

CURRENTS

Please post or route

October 21 - 25, 2002

**The United Way
campaign has
been extended
through Oct. 25.
For details, call
Brenda Roth at
0-3011.**

UPCOMING EVENTS

October 24

Bloodmobile at B103
7:30 a.m. - 1:30 p.m.

Call 8-9191 for appointment

October 25

Builders Oyster Bowl and
Pep Rally
4:30 - 9:00 p.m.
Apprentice Field
\$5.00 admission
Call 688-4935 for details

November 4

DMV Mobile Unit at
41st and Washington Ave.
parking lot
10:00 a.m. - 4:00 p.m.

November 5-6

HRA INCOSE Systems
Engineering Boot Camp
For more information, visit
www.hra-incose.org
Registration is FREE

*Currents is a weekly
publication for
employees of*



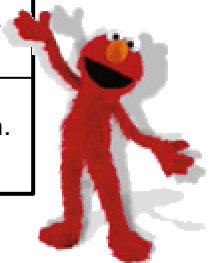
Please send information
for Currents to
Jennifer Dunn, 0-3558
Dept. O29; B520/1
dunn_jl@nns.com

☛ Employees To Receive \$2.00 Off Sesame Street Live "1-2-3...Imagine"

Employees will receive \$2.00* off Sesame Street Live "1-2-3...Imagine," which is being performed November 7 - 10 at Old Dominion University's Constant Convocation Center. The show schedule is below:



Thursday Nov. 7	Friday Nov. 8	Saturday Nov. 9	Sunday Nov. 10
7:00 p.m.*	7:00 p.m.	10:30 a.m. 2:00 p.m. 5:30 p.m.	2:00 p.m.



*Discount excludes opening night tickets which are \$10.00

Normal Pricing: \$18.50 & \$15.50

NGNN Prices: \$16.50 & \$13.50

To order tickets contact Chris Rumer at 757.683.6545 or email crumer@odu.edu

☛ Employee Named "Emergency Medical Person of the Year"

Thomas Gwaltney (O22) has been named "Emergency Medical Person of the Year" for his work on the Surry Volunteer Rescue Squad. Gwaltney attended the Guardian Awards luncheon October 18, which honored public safety professionals from the Virginia Peninsula.

☛ Steam For Facility Heating

Based on projected temperatures through the end of October and first part of November, the main Power House will begin bringing steam on line for building/facilities heating the week of November 11. Those buildings/facilities requiring steam to support work processes or hotel steam for shipboard services will continue to have steam provided as needed. Employees are reminded to conserve heat whenever and wherever possible to reduce the costs of steam. If you have special heating requirements for a building/facility, call the Facilities Service Desk at 8-9888 to establish a notification. For other energy or utility related issues, call O41 Energy, Mac MacPherson at 8-4388.

☛ Newport News Waterworks Implements Level 2 Water Restrictions

On October 18, Waterworks customers moved from a voluntary water reduction to a more stringent penalty system for water overuse. These restrictions are in addition to Governor Warner's mandatory restrictions and apply to both residential and business customers. Employees should conserve water usage at the shipyard in the following ways:

- Be observant for leaks and immediately report them to the Facilities Service Desk at 8-9888.
- Continue the ban already imposed on watering landscaped areas
- Waterfront Operations management and supervision must ensure river water is used instead of city water wherever and whenever possible.
- Identify new or additional water requirements to Mac MacPherson, O41 Energy, 8-4388.

Newport News Industry Watch Weekly

October 21 – 25, 2002

Senate approves \$355 billion for defense. The U.S. Senate voted 93-1 to approve \$355.1 billion for defense in FY '03, the biggest one-year increase since the first year of President Reagan's administration. The House last week voted 409-14 to pass the measure, which is an increase of \$37.5 billion over FY '02. The measure is the second of 13 annual spending bills to clear Congress. Its size and speed of passage underscore the urgency lawmakers attach to the wartime budget as President Bush's administration plans for potential military action against Iraq. The budget includes \$71.6 billion for procurement, with \$9 billion for shipbuilding. Overall, the budget is \$11.6 billion less than the administration requested. It does not include \$10 billion that President Bush sought as emergency funds for the war on terrorism. However, this money may be included in another bill later this year. (Source: *Bloomberg News*, 10/16/02)

Young directs changes to U.S. Navy acquisition community. U.S. Navy acquisition chief John Young has issued a memorandum directing organizational changes to his office and key program executive offices within the U.S. Navy's systems commands. Young's memorandum directed that a series of changes would take effect on November 1, including the combination of the directors of business management and acquisition reform into a single Deputy Assistant Secretary of the Navy for acquisition management. A number of changes in the program executive office (PEO) structure of the systems commands were also ordered, though none have yet been defined for the aviation community. The U.S. Navy plans to create a new, single PEO for ships, consolidating former offices for theater surface combatants, expeditionary warfare, mine and undersea warfare and strike. The new office will be responsible for the construction and life-cycle support of all classes and types of ships. (Source: *Defense Daily*, 10/16/02)

Sales and earnings at General Dynamics increase in third quarter. On the strength of its Combat Systems and Information Systems segments, General Dynamics reported a nine percent rise in sales and a 17 percent increase in net income in the third quarter. For the third quarter, net income was \$268 million, with \$1.33 earnings per share (EPS) on \$3.3 billion in sales versus net income of \$230 million, with \$1.14 EPS on \$3.02 billion in sales in the same quarter in 2001. General Dynamics also reported a \$4 billion increase in backlog from the second quarter based on increases in shipbuilding and business jet orders, helping to make "a very good quarter," said chairman and CEO Nicholas Chabraja. Total company backlog at the end of the third quarter stood at \$29.5 billion, with \$21.5 billion fully funded. In a conference call with analysts, Chabraja declined to provide guidance for 2003, but said the FY '03 Defense Appropriations Bill, which increases spending on procurement and research and development, "leaves us in good shape going forward." (Source: *Defense Daily*, 10/17/02)

Department of Justice and Northrop Grumman agree to TRW acquisition timeline. Northrop Grumman continues to anticipate a fourth quarter 2002 closing of its proposed acquisition of TRW. A 30-day waiting period related to a Second Request for Information under the Hart-Scott-Rodino Anti-Trust Improvements Act of 1976 expired on October 15. However, the Department of Justice (DoJ) continues to review the proposed transaction. Northrop Grumman has agreed with DoJ not to close the proposed acquisition without providing the DoJ with proper notice. Such notice will be given no sooner than 10 business days prior to either company's shareholder meeting. This agreement is not unusual and allows the DoJ sufficient time to conclude an orderly review of the transaction. (Source: *Bloomberg News*, 10/16/02)

Newport News Industry Watch Weekly is prepared by Strategic Planning and Integration, O32. Please send competitor information to Dave Lambert (8-9123), Tom Thornhill (8-6221) or Peter Wong (0-7521).