



ARMED FORCES

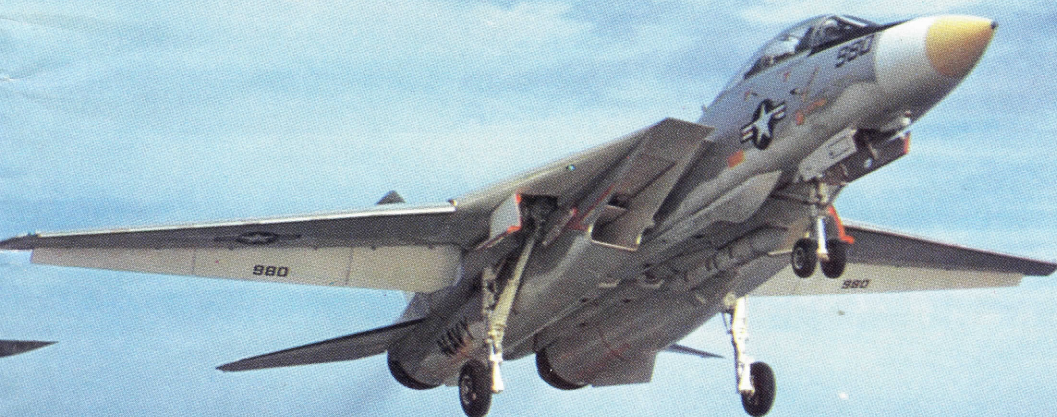
JUNE 1984

\$2.00

JOURNAL

INTERNATIONAL / Defense spokesman since 1863

What's New
in
Silicon Valley

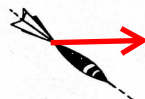


**Naval
Aviation**

Darts & Laurels



To Canadair Ltd. for starting to get its act together. The firm has been losing its shirt (it lost \$228-million in 1982 and 1983 alone), losing sales, and laying off people (25% of its employees, its president, four senior officers, and 10 of 22 vice presidents since the end of 1982). It had a negative net worth at the end of December amounting to \$1.255-billion and had to be financially restructured in March with the Canadian government liable for the firm's old debts while providing badly-needed new capital. Canadair has just hired—with the approval of the Canadian Parliament—Carl Dean Perry, the former executive vice president of Hughes Helicopters, as Canadair's executive vice president. Perry, in our view, is one of the world's best aircraft salesmen—largely responsible for keeping Hughes Helicopters alive in rough times. Years ago, after Hughes lost the US Army's OH-6 follow-on contract to Bell Helicopter's OH-5, Perry started selling the OH-6 abroad as the Hughes 500 MD, an OH-6 armed with TOW missiles as a low-cost tank-killer. His team also won the Army's Heavy Lift Helicopter and AH-64 Advanced Attack Helicopter contracts, the former cancelled later because of its low budget priority, the latter having just won the coveted Collier trophy.



To Canadair Ltd. for continuing to jeopardize its own future by mishandling the most successful and innovative program it has, the remarkable twin-engine Challenger large business jet which Canadair Inc.'s president, James B. Taylor, has made into one of today's business phenomena. Taylor is a former Navy pilot who brought the French Falcon-jet into the American market for PanAm and made it a success and then made Cessna a world-respected leader in the business aircraft and business jet field with its Citation program. He has since headed Canadair Inc., which is the US-based marketing and service arm of the Challenger program. Taylor personally sold 120 Challengers before the first plane ever rolled out—at anywhere from \$6- to \$12-million a copy. He created perhaps the most innovative and businesslike promotion program ever used to launch what had been "just a paper airplane." It was *his* reputation and integrity that made skeptical, shrewd corporate leaders buy the Challenger—which the corporate hierarchy in Montreal then mucked up by insisting on the wrong engine for it (over Taylor's strong written objections), causing, among other things: about 30 aircraft (which customers were screaming for) to sit around for months with empty engine nacelles; 22

Star Status

ARMY

	From	To
ADAMS, Robert B. Major General	Dep CG, USA Finance and Accting Ctr, Ft. Benjamin Harrison, IN	Comptroller, USA Mater Dev and Read Cmd, Alex, VA
ARNDT, Terrence L. Brigadier General	Spec Asst to Dep Comptroller of the Army, Proj Mgr for Army Financial Sys, Ft. Benjamin Harrison, IN	Dep CG, USA Finance and Accting Ctr, Ft. Benjamin Harrison, IN
BABERS, Donald M. Lieutenant General	Dep CG for Mater Read, USA Mater Dev and Read Cmd, Alex, VA	Reassigned as Dir, DLA, Cameron Station, Alex, VA
BARTLETT, Gerald T. Major General	CG, USA Read and Mobil Reg IX/Dep CG, Sixth Army, San Fran, CA	CG, 4th Inftry Div (Mech) and Ft. Carson, CO
COLE, Thomas F. Brigadier General	CG, Nat Trning Ctr and Ft. Irwin, Ft. Irwin, CA	CG, USA Read and Mobil Reg IX/Dep CG, Sixth Army, San Fran, CA
HOLMES, Arthur, Jr. Major General	Asst DCS for Log, USA, Wash, DC	CG, USA Tank-Automotive Cmd, Warren, MI
JOLEMORE, Kenneth A. Major General	Dir of Supply and Maint, Ofc of DCS for Log, USA, Wash, DC	Cmdt, Armed Forces Staff College, Norfolk, VA
KASTENMAYER, Walter W., Jr. Brigadier General	Asst CofS for Log, Allied Forces Cent Eur, Brunssum, Netherlands, APO NY	CG, 200th USA Mater Mgmt Ctr/Asst DCS, Log for Mater Read and Mod, USAEUR and Seventh Army, Germany, APO NY
LELAND, Edwin S., Jr. Brigadier General	Asst DCS for Ops, USA Forces Cmd, Ft. McPherson, GA	CG, Nat Trning Ctr and Ft. Irwin, Ft. Irwin, CA
LUCK, Gary E. Brigadier General	Dir of Force Prog, Ofc of DCS for Ops and Plans, USA, Wash, DC	Asst Div Cmdr, 101st Abn Div (Air Assault), Ft. Campbell, KY
MARINE, George E. Major General	CG, USA Read and Mobil Reg II, Ft. Dix, NJ	Dep CG, Allied Land Forces Southeastern Eur, Izmir, Turkey, APO NY
MCCALL, James F. Major General	Comptroller, USA Mater, Dev and Read Cmd, Alex, VA	Dir of the Army Budget, Ofc of the Comptroller, USA, Wash, DC
MCLEAN, William T. Brigadier General	CG, 200th USA Mater Mgmt Ctr/Asst DCS, Log for Mater Read and Mod, USAEUR and Seventh Army, Germany, APO NY	Cmdr, Def Industrial Supply Ctr, Philadelphia, PA
MORGAN, Robert D. Brigadier General	Dep CG for Procur and Read, USA Commun and Elect Cmd, Ft. Monmouth, NJ	CG, USA Commun and Elect Cmd, Ft. Monmouth, NJ
NAGEL, Joseph L. Brigadier General	CofS, V Corps, Frankfurt, Germany, APO NY	Dep CG, USA Trning Ctr and Ft. Dix, Ft. Dix, NJ
NEELY, Cecil N. Brigadier General	Dep Dir for Ops, Nat Milt Cmd Ctr, J-3, Org JCS, Wash, DC	CofS, V Corps, Frankfurt, Germany, APO NY
ODOM, William E. Major General	Asst CofS for Intel, USA, Wash, DC	Promoted to Lieutenant General
PARKER, Ellis D. Brigadier General	Asst Div Cmdr, 101st Abn Div (Air Assault), Ft. Campbell, KY	Deb CG/Asst Cmdt, USA Av Ctr and Ft. Rucker, Ft. Rucker, AL
ROBERTSON, George R. Brigadier General	CG, USA Engr Div, Mid East, Riyadh, Saudi Arabia, APO NY	CG, USA Engr Div, N Pac, Portland, OR

Darts & Laurels

in-flight engine failures (fortunately, without any fatalities); and the aircraft to miss some of its performance guarantees. (Canadair has since followed Taylor's advice and the Challenger now uses the new, more powerful engine he originally recommended.) That combination of problems and the *corporate* mismanagement which caused Canadair's financial hemorrhage has, naturally, taken some toll on other, new Challenger orders. Rather than back Jim Taylor when his sales were accounting for most of the firm's income, corporate management in Montreal decided to replace many of the key people on his hand-picked team and have left Jim Taylor twisting in the wind. As the chief executive officer of one major US corporation told *AFJ* recently about Canadair's corporate management and Jim Taylor, "I don't think those guys could carry a bowling bag for Jim Taylor in the marketing world for that kind of airplane. But they've got him just sitting there, with no one reporting to him! I don't believe there is a single potential customer in the world for a \$15-million corporate jet who doesn't know Jim Taylor, and 75% of them think very highly of him and *count* on his reputation. What Canadair's done is bad for him; it's bad for the market; it's bad for the company. They should either back him or retire him with dignity."

AFJ would like to add just one note: It's also bad for the Canadian and US governments! (The US Defense Department has an unusual memorandum of understanding with Canada that the US will buy a dollar's worth of defense equipment from Canada for every dollar it spends for such equipment from the US. Canadair *used* to be an important defense supplier to the US. The money it's costing Canada to bail out Canadair is not going to help Canada's defense budget, and its declining reputation in the aerospace marketplace isn't going to help make the offset agreement any easier to implement.)



To the US Navy—and to Admiral James D. Watkins, in particular—for speeding up the final operational test and evaluation of its Aegis anti-air missile system.

Compared with a widely-reported 33% kill rate in its initial OT&E session last year, the Aegis system knocked down 91% of its targets (10 of 11) against a heavy electronic countermeasures environment with as many as four "bogies" closing in simultaneously from all altitudes, speeds, and directions. Currently operational with the *Ticonderoga*, the Aegis system will equip all follow-on ships of this class, which would number 26 vessels by the early 1990s, according to present Navy shipbuilding plans. ■ ■ ■

SKREEN, Henry G. Major General	Cmdr, Def Industrial Supply Ctr, Philadelphia, PA	Dir of Supply and Maint, Ofc of the DCS for Log, USA, Wash, DC
SKIBBIE, Lawrence F. Major General	CG, USA Commun and Elect Cmd, Ft. Monmouth, NJ	Dep CG for Mater Read, USA Mater Dev and Read Cmd, Alex, VA, and promoted to Lieutenant General
WILLIAMS, Charles E. Brigadier General	Cmdr, 18th Engr Brigade, Germany, APO NY	Dir of Ops and Maint, Army Appropriations, Ofc of the Comptroller, USA, Wash, DC

MARINES

BLOOMER, William A. Brigadier General	Asst Wg Cmdr, 3d Mar Arcft Wg/CG, 5th Marine Amphib Brigade, FMF, MCAS, El Toro, CA	Cmdr, MC Air Bases, Western Area/CG, MCAS, El Toro, CA
UEHL, Louis H., III Brigadier General	Dir, Facilities and Services Div, I&L Dept, HQMC	CG, MC Base, Cp. Lejeune, NC
ULHAM, Donald J. Major General	CG, MC Base, Cp. Lejeune, NC	Asst CofS, J-5/J-5, US Forces, Korea
GUSTAFSON, Richard A. Brigadier General	Asst Wg Cmdr, 1st Mar Arcft SG, FMF, Pac, Okinawa, Japan	Dep Cmdr, FMF, Pac, Cp. H.M. Smith, HI
HAEBEL, Robert E. Major General	CG, III Mar Amphib Force/CG, 3d Mar Div, FMF, Pac, Okinawa, Japan	CG, MC Base, Cp. Pendleton, CA
JOY, Jim R. Brigadier General	Cmdr, Jt. Task Force, Lebanon	Dep CG, MC Recruit Depot/Dep CG, Eastern Recruiting Reg, Parris Island, SC
LEACH, George H. Brigadier General	Asst Wg Cmdr, 2d Mar Arcft Wg, FMF, Atl MCAS, Cherry Point, NC	Cmdr, MC Air Bases, Eastern Area/CG, MCAS, Cherry Point, NC
MOSS, Roy E. Major General	CG, 4th Mar Div, (Rein), FMF, USMCR, New Orleans, LA	DCS, Plans, Policy, Jt Exercises, CINCLANTFLT, Norfolk, VA
MUNDY, Carl E., Jr. Brigadier General	Dir, Persnl Proc Div, HQMC	CG, Landing Force Trning Cmd, Atl/CG, 4th Mar Amphib Brigade, NAB, Little Creek, Norfolk, VA
MURPHY, Dennis J. Major General	Asst DCS for Mnpwr/Dir, Persnl Mgt Div, HQMC	CG, 2d Mar Div, FMF, Atl, Cp. Lejeune, NC
OLMSTEAD, Stephen G. Major General	DCS for Reserve Affrs, HQMC	CG, MC Recruit Depot/CG, Eastern Recruiting Reg, Parris Island, SC
PITMAN, Charles H. Brigadier General	Asst CofS, C-5, ROK/US Comb Forces Cmd, Seoul, Korea	Asst Wg Cmdr, 3d Mar Arcft Wg, FMF, MCAS, El Toro, CA
WENT, Joseph J. Major General	Dep Cmdr, FMF, Pac, Camp H.M. Smith, HI	DCS for Reserve Affrs, HQMC

NAVY

ADAMS, John W. Commodore	Cmdr, Service Squad Two	Cmdt, Nvl District Wash
COCKFIELD, David S. Commodore	Cmdr, Nvl Base, Charleston, SC	Cmdr, Mine Wfrre Cmd
FOX, Thomas R. Commodore	Dep Dir, Strat Sub Div, OP-21B, Ofc CNO	Cmdr, Nvl Trning Ctr, Orlando, FL