Los Angeles Times
4/15/96

Business in Orbit

A Huntington Beach company is vying to play a central role in a growing effort to track the movement of nuclear materials and weapons in the former Soviet Union and elsewhere around the globe.

Integrated Sat/Com Corp., through a series of financial maneuvers and partnerships, has gained the rights to operate a small constellation of Russian-built satellites that were used in tests last month to track a deactivated nuclear warhead as it was moved across 2,000 miles of remote terrain in Siberia.

Integrated originally acquired the satellites with plans to use their tracking capabilities for overseas commercial applications such as finding hijacked product shipments, said Craig Eschrich, chief executive of the company. But the same technology could be used to track warheads or other nuclear devices.

The satellites don't actually track plutonium, but can follow transmitter/receivers attached to containers that hold the nuclear materials, Eschrich said. Other sensors can detect if the container has been opened improperly, or if the transmitter has been removed.

The Russian government, or any other government using the system, would be able to verify the location and condition of its nuclear materials, and report to the United Nations as called for under the Nuclear Nonproliferation Treaty.

Eschrich's company became involved because he is also an executive with an investment banking firm called World Funding Group, which helped finance the launch of the satellites in February in partnership with three Russian technology companies that help operate the satellites.

The trouble is, Russia has already signaled it can't afford to pay for the system, so Eschrich is waiting to see whether the U.S. (which has a vested interest in the program) would be willing to pay $67 million to launch other satellites and make the system operational.

If not, Eschrich said he will concentrate on commercial applications. "I'm not a bureaucrat, I'm a businessman."