

Ronald Reagan Presidential Library
Digital Library Collections

This is a PDF of a folder from our textual collections.

**Collection: President, Office of the: Presidential
Briefing Papers: Records, 1981-1989
Folder Title: 08/03/1983 (case file 163103)
Box: 33**

To see more digitized collections
visit: <https://reaganlibrary.gov/archives/digital-library>

To see all Ronald Reagan Presidential Library inventories visit:
<https://reaganlibrary.gov/document-collection>

Contact a reference archivist at: reagan.library@nara.gov

Citation Guidelines: <https://reaganlibrary.gov/citing>

National Archives Catalogue: <https://catalog.archives.gov/>

WITHDRAWAL SHEET

Ronald Reagan Library

Collection Name PRESIDENT, OFFICE OF THE: PRESIDENTIAL BRIEFING PAPERS

Withdrawer

RBW 1/7/2008

File Folder 08/03/1983 (CASEFILE 163103)

FOIA

S07-0077/01

Box Number

190

DOC NO	Doc Type	Document Description	No of Pages	Doc Date	Restrictions
1	REQUEST	FOR APPOINTMENT	1	8/1/1983	B6

Freedom of Information Act - [5 U.S.C. 552(b)]

B-1 National security classified information [(b)(1) of the FOIA]

B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]

B-3 Release would violate a Federal statute [(b)(3) of the FOIA]

B-4 Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]

B-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]

B-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]

B-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]

B-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

163/03

Page 1 of 1

ID #

163/03

WHITE HOUSE
OFFICE OF RECORDS MANAGEMENT
WORKSHEET

TR

- ☐ X-MEDIA
☐ H-INTERNAL

Name of Document: BRIEFING PAPERS
FOR PRESIDENT'S
SCHEDULED
APPOINTMENTS FOR

AUG0383

Subject Codes:

P	R	0	0	7	-	0	1
PL					-		
PR	0	0	3		-		
SO	0	0	3		-		
					-		
					-		
SC					-		
BE	0	0	3	-	0	1	
OS					-		
TR	0	0	1		-		
HU	0	1	6		-		
HU	0	1	2		-		
					-		
					-		
					-		
					-		
					-		
					-		
					-		

1) Subject: Meeting and luncheon with regional leaders of the Citizens for America to discuss of conservative issues.

2) Luncheon with the Space Commercialization Group.

3) Meeting with the International Federation of Business and Professional Women at the Sheraton-Washington Hotel

ROUTE TO:		ACTION		DISPOSITION		
Office/Agency	(Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD
RMHENL		RSZ			C	

Referral Note:

THE SCHEDULE OF
PRESIDENT RONALD REAGAN



Wednesday, August 3, 1983

9:00 am (30 min)	<u>Staff Time</u> (Baker, Meese, Deaver)	Oval Office
9:30 am (15 min)	<u>National Security Briefing</u> (Clark) <i>John Schumacher</i>	Oval Office
9:45 am (60 min)	Depart for Convention of International Federation of Business and Professional Women (See separate schedule) <u>(Henkel/Whittlesey)</u>	South Grounds
10:45 am	<u>Arrive White House</u> <i>11:00</i>	South Grounds
10:45 am (45 min)	<u>Personal Staff Time</u>	Oval Office
11:30 am (30 min)	<u>Meeting with Citizens for America</u> (Jenkins)	450 EOB
12:00 m - 12:25 (75 min)	<u>Lunch with Space Commercialization Group</u> (Fuller)	Residence
1:30 pm - 2:10 (15 min)	<u>Meeting with Ambassador Richard Stone</u> (Clark) <i>Study - Malley, WPC, INSC</i> <i>Rogio Fontaine</i> <i>Alsapina - Beach V.P.</i>	Oval Office
1:45 pm	<u>Personal Staff Time remainder of afternoon</u>	Residence
7:00 pm N	<u>Private Dinner</u> (Rosebush)	Residence

REVISED
8/3/83
7:15 am

WITHDRAWAL SHEET

Ronald Reagan Library

Collection Name

PRESIDENT, OFFICE OF THE: PRESIDENTIAL BRIEFING
PAPERS

Withdrawer

RB 1/7/2008
W

File Folder

08/03/1983 (CASEFILE 163103)

FOIA

S07-0077/01

Box Number

190

DOC Document Type

NO Document Description

No of
pages

Doc Date

Restric-
tions

1 REQUEST

1 8/1/1983 B6

FOR APPOINTMENT

Freedom of Information Act - [5 U.S.C. 552(b)]

B-1 National security classified information [(b)(1) of the FOIA]

B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]

B-3 Release would violate a Federal statute [(b)(3) of the FOIA]

B-4 Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]

B-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]

B-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]

B-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]

B-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

THE SCHEDULE OF
PRESIDENT RONALD REAGAN

The President has seen _____



Wednesday, August 3, 1983



9:00 am (30 min)	<u>Staff Time</u> (Baker, Meese, Deaver)	Oval Office
9:30 am (15 min)	<u>National Security Briefing</u> (Clark)	Oval Office
9:45 am (60 min)	<u>Depart for Convention of International Federation of Business and Professional Women (See separate schedule)</u> (Henkel/Whittlesey)	South Grounds
10:45 am	<u>Arrive White House</u>	South Grounds
10:45 am (45 min)	<u>Personal Staff Time</u>	Oval Office
11:30 am (30 min)	<u>Meeting with Citizens for America</u> (Jenkins)	450 EOB
12:00 m (75 min)	<u>Lunch with Space Commercialization Group</u> (Fuller)	Residence
1:30 pm (15 min)	<u>Meeting with Ambassador Richard Stone</u> (Clark)	Oval Office
1:45 pm	<u>Personal Staff Time remainder of afternoon</u>	Residence
7:00 pm	N <u>Private Dinner</u> (Rosebush)	Residence

Historical File

REVISED
8/3/83
7:15 am

THE SCHEDULE OF
PRESIDENT RONALD REAGAN



Wednesday, August 3, 1983

9:00 am (30 min)	<u>Staff Time</u> (Baker, Meese, Deaver)	Oval Office
9:30 am (15 min)	<u>National Security Briefing</u> (Clark)	Oval Office
9:45 am (60 min)	<u>Depart for Convention of International Federation of Business and Professional Women (See separate schedule)</u> (Henkel/Whittlesey)	South Grounds
10:45 am	<u>Arrive White House</u>	South Grounds
10:45 am (45 min)	<u>Personal Staff Time</u>	Oval Office
11:30 am (30 min)	<u>Meeting with Citizens for America</u> (Jenkins)	450 EOB
12:00 m (75 min)	<u>Lunch with Space Commercialization Group</u> (Fuller)	Residence
1:30 pm (15 min)	<u>Meeting with Ambassador Richard Stone</u> (Clark)	Oval Office
1:45 pm	<u>Personal Staff Time remainder of afternoon</u>	Residence
7:00 pm N	<u>Private Dinner</u> (Rosebush)	Residence

REVISED
8/3/83
7:15 am

THE WHITE HOUSE

WASHINGTON

MEETING WITH CITIZENS FOR AMERICA

DATE: August 3, 1983

LOCATION: Room 450 OEEOB

TIME: 11:30 a.m.

FROM: EDWIN MEESE III *for*
Jim Lehrman

I. PURPOSE

To greet and answer questions of newly recruited regional leaders of Citizens for America who have been brought to the White House for a day of briefing and discussion of conservative issues.

II. BACKGROUND

These first volunteers will be trying to produce a bi-partisan grass roots organization designed to promote support for Conservative causes at the Congressional district level through local media, local opinion molders, and individual Congressmen.

The President has met twice with Jack Hume and once with Lew Lehrman to encourage formation of this group, and to offer them his support.

III. PARTICIPANTS

Lew Lehrman, Chairman, Citizens for America, plus 60-75 volunteers.

IV. PRESS PLAN

White House photographer only.

V. SEQUENCE OF EVENTS

11:30 a.m. The President will arrive at the East backstage door of room 450, with Ed Meese.

Ed Meese and the President will go on stage, shaking hands with Lew Lehrman, Chairman of Citizens for America. The President will then go directly to the podium to greet the audience and make appropriate remarks/Q&A as per attached.

11:50 a.m. Upon completion of remarks/Q&A, Ed Meese and Lew Lehrman will escort the President to point near the West door so that guests can file by for handshake and photo as they leave.

Following photos, President and Ed Meese will depart via East door of Room 450 for east EOB elevators and proceed to State Dining Room for lunch.

Guests will already be en route luncheon via the west elevators/stairways.

PROPOSED REMARKS FOR MEETING WITH CITIZENS FOR AMERICA

Good morning, ladies and gentlemen. Welcome to Washington and to your White House.

I am so pleased that you have agreed to join Lew Lehrman and his crew in undertaking this ambitious, bi-partisan effort to take the conservative message out into grass roots America. It is high time.

That message is too serious, and far too urgent to be left to the mass media for conveyance, or to the liberal interpretation of the majority of the individual members of Congress.

The people of America must be told, and the Congress made to understand, that conservatism is alive, well, and is the wave of the future.

That is why this effort is conceived as, and must remain, purely non-partisan. By-passing the media and directly informing the people and their legislators at the grass roots level is a formidable challenge. But your strength and talent, combined with Lew Lehrman's leadership, will go a long way toward making an important difference in the way society views its responsibilities, and how it responds to its future challenges.

Now, I'm sure this morning's briefings, and this afternoon's schedule, have suggested some questions you might like to ask. Who will be first?

(Ed Meese will signal the end of the session by announcing either "One more question," or "That is all we have time for.")

Depart, saying "Thanks again for your help. Good luck, God bless."

(Proceed to East door for handshake/photo with each volunteer.)

ADDITIONAL TALKING POINTS FOR MEETING WITH
CITIZENS FOR AMERICA

(To be used if Q&A is deemed to be inappropriate)

-- You have my heartfelt thanks for all you've been doing for us, and more importantly, for America.

-- In less than three years, we've begun to turn our country around. Yes, we're still wrestling with enormous problems. But I'm firmly convinced America is stronger and our freedom more secure today than it was.

-- We have an economic program designed to put people back to work and keep inflation and interest rates low: it's called economic recovery.

-- Since last December the number of people with jobs increased 1.1 million.

-- Economic growth in the second quarter surged to 8.7 percent.

-- When we arrived, inflation was in double-digits. We've knocked it down to 2.6 for the last year, and 2.9 percent for the last six months.

-- The prime rate was 21 1/2 percent. Today it's down to 10 1/2.

-- Tax rates have been cut, productivity is growing, and America is leading the way to a worldwide recovery.

-- We're taking long-overdue steps to keep Social Security sound, reduce crime and improve education.

-- And America no longer speaks with an uncertain voice overseas. We're providing leadership to defend the freedom of the West and preserve the peace.

-- Thanks to bipartisan support, the M-X Peacekeeper program is moving forward.

-- This will give us the leverage we need to pursue real, mutual and verifiable, strategic arms reductions.

-- America still faces a mountain of obstacles. But for the first time in a long time, we're making real headway toward stronger growth, more opportunity, stable prices and safety and security for our families.

REVISED
August 3, 1983

SEQUENCE OF EVENTS: Space Commercialization Group Luncheon
DATE: Wednesday, August 3, 1983
LOCATION: State Dining Room, Old Family Dining Room
TIME: 11:30 a.m.
FROM: Gahl Hodges *gh*

11:15 a.m. Guests begin to arrive the South-west Gate, Diplomatic Reception Room, and are led up the Back Staircase to the State Dining Room for refreshments.

12:00 Noon THE PRESIDENT arrives the State Floor via the elevator and proceeds to the State Dining Room via the Old Family Dining Room to take his place in front of the Lincoln portrait.

The receiving line begins, with guests proceeding passed THE PRESIDENT and into the Old Family Dining Room.

Following the receiving line, THE PRESIDENT proceeds into the Old Family Dining Room.

Luncheon is served.

1:15 p.m. THE PRESIDENT departs the Old Family Dining Room en route the elevator.

All guests may depart.

THE WHITE HOUSE

WASHINGTON

August 2, 1983

BRIEFING PAPER FOR THE PRESIDENT

MEETING ON SPACE COMMERCIALIZATION

DATE: AUGUST 3, 1983

TIME: 12 NOON

LOCATION: OLD FAMILY DINING ROOM

FROM: CRAIG L. FULLER



I. PURPOSE

This working luncheon will allow you an opportunity to review space commercialization opportunities with a select group of industry representatives.

II. BACKGROUND

The Senior Interagency Group on Space (SIG-Space) has been developing a national space strategy which will be presented to you in the near future. As part of this effort, several of us have been exploring with private industry their interest in commercial space enterprises.

As you know, each flight of the space shuttle has carried both scientific and commercial packages into space. The success of the shuttle and the interest in new commercial space activities suggests that the Federal government must carefully consider policy options that will affect the nature, scope and direction of U.S. commercial space activity.

This working lunch has been designed to familiarize you with space policy issues with which the Administration must deal if we are going to successfully engage in commercial space activity.

The group you will meet with at lunch will have been meeting during the morning with senior administration officials. I will participate in the morning session and summarize the topics covered.

Attached to this briefing paper (or provided separately) is a listing of commercial space activities in which the participants in the working lunch are currently engaged.

It is an impressive listing of activities that are already underway; however, these activities are raising numerous policy issues.

Commercial Space Policy Issue areas in which we are focusing include:

- o Reducing institutional risks: need to establish consistent space commercialization policy; need for reduced regulatory burden.
- o Reducing technical risks: enhancing space facilities; increasing availability of technical information and expertise; performing basic research in areas with commercialization potential.
- o Reducing financial risks: lessening high front-end costs of doing business in space; considering capping insurance risks; reducing antitrust barriers; enhancing protection of patent and other intellectual property rights for space ventures.
- o Creating incentives for space commercialization: guarantee a portion of the market by flying government payloads on industry financed portions of the space infrastructure (space platforms, shuttle orbiters, etc.); reduce shuttle payload costs/pricing.

III. PARTICIPANTS

Mr. John F. Yardley
President, McDonnell Douglas Astronautics
St. Louis, Missouri

Mr. Maxime A. Faget
President, Space Industries, Inc.
Houston, Texas

Mr. Robert A. Hanson
Chairman and Chief Executive Officer
Deere & Company
Moline, Illinois

Mr. Frederick W. Smith
Chairman and Chief Executive Officer
Federal Express Corporation
Memphis, Tennessee

Mr. George Jeffs
President of North American
Space Operations, Rockwell International
El Segundo, California

Mr. George Skurla
Chairman and President
Grumman Aerospace Corporation
Bethpage, New York

Mr. David Thompson
President, Orbital Systems Corporation
Vienna, Virginia

Mr. David Hannah
President, Space Services Incorporated
Houston, Texas

Mr. Oliver C. Boileau
President, General Dynamics Corporation
St. Louis, Missouri

Dr. Klaus P. Heiss
New York, New York

Mr. John Latshaw
Executive Vice President
and Managing Director
E.F. Hutton & Company, Inc.
Kansas City, Missouri

Dr. John W. Townsend, Jr.
President
Fairchild Space Company
Germantown, Maryland

The Honorable James M. Beggs
Administrator
National Aeronautics and Space Administration

The Honorable Clarence J. Brown
Deputy Secretary-designate
Department of Commerce

Mr. Llewellyn Evans
Assistant to the Associate Deputy Administrator
National Aeronautics and Space Administration

Edwin Meese III
Richard G. Darman
Craig L. Fuller
Joseph R. Wright
George K. Keyworth, II
Gilbert D. Rye

IV. PRESS PLAN

White House photographer only. Individual photographs will be taken at the conclusion of the luncheon.

V. SEQUENCE

The guests will be in the Residence. Once you arrive the meeting will begin. I will review the areas covered in the morning discussion. You may wish to begin by indicating your interest in expanding commercial activity in space. You could refer to your last working lunch on space with Bob Crippen, Sally Ride and the crew of the space shuttle. Indicate that you know the group has been meeting and are ready to listen and ask questions.

E. F. HUTTON (EFH)

EFH Commercial Space Activities

EFH is at present educating itself about the opportunities and risks involved in the commercialization of space products, processes, and services. Many of the technologies are unfamiliar to them. On the other hand, the same could be said about such areas as micro-electronics and biotechnology not so long ago. EFH hopes that the commercialization process will lead to its next "growth" industry producing jobs and economic well-being for America and profits for the space investors.

Issues of Concern to EFH

1. Consistently stated government policies favoring commercialization. Issues such as which are proper government functions and which are properly private sector functions should be delineated. Pricing policies regarding what portion of past R&D expenditures will be recovered, if any, help business estimate the level of investment committed to space ventures. Policies which ensure a constantly growing government commitment to the economic development of the space frontier would certainly be an improvement over the year to year uncertainties over what will be funded and who will be in charge in the government.
2. Proper Space Infrastructure -- procedures and institutions as well as facilities are necessary for the commercialization of space activities. Consistent and reliable procedures decrease the delays in initiating ventures which usually have long payback periods. Facilities such as the space station are key in building a transportation network in space. All transportation systems need nodes (unmanned platforms) and hubs (space station) which can aggregate and route traffic. They will be necessary to make the economics of space operation favorable.
3. Incentives -- the primary incentive for commercialization is the ability to make a significant profit. Government must understand this and allow companies to earn returns commensurate with the risks just as government policies offered incentives to induce the settlement of the West in the 1800's (Morrill Act, Railroad Right of Ways). Incentives may assist in opening the commercial frontier in space. Tax credits, liberal depreciation allowances, low cost capital, risk sharing, exclusivity may all be appropriate if consistent with policy objectives. Once again the need for clear policies is apparent.

FAIRCHILD SPACE COMPANY (FSC)

Commercial Space Activities

FSC's plans for commercial activity include the development of unmanned, low-Earth orbit space platforms to provide facilities, utilities, space, power, communication, and attitude/altitude for commercial processing in space. FSC plans to build two such platforms, one in 1987, and a second in 1988, requiring an investment of roughly \$300M on FSC's part.

Policy Issues of Concern to FSC

1. The identification of a market that will guarantee a revenue stream for amortizing private sector nonrecurring investments.
2. A statement that it is government policy to encourage industrial activity in space and commercialize as rapidly as possible those government operations required to support this industrial activity. Of course, it must be consistent with the ability of the operation to sustain itself commercially and satisfy the needs of the government.
3. A national policy to move the NASA Space Transportation System towards becoming a common carrier to and from space as rapidly as possible.
4. Clarification of the tax, regulatory, and legal status of commercial space ventures to assure treatment similar to land-based commercial operations.
5. The development of an insurance pool of scope and size sufficient to handle the considerable risks of space activities.
6. Government procurement policies to give special consideration for procurement of required goods and services from commercial space ventures.
7. Establish a period of exclusivity for high risk, high-cost and high-benefit ventures.

FEDERAL EXPRESS (FEDEX)

Commercial Space Activities

Federal Express is committed to building a major satellite-based network which permits virtually instantaneous transmission and receipt of business documents and as necessary, their subsequent physical delivery.

Policy Issues of Concern to FEDEX

1. To accomplish instantaneous business document transmission, large space structures using high frequencies must be used. Since these technologies have not to date been used in the civil sector, simplifying the use of the nation's STS and streamlining regulatory processes are of extreme importance to FEDEX. The current six year process of getting a payload launched on STS, the cumbersome FCC filing procedures, potentially restrictive state department ITARS, and many others do not serve to facilitate private sector space endeavors.
2. Procedures must be established to facilitate the private sector access to government data. Under the cloak of national security, the DOD/Intelligence Network have put an unrealistic lid on releasing some space technologies. A reexamination of the classification of space-related data, as well as the development of a data clearing house that could be readily accessed by the private sector, are some considerations that might be considered.
3. The investment required for commercial space activities is substantial, and the time required to generate a revenue stream is lengthy. The U.S. government should create the mechanism of financial enducements to stimulate private sector investment in commercial space activities. Tax incentives such as R&D tax credits for private sector investment and revenue tax shelters on initial return on investment should be considered. Insurance burdens could be reduced by government augmented insurance pools and liability caps. Predictable government market guarantees for commercial space products, if in the best interest of the U.S. Government, would greatly facilitate private sector financing of their commercial space efforts.

GRUMMAN AEROSPACE (GA)

Commercial Space Activities

GA has participated in our Nation's space program for over two decades. GA built the highly successful Orbiting Astronomical Observatory, the Lunar Module for Project Apollo, and is currently supplying the wings for the Shuttle. GA is presently considering manufacturing material in space by a process called directional solidification, which can produce extremely perfect crystals for semiconductors and ultra high-strength magnets.

In addition, GA undertook a space commercialization study, the objective of which was to establish contact with selected non-aerospace companies and provide them with an understanding of the potential commercial benefits of space. As GA explained to each company, its goal was to help stimulate and develop commercial users of the Space Shuttle with possible long-term projections directed toward use of the Space Station. The results to date have been fruitful: of the ten major companies visited so far, four have suggested interest in performing material experiments in space.

GA Recommendations for Encouraging Space Commercialization

1. Development of experimental data base:

First, NASA should continue and expand its analytical program for developing a fundamental understanding of how materials act in the near weightlessness of Earth orbit.

Second, standard procedures must be clearly established in the space technology sector for handling private commercial data.

2. Government responsiveness to private industry needs:

Timeliness is vital to commercial concerns as they try to develop their product in a competitive market place. NASA must be able to respond rapidly to the needs of the commercial developer or else it will be viewed as a poor and impractical partner. Some of the elements which contribute to a responsive posture are: (1) focused NASA support; (2) protection of proprietary needs; (3) ready access to Shuttle flights when developing a product, and (4) confidence that future production possibilities can be accomplished in space.

3. Reduced cost for participation:

This consideration is crucial to the smaller companies and important as well to the larger companies who are always presented with more ways to spend their technology funds than they can possibly afford. "Cost of participation" can be reduced by (1) free Shuttle flights in the early stages of technology development, (2) NASA assistance with experimental Shuttle integration, (3) tax incentives, and (4) development of a space production base.

Some actions speak more eloquently than others. A decision by this Administration to move toward definition of the manned Space Station would send a powerful message to the industrial community that commercial activity could be undertaken in the future on a major scale.

While the Shuttle has considerable utility as a transportation truck, it is very costly and limited in its capability to function as a work station on-orbit. If U.S. scientists and industrialists knew that in the future there would be a manned space facility for commercial operations, they would be much more likely to undertake experimental development work using today's Shuttle.

4. Broadened exposure of opportunities:

There are a lot of creative minds and organizations in the non-aerospace field which have not yet realized the opportunities for themselves in space commercialization. Heightening their awareness is an important element of the program to expand private sector commercial space ventures.

GENERAL DYNAMICS (GD)

Commercial Space Activities

GD submitted a request to NASA to continue manufacturing and launching the current Atlas/Centaur system and its derivatives on a commercial basis. The current NASA production contract will be completed in 1985. GD proposed that the transfer of launch operations occur in July 1986. In order to make a cost effective transition to this commercial activity, GD must begin ordering parts from vendors in 1983.

Policy Issues of Concern to GD

1. Establish and implement a national goal to achieve an initial Space Station Capability. The development of the Space Station and achieving the goal of permanent occupancy in space would benefit and perhaps be expedited by the successful transitioning of various activities from Government operation to the private sector. Allowing the private sector to commercially operate the more routine operations of space would allow NASA resources to be directed toward the United States continuing its penetration of the frontier of exploring space.
2. The U.S. policies and agreements relative to International Launch Vehicles technology transfer, foreign cooperative programs on space transportation systems and similar activities have been incrementally implemented in the past and should now be reassessed on a collective basis in the light of the ever-increasing competition from Europe and Japan.
3. The President's approval of a new Space Policy encouraging private sector entry into the expendable launch vehicle (ELV) business is considered encouraging. However, GD believes that maintaining the current Space Shuttle pricing policy through FY 1988 bears on the ability of the private sector to immediately compete for the overflow market with the Ariane.
4. Since many of today's U.S. ELV's are in the process of closing down production, the prompt implementation of the President's Space Policy on commercializing this sector is very important.

MCDONNELL DOUGLAS ASTRONAUTICS COMPANY (MDAC)

Commercial Space Activities

In 1976, MDAC took the initiative in space commercialization by moving into private launch system development. To meet the constantly evolving needs of space communication systems, the Payload Assist Module (PAM) was privately developed by MDAC as the world's first commercial space launch vehicle. The PAM provides the boost to communications satellite which makes the Shuttle a viable commercial satellite launch system.

A second MDAC venture is a project of an entirely different nature. In recent years, scientists have determined that cures or improved treatments for a number of diseases might be possible using certain naturally occurring cells, hormones, or proteins. Although these materials are obtainable on Earth, the processes used are so limited that only research quantities are available. In the weightlessness of space, however, it may be possible to obtain them in quantities and purities needed to effectively treat diseases.

For the past six years, MDAC, in partnership with Johnson & Johnson, have been working on a project that could lead to dramatic breakthroughs in the treatment of a number of diseases including diabetes, emphysema, dwarfism, thrombosis, and viral infection. At the heart of this project, called Electrophoresis Operations in Space (EOS), is a device that will be used in space to obtain certain proteins and cells by separating them from other biological materials.

The results from Shuttle tests are dramatic. In the weightless environment of space, the device separated over 700 times more material than it can on Earth, and it achieved purity levels more than four times greater.

MDAC foresees a production plant in an Earth-orbiting facility by the late 1980's. Like all space-based manufacturing plants, this facility would depend on Shuttle crews to deliver raw materials and to collect the separated products for return to Earth.

Policy Issues of Concern to MDAC

1. New space businesses require the entrepreneur to take great risks in unproven technology, unknown markets, etc. In addition, he is totally at the mercy of the government for his access to and from space. (Note that space processing must use the Shuttle to retrieve the products -- expendable launch vehicles are not practical.)
2. Current national policy provides for only that Shuttle capacity which the Federal Government needs, permitting commercial ventures to use any excess space that results. DOD has been given clear priority to preempt any or all flights.
3. The future cost of Shuttle services to the businessman are of substantial concern. Most serious new commercial space projects will require 8 to 12 years to yield favorable financial results, and thus require a reasonable knowledge of Shuttle costs for a decade into the future. Current policy provides only 3 years, and the price was nearly doubled from the first 3 years to the second 3 years.

MDAC Recommendations for Encouraging Commercial Space Ventures

1. The Administration and the Congress should jointly announce their long-term support of space commercialization because of its potential economic and social benefits.
2. Forward Shuttle pricing guarantees to entrepreneurs should be negotiated to eliminate this gross uncertainty.
3. The government should follow through with long-term commitments of its own (Fifth orbiter, Space Station). to provide needed capacity and facilities as well as to give the business community the confidence that the policy pronouncements are not just words that will be forgotten by later Administrations and Congresses.
4. The policy should direct NASA to develop a program to encourage space investments which would include:
 - (a) offering R&D flight time free, together with patent and proprietary protection for worthwhile commercial projects.
 - (b) spearheading communications between product industries and aerospace industries to develop practical new programs.
 - (c) making greater investments in basic research and technology that could have space commercialization potential.
5. The policy should direct other government departments to review their policies and adjust them appropriately to support space commercialization (e.g., tax incentives, depreciation schedules, etc.)

ORBITAL SYSTEMS CORPORATION (OSC)

OSC Commercial Space Activities

OSC is building a solid propellant upper stage (Transfer Orbit Stage - TOS) to enable spacecraft launched from the low-Earth orbit of the Shuttle and weighing 6,000 to 13,000 pounds, to obtain geosynchronous orbit.

OSC's Recommendations to Encourage Commercial Space Ventures

1. It is well recognized that industrial nations are in the midst of a major transition from economies based on outdated basic industries to a economy based on high-growth, new industries. In many countries this changeover is actively encouraged by government programs designed to position their commercial firms in a commanding market position in these new technologies. The U.S. must formulate a response to these farsighted foreign policies. If U.S. firms are to invest in long-term, high-risk projects in space, the U.S. must be prepared to offset advantages enjoyed by the competing, state-backed, foreign industry. How this affect is accomplished poses a test for the free enterprise system. The outcome of this challenge will determine whether the future international market is characterized by American satellites flying on the Shuttle or Japanese satellites flying on French rockets.
2. Establish the necessary infrastructure for commercial space ventures:

The level of space infrastructure has increased dramatically in the past few years largely as a result of the operational STS. But the hardware, institutional relationships, and procedures necessary to support self-sustaining commercialization ventures still lack careful articulation. The infrastructure of a healthy commercial space sector would be composed of technical, financial, and institutional components. The Federal Government can and should take concrete steps to bolster the supporting infrastructure of commercial space enterprise in each of these areas. Some examples of what the Government should do include the following:

Institutional Risk

- (a) Philosophical support -- The benefit of top-level expressions of support for commercial space ventures should not be underrated.
- (b) High-level access and encouragement -- Personal involvement and interest in commercial space projects at the Administrator and Associate Administrator levels of NASA has facilitated progress in this field to date.
- (c) Commercial protocol development at NASA -- NASA should continue to be the principal agency to handle commercial space projects. NASA should further define, then publicize, a standard sequence of reviews and progress milestones (MOU's, JEA's, etc.) so that NASA and industry participants can both understand the steps to take in defining cooperative programs.

(d) Special rights -- Current patent and data right provisions may not adequately protect the entrepreneur willing to be the first investor in a space venture due to the substantial time required before returns are achieved.

Technological Risk

(a) Access to government information and technology -- The government should take a more pro-active approach to disseminate otherwise unexploited technology and should declassify government technology not critical for national defense.

(b) Create a visible list of candidate projects -- NASA should publicize commercial possibilities to the business press and financial community.

(c) Simplify Shuttle integration process -- The administration should promote NASA based R&D to achieve a simpler, less time-consuming, and less expensive STS integration process. The payload integration process should be made far more user-friendly.

(d) Development of a permanent space station -- Scientific experimenters depend upon the Space Shuttle for transportation and as an operational base. The technological risk and cost of space-based research could be reduced significantly if a space platform were in place that could serve as an operational station for a variety of commercial ventures. Continuity of research and elimination of the need to repeatedly relaunch experimental apparatus would increase the effectiveness and efficiency of space-based research.

Financial Risk

(a) Pricing of government facilities and services -- Policies which establish long-range formulas for pricing government facilities and services will reduce financial uncertainty and risk. Stimulative pricing at an early stage of new commercial space activity will help develop the whole market.

(b) Government markets for commercial space products and services -- In certain circumstances, government procurement of space-produced products or space-related services may reduce market and financial risk to acceptable levels.

(c) Legislated cap on financial liability -- NASA should be encouraged to actively utilize the authority granted by provisions of the Space Act to reduce the risk faced by commercial ventures.

(d) Other support -- Short-term tax benefits, government guaranteed loans, and other incentives would stimulate the industry, and should be closely studied. Such support, however, would be detrimental to the industry, and should not be employed, if accompanied by other government limitations such as price or profit ceilings.

ROCKWELL INTERNATIONAL (RI)

Commercial Space Activities

RI is the prime contractor responsible for building the orbiter. Its commercial activities focus on stimulating commercial use of the Space Shuttle by providing Space Shuttle cargo integration expertise to commercial users and continuing efforts to provide low cost, reliable space support services to commercial customers.

Policy Issues of Concern to RI

1. Consistent Government policy is necessary to encourage emerging industries.
2. If commercialization is to be encouraged, industry must be assured there is a fleet size that is large enough to meet the potential commercial space venture demand.
3. Selection criteria for supporting potential commercial space ventures should be developed carefully to assure that financially self-sustaining commercial space ventures occur.

SPACE SERVICES, INC. OF AMERICA (SSI)

Commercial Space Activities

SSI is a private, investor-owned space development company founded in 1981 to discover and develop space applications with significant commercial potential. In 1982, SSI became the first U.S. company to successfully launch a rocket into outer space. The Conestoga I mission both established SSI's ability to finance, license, and conduct a launch, and paved the way for the development of Conestoga II -- an operational, commercial, low-cost expendable launch vehicle capable of placing 500 to 2,000 pound payloads into low-Earth orbit. SSI's current programs include the Conestoga II launch vehicle, management of Space America (a joint venture to develop and operate commercial land remote sensing satellites), and evaluation and development of other space applications with commercial potential, such as navigation/positioning systems, and data collection services.

Policy Issues of Concern to SSI

1. The need to streamline the regulatory approvals process for commercial space ventures. The current procedure for licensing private sector launches from private launch sites is an expensive, cumbersome, and time-consuming process that requires formal approvals from the Federal Aviation Administration, the Federal Communications Commission, and the Department of State. Informal approvals by NASA, NORAD, and other Department of Defense components also appear to be required. The paths that private companies will have to follow to obtain regulatory approval for remote sensing, navigation/positioning, and data collection satellites are less well-defined. In all cases, the FCC has not yet developed guidelines for allocating frequencies to companies for these purposes.
2. The need to eliminate governmental competition with private sector space applications wherever possible (particularly when the governmental competition is subsidized by taxpayer dollars). Governmental competition with private sector space ventures constitutes a significant barrier to rapid expansion of the industry. In each market area examined, the U.S. government is operating or planning a system that competes with SSI. The Space Shuttle, LANDSAT, NAVSTAR, and the proposed NASA/Canadian MOBILSAT program all present substantial competition to SSI in space transportation, remote sensing, navigation/positioning, and data collection. Furthermore, these governmental systems are free to set prices that are independent of both true costs and the constraints of producing returns for investors. As a consequence, U.S. firms frequently are prevented from serving a market need because they cannot compete with taxpayer-subsidized governmental systems.

SPACE INDUSTRIES, INC. (SII)

SII Commercial Space Activities

SII is a private, technically based corporation formed to develop and lease facilities to support space commercial ventures that are economically viable and practical with current technology. SII plans to develop space processing facilities designed to be deployed by the Shuttle into a 500 kilometer low-inclination orbit. The facility will have elementary communications, command and control capabilities along with the selected materials processing equipment.

Policy Recommendations and Concerns

1. Private sector space endeavors should be encouraged by the Government.
2. Institutional Risks -- The Administration should generate a commercial space policy that (a) is fair, (b) provides encouragement and some protection to new commercial ventures while holding open the door for subsequent competition, (c) creates an organization within the government dedicated to helping proposed new ventures to become aware of existing and new supports that would be available, and (d) helps guide such ventures through the various regulatory agencies that exercise either review or approval procedures.
3. Technical risks -- Establish the means for an active interchange between commercial ventures and government research labs which would make much R&D available to the commercial world that they might not now know exists.
4. The acquisition of a fifth orbiter would greatly alleviate the concern over the loss of one orbiter. It may not be prudent to leave a crew aboard a space station supported by a fleet of only three orbiters.
5. Financial risks -- Financial risks might be reduced if the government could provide transportation during the early phases at reduced cost. It would also be encouraging if costs for transportation throughout the venture could be firmly identified. In SII's particular case, it is likely that the government could benefit from the use of its facilities. Early agreement on such uses, if they prove feasible, could be included as a means to defray transportation costs. Other support such as capping the insurance exposure and guaranteeing loans would also prove encouraging. Direct government subsidies and exclusivity agreements may in the end be more harmful than helpful. Guarantees of a portion of the market may also be dangerous unless the government itself represents a significant part of the market. The use of government facilities, particularly research facilities, on a reasonable basis should certainly be justifiable. Similarly, access to government information and technology expertise would be a great help.

THE WHITE HOUSE

WASHINGTON

August 3, 1983

MEETING WITH THE INTERNATIONAL FEDERATION OF BUSINESS
AND PROFESSIONAL WOMEN

DATE: August 3, 1983
LOCATION: Sheraton-Washington Hotel
TIME: 10:00 am

FROM: Faith Ryan Whittlesey *FRW/mmm*

I. PURPOSE

To demonstrate this Administration's commitment to the "... elimination of inequality in our country." (President's letter to the National Federation of Business & Professional Women July 19, 1983) Also to reinforce the awareness of this Administration of the importance of women in national and world economies.

II. BACKGROUND

International Federation of Business and Professional Women has over 250,000 members representing 65 countries. 160,000 members represent 50 states and every United States territory.

Resolution offered from floor of National Convention of Federation of Business and Professional Women's Clubs, Inc. requested personal meeting between President Reagan and the National Federation's President to urge the President to reconsider his opposition to the Equal Rights Amendment.

National Federation is host federation for the International Convention July 31 thru August 5. National Federation arranged for a White House Tour for approximately 1500 delegates on August 2 through the Tour Office.

The tour was cancelled without notice to the host National Federation.

III. PARTICIPANTS

Maxine R. Hays, President, International Federation of Business and Professional Women

Polly Madenwald, President, National Federation of Business and Professional Women's Club Inc. of the U.S.A.

III. PARTICIPANTS (cont.)

1500 women representing business, the professions and civil service.

IV. PRESS PLAN

Full press

V. SEQUENCE OF EVENTS

Prepared by Advance Office.

VI. TALKING POINTS

Prepared by Speech Writers.