

# Horizons

A magazine for the employees and friends of Rockwell Collins, Inc. > Volume 12 Issue 1 > 2007



Page 3 > **Getting healthy while you work**

Page 6 > **Investing in your future**

Page 12 > **Finding the right people;  
finding the right fit**

**A look *ahead*  
at FY'07**

Page 8 >

**Rockwell  
Collins**

# New wellness initiative a **win-win**

**O**ur people represent a wide variety of backgrounds and experiences. And, although we are all different, my guess is that everyone likes to be healthy. After all, being as healthy as possible will help each of us to be more active and productive — at home and at work.



With that in mind — and as I mentioned in my recent Business Update meetings at locations across our company — Rockwell Collins will introduce a new wellness initiative this year within our Flexible Benefit Choices program to complement our existing medical plans. This program will offer you and your spouse an opportunity to assess your current health status through a confidential personal health assessment. The results and recommendations will allow you to maintain or improve your health by accessing a range of information and resources.

These resources are meant to help you “know your numbers,” and ultimately offer programs designed to promote healthy choices, such as losing weight and lowering cholesterol or blood pressure.

Sometimes, though, we need some motivation to get moving in the right direction. In this issue of *Horizons*, Neil Durette, an employee in our Melbourne, Fla., facility, shares how a New Year’s resolution to lose weight motivated his participation in an on-site weight loss program.

Support is an important aspect of achieving a health goal. By interacting with co-workers, family and

friends, you can receive encouragement when you need it, and also feel more accountable for your goals.

Our wellness program also offers options, so you can tailor your health improvement goals to fit you and your lifestyle.

Promoting good health also benefits our company, since healthier employees have lower health care costs, which helps us continue to offer affordable, quality health care programs.

I encourage you and your family to get involved in this program. Making positive changes today will help you manage risk factors, and help to prevent many health care costs from being incurred — a win-win for both you and our company.

**Rockwell  
Collins**

Building trust every day

A handwritten signature in black ink that reads "Clay".

Clay Jones  
Chairman, President and CEO



## 3 > Getting healthy while you work

Meet one Rockwell Collins employee in Melbourne, Fla., who took advantage of an on-site weight loss program to improve his lifestyle.

## 6 > Investing in your future

Learn how two Rockwell Collins employees are taking responsibility for their future via our company's savings plan.



## 8 > A look ahead at FY'07

It's been a year of remarkable earnings, recovering markets, and key acquisitions. So what does FY'07 hold in store for Rockwell Collins?

## 12 > Finding the right people; finding the right fit

About 30 percent of the aerospace industry's current population will be eligible for retirement by 2008. How does this affect Rockwell Collins, and what are we doing to fill those positions?



## 14 > Across our company

Learn about the activities across our company: Beijing, China; Cedar Rapids, Iowa; Decorah, Iowa; Manchester, Iowa; Melbourne, Fla.

## 2 > Letters to the editor

## 17 > Service anniversaries

**On the cover >** Matt Smith, senior director, cabin system programs, Tustin, Calif.; Angela Chang, senior engineering manager, Tustin, Calif. and Paul Barnes, director, electromechanical systems business development, Irvine, Calif., are a few of the many Rockwell Collins employees worldwide who work hard every day to design, develop and manufacture the trusted solutions our customers have come to rely on. Photo by Laurel Hungerford



# letters to the editor

## Realizing our strength and diversity

I really like the redesign of *Horizons* magazine. The personal nature of the stories resonates well with readers, and the enthusiasm and positive attitude of those interviewed in each of the articles is obvious. I believe Rockwell Collins is a great place to work, and the passion, leadership, competence and willingness to help others is part of our culture from top to bottom. An article does not have to be about work to make one proud of our company. Hearing about how our colleagues volunteer their time or spend their vacation — as told in the article, “Trekking Across England” — makes one realize the diversity and strength of our company. Keep up the good work.

Steve Carnesi  
Decorah, Iowa



## Letters guidelines

*Horizons* provides its letters page for readers to state their opinions. The page is intended to encourage an exchange of ideas and information that stimulates dialogue on issues or events in our company. The opinions may not necessarily reflect those of Rockwell Collins. Letters must include name, organization and a telephone number for verification purposes. Letters may be edited for grammar, syntax and size.



## Introducing *Horizons* online

With a click of the mouse, you can now access the new online version of *Horizons* — anytime at your leisure wherever you are in the world.

Each new issue will feature Web extras, additional content and photos not available in the print version.

In the kickoff edition of *Horizons online* — available now — you will find additional features and timely resources regarding:

- **Your health** — learn more about keeping your health information confidential.
- **Your wealth** — plan for your future with links to savings, credit and financial topics.

You'll also see our commitment to business integration in action as Midwestern facilities find ways to help co-workers in need.

In addition, look for extra features now online:

- 35-year and above service milestones.
- Service anniversaries recognizing 5, 10, 15 and 20 years of service.

We'll continue to mail the print version to your home, unless we hear from you. If you want to discontinue receiving your print version of *Horizons*, please send an e-mail to [empcomm@rockwellcollins.com](mailto:empcomm@rockwellcollins.com).

Please include your name and mailing address.

Enjoy this issue of *Horizons*, and we encourage you to visit *Horizons online* today, at [www.rockwellcollins.com/horizons](http://www.rockwellcollins.com/horizons).

# Horizons online

# Horizons

**Publisher:** Tim Burris

**Editorial director:** Larry Riley

## EDITORIAL TEAM:

**Managing editor:**

Robert Fleener +1.319.295.8791

**Editor:**

Jill Wojciechowski +1.319.295.4998

**Copy editor:**

Ruth Anne Denker +1.319.295.0643

**Staff writers**

Kathy Hogan +1.319.295.3932

Anne Wiskerchen +1.319.295.7533

## CONTRIBUTORS IN THIS ISSUE:

Grace Du, Beijing, China

Robbi Horne, Melbourne, Fla.

Terry Graham, Richardson, Texas

Judith Kuboushek, Decorah, Iowa

Brenda Rodas, Manchester, Iowa

Cole Walters, Salt Lake City, Utah

Scott Zebuhr, Manchester, Iowa

## How to contact us:

**E-mail:**

[jkwojcie@rockwellcollins.com](mailto:jkwojcie@rockwellcollins.com)

**Mailing address:**

*Horizons*

Rockwell Collins

400 Collins Road NE

Cedar Rapids, IA 52498-0001

**Phone:**

+1.319.295.4998

**Fax:**

+1.319.295.9374

**Web address:**

[www.rockwellcollins.com/horizons](http://www.rockwellcollins.com/horizons)

*Horizons* is published bimonthly by Rockwell Collins Enterprise Communications for our employees, retirees, shareowners and customers. We seek to inform and inspire our readers by incorporating our company's Vision, business goals and other enterprise-wide initiatives throughout our publication. We also strive to spotlight issues and concerns that impact our employees, our company and our industry.

© 2007 Rockwell Collins, Inc. All rights reserved.

Managing your health is important whether you're at home or at work. Meet one Rockwell Collins employee in Melbourne, Fla., who took advantage of an on-site weight loss program to improve his lifestyle.



Photo by Kristen Bartlett

# Getting healthy while you work

By Anne Wiskerchen

**N**eil Durette made up his mind four years ago that his weight would no longer control his life. A senior product integrity specialist at Rockwell Collins in Melbourne, Fla., Durette made a New Year's resolution in December 2003 to lose weight. And this time, he was sticking to it.

Soon after he began the South Beach diet in January 2004, Durette dropped 14 pounds. But the extra motivation he needed came at work when an on-site weight loss program at our facility in Melbourne caught his attention.

"I weighed 255 pounds and was on three blood pressure-related medications," recalled Durette. "It was obvious something needed to change, and I thought that joining my co-workers would provide the support I needed."

After persuading one of his colleagues to begin the weight loss venture with him, Durette began abiding by several new techniques learned during his weekly meetings.

"The program I was involved in was designed to have participants talk about the challenges and issues they are facing," he said. "But it also was nice to have someone I knew to share strategies with."

It didn't take long for Durette to realize that his weight loss journey was a lot like the Lean Electronics process at Rockwell Collins. An initiative that works to reduce waste and increase efficiency in processes and offices across our enterprise, Lean Electronics aims to remove steps and practices that don't add value to the end product.

Not only did Durette learn about healthy eating habits during his weekly sessions, he also learned about the importance of

*(continued on Page 4)*



exercise, and increased the miles he biked to 10 - 15 miles, two to three times a week.

Within the first five months, Durette lost 64 pounds and was living a lean lifestyle by all definitions of the word.

"Soon, eating right and exercising more became second nature," he said.

#### **Introducing wellness resources**

Durette found the motivation to adopt a healthier lifestyle by taking advantage of a weight loss program held at his office. However, finding a strategy that matches your life and work needs in today's fast-paced world is no simple task.

This year, Rockwell Collins will enhance our Value Proposition for People philosophy to help you address life's challenges through a comprehensive offering of resources and services.

Our new wellness program, an

enhancement to the "My Health While Working" component of Flexible Benefit Choices, will offer tools to manage existing health issues and prevent future illnesses.

Starting in 2008, the development of similar programs to meet the needs of our international locations will begin.

"Health has an effect on our well-being, our productivity and our longevity," said Chairman, President and Chief Executive Officer Clay Jones. "Our focus on wellness will help minimize health risk factors and maximize healthy enjoyment of life."

The program also will help our company and our employees manage health care costs while enabling people to become healthier and more productive. For example, annual health care costs are 49 percent lower for people who don't smoke, who aren't obese and who


exercise three times a week.

Additionally, health issues like heart disease, high blood pressure and diabetes can require additional monitoring and cost patients money to manage.

***"Taking care of yourself and managing your health are among the greatest responsibilities you have."***

— Neil Durette

The Department of Health and Human Services reports that as of 2005, the United States spent more on health per capita than any other country, and health spending continues to rise rapidly.



➤ **Getting lean** – Neil Durette, senior product integrity specialist at Rockwell Collins in Melbourne, Fla., made a New Year's resolution in December 2003 to lose weight. Within the first five months, Durette lost 64 pounds and was living a lean lifestyle by all definitions of the word.

Photo by Kristen Bartlett

"The goal is to help employees feel better, enjoy life and save money for the things that are important to each of us," said Jones. "If we aren't spending money on health care, it's going to be available to us for other things, including recreation and retirement."

### **A healthy future**

For Durette, there's no going back. Now a lifetime member of the weight-loss group he joined in January 2004, his decrease in weight has brought him energy and opportunities once beyond his imagination.

Outside of work, he serves as the executive officer and training officer of the Courageous Division of U.S. Navy Sea Cadet Corps, where he uses his newfound energy to keep up with active students ranging in age from 11 to 18 years old.

"We are active in swimming, scuba

diving and sailing activities," Durette said. "I could never have participated in those activities before I lost the weight."

He also tries to inspire his cadets by giving advice on being healthy and keeping active. Even his doctor was amazed at his progress, taking him from three medications to one.


"My doctor wished all his patients were like me," Durette said. "My cholesterol was 190 when I started and now it's down to 140."

According to Durette, adopting a healthier lifestyle has helped put extra dollars in his pocket. After the first three months on only one medication, the savings offset the cost of his membership to the weight loss program and paid for yoga lessons.

He also has amazed and inspired his friends and coworkers. From January 2004 until June 2005, the weight loss

group Durette took part in lost more than 1,400 pounds. In June 2006, a new program began and the group has already lost more than 350 pounds.

"Taking care of yourself and managing your health are among the greatest responsibilities you have," said Durette, who advocates getting involved in wellness activities at work. "Today, I feel like there is no limit to what I can achieve or do. I am exploring new horizons and am leading a longer, much more satisfying life." <h>

 **Web extra:** Learn more about the confidentiality of your health information in Horizons online at [www.rockwellcollins.com/horizons](http://www.rockwellcollins.com/horizons).

# Investing in your future

**Learn how two Rockwell Collins employees are taking responsibility for their future via our company's savings plan.**

By Anne Wiskerchen

**L**inda Engen dreams about the day she and her husband can vacation at a beach cottage of their own on the central coast of California and enjoy their retirement.

Like many Baby Boomers who are nearing retirement, she's also concerned about having enough money for her future, which is why she is planning ahead.

Yifei Wang has the same concerns. So, this 25-year-old Rockwell Collins systems engineer is already taking responsibility for her future and is participating in our company's savings plan.

Whether your dreams are about traveling the world, spending afternoons in the garden or on the golf course, we are each responsible today for making our retirement dreams a reality.

"Many companies are moving away from defined benefit plans and shifting more responsibility to employees," said Engen, manager of Payroll Operations, Benefits Insurance Administration, HRIS and Lean at Rockwell Collins in Cypress, Calif. "To achieve my dream, I need to use all the resources available to me."

## Changing times

A 25-year company veteran, Engen began participating in our company's pension and 401(k) plans from the start. But what worked in 1981 is no longer an option.

"Contributions to the savings plan are automatically deducted from your paycheck, making it an easy way to save; and the company match is like free money," said Engen. "But times are changing, so it's crucial that we each take an active

role in planning for our future."

The shift in responsibility was reinforced when Rockwell Collins announced the freeze of the pension plan effective Sept. 30, 2006. In its place, all eligible U.S. Rockwell Collins employees began receiving a retirement contribution to their savings plan account in October 2006. This deposit is in addition to employee contributions and any company match.

Employees also can purchase Rockwell Collins stock at a discounted rate through the employee stock purchase plan.

Engen recently elected to make additional catch-up contributions to her 401(k) to ensure she was on track to

meet her financial goals. This catch-up contribution allows employees age 50 and older — or those who will turn 50 in 2007 — to save up to an extra \$5,000 per year on a pre-tax basis. That amount is in addition to the maximum pre-tax contribution of \$15,500 that all employees may make each year.

Although Engen still has several years before she plans to retire, she under-

***"To achieve my dream, I need to use all the resources available to me."***

— Linda Engen



Photo by Laurel Hungerford

► **Linda Engen**, manager of Payroll Operations, Benefits Insurance Administration, HRIS and Lean at Rockwell Collins in Cypress, Calif., dreams about the day she and her husband can enjoy their retirement.

stands how important it is to start earnestly planning today.

"I also hired a financial planner to help me evaluate my plan every quarter," she said. "He has helped me move some of my assets from high risk investments to more conservative ones."

### Investing early

For Wang, retirement planning is just beginning. More than a year ago, she entered the working world knowing it was up to her to save for her future. She also understood the need to start saving now and enrolled immediately in the plan.

"Since I'm further from retirement, I can be more aggressive in my investment decisions," said Wang.

Although she has already started her financial planning, she recognizes the difficulties many young people face when deciding how much to save and when to start planning for retirement.

"Coming out of college you hear it is important to start saving, which can be tough for young people with student loans and credit card bills," said Wang. "It's overwhelming at first. We are at an age where we tend not to plan more than a few days ahead, so it's hard to get us to sit down and plan for a retirement that seems so far away."

To help employees save for their future, Rockwell Collins automatically enrolls new hires in our retirement savings plan at a pre-tax deduction of 2 percent of base pay. However, any time before your automatic enrollment date, you have the



Photo by Paul Marlow, The Creative Gene

➤ **Yifei Wang**, systems engineer for Commercial Systems in Cedar Rapids, entered the working world a year ago and knew it was up to her to save for her future.

option to cancel your enrollment from the plan or change your contribution amount.

Additional enhancements to the "My Long Term Security" component of Flexible Benefit Choices are expected to be introduced in fiscal year 2008.

Wang also is aware of tools and classes offered online to help investors make the right choices, and she enjoys testing those ideas with people close to her.

"I use the Fidelity Web site for information, planning and making changes to my account," she said. "But I also ask some of my mentors what they suggest for investing or approaches they have used."

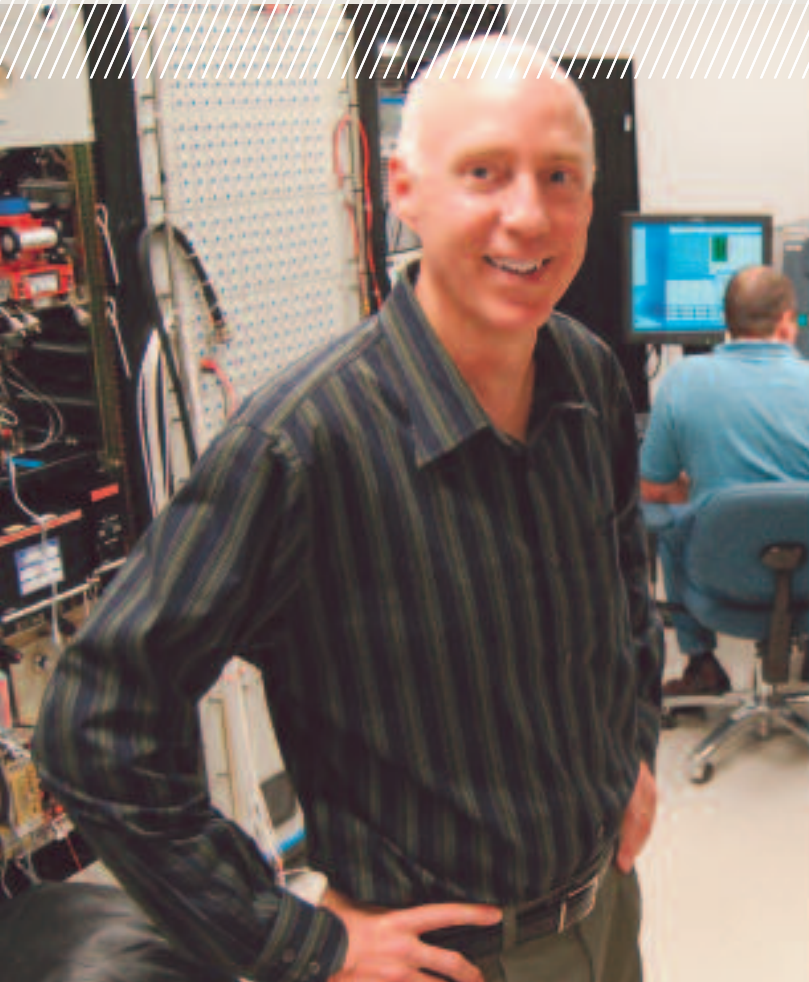
### Putting it all together

Engen continues to look toward her future, and is working hard to reach her retirement goal. And while she is satisfied with the steps she has taken along the way, she also has one piece of advice for others whether they're at the beginning or end of the retirement planning efforts — get involved.

"We are all busy and we all use the excuse that we don't have time to attend to our finances," she said. "But you really need to get involved because it's so important and has a big impact on your future."

Wang couldn't agree more. "Young people are ambitious and want to be millionaires," she said. "But we have to remember it's important to have a back-up plan just in case that doesn't work out." <h>

🖱 **Web extra:** Begin saving for your future with resources available in Horizons online at [www.rockwellcollins.com/horizons](http://www.rockwellcollins.com/horizons).



# A look *ahead* at FY'07

**FY'06 was a year of remarkable earnings, recovering markets, and key acquisitions. So what does FY'07 hold in store for Rockwell Collins?**

► **Dave Sampson**, ARJ21 technical project manager, is supporting our growth by helping us become a systems integrator for the advanced regional jet in China, a country that is expected to realize phenomenal growth.

Photo by Paul Marlow, The Creative Gene

By Jill Brimeyer

**A**t Rockwell Collins, goals are a big part of life. We continually set them, align them, and we work hard to attain them. We review what went well and we ponder what could be done better.

There also are the “big picture” goals charted by our company as part of our fiscal year incentive plan. But what, specifically, does each business unit — Commercial Systems, Government Systems and Services — need to accomplish to bring those “big picture” goals into focus?

For answers, we turn not only to those leaders charged with providing strategic direction, but to the people behind our products, the people who work hard every day to design, develop and manufacture the trusted solutions our customers have come to rely on.

## **Commercial Systems**

In FY'06, original equipment manufacturer (OEM) aircraft delivery rates increased by double digits in both Air Transport Systems (ATS) and Business and Regional Systems (BRS). At the same time, our Commercial Systems employees were laying the groundwork for the future, capturing key program wins in high-growth marketplaces such as China, India, and the Middle East.

But what does the future hold in store? According to Bryan Vester, vice president of Strategy Development for Commercial Systems, our future growth and continued success in the commercial aviation market segment is all about execution.

“Commercial Systems has been extremely successful in capturing new business,” said Vester. “Now, making sure we execute on our program commitments and meet our customers’ expectations is crucial. Ultimately, doing so will help our customers decide whether to further expand their business with Rockwell Collins.”

For instance, successful follow-through

and delivery of flight-worthy hardware for the Boeing 787’s first flight in 2007, will further demonstrate to the world that Rockwell Collins can manage large-scale integration programs, said Vester.

In addition, successful delivery of Airshow 21 Cabin Electronic System full functionality to Bombardier, a key customer for our Cabin Systems business, also will set the stage for future business. And, as always, Vester says we need to stay focused on achieving our customers’ performance measures in areas such as quality, on-time delivery, reliability, and customer support.

The Chinese ARJ21 program also opens the door to future possibilities. Rockwell Collins was selected to provide Pro Line 21 technology and serve as systems integrator for the advanced regional jet in China, a country that is expected to realize phenomenal growth in coming years.

To ensure a successful program, the Chinese established high performance and reliability objectives, said Dave Sampson, ARJ21 technical project manager. So when AVIC 1 Commercial

Aircraft Company (ACAC) sought avionics that could meet these challenges and those of an increasingly demanding regional airline environment, the company looked to the global supply base and, specifically, to us for avionics. The effort was so successful, added Sampson, that our team went on to receive a Gold Supplier Award from the Chinese firm for program performance.

Ferli Fernandes, a technical project manager with Rockwell Collins Electromechanical Systems in Irvine, Calif., also is seeing some exciting inroads toward new customers and market segments.

"We are capitalizing on our core competencies and expanding our capabilities to become a Tier 1 supplier to Boeing to provide equipment directly to them," said Fernandes, who is managing the hardware build of pilot controls for Boeing and Gulfstream. "In the past, pilot controls were designed and built by the customers themselves. Today, we are delivering integrated solutions into this market segment. One of our major development programs is the Boeing 787 program."

### ***What does each business unit — Commercial Systems, Government Systems and Services — need to accomplish to bring those "big picture" goals into focus?***

Success was even sweeter when Boeing pilots recently approved our design for the 787 Dreamliner's pilot controls.

"It's a significant step for Boeing and the 787 program, and is confirmation that we have done the right thing," said Fernandes.



Photo by Laurel Hungerford

➤ **Ferli Fernandes**, a technical project manager with Rockwell Collins Electromechanical Systems in Irvine, Calif., is seeing some exciting inroads toward new customers and market segments.

#### **Government Systems**

Products such as the ARC-210 radio and our global positioning systems (GPS) units have held their own through war and peace, and periods of growing and waning defense budgets. However, our company will need to remain vigilant in FY'07 and beyond to ensure that these military mainstays remain vital in the marketplace as long as possible.

"Sales of our legacy products will begin to slow as new technologies — such as our Joint Tactical Radio System (JTRS) and our next generation GPS Modernized User Equipment (MUE) — are developed," said Meg Thompson, vice president of Strategy Development for Government Systems. "The key will be for us to maximize the life cycle of these legacy products."

According to Thompson, funding for transformational programs including JTRS and the Army's Future Combat Systems

(FCS) continues to be delayed due to budget pressures brought about by the continued War on Terror. However, our company is eyeing some key contracts in the coming years that could potentially strengthen our position in the marketplace.

One of these is the JTRS AMF (Airborne, Maritime, Fixed Site) program, which "would not only enable our company to maintain our position as a leading airborne communications provider, but also would extend our reach into maritime communications," said Thompson.

Rockwell Collins also is posturing itself for a win in the cockpit of the German CH-53, a heavy transport helicopter. Thompson said this would allow us to capitalize on the German position brought about by the April 2005 acquisition of TELDIX, now referred to as Rockwell Collins-Deutschland.

*(continued on Page 10)*

(continued from Page 9)

Another area Thompson says will have significant impact on our company is OpenEdge, a discipline based on reusing software component technology. The concept already is being applied on programs such as the AC-130 Gunship Link-16 Integration Program, Flight Information Management System, and a new, lightweight low cost Link-16 system called MAX.

According to Michael Sprague, chief architect, OpenEdge is an open systems software technology for edge applications.

"Edge refers to applications and systems residing at the edge of the global information grid," said Sprague. "It is a technology that came out of the commercial marketplace that is currently being applied to next-generation Nokia and Motorola cell phones ... we think this is a really big deal. The difference will be more quickly deployed, lower cost information capabilities."

A key enabler of OpenEdge is software created by the former Anzus, Inc., the Poway, California-based software developer acquired by our company in September 2006. This high-speed tactical data link software will further propel OpenEdge as one of our future growth drivers.

"This is the year of OpenEdge," said Sprague. "We're working on OpenEdge products for many programs, so in the coming year, we are busily making this happen."

#### **Rockwell Collins Services**

The programs our people are working on today are a result of groundwork that's been laid for many months and years. Nowhere is this more evident than in Rockwell Collins Services, where business in our simulation and training, government and commercial market segments appears to have a very bright future.

In the area of simulation and training, Services will continue working in FY'07 to

complete the integration of Rockwell Collins Simulation & Training Solutions Visual Programs. Created when our company acquired the simulation assets of the former Evans & Sutherland in May 2006, this business provides our company with several future growth opportunities.

According to Kent Statler, executive vice president of Rockwell Collins Services, the former Evans & Sutherland brought with it a number one position in the visual systems marketplace, and strong customer affinity with airline and military customers worldwide.

"Their expertise in this area will undoubtedly help us expand into new simulation market segments," said Statler. "Traditionally, we have been a U.S. military simulator provider, but this acquisition will help us grow into the global marketplace."

Scott Gunnufson, vice president of marketing and strategy for Rockwell Collins Services, agrees.

"The technology, systems and marketplace presence that Evans & Sutherland brings to our company will definitely prove beneficial," said Gunnufson. "In the future, we will be able to provide our customers around the world with more robust solutions."

According to Visual Programs Director Nick Gibbs, our simulation and training solutions products can be found on a broad spectrum of platforms. From the Boeing 787 to the Joint Strike Fighter and the Apache Longbow Crew Trainer, our systems are making an impact in the marketplace. Visual Programs also is addressing one of the most significant threats to soldiers in Iraq, an effect called "brown out."



Photo by Paul Marlow, The Creative Gene

► *Michael Sprague is an advocate of OpenEdge, a discipline based on reusing software component technology.*



Photo by Cole Walters

“As rotorcraft attempt to land in the desert, they become enveloped in sand and they tend to lose their bearings,” explained Gibbs. “We’ve received favorable feedback from our customers who are training in simulated brown out conditions, so we know we’re headed in the right direction.”

In addition, Services continues to work with Government Systems on opportunities to move toward embedded training in the cockpit avionics we currently produce. In fact, at the recent Interservice/Industry Training, Simulation and Education Conference (I/ITSEC) in Orlando, Fla., we showcased the first-ever embedded training across the Common Avionics Architecture System (CAAS) cockpit and received strong customer reviews, said Statler.

In the government arena, Services is in the process of completing a market study aimed at identifying and prioritizing key market segments for entry and growth. According to Statler, this will likely mean a shift from more traditional parts and labor service, to more supply chain management, obsolescence management, field service engineering and integrated logistics support.

▶ Nick Gibbs (right), visual programs director for Rockwell Collins Services, talks with Angie Pulley, PP&C analyst. Visual Programs is addressing one of the most significant threats to soldiers in Iraq, an effect called “brown out.”

“We need to become a full service provider for the Department of Defense, and this market study is the first step in identifying the most effective path to do so,” said Statler.

In the area of commercial services, Statler sees a promising future, despite the fact that Services is still feeling the lagging effects of the 9/11 impact on the aerospace industry.

“The aircraft sold in 2001 and 2002 are just now coming off of warranty, and that means our growth rate in revenue-generating work is relatively slim, despite the latest headlines of new airplane deliveries,” said Statler. “We’ll be reaping the benefits of the current new airplane delivery rates and outstanding order capture rate by Commercial Systems in

about four to five years.”


Until then, Services will continue to work with customers on their long-term contracts, and focus on reliability improvement, technology insertion and preventative maintenance plans. Servicing our customers in the field will continue to be our top priority.

“Our technology and expertise will get us in the door, but good, old-fashioned service is what will keep us there,” said Marc Cronan, manager of Customer Support at Rockwell Collins Simulation & Training Solutions in Sterling, Va. “The better job we do, the more inclined people will be to come to us for service.” <h>

— Jill Brimeyer is a freelance writer.

---

*This article contains forward looking statements including statements about the company's anticipated growth and performance in FY'07. Actual results may differ materially from those projected as a result of certain risks and uncertainties, including but not limited to those detailed from time to time in our earnings press releases and Securities and Exchange Commission filings.*



► **Owais Hassan** and **Anwer Muhammad**, senior systems engineers for Commercial Systems Display Applications in Cedar Rapids, Iowa.

Photos by Paul Marlow, The Creative Gene

## Finding the right people; finding the right fit

About 30 percent of the aerospace industry's current population will be eligible for retirement by 2008. How does this affect Rockwell Collins, and what are we doing to fill those positions?

By Dana Engelbert

**F**or Owais Hassan and Anwer Muhammad, referring friends and colleagues to career opportunities at Rockwell Collins is about finding the right person, and fitting into a culture that allows individuals to meet and even exceed their own expectations.

"The people I refer to our company are a reflection on me," said Hassan, a senior systems engineer for Commercial Systems Display Applications at Rockwell Collins in Cedar Rapids. "So, it's important that they are the right people for the right job."

Muhammad was one such individual. Referred by Hassan, this Pakistan native also is a senior systems engineer for Commercial Systems Display Applications. Before joining Rockwell Collins in July 2006, Muhammad was working at a start-up company of about 15 people in Phoenix, Ariz.

"I was looking for a place with more opportunities," said Muhammad. "I have a lot of skills and I like being able to use all of them."

Hassan's referral of Muhammad was good for everyone involved. Muhammad got a job in a place with more opportunities, and Rockwell Collins secured another

talented engineer.

In addition, Hassan earned a referral bonus as part of the Rockwell Collins Employee Referral Program and won a flat panel television through a special employee referral promotion.

### **Attracting, retaining talent**

In this ever-changing and highly competitive global economy, it's now more important than ever for our company to attract and retain diverse candidates — especially engineers. One of the ways our company is doing so is through our Employee Referral Program.

"We have about 18,000 people in our

***“When a referral comes from somebody you know and trust, chances are that you’ll be happy.”***

— Tracy Scieszinski

workforce, and each one of them is out there telling the story of Rockwell Collins,” said Andy Day, director of Talent Acquisition. “Their personal testimonials serve as very powerful recruiting tools, and that’s going to help our company achieve future success.”

Tracy Scieszinski agrees. In recent months, the manager of Professional Staffing at Rockwell Collins has seen several exceptionally talented and diverse candidates come to our company via our Employee Referral Program. In fact, about 35 percent of new hires in the past year joined our company as the result of a referral.

“When a referral comes from somebody you know and trust, chances are that you’ll be happy,” said Scieszinski. “That level of satisfaction also tends to inspire referred candidates to stay with our company longer, and it gives a sense of pride to the employee who does the referring.”

Day added that the number of referrals our company has seen in the past year actually exceeds average industry standards, and it’s a leading source of candidates for open positions.

“Our Employee Referral Program is second only to our external Web site in terms of producing potential job candidates,” said Day. “That speaks volumes about the quality people we have here at Rockwell Collins, and that they want to share their work experience with others.”

### **Focus on engineering**

Though all employees are encouraged to refer others for positions within our company, the Employee Referral Program is

currently offering a unique promotion especially designed to attract engineers and those with critical skills.

Under this promotion — launched on Oct. 1, 2006 — our employees can earn incentives for referring engineering employees who are later hired. Those who refer candidates hired for engineering positions from October 2006 to January 2007 will be entered in a regional monthly drawing for a \$1,000 Visa gift card. In January, two names will be drawn from all the engineering referrals. Winners will each receive a flat panel television.



➤ **Owais Hassan and Anwer Muhammad** are senior systems engineers for Commercial Systems Display Applications in Cedar Rapids, Iowa. Hassan’s referral of Muhammad was good for everyone involved. Muhammad got a job in a place with more opportunities, and Rockwell Collins secured another talented engineer.

According to Day, these prizes are in addition to cash incentives already offered by our Employee Referral Program. Those incentives range from \$1,000 for an entry-level engineer up to \$3,500 for a senior or principal engineer that is either a female or minority candidate, or has a critical skill.

Additional information about specific job families and critical skills is available to employees via the Enhanced Employee Referral Program Web site, which is acces-

sible via the RWEB Spotlight on the RWEB Home page.

At Rockwell Collins, hiring will continue to be a top priority in the next couple years as we look to dramatically increase our entire employee population. In addition, about 30 percent of the aerospace industry’s current population will be eligible for retirement by 2008, and current U.S. Bureau of Labor statistics estimate a shortage of about 10 million workers by 2010.

In the engineering pool, the U.S. is currently graduating about one-fifth the number of engineers (60,000 to 70,000)

each year than are China and India (350,000), and these statistics make the need to hire talented and motivated people even more challenging.

“The search for the best and brightest talent is a tough battle,” continued Day. “Today, any company which hopes to grow must be able to attract and retain a highly skilled, diverse workforce, and we believe our employee referral program will help us do just that.” <h>

— Dana Engelbert is a freelance writer.

## Rockwell Collins-China awards scholarship to six students

**A**n awards ceremony for our 2006 Rockwell Collins-China scholarship winners was held at the Civil Aviation University of China (CAUC) on Dec. 8, 2006. Six undergraduate students in the Department of Electronic and Information Engineering received \$600 scholarships, an amount equivalent to his or her tuition for one academic year.

"As a long-term partner of China's aviation industry, we are committed to supporting education in the country," says Martin Lin, director, China Business Development for Rockwell Collins-China, who awarded the scholarship to the students. "This program is an important way to demonstrate our strong commitment to maintaining good corporate citizenship in the Chinese aviation community. We anticipate that our relationship with CAUC and other higher education institutions will be strengthened, as mutual benefits are further expanded."

The scholarship program enhances our cooperation with China's leading aviation university by providing financial assistance to students who have demonstrated excellent academic performance in the fields of avionics or information technology and have financial needs.

The partnership began in 2000 when we awarded two scholarships. However,



Photo by Grace Du

► *Winners of our 2006 Rockwell Collins-China Scholarship pose for a photo after receiving their award from Martin Lin, director, China Business Development (center). The recipients are all currently pursuing degrees in the Department of Electronic and Information Engineering at Civil Aviation University of China.*

based on the program's success, both parties have renewed the agreement and increased the annual scholarship awards.

In addition to Rockwell Collins, more than 20 representatives from other enterprises including the Civil Aviation Administration of China, domestic airlines and multinational aviation granted scholarships during the ceremony.

CAUC is a renowned academic and research institution supporting the civil aviation industry in China. Many Rockwell Collins products, including weather radar, VHF transceiver, Mode S transponder and technical manuals are

used in teaching laboratories of CAUC.

"We appreciate Rockwell Collins sharing its experience and knowledge in supporting China's education in the field of aviation communication and navigation," said CAUC Principal Wu Tongshui. "Our students have been trained and become familiar with Rockwell Collins products. After they graduate, their employment with Chinese airlines would benefit Rockwell Collins' business in China."

Three of our customer service engineers in China are graduates of the university.

## Former Saudi Arabian Ambassador visits Cedar Rapids

Former Saudi Arabia Ambassador Prince Turki Al-Faisal and his delegation toured our Cedar Rapids facility on Dec. 1, 2006, visiting our Advanced Flight Deck and Synthetic Vision labs.

"The visit was a great success for our company and our foreign relations efforts," said David Erusha, director of Data Link Solutions (DLS). "We had an opportunity to showcase our products

and talk with the ambassador and his staff on the host of offerings our company can provide to their nation.

"Since our meeting with the Ambassador, DLS has been extended an invitation to visit the Saudi Arabian Embassy for a meeting with the Saudi Arabian Defense Attaché to discuss further data link opportunities for DLS in Saudi Arabia," Erusha continued. "And, DLS received a \$38 million award in January for Fighter Data Link terminals for the Royal Saudi Air Force F-15S aircraft."

Prince Turki also spoke about the Saudi Arabian economic growth explain-

ing similarities between Iowa and Saudi Arabia and took questions from a group of area business, political and religious leaders at a Chamber of Commerce dinner.

In November 2006, DLS, a limited liability company formed by Rockwell Collins and BAE Systems to provide data link products to the military, was awarded a \$16 million contract from the U.S. Air Force Electronic System Center to provide Link 16 capability to the Kingdom of Saudi Arabia. Link 16 provides real-time data communications, situational awareness and navigation, and in some cases digital voice, all in a jam-resistant,

## Military lauds GPS receiver as Rockwell Collins hits 100,000 mark

The successful high-volume production of a complex new military GPS receiver by Rockwell Collins recently won praise from military Spokesmen. The delivery of 100,000 Defense Advanced GPS Receivers, or DAGRs, was celebrated [Dec. 13] in a ceremony including U.S. Sen. Chuck Grassley, R-Iowa, Cedar Rapids Mayor Kay Halloran and representatives of the U.S. Army and NAVSTAR GPS Joint Program Office.

The handheld devices are used by U.S. troops in Iraq and Afghanistan to tell them their precise location, and are equipped on every new vehicle and weapons platform, U.S. Army GPS Wing Chief David Williamson said.

Williamson said the purchasing program was initially authorized at \$500 million.

He said \$376 million has so far been expended, and the government is in the process of expanding the purchase authorization to \$900 million for the program.

The announcement drew a big “hoohah!” of support from many of the Rockwell Collins personnel present at the Cedar Rapids Marriott. on Wednesday.

About 219 cross-functional Rockwell



Photo by John Thomas, fisheye

► Sgt. Maj Ray Lane of the U.S. Army speaks to Rockwell Collins employees. Rockwell Collins has delivered 100,000 Defense Advanced GPS Receivers, or DAGRs, to the U.S. Armed Forces. The handheld devices are used by U.S. troops to tell them their precise location, and are equipped on every new vehicle and weapons platform. Also pictured (from left): Greg Churchill, executive vice president and chief operating officer, Government Systems; and Ron Hornish, vice president and general manager, Government Systems Sensor Systems.

Collins employees in Cedar Rapids and Coralville are involved in the DAGR program. Rockwell Collins was awarded its first contract to supply the Defense Advanced GPS Receiver to the Army four years ago, Williamson said.

At one point, producing the DAGR “looked like a difficult science project,” said Col. Wesley Ballenger, system program director for the NAVSTAR GPS Joint Program Office.

“There were many folks who thought we’d never see 10,000, let alone 100,000,” Ballenger said. At about \$1,700 per unit, the DAGR is about the same price as commercially available GPS receivers with

the same GPS capabilities, Ballenger said. Ballenger said the DAGRs have saved lives by providing munitions with the ability to hit targets with pinpoint accuracy, avoiding non-combatants.

The ceremony also marked production of the 225,000th Selective Availability Anti Spoofing Module by Rockwell Collins. The GPS-equipped devices are incorporated in GPS receivers to prevent them from being fooled by false GPS signals, among other things.

Story by Dave DeWitte,  
Cedar Rapids Gazette, Dec. 14, 2006  
Reprinted with permission

crypto-secured package.

The Prince was director of Foreign Intelligence Service for the Kingdom of Saudi Arabia from 1977-2001 and ambassador to the United Kingdom from 2002-2005. He recently resigned his post as Saudi Arabia’s ambassador to the United States.

► Rockwell Collins Principal Systems Engineer Kirschen Seah (right) shows Prince Turki Al-Faisa, Saudi Arabia’s former ambassador to the U.S (left), our Reconfigurable Flight Deck Lab during his visit to our Cedar Rapids facility in December. The lab is managed by our Advanced Concepts Group and is used to research and evaluate flight deck displays and controls both for current programs and advanced concepts.



Rockwell Collins Image

## Melbourne employees kick off FY'07 with Mexican fiesta

Employees at our Melbourne, Fla., facility kicked off fiscal year 2007 with a Mexican fiesta on Nov. 6, 2006. The event was a chance for managers to say thank you to all 1,300 of our employees for their outstanding business performance ending FY'06 and into the beginning of FY'07. Melbourne Operations has been performing at all-time record highs in manufacturing production output and wanted the recognition to start 2007 off with a unique and fun teaming event.

"We wanted to find a fun, new way to recognize our employees and make sure they knew how much we appreciated their efforts – and the results of those efforts," said Robbi Horne, manager of Human Resources in Melbourne. "The fiesta turned out to be a great opportunity for everyone to get to know one another a little better and take a break from our busy schedules."

Leaders donned sombreros and served up enchiladas, taco salad, and rice and beans to employees during the event.



Photo courtesy of Robbi Horne

➤ Rockwell Collins employees in Melbourne, Fla., kicked off fiscal year 2007 with a Mexican fiesta on Nov. 6, 2006. During the event, managers also thanked the 1,300 employees for all their hard work during fiscal year 2006. Pictured are: (from left) Chuck Deyo, manager, Melbourne Process Center, and Dave Mager, senior engineering manager.

## Manchester renovates Liquid Crystal Display Class 100 room



Photo by Scott Zebuhr

Employees from Manchester worked to create a new layout for the Direct Dry Film process, to increase display capacity by 200 percent, as well as create a cleaner environment for production. The renovations included removing the ceiling and old clean booths, adding a wall to create two separate rooms, installing a new ceiling, moving in new booths, and creating space for future machines. Pictured are: (from left) David Felton, John Canny, and Heather Gatto, the engineers who created the new design.



Photo courtesy of Brenda Rodas

### ➤ Bowl for Kids' Sake

Several Manchester employees participated in the Nov. 4 Bowl for Kids' Sake that raised more than \$750 to support the local Big Brothers/Big Sisters program. Pictured (from left) are: Dennis Jasper, Janine Ehrler, Wanda Linderwell, Lorene Zellner and Terry Rauch.

# Rockwell Collins Service Anniversaries

## 40 YEARS

### January

Bruce W. Dennis  
Mary L. Gerard  
Marilyn J. Mc Enany  
Louis S. Ortiz  
Karen A. Pierce  
Richard E. Sklar  
Janice S. Wafer

### February

Erwin E. Evans  
Ruby T. Green  
Francis P. Tope  
Jack C. Werling  
Dean A. Winterowd

## 35 YEARS

### January

Janiece M. Porter

### February

John J. Michael  
Karen S. Simmons

## 30 YEARS

### January

James L. Arnold  
Larry D. Bricker  
Stephen R. Brubaker  
Wallace D. Bussewitz  
Cindy L. Chambers  
Sandra K. Estill  
David M. Estrem  
Glenn A. Flaten  
Dennis D. Flynn  
Terry D. Freese  
Thomas C. Green  
Debra K. Hawes  
Bruce S. Kloster  
Yog R. Kubba  
Lora J. Leggett  
Jane A. Mc Cubbin  
Marsha A. Schulte  
Jeffrey L. Spicer  
Margaret R. Wilhelm  
Katherine D. Wood  
Daniel J. Zylich

## February

Ghislaina Alegre  
Emilienne Angelini  
Robert L. Aucutt  
Dale A. Heimerman  
Nancy J. Leclere  
Jeff D. Nickels  
Ronald E. Nidiffer  
Hubert Nougariolis  
Robert J. Redlinger  
Douglas R. Richards  
Jackson R. Richter  
Kathy M. Sedore  
Dana M. Serovy  
Mark E. Short  
Jane A. Sickels  
Cathy J. Timmerman  
Galen C. Wenger

## 25 YEARS

### January

Lisa A. Carrara  
William C. Chandler Jr.  
Maria L. Dario  
Carl K. Hartman  
Ken R. Helpert

Michael L. Langheim  
Robert A. Lorenz  
Mark G. Moran  
Cheryl A. Reding  
Thomas M. Ross  
Donna M. Rue  
Steven A. Stenersen  
Marsha A. Syverson  
Richard A. Thibault  
Monica T. Weathers-Fields  
Joseph C. Whited  
Paul D. Williams

### February

Glenn A. Babinat  
Gene G. Bianchi

David M. Brown  
Ronald E. Day  
Pamela M. Franklin  
Kenneth R. Furuta  
Ann M. Hansel  
Sherman O. Harvey  
Rita M. Hastings  
Gary W. Kent  
Keith L. Kerley  
Scott W. Larsen  
Ramon G. Quesada  
Wesley G. Roediger  
Jeffrey D. Russell  
Eric W. Snyder  
Terri J. Tomkins  
Susan S. Wicks



## Horizons online

Rockwell Collins service  
anniversaries of 20 years or less  
are now available online at  
[www.rockwellcollins.com/horizons](http://www.rockwellcollins.com/horizons).

## Decorah celebrates FY'06 with fun day

Decorah recently recognized employees with an end-of-the-year celebration. Activities included a pumpkin-decorating contest with a time limit of one half hour for creative expression. The 20 decorated pumpkins were donated to local nursing homes and schools. Other activities included putting together puzzles created from pictures of past events, and giving away Rockwell Collins merchandise. It wrapped up with lunch. Each employee received two beverage holders with Decorah's new mission statement, "Creating Trust Through Manufacturing Excellence," along with a thank you from plant management.



Photo by Terry Graham

➤ Rockwell Collins employees in Decorah, Iowa, decorate a pumpkin during their end-of-the-year celebration. Pictured are members of the Very High Frequency team (from left): Pat Numedahl, DeeAnn Peterson, Bouthsakone McCain, and Kay Pecinovsky.

# Richardson takes challenges in stride, continues to succeed

By Sue Nading

One of the fastest-growing employment centers in the Dallas-Fort Worth area, Richardson, Texas, is known for its cultural diversification and large number of high-tech industries. Among those companies in this "Telecom Corridor" is Rockwell Collins Government Systems, a facility whose employees have adapted and excelled through enormous corporate changes.

Situated on approximately 63 acres of land, our Richardson facility once boasted more than 1,000 employees. But in 1999 — after an economic downturn caused a decrease in workforce — the three buildings on its campus were consolidated into two.

"Our employee base went from 1,000 to a low of 400 in 2000," said Kit Miller, operations director in Richardson.

Today, thanks to the efforts of the people behind the Rockwell Collins products, workforce numbers are on the rise again. According to Miller, Richardson employees could have allowed events to create a negative influence. Instead, they joined together to "control their own destiny" and now support some of the U.S. military's most important projects.

"We design, develop and manufacture integrated ground, air and water communication systems and services for the United States government and its agencies," said Miller. "Our capabilities in the areas of information management, signal intelligence processing and electronic warfare are our core competencies."

## Creating network-centric solutions

An important tool in responding to customers' needs is the new Performance and Architectural Collaboration Environment (PACE) laboratory. Through network-centric technologies, which synchronize and integrate the capabilities of different networks or systems, this laboratory allows our employees to simulate operational field scenarios to decrease project development time.

"As military and commercial systems become more complex, the seamless operation of multiple systems becomes a necessity," said Jackson Anderson, a senior engineering manager and director of the




Photo by Terry Graham

➤ Rockwell Collins Government Systems in Richardson, Texas.

PACE lab. "This lab provides our customers with significant benefits through early design adaptations or modifications, which reduce potential risks in the field." <h>

— Sue Nading is a freelance writer.

 **Web extra:** Additional information about the Rockwell Collins Service Center in Richardson, Texas, is featured online in the Facility Spotlight on the RWEB Home Page and Horizons online at [www.rockwellcollins.com/horizons](http://www.rockwellcollins.com/horizons).

Rockwell Collins, Inc.  
400 Collins Road N.E.  
Cedar Rapids, Iowa 52498-0001

**Rockwell  
Collins**

PRSTD STD  
POSTAGE AND FEES  
**PAID**  
PERMIT NO. 90  
Cedar Rapids, IA