

E. C. Aldridge, Jr.
President and
Chief Executive Officer

June 22, 1993

Dear Chuck,

Thanks for your note and copy of the memorandum from Jaquish to SMC and the PEOs. I share his concern and yours about this matter. I have done all I said I would do in my letter to you on May 27, 1993. A thorough independent review of the report by Aerospace confirms the overly optimistic view of the DSP follow-on, called DSP II, capabilities to meet the stated requirements. Because it did not meet the requirements DSP II was rejected in our internal assessment of FEWs alternatives. I have also provided the program office support for responding to inquiries about this issue and have made personal calls to John Deutch and George Schneider to explain the situation. I have also talked to Don Hard and Gary Schnelzer to determine what else we can do to put this issue to rest.

I have tried to ascertain why such a report was written in the first place. The only "excuse" I can find is that the analysis was done before the final decision and it was an attempt to make the best case possible for DSP II. After the decision, the DSP program manager asked Aerospace to document the results of the effort and "file it," which they did. It was the unauthorized distribution which caused the problem, but that is no excuse for the advocacy tone of the report.

All of the Aerospace employees have been counseled on this issue. Not only have our managers and I spoke with individuals and groups about this issue, I passed the following message to all the Aerospace employees on Friday, June 18:

"As you know the current defense budget environment is highly uncertain and, more now than at any other time, subject to rapid and drastic adjustment by the politics of jobs in various congressional districts and by the fierce competition of those programs trying to remain in the smaller budget. Particularly at this time, we in Aerospace must make sure that we retain our objectivity, independence and freedom from conflict of interest.

There was an occasion several weeks ago, when our objectivity was challenged. We were not careful enough in our analysis and did not distinguish carefully between analysis and advocacy. The net result was that it appeared that we took on an advocacy position for a program that if accepted could have resulted in the termination of another program. The role of program advocacy should be played, if at all, by the military program office, the military services or other government officials. If we had stayed closer to pure technical evaluation of options measured against stated requirements we might have avoided this situation, which has damaged the reputation of Aerospace.

An Affirmative Action Employer

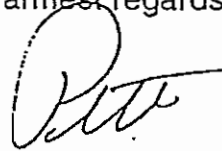
June 22, 1993

While we are pursuing activities to alleviate the current problem, we must all learn from this lesson and realize that for Aerospace to do its job, we must be absolutely "pure" in our technical evaluations and avoid taking on the responsibilities which clearly rests with our customers."

On a final note, I am most disturbed about the "rumor" that Aerospace does not support FEWs. This is incorrect. I believe, as do our technical people at Aerospace, that the tactical missile threat, with the uncertainty of having nuclear or chemical/biological warheads, will be the dominant concern in any future conflict. Warning against such a threat will be a "hard" requirement. FEWs is the only system that will give us confidence in providing launch warning and tactical missile defense tip-off.

I sincerely hope that this will be behind us soon. You and your command have more important things to do.

Warmest regards;



E. C. Aldridge, Jr.

General Charles A. Horner
Commander
U. S. Space Command
Peterson AFB, CO 80914