



TO ALL EMPLOYEES:

As year-end approaches, we pause to send holiday greetings to you and your family. My Staff joins me in wishing you and yours a happy holiday season and a wonderful new year.

In reviewing our business picture for 1987, we can take pride in some notable successes. Revenues will exceed budget and be more than 17% above 1986. Orders will exceed budget and include excellent performances by Telemetry and Equipment Recorders. We will start 1988 with a backlog equal to six months of work. Our disappointment is that we did not meet our profit goal due largely to our continued heavy investments for the future. I am confident these investments will allow us to continue to grow the business. Over the past five years, Data Systems Division has grown over 14% per year. This is an impressive record for which you should all be proud.

We are forecasting slower growth in 1988 but our profitability should increase. Our hiring will continue to be cautious, and along with everyone else, we will be carefully observing the economy and political climate in Washington.

To all the employees who have joined us in 1987, we extend a warm welcome. You will be contributing to our future successes, and we are pleased to have you on the team. Our employee involvement program now has more than 200 participants in 20 Team Involvement Circles, and we expect that the Circles will continue to add much to the spirit of cooperation within our plant.

This year we have celebrated 30 years of progress in Sarasota with a series of successful employee events. It is the employees who have made our Division what it is today and who will continue to bring talent and substance to our future operations.

I would like to express my personal appreciation to all employees for your efforts and your loyal support. My Staff and I will continue to count on you to join us in building our Division's success.

Enjoy a relaxing holiday season, and come back ready to tackle the challenges and opportunities we will face in 1988.

Carl I Schleicher

Carl L. Schleicher General Manager



AN EQUAL OPPORTUNITY EMPLOYER M/F/H/V

MARGARET DILL BEGINS HER EARLY RETIREMENT

Margaret Dill, Group Leader in Printed Wiring Assembly/ Prewave, and a member of our exclusive 30 Years In Sarasota Club, has elected to take early retirement and enjoy some of her varied interests.



MARGARET DILL

Margaret was part of the last Assembly Training Class conducted in EMR's temporary quarters on Clark Road back in October, 1957, before she became a regular employee in the new Fruitville plant. She recalls working on the first printed wiring boards produced in our facility back in the late fifties, and has recollections of how our technologies changed over the three decades of her employment here.

The Florida native plans to enjoy time in her second home in Franklin, North Carolina, as well as her Bradenton home. There should be more time now for her flowers, and Margaret is looking forward to picking up on her sketching and painting, and doing some writing.

"I've enjoyed the work, and will miss many of the folks here," Margaret said.

FROM YOUR FRIENDS, MARGARET, ALL THE BEST!

INSURANCE REMINDERS FOR 1988 !

Remember that a new claim form must be submitted in 1988 for each family member who is filing an insurance claim.

Deductibles must be met each year.

All medical charges are subject to the deductible.

Pre-certification is required before in-patient hospitalization for overnight or longer.

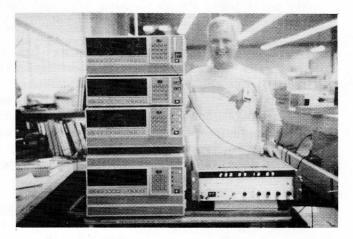
A second opinion is required for certain surgical procedures.

Alma Sanger, of our Benefits Office, can help you with your questions -- Ext. 5526.

MORE EQUIPMENT SHIPPED TO MC DONNELL DOUGLAS

An upgrade for existing EMR equipment which was delivered to McDonnell Douglas in 1986 is among the new equipment being shipped this month. The success of our earlier system resulted in this add-on order.

The new equipment includes our 8000 series PCM equipment -- Models 8320, 8330, 8340 and 8350, plus the Model 741 Time Code Generator/Translator. These equipments will be utilized at the McDonnell Douglas facility in St. Charles, Missouri, as part of their general purpose testing laboratory. Gary Snyder worked on the earlier order and had system responsibility for this order. Bob Sayre and Joel Weber were involved in capturing this business.



Gary Snyder with units ready to ship to McDonnell Douglas.

CREDIT UNION INVITES YOU TO PARTICIPATE

Nominations for positions on Credit Union Committees or on the Credit Union Board of Directors are now being accepted by Nominations Chairman Herb Larrabee. Call Herb at Ext. 5193, or via VAX mail, to submit your own name or recommend another willing candidate. Nominations are accepted through January 15.

Nominations cannot be taken from the floor at the Annual Meeting because State Statutes dictate that a disclosure statement must be provided by anyone running for office before they can be accepted.

The following positions are open for candidacy:

- Board of Directors 3
- Supervisory Committee 1
- Credit Committee

The Annual Meeting is set for Tuesday, February 2, 1988.

1

DOT BERNER MAKES THE HOLIDAY SCENE



Dot Berner has again outdone herself in creating a holiday snow scene made of her own homemade candies! This talented lady decorates her work area in Printed Circuit Assembly in this artistic fashion at holiday time, to the delight of her fellow employees.

MAJOR NEW ORDERS BOOKED FOR AVIATION RECORDERS

Fairchild's F-800 Digital Flight Data Recorder has recently been selected by three major airlines for retrofit programs to replace the earlier foil-type Flight Recorders on their fleets of passenger aircraft.

Delta Airlines has ordered over 160 Fairchild Digital Flight Data Recorders to replace older model recorders in compliance with the recent FAA rule mandating digital recorders with additional parameter capabilities.

United Airlines has ordered our Model F-800 DFR to be installed in all of United's DC-8, Boeing 727 and 737-200 aircraft. Earlier United had selected our DFR for United's new Boeing 737-300 fleet.

Northwest Airlines will install the Model F-800 in their fleet of Boeing 727 aircraft. This will standardize the Northwest aircraft with the recently merged Republic fleet. Northwest earlier this year selected our DFR for their new fleet of Boeing 747-400 aircraft.

Deliveries of these ⊢light Recorders will extend through 1988.

WE DID IT !

DIVISION WINS SAFETY AWARD FOR TWO MILLION SAFE HOURS

Dave Bass, Corporate Risk Manager for Schlumberger Industries, presented a plaque to General Manager Carl Schleicher and members of the Safety Committee on December 17 in recognition of Data Systems Division employees' safety record of over 2,000,000 hours without a lost-time accident.



Members of our Safety Committee, with Dave Bass and Carl Schleicher at right, accepting our Safety Award on behalf of all employees. Seated, Mike Eisenbise, Alyene McCoy, Debbie Graham, Skip Brawn, Al Marion; standing, Don Stover, Phil Stockton, John Elliott, Eldon Andrews, Gene Flagg, Ed Domrzalski, Ron McDeed, Alan Davis, Dexter Nash, Bill England, Bob Boyer, Bill Shaw, Dave Bass and General Manager Carl Schleicher.

The safety record was achieved in October, and our current safety record stands at over 2,200,000 safe hours, as PULSE goes to press.

CONGRATULATIONS TO ALL EMPLOYEES ON THIS EXCELLENT ACHIEVEMENT. PLEASE TAKE YOUR SAFETY AWARENESS HOME WITH YOU AS YOU CELEBRATE THE HOLIDAYS, AND REMEMBER TO BE CAREFUL OUT THERE!

A NEW TELEPHONE NUMBER FOR INSURANCE INQUIRIES

Want to follow up with Connecticut General about your group insurance claim? Effective December 21, 1987, the new phone number is: 1–800–777–2141.

New insurance cards will be issued shortly and will show this new telephone number for the Connecticut General office in Sherman, Texas.

CREDIT UNION ANNOUNCES 4TH QUARTER DIVIDENDS

The Fairchild Sarasota Credit Union Board of Directors announces a dividend of 6% will be credited to shareholders accounts for the fourth quarter of 1987. The effective annual yield is 6% for the year. The Board also set Tuesday, February 2, 1988 as the date for the Credit Union's Annual Meeting.

NEW ORDER BOOKED FOR TINKER AFB

A contract award was received from Tinker Air Force Base, Oklahoma, this month, continung a strong orders year for Telemetry. This contract is valued at over \$500,000.

The contract calls for two identical Telemetry systems to be delivered to Tinker AFB and to Boeing Company in Seattle, for use in testing on a defense missile program. The 8000 Series telemetry front end will be connected to customer-furnished computers which will operate with software produced by our Software Engineering group.

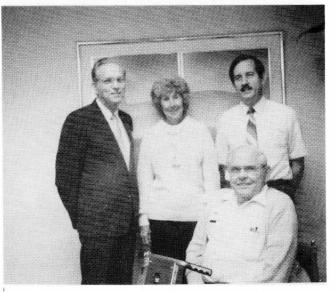
This successful sales effort was due largely to efforts by Jud Strock and Ken Slezak, of Applications Engineering, and Paul Mears and Larry Edwards, of Sales.

NEED PETTY CASH ? CHECK YOUR WATCH !

Beginning January 4, 1988, the hours for Petty Cash transactions in the Controller's Office will be from 8 to 9 a.m., and from 2 to 3 p.m., daily. Ann Mongillo will continue to offer her cheerful Petty Cash service at the new times. Your cooperation is appreciated.

HAPPY ANNIVERSARY TO THESE FINE FOLKS

Special service anniversary greetings go to several long-time employees this month -- Art Kelley and Bill Miller, completing 30 years of service, and Frank Bost rounding out 25 years! Happy December Anniversary to these and the other fine folks pictured here.



Congratulations to Art Kelley (30 years), Willine Lahman (10 years), Tom Bray (15 years) and Bill Miller (seated) marking his 30th service anniversary. Missing from this photo is Frank Bost who completed 25 years of service on December 10.

SAFETY AWARENESS PAYS

Safety awareness and safe practices are your best bet to avoid painful injury. Accidents hurt. Be careful, and be safe!



KAY COLE HONORED

Kay Cole, of Plant Engineering, and her husband Clyde were honored as Couple of the Year by the DeSoto Speedway at the Raceway's annual Awards Banquet on December 4. The surprise award was for the couple's interest, loyal support and service over the years.



Kay Cole displays Couple of the Year plaque won by the Coles.

Kay and Clyde Cole have been regulars at the Speedway, every Saturday and some Sundays, for many years -- an interest which began when their son Clyde Jr. began Figure 8 racing some 14 years ago.

Clyde Jr. captured Driver of the Year and Sportsman of the Year awards at the same ceremony. He won Figure 8 high points in NASCAR racing and also for his DeSoto Speedway Figure 8 racing in his Camaro.

Kay Cole runs the cash register at the snack bar at the raceway on Saturday nights, and her husband has never missed a single race in which their son participated in all these years.

130 SEVENTH GRADERS HEAR FWSI SPEAKERS

Sue Nurczyk (Telemetry Tech Writing) and Joel Weber (Applications Engineering) spoke to 130 seventh grade math and science students at Sarasota Middle School on November 24. Sue's presentation told the students about careers at Fairchild Weston that require a math or science background, and Joel demonstrated an 8385 Telemetry System and the 8330 Decommutator. The students also saw what a Flight Recorder and a technical manual look like.

Sue used original photos and slides to illustrate her theme of encouraging students to continue with their education. She cited FWSI career examples to show what the payback on their education could be when they joined the workforce.

LEADERSHIP SARASOTA MEETING HOSTED HERE

Members of the 1987–88 Leadership Sarasota program met at Data Systems Division in Sarasota on December 17 and were conducted on a tour of the facility. The Leadership Sarasota program is sponsored by the Sarasota County Chamber of Commerce to expand the leadership resources in the community on a planned, continuing basis.

The session nosted by FWSI was one of nine day-long seminars held at nine different locations during the year to provide an opportunity for the participants to take part in workshops which broaden their knowledge about the community, its economy, government, culture, education, health and social services, and political and financial power structure.

Dick Dobbyn, Data Systems Division Controller, is currently one of the 27 participants in the Leadership Sarasota program. Personnel Director Rick Greenawalt, who took part in the 1986–87 Leadership Sarasota seminars, addressed the group during their visit here. His talk dealt with the importance of manufacturing to the stability and flexibility of our economy.

CONGRATULATIONS !

CATHY WILSON (Recorders Test) and her husband Ed welcomed their new daughter on December 11. Callie Megan weighed 6 lb. 9 oz. at birth.

JEFF MILBURN (Customer Support, Lancaster, CA.) and his wife Juli are the proud parents of a baby boy, Ryan Scott. He weighed 7 lbs. when he arrived on December 10.

VEBA LIFE INSURANCE RATES ARE GOING UP

Because of an experience rate which was higher than expected, the monthly premiums for buying VEBA supplementary life insurance coverage will go up effective January 1, 1988. December is the month to decide if you wish to buy additional life insurance for yourself or your dependents. Call Alma Sanger, Ext. 5526, for details.

HAVE YOU ENTERED THE TGIF ENERGY AWARENESS CONTEST?

Drop your entry in the box by January 5.

Entry forms are beside the boxes...

and good luck to you!

30 YEARS IN SARASOTA CELEBRATION CONTINUES

Data Systems Division employees are rounding out a year-long celebration of 30 years of operations in Sarasota. Currently in preparation is a company history, telling the story of the move to Sarasota in 1957, and recognizing the contributions of the Division's employees over the years.

The company history is expected to be published early in 1988, as we enter our 31st year of progress in Sarasota. The booklet, featuring departmental photos of employees, tells about our growth from a small company known as Electro-Mechanical Research (EMR) to a multi-million dollar business called the Data Systems Division of Fairchild Weston Systems, Inc

Isabel Wetz, Dale Woodland, Mark Hanigan, Jon Wolf and Margaret Herbst are members of the History and Publications Committee. They are working on the company history as well as other 30 Years projects. Isabel, Dale and Mark organized the mini Museum now on display in the Cafeteria. Many employees contributed bits of our history in the form of early products and other memorabilia dating back to the '50's and '60's. Dale Woodland also provided glimpses of events over the years through his Remember When" column in PULSE.

Our 30 Years in Sarasota Celebration started in late December, 1986, when each employee received a special \$30 commemorative check, inaugurating the observance of 30 years of progress in Sarasota. Committees were formed and many volunteers contributed their own time and talents to a variety of events. A large parade float was designed and built and volunteers took the float to several parades in this area during 1987. There were monthly Trivia Contests, a big 30 Years in Sarasota anniversary cake in March, a Fifties Day celebration and dress-up day on June 3, plus some special "30 Years" gifts at the Company Picnic in October, and the big 30 Years Celebration Dance on November 14.

Soon to come will be the historical booklet which will be distributed to all employees to take home and share with your family and friends.

> QUESTIONS ABOUT YOUR INSURANCE CLAIM?

Call directly to our Connecticut General Medical Benefit Analyst at this NEW telephone number:

> CAROLYN DEDERICK Sherman, Texas

1-800-777-2141

NEW TELEPHONE NUMBER EFFECTIVE 12-21-87



Gathering company history -- Dale Woodland, Jon Wolf, Margaret Herbst, and Mark Hanigan. Missing from this photo is Isabel Wetz. Mark and Margaret hold an old EMR nameplate recently presented to Wyatt Bishop by a customer. The customer's EMR system had been in use for over 25 years.

TELEMETRY SOFTWARE ENGINEERING MOVING TO BRAND NEW AREA

A large area near the center of our facility has been completely refurbished and is being readied with new modular office dividers and furniture for our Telemetry Software Engineering personnel. The move is scheduled to take place during December, and Dale Roedger, Section Manager for the Telemetry Software Engineering group, hopes that everyone will be settled in the new quarters by early January.

Some 25 Software Engineering employees are participating in this move. In addition to having their own VAX terminals, employees in this area will also have access to a departmental IBM PC and MacIntosh computer for project scheduling, computer aided software engineering, etc. A conference room to accommodate meetings for ten individuals is also incorporated in the floor plan for the new area.

Our own Facilities personnel did the design and construction for this major project.

CALENDAR OF EVENTS

Jan. 12, 1988 Society Of Manufacturing Engineers (SME), Crown House Restaurant. Speaker will show electronic component insertion. Call Al Marion, Ext. 5481, for details.

APICS Florida Gulf Coast Chapter, Jan. 21, 1988 Brenton Reef Restaurant. Speaker: Dr. John Burnham, Tennessee Tech, "Human Factors in Productivity." Call Val Fordham, Ext. 5588 for details.

AN AN AN Soyto the World!