

Communications Satellite Corporation



NOVEMBER 1989

Published for employees of the Communications Satellite Corporation

VOL. 4 NO.11

CVE, Wussler Complete Deal to Buy NBA's Denver Nuggets

Late nights, hard work and some serious negotiating paid off for COMSAT Video Enterprises and its new CEO Robert J. Wussler last month as the business unit reached an agreement with two Chicago businessmen to become partners in the ownership of the National Basketball Association's Denver Nuggets franchise. The deal was announced at a morning press conference October 21.

Under the terms of the agreement, the two Chicagoans-Bertram M. Lee and Peter C. B. Bynoe-will be managing general partners of the club and manage it's day-to-day business. CVE will own a majority interest in the team and will be a co-general partner.

The purchase price of the franchise will be \$54 million. CVE will invest \$17 million and own a 62.5 percent share of the team, while Lee, Bynoe and their investors will invest \$8 million and own a 37.5 percent share.

According to Wussler, "this new venture will allow us to further differentiate CVE from its competition and capitalize on our ability to distribute live programming. It also allows us to expand our offerings into a broader market base," he added.

"This makes a clear statement that we intend to be a serious player in the distribution of sports programming," Wussler added.

Lee said both he and Bynoe were "delighted to be associated with Bob Wussler and COMSAT Video Enterprises."

NBA Commisioner Pleased

Commenting on the sale, NBA Commisioner David Stern said, "I am pleased that capable buyers have signed a contract and as soon as we receive the documentation we will begin the process for NBA Board approval."

Meanwhile . . . Nuggets Win European Tournament

While the sale of the team was being negotiated and announced, the Nuggets (continued on page 2)

<complex-block>

Published by COMSAT Corporate Affairs (202) 863-6800

New COMSAT Policy Manual Debuts This Month

COMSAT's newly revised policy manual will be distributed to all managers in November. It will replace the old Standard Practice Manual (SPI).

"The main objective of the new manual is to give COMSAT's different businesses the flexibility they need within a broad framework of policy that is common to all COMSAT operations," says Gary Allen. Allen, who is Director of Internal Audit, worked on compiling the new guidelines.

"From an operational standpoint, COMSAT focuses on divisional performance, which is the key to meeting the company's profit objectives," says Allen. "Each division operates in a unique marketplace and each needs to be able to establish the procedures necessary to meet the demands of its environment.

"At the same time, there must be a common framework on those issues that transcend individual operations." he

adds. "I think we have achieved the proper balance."

To assist in achieving this flexibility, the new manual focuses on policy



Gary Allen holds the old SPI, (I) and the new, thinner, policy manual (r) which will make its debut this month

issues and contains fewer of the detailed procedures found in the SPI manual. Each division will be responsible for developing its own guidelines, based on the new manual.

From a reference standpoint, the new policy manual is one of a set of publications that establish COMSAT policy. These other documents include: • employee benefits

handbook

• employee orientation materials

 corporate affirmative action plans

 industrial security procedures manual

· records manual

 purchasing policy manual

 accounting policies and procedures manual

 corporate identity manual

Shortly after it is issued, meetings will be held with managers to discuss the new manual, and provide a forum to answer any questions about its contents.

"We hope these meetings will also enhance each manager's understanding of his or her own role, responsibility, and authority with respect to the policies manual," Allen says.

NBA's Denver Nuggets (continued from page 1)

were in Rome, beating some strong European competition to win the McDonald's Open Tournament. After routing the Barcelona team 137-103, the team beat Jugoplastika Split of Yugoslavia, 135-129 to take the title.

The Nuggets return to the United States, and the new season, hoping to improve on last year's 44-38, third place finish in the NBA's tough Midwestern Division. Led by Alex English, the league's sixth all-time leading scorer, Coach Doug Moe says the Nuggets will be "one of the NBA's most competitive teams" during the 1989-90 season.

The team has added rookies Todd Lichti of Stanford, Michael Cutwright of McNeese State and Reggie Turner of the University of Alabama-Birmingham to its roster for the coming season. In addition to English, who set an NBA record last season by scoring 2,000 points for the eighth consecutive year, the team is led by guard Lafayette "Fat" Lever. Lever was fourth in the league in steals last year, and was the only player in the NBA to lead his team in assists, steals and rebounds.

The Nuggets will open the season Friday night, November 3 against the Utah Jazz. ■

Second Front Page

COMSAT Employees Visit The D.C. A United Way Agency A United Way Agency A Sociation For Retarded Citizens

"It was a good trip," says David Cade. "I'm glad I went, because it gave me a chance to see first-hand some of the good things a donation to the United Way can do."

Cade, who is chairman of COMSAT's 1989 United Way/United Black Fund campaign, recently joined several other employees on a visit to the D.C Association for Retarded Citizens (DCARC). The organization, part of a national network, provides direct care services and programs on a daily basis to over 400 persons in the D.C. area with mental retardation. Some of these services and programs include: vocational training, job placement and follow-up, a day treatment program, counseling, and speech therapy, as well as recreation and residential services.

Founded as "Help For Retarded Children" in 1950 by a small group of parents whose children were mentally retarded, the organization was awarded state level recognition in 1972 by the Association for Retarded Citizens of the United States.

DCARC Commercial Services

According to DCARC, about 70 percent of people who are mentally retarded can be economically productive. The organization offers commercial services to give the people there a chance to fulfill that promise.

The DCARC has an impressive array of services that are available for hire to the outside community, including mailing and distribution services, internal and external signage, as well as building maintenance services.

And some of the most prominent government agencies and businesses in Washington are satisfied customers, too. Riggs Bank, The National Institutes of Health and The Washington Post are all clients of DCARC. The United Way and the DCARC

"The most important thing to remember is that people with mental retardation are people like everyone else, and the DCARC goes a long way towards allowing them to achieve their potential," says Cade. "Knowing that a donation to the United Way is going to help an organization like this should be a very gratifying feeling."

How You Can Donate to the United Way

Canvassers for COMSAT's 1989 United Way/United Black Fund Campaign will begin visiting you next Monday and asking for your help in making our '89 campaign a big success.

You will receive a United Way/ United Black Fund pledge card from your campaign canvasser. The card will have two sides, with a "Guide For Giving" on the back.

First, you can donate according to the "My Share" program. This giving option is based on the table on the back of the pledge card. It gives an example of the average amount donated across the country by a person in your salary range. To exercise this option, just put a check in the box marked My Share.

Second, you can donate a specific dollar amount of your own choosing per paycheck. This option, like the My Share plan, calls for your donation to be deducted equally from your paycheck beginning in 1990.

Third, you can donate an Annual Gift. Under this option, you can write a check to the United Way. Return it, and your pledge card, to your canvasser.

Again, your payroll deductions for United Way/United Black Fund donations won't begin until next year. So please give generously, and in order to be eligible for the great travel prizes (see next page), give early.



3



Six lucky employees will be headed for the high seas as a result of their generous contributions to COMSAT's 1989 United Way/United Black Fund Campaign. Here's the list that you may be picking from!

• Cruise the Caribbean on Royal Caribbean Cruise Line's <u>Sovereign of the</u> <u>Seas</u>. This 8 day, 7 night trip will make port in San Juan, St. Thomas and Labadee, on the island of Hispaniola, before returning to Miami.

• A 6 day, 5 night voyage to Mexico on the <u>Britanis</u>, with stops in Key West, Playa del Carmen (Cancun) and Cozumel.

• The Dolphin cruise to the Bahamas. 5 days and 4 nights with an outside cabin and stops in Key West, Nassau and Blue Lagoon Island.

• An 8 day, 7 night cruise to Alaska on the **Regent Sun Ship**. This journey will take you inside the beautiful fjords of the South Alaska coast. A close up view of towering mountain ranges and stunning glaciers that move like rivers of ice are in store for the winner of this trip.

•Nassau and Blue Lagoon Island are on the itinerary for a 4 day, 3 night Dolphin Cruise vacation.

• A day sail on the Chesapeake onboard a 43-foot yacht with six of your best friends as passengers. Heading out from Annapolis, the cruise includes a snack and refreshments.

In addition, eight \$100 gift certificates from the gift store Camalier & Buckley will be awarded as well. So donate early and get in on the Fun In The Sun. ■



CSD To Exhibit In Istanbul During Communications Turkey '89 Exhibition

COMSAT Systems Division (CSD) will be among more than 50 international companies exhibiting during Communications Turkey '89, the second International Electronic Communications Exhibition in Istanbul, November 1-5.

CSD is already committed in Turkey under a \$16.9 million DCA Mediterranean Improvement Program contract awarded in March by the Turkish Postal Telephone and Telegraph (PTT) agency.

Under the terms of the contract CSD, as prime contractor, will perform systems engineering and integration for a new digital wideband satellite-based telecommunications network.

Six earth stations, located at major U.S. defense installations throughout Turkey, will eventually replace antiquated troposcatter sites and offer end users combined voice/data services over a broad range of bandwidth options.

Known as DMIP-Phase I, the program is a first in a series of planned DCA procurements over the next several years to improve Mediterranean area U.S. military communications.

The operator and primary user of the network will be the U.S. Air Force, with the U.S. Army and U.S. Navy sharing in the upgraded services.

"We are involved in all aspects of telecommunications and information systems technology and service," Joel R. Alper, CSD president said. "The DMIP program represents our first step in helping to provide modern telecommunications solutions to Turkey's emerging requirements."

CSD also provides end users with quality assurance consulting services as countries develop and prepare to launch their own domestic satellites.

"CSD stands at the forefront in performing this type of satellite consulting service," said David J. Cade, vice president, marketing and development. "This same expertise is available to Turkey as it prepares to build and launch its own satellite in the early 1990's."

CSD is backed by the world-class COMSAT Laboratories and more than 26 years of experience in satisfying customers around the globe, and has ongoing contracts with elements of the U.S. Department of Defense, Department of Energy, and Voice of America, as well as the governments of the Federal Republic of Germany, Cote d'Ivoire, Japan, Republic of Korea, Italy, USSR Academy of Sciences, Geostar Corporation and others. ■

South Atlantic Oil Rig Site Tests Satellite Payphone Technology



The oil rig Trident IX (above) was the site of the first field trial of the COMSAT SmartCard Payphone system last spring. The rig, about 50 miles off the coast of Cabinda, a territory of the African nation of Angola, was visited in April by Applications Engineer Chuck Yost, who conducted the onboard integration and testing.

Yost, who works in the Customer Services Engineering Department of COMSAT Mobile Communications, had a series of adventures during his trip across three continents and through several countries. You can read his story in the December issue of COMSAT Today.

Cruising at Top Speed . . . COMSAT and the Cruise Industry

by Lynn Anne Miller

Herman Molzahn, director of cruise and leisure markets for COMSAT Maritime Services, is a man with a mission. He is positioning COMSAT Maritime Services as the preeminent supplier of satellite telecommunications technology to the cruise industry.

Three years ago, when COMSAT first approached Holland America Line with its proposal that they let COM-SAT promote satellite communications services to passengers, the company was met with a mix of anticipation and skepticism.

"For many years, cruise lines marketed the 'Get away from it all' concept," Molzahn said. "They thought that by making telephone services available to passengers they risked discouraging people from taking cruises. But in three short years, we've gotten to the point where the majority of cruise lines that we serve now actively promote our services, and telephone minutes to cruise ships have gone up dramatically."

COMSAT now provides telephone service to 80 ships serving 30 cruise companies. But the impact of maritime satellite technology on the cruise industry goes way beyond counting the num-



COMSAT's CruisePhone allows cruise liner passengers to keep in touch... even when they're hundreds of miles at sea.

ber of cruise ships served by COMSAT's Southbury and Santa Paula coast earth stations. Revolutionary changes have occurred in the way ships' business is conducted and the way cruise lines promote their services to customers.

Not Out of Touch

Today, cruise lines find that their passengers want to keep in touch— or at least want the peace of mind that comes from knowing they can be reached at sea.

In the fourth quarter of 1988, WSD's Marketing Communications Department commissioned an independent research study of travel agents. One of the findings was that 77 percent of all cruise passengers would like to let people at home know how they could be reached by telephone while on a cruise. One-quarter of all passengers would be more likely to take a cruise if they knew others could reach them by telephone. In response, the Marketing Communications Department developed a series of "Cruise Calling" informational materials, designed to communicate the ease and convenience of ship-to-shore and shore-to-ship calling.

In 1986, when COMSAT first actively began marketing its services to the cruise industry, not all ships were equipped with the ship earth stations (SES) that make satellite calling possible. Even today there are still a few hold-outs. However, the vast majority of cruise ships are not only equipped with SES, but are searching for ways to augment their channel capacity to accommodate the increased demand for services from both ship's management and passengers.

Earth Station Technology Onboard Ship

One way COMSAT worked to meet this demand was to encourage research and development for the world's first multi-channel ship earth station. Mag-



The Magnavox ship earth station (SES) onboard the cruise ship S.S. Norway.

navox, which was awarded the contract to construct the four-channel SES, later installed multi-channel systems aboard Norwegian Cruise Lines' S.S. Norway and Cunard Line's S.S. Queen Elizabeth II.

In addition to the interest generated by the Magnavox four-channel system, COMSAT believes it achieved its objective of stimulating manufacturer interest in multi-channel systems. Marconi's two-channel Oceanray system has proven popular with cruise companies, and before long, other manufacturers may introduce variations of two-, three- and four-channel systems.



Personal computer access is made easy for ship's crew and passengers with COMSAT's business service center.