

# CMC Electronics Cincinnati

**C**MC Electronics Cincinnati (CMC EC), located in Mason, Ohio, is a major subcontractor of electronic components for rockets used in testing "missile defense" weapons systems. Between 1988 and June 2004, CMC EC was the U.S.-based subsidiary of CMC Electronics Inc., a top Canadian avionics firm formerly known as the Canadian Marconi Company.<sup>1</sup>

A 2003 CMC brochure extolled CMC EC's 100 years in business and "its fifth decade of spaceflight heritage." Like other Canadian, space-related, military industries, it is "dedicated in its contribution to the success of U.S. space endeavours." This PR booklet also describes the subsidiary's role as a valued producer of "space electronics" for U.S. markets by noting that it: "specialized in the design, development and manufacture of high-reliability electronic equipment for use on launch vehicles, missiles and spacecraft. Its world leading launch vehicle, missile avionics and spacecraft transmitters, receivers and transceivers are supplied to the aerospace industry for programs that include Atlas and Delta Launch Vehicles [i.e., rockets], [and] the *National*

*To be continued...*

## Orbital Sciences Corp.

**C**MCEC was not the only Canadian company that contributed to the "missile defense" weapons testing program of Orbital Sciences Corp. (OSC). OSC owned a Vancouver-based firm called MacDonald Dettwiler and Assoc. (MDA), a major Canadian contributor to the "missile defense" program.

After the Liberal government spent hundreds of millions of tax dollars financing the world's most advanced commercial radar satellite, Radarsat, it was privatised. The government gave Radarsat to MDA, which was then owned by OSC, a major American "missile defense" contractor. Radarsat data is in great demand by the Pentagon for many warfighting purposes, including "missile defense."

An upcoming issue of *Press for Conversion!* will examine in detail the links between OSC, MDA, Radarsat and so-called "missile defense."

*Missile Defense.*"<sup>2</sup> (Emphasis added) In particular, CMC EC designs and manufactures

"a range of infrared detectors, imaging sensors, missile warning systems, space launch vehicle products and spacecraft electronics."

This Canadian-owned subsidiary is one of six "major subcontractors" that "provide components and subcomponents to the prime contractors responsible for building launch vehicles."<sup>3</sup>

CMC EC has been a "major subcontractor" for so-called "missile defense" since at least 1998. That's when it teamed up with three major military prime contractors (Boeing, Honeywell and Litton) to supply

"new navigation technology developed by the Air Force Research Laboratory and the Army Space and Missile Defense Command's Ballistic Missile Targets Joint Project Office." These devices were "mounted in the missile's booster stage."<sup>4</sup>

The media release for this 1998 contract stated that because of the navigation hardware supplied, in part, by CMC EC, the "test missiles can now be tracked with greater accuracy and flown more safely."<sup>5</sup> (Something always seems amiss when weapons makers casually refer to increasing the "safe" flight of their missiles.)

Orbital Sciences Corp. (OSC), the prime contractor for this project, used global positioning systems to improve tracking during "missile defense" tests. (See sidebar "To be continued..." below.) OSC, one of America's top four missile manufacturers,<sup>6</sup>

"designs, develops, manufactures and operates a wide variety of rockets for space launch missions and missile defense applications."<sup>7</sup>

OSC is "a major supplier of interceptor boosters designed to carry 'kill vehicles' to intercept hostile missiles."<sup>8</sup> It also produces "target rockets used to

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Orbital Science's Taurus rocket in a "missile defense" test.

CMC EC won Orbital Science Corp's "Gold Award for excellence," a "supplier achievement award," for selling major components used in many "missile defense" weapons tests.

test missile defense systems."<sup>9</sup>

CMC EC's contribution to these "missile defense" efforts was so valuable that it received Orbital's "gold award for excellence." This "supplier achievement award" was granted "for outstanding contributions" during the final year that CMC EC was owned by Canada's CMC Electronics.<sup>10</sup>

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# CMC's Gerry Schwartz and Paul Martin's War Chest

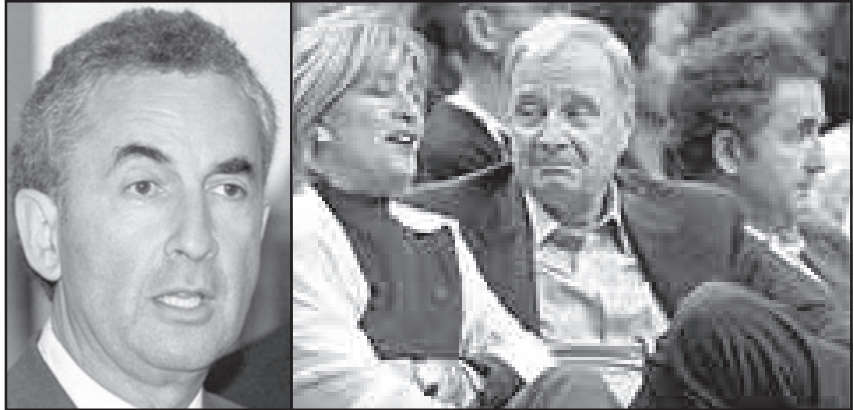
**C**MC Electronics Cincinnati (CMC EC), which had been owned since 1998 by CMC Electronics of Montreal, was sold in December 2004 to L-3 Communications Corp.<sup>1</sup>, a large U.S. war industry with significant "missile defense" contracts. CMC EC, and its parent company CMC Electronics Inc., had long been controlled by the Onex Small Cap Fund,

"a C\$400 million investment fund established by Onex Corp. and a number of leading Canadian financial institutions. Onex is Canada's fourth largest company, with more than C\$20 billion in assets, C\$25 billion in revenues and over 97,000 employees."<sup>2</sup>

The signing of papers initiating the eventual sale of CMC EC occurred in June 2003. That was just one month before Canadian corporate media reports revealed that Gerry Schwartz, the billionaire chairman, president and CEO of Onex Corp. (which still controls CMC Electronics), had personally donated at least \$75,000 to the war chest of then-Finance Minister Paul Martin, who was campaigning to lead the Liberal Party.<sup>3</sup>

Martin would probably never have become Prime Minister without the help of Onex head, Gerry Schwartz, who was the third-largest *known* contributor to Martin's leadership campaign. Martin's fund-raising team also admitted receiving an additional \$75,000 from Schwartz's American Farm Inc.

Martin also received a \$100,000 donation from CanWest Global (a major media corporation whose board members include Derek Burney, the former president and CEO of CAE Ltd., a major beneficiary of the "missile defense" weapons program in Canada. See page 32.) CanWest was, of course,



*Left: Canadian billionaire Liberal, Gerry Schwartz*

*Right: Heather Reisman, Paul Martin and Gerry Schwartz*

not the only "objective" Canadian media concern to support Martin's corporate-friendly campaign. Four companies controlled by Conrad Black, the notoriously right-wing media tycoon, also contributed \$100,000 towards the successful effort to place Martin in the Prime Minister's chair.<sup>4</sup>

A top Liberal strategist told *The Hill Times* that

"except for Sheila Martin, Gerry [Schwartz] and his wife [Heather Reisman, the president and CEO of Indigo-Chapters Books] are the people who have more influence on Martin than anybody."<sup>5</sup>

Not only is Martin indebted to Schwartz for generous personal and corporate contributions, Canada's prime minister also has Schwartz to thank for being his "top corporate fundraiser." Schwartz helped Martin "raise an estimated and whopping \$11-million by the November 15 [2003] leadership convention."<sup>5</sup>

Thanks, in very large part to the corporate fundraising skills of Onex Corp's Gerry Schwartz, Martin's fundraising effort easily surpassed the "\$4-million limit set by the [Liberal] party on campaign spending for leadership candidates."<sup>6</sup>

Schwartz organized what has been described as "the largest political fundraiser in Canadian history." In fact, this one event, a \$700-a-plate banquet on December 9, 2003, raised \$2.7 million for Paul Martin. This corporate-schmooze festival, "dotted with business leaders and Bay Street tycoons,"<sup>7</sup> was held just before the political-eth-

ics laws were changed, on January 1, 2004. These laws have now stopped corporations from directly funding federal parties. Now, the onus is on corporate profiteers, like Gerry Schwartz, to make tax-deductible donations to the Liberal and/or Conservative parties from their own personal, bank accounts.

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## *To be continued.... NovAtel Inc.*

**G**erry Schwartz's Onex also owns NovAtel Inc., a Calgary-based producer of Global Positioning System products. Like CMC EC, which was also owned by Onex, NovAtel has had several contracts for "missile defense" weapons-testing. Novatel's role in the "missile defense" will be discussed in the next issue of *Press for Conversion!*