Spread-the-wealth management

How Bob Beyster keeps the troops happy at Science Applications International
Perfect Football Machine’

Undefeated—and barely scored upon—the 1958 Yellowjacket football team rewrote the record books. Rochester celebrates a signature season.

By Ryan Wharty

On Monday, November 6, 1958, six days before the Rochester football team was to face off against perennial Northeast power Tufts University, Yellowjackets coach Emer Burnham came to practice with a stack of new plays.

Burnham, the former Purdue Bellemeaker head coach who had already made Yellowjacket history six years earlier by leading Rochester's first undefeated and untied football squad, knew what the team was up against.

And he knew what the skeptics were saying. Despite a 6-0 record and despite outscoring opponents 177-6 so far that season, Rochester hadn’t really proven itself, said the off-campus doubters. Sure, the defense was ranked near the top of the national small-college charts, and the team featured an offensive juggernaut—led by quarterback Eugene Nicandri ’60, halfback John Parrinello ’60, end George Helle ’60, and guard Larry Palvin ’59—that was consistently lighting up the scoreboard.

UNDEFEATED! The Yellowjackets celebrate their victory over RPI to cap the 1958 season at 6-0.
Consulting Services in the Geosciences
Figure 1 - Specimen configuration: Gauged 2' x 3' specimen for testing. The linear potentiometer above gauges used to measure displacement.

Figure 3 - A gauged 4' x 6' specimen before test jack package shown in slot at front of package.
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SAIC - KEY FACTORS IN THE EARLY YEARS

**KEY FACTORS**
- Employee Ownership
- Hire Good People
- Decentralized mgmt
- Growth Necessary
- Key SE&T Programs

**MAJOR INDUSTRY SECTORS**
- Defense
- Energy
- Information Services
- Environment

MISSION: SAIC DELIVERS BEST VALUE SERVICES & SOLUTIONS BASED ON INNOVATIVE APPLICATIONS OF SCIENCE & TECHNOLOGY

SAIC - 1980's and early 1990's
PRATT Group $5M to $50M (1981-1993) - Lessons Learned

1981  1988  1993

Build Revenue  $5M  $25M  $50M
Build Staff    50    250   500

Lessons Learned:
1. Hire key people (Voegele, Bache – cork theory)
2. Build with customer – DOE Yucca Mt Project (DOD) DARPA – gain their trust and perform
3. Key wins as flywheel – DOE Yucca Mt ($10-20M/yr) DARPA Center for Seismic Studies ($5-15M/yr) (both have lasted 20+ yrs)
4. Reward your people: Great programs, stock, bonus, promotions, personal growth
MOSCOW

Soviet Nat'l Academy  IT Project
(Moscow – 1986)
Visualization Centers – BP & PDVSA

- **BP HIVE**
  - Results
    - SAIC provides technical support and ongoing technical development
    - Use is being expanded beyond geotechnical to financial and business applications

- **PDVSA CAVI**
  - Results
    - SAIC introduced the technology opportunity
    - Increase synergy between Geologist and Petroleum engineers
    - Reduce field reservoirs studies.
    - Optimize production plans - $3.3M saving
    - Now creating a number of CAVIs and smaller visualization centers
    - Help to create a common knowledge between disciplines
    - Value added over

3D virtual reality to visualize oils reservoirs

Petroleum Industry Visualization Centers
Corporate Overview (2001)

IT, Telecom, and Systems Integration Across Our Business Verticals

- We are big and robust
- Over 40,000 employees, 70% of professional staff hold technical degrees
- Business verticals: Energy, Defense
- Telecom, Environment, Healthcare

- We Are Financially Stable
- $6.0 billion in revenue
- Steady growth over 32 years
- $5 billion in cash and marketable securities

- We Are Global
- Over 150 offices around the world
- North America, Latin America, Europe focus

- We Are Entrepreneurial
- Employee owned
- Agile and innovative

“SAIC continues to prove itself as nimble and adaptive as any good startup.”

Red Herring magazine, September 2000
The SAIC Family of Companies - 2001

Wholly Owned Subsidiaries

- Minority Interests
  - Private Companies
    - Conita
    - Cosmocom.com
    - Digilens
    - e-Banc LLC
    - Go2 Systems, Inc.
    - Granite Systems
    - i-Engineer.com
    - LGC Wireless, Inc.
    - NextEngine
    - Nuera
    - SPARTA
    - Vocal Data

- Telcordia Technologies

- Minority Interests Public
  - Arrando
  - Geoworks
  - Valence Technologies
  - Minority Interests Private
    - Tellium

Significant Partial Ownership

- intesa

Foreign Subsidiaries

- ANXeB
- DANET
- Calanais

SAIC Venture Capital Corp

- Minority Interests
  - Public Companies
    - Cyberplex
    - Daleen Technologies
    - Groupe Steria
    - Intrusion.com
    - Nuance Communications
    - VeriSign
    - Predictive Systems

*These entities are not part of our consolidated financial statements for FY2001.*
One Path - Howdy’s Top 10

- Get educated — U of R — build a foundation - no boundaries

- Treat each step on your Journey as an Opportunity - Air Force

- Be entrepreneurial and take risks - Terra Tek

- Network/find mentors — Universities (U OF R, MIT, Univ Utah, UC Berkeley) and Companies

- Build an organization with good people — reward and mentor them - Terra Tek and SAIC
AND

– Be involved in what is important to You and Others

– Be Agile and make your Clients Successful

– It’s all about the people/networking/relationships

– It’s a WE world, not a You world – give back

Finally - Most importantly - It’s all about Family

IT’S A FIELD OF DREAMS – Build it