

**LORAL DATA SYSTEMS**

**SPECIAL BULLETIN**

October 7, 1993

I am writing to all employees to keep you informed of current events.

A decision has been made to consolidate Loral Instrumentation and EMR Telemetry into a new entity called Loral Test and Instrumentation (LTIS). Beginning April 1, 1994 LTIS will come into existence under the management of Jerry Stamper, the current President of LI, who will report directly to Hugh Bennett. The EMR portion of LTIS will remain in Sarasota reporting to Jerry Stamper and continue business as usual. It is the plan to keep Telemetry at both facilities in Sarasota and San Diego. I will remain the President of LDS and EMR Telemetry will be a tenant of LDS.

Bernard Schwartz, Frank Lanza, and other Loral Corporate Officers will visit LDS next Wednesday, October 13, 1993, for our mid year financial review. It has been a long time since Loral Corporate from New York has visited Sarasota and I consider this trip to be our privilege. There are no hidden agendas. LDS' management typically goes to New York once a month to brief the Corporate staff but this time they are coming here to "kick the tires" and look at the assets they own.

LDS will continue to grow all other businesses including Telecommunications. The CPS-100 development is looking very good and our plan is to ship \$1.8 Million of product this year and \$12.4 Million next year. This will rapidly grow to over \$100 Million in 4 years. Within two weeks we will propose buying the rights to a new voice logger recorder which, if approved, will be produced in LDS and become a new business which will ship over \$10 Million in the first year.

As I have said before, keep doing a good job and we will sort out the pieces of LTIS and LDS with the primary objective of growing all businesses. We will have "all hands" meetings the end of next week after the Corporate meeting at which time I hope to have more information to pass on.

*Ry Keller*