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**MCDERMOTT, WILL & EMERY**

March 17, 2003

**BY HAND DELIVERY**

J. Robert Kramer, Esq.  
Chief, Litigation II Section  
Antitrust Division  
U.S. Department of Justice  
1401 H Street, N.W., Suite 3000  
Washington, D.C. 20530

Re: U.S. v. Northrop Grumman Corporation and TRW, Inc. -  
Proposed Consent Order

Dear Mr. Kramer:

Lockheed Martin Corporation ("Lockheed Martin") respectfully submits the following comments concerning the proposed Consent Order in the captioned matter. Lockheed Martin fully supports the "non-discrimination" principles set forth in Section IV.B. of the proposed Consent Order. (See Part I. infra.) However, for the reasons set forth in Part II infra., certain provisions of the proposed Consent Order need to be deleted or revised to insure that the "non-discrimination" objectives of the Order are achieved.

I. Lockheed Martin Fully Supports the Non-Discrimination  
Principles Set Forth in Section IV.B. of the Consent Order

As the Competitive Impact Statement ("CIS") reflects, Northrop Grumman is one of two leading suppliers of radar and electro-optical/infrared ("EO/IR") payloads for reconnaissance satellites. 68 Fed. Reg. 1862 (January 14, 2003). Therefore, it is essential that other prime contractors competing with Northrop Grumman to sell satellite systems to the U.S. Government have non-discriminatory access to Northrop Grumman payload capability. Otherwise, as the CIS reflects, Northrop Grumman would have the ability and incentive to foreclose prime contractor competitors "by denying them the Northrop [Grumman] payload or by making personnel, investment, design, and other payload-related decisions that disadvantage those competitors." Id. Absent non-discriminatory access to payloads, the U.S. Government would be harmed because innovation in radar and EO/TR satellite programs