow

20 years, Member Senior Technical Staff, Engineering

20 years: Larry Bloodsworth.

15 years: Debbie Castillo, Dwight Kibler, Matthew McConville, Ramona Thompson.

5 years: James Demarco, William English, David Gartland, Scott Wendling, Gregory Winter. □

Standards of Conduct: Cost or Pricing Data

This month's article is Item 9 in Data Systems' "Standards of Conduct" booklet.

What is "Cost or Pricing Data?"

While the Federal Acquisition Regulations (FAR) provide a "definition" which can summarize the meaning of this phrase, it can best be understood by examining the reasons behind the government's desire to obtain this type of information.

In a competitive marketplace, producers compete against each other for your business. This rivalry keeps one producer from charging an unreasonably high price for their goods and services. In a noncompetitive environment, such as the one in which the government frequently operates, the pressure to maintain fair and reasonable prices may not exist.

The Truth in Negotiations Act, passed in 1962, is a disclosure law. It currently requires Data Systems to furnish the government with certified cost or pricing data in support of any non-competitive proposal over \$500,000. When Data Systems submits this information to the government, it enables them to perform cost or price analysis. This analysis is then used as a basis to negotiate fair and reasonable prices.

So, what is "Cost or Pricing Data?" It is any verifiable fact that a prudent buyer and seller would reasonably expect to significantly affect price negotiations.

Any facts which are reasonably available within Data Systems and would be expected to significantly affect price negotiations must be disclosed during negotiations. This encompasses more than just historical accounting data. Factors such as new vendor quotations or changes in production methods are also included.

Upon concluding price negotiations in which cost or pricing data is required, the contractor must certify that the submitted data was current, complete and accurate as of the date of agreement on price.

Unfortunately, it can sometimes be difficult to determine what is and is not cost or pricing data. For instance, if vendor quotations are used to support material costs, would the Division be required to disclose the current purchase history for these same materials?

Yes, because the purchase history

Your ERA Needs You!



Your Employees Recreation Association (ERA) is currently seeking nominations to fill the offices of president, vice president, secretary and

treasurer. Those individuals elected will be responsible for allocating and administering club budgets and answering questions about the day-to-day operation of the clubs under the bylaws of the Association.

Please feel free to contact any of the current officers to learn the specifics of their particular duties.

Jim Cilva, President

Jean Lierman, Vice President

Estelle Cervantes-Loy, Treasurer

The term of office is one year, from August 1, 2000 to July 31, 2001.

Nominations may be submitted to any of the current officers or to Ellen Gilbert in Human Resources. The deadline for submission is June 16, 2000. If

nominations are received, ballots will be mailed to all employees in Agoura Hills in late June.

The ERA needs your participation to be successful. Please consider running for an office. The duties require a minimum of time and no experience is necessary - only a willingness to serve!

The ERA is sponsored by Data Systems to promote the well-being of employees. The current clubs, listed below, are holding activities year round.

- ◆ Art Guild
- ◆ Basketball
- ◆ Bible
- ◆ Bicycle
- ◆ Bowling
- ◆ Bridge
- ◆ Flying
- ◆ Gun
- ◆ Golf
- ◆ Racquetball
- ◆ Ski
- ◆ Skin & Scuba
- ◆ Tennis
- ◆ Toastmasters
- ◆ Weakenders (camping)

If you are interested in learning more about any of the clubs, you may call Ellen Gilbert in Human Resources at extension 4335 for club contact information. □

Standards

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could provide the government with a means for determining the appropriateness of the quotes which were received from the vendors. Without this information, the government would probably contend that the information provided did not represent "complete" disclosure.

All data included in a proposal may be subject to government audit. If certified cost or pricing data is subsequently found to have been inaccurate, incomplete or non-current as of the date of price agreement, the government is entitled to an adjustment of the negotiated price, including profit or fee. This situation is known as defective pricing.

It is of critical importance to Data Systems and the government that each organization involved in the preparation of cost or pricing data be aware of the requirements established by the Truth in Negotiations Act and the implementing regulations.

Additional information regarding cost or pricing data may be found in Division Standard Practice 1000 and 4001-15, Pricing Procedures 1010, 2020, 2040 and 2050. □

ETC Notes

Gift Certificate Drawing

Congratulations to Mike Marcus, winner of the \$100 J.C. Penney gift certificate in March's drawing.

Rideshare Moment in History

English monk and scholar Roger Bacon predicted the coming of 'horseless carriages' 750 years ago. □