WESTINGHOUSE ELECTRIC CORPORATION

1991

FORM 10-K

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

**SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549-1004

FORM 10-K

(Mark One)

☑ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [FEE REQUIRED]

For the fiscal year ended December 31, 1991

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]

For the transition period from __________ to __________

Commission file number 1-977

WESTINGHOUSE ELECTRIC CORPORATION

(Exact name of registrant as specified in its charter)

Pennsylvania	25-0877540
(State of incorporation)	(I.R.S. Employer Identification No.)

Westinghouse Bldg., Gateway Center, Pittsburgh, Pennsylvania	15222	(412)244-2000
(Address of principal executive offices)	(Zip Code)	(Telephone No.)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, par value $1.00 per share	New York Stock Exchange, Philadelphia Stock Exchange, Boston Stock Exchange, Midwest Stock Exchange, Pacific Stock Exchange
5-3/8% Debentures due April 1, 1992	New York Stock Exchange
7-3/4% Notes due April 15, 1996	New York Stock Exchange
9% Convertible Subordinated Debentures due 2009	New York Stock Exchange

Indicate by checkmark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☑

Indicate by checkmark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES ✓ NO__

Westinghouse had 339,959,179 shares of common stock outstanding at January 31, 1992. As of that date, the aggregate market value of common stock held by non-affiliates was $6.3 billion.

Documents incorporated by reference:

1. Financial Review Section of the 1991 Annual Report to Shareholders included as Exhibit 28 to this report (1991 Consolidated Financial Statements). (Parts I, II and IV of Form 10-K.)
2. Portions of Westinghouse Electric Corporation's Notice of 1992 Annual Meeting and Proxy Statement to be filed with the Commission pursuant to Regulation 14A of the Securities and Exchange Act of 1934 (the Proxy Statement). (Parts I and III of Form 10-K.)

The terms "Westinghouse" and "Corporation" as used in this Report on Form 10-K refer to Westinghouse Electric Corporation and its consolidated subsidiaries unless the context indicates otherwise.

PART I

ITEM 1. BUSINESS

GENERAL

Westinghouse Electric Corporation was founded in 1886, and since 1889 has operated under a corporate charter granted by the Commonwealth of Pennsylvania in 1872. Today, Westinghouse is a diversified, global, technology-based corporation. The Corporation's operations include television and radio broadcasting stations, advanced electronic systems for the defense and commercial markets, environmental and waste-to-energy services, financial services, electrical and electronics products and services for industrial, construction and utility markets (including nuclear and fossil-fueled power generation equipment), transport temperature control equipment, management and operating services at government-owned facilities, land and community development, and office furniture systems.

For management reporting purposes, Westinghouse applies a business unit concept to its operating organization, with each business unit consisting of one or more divisions or subsidiaries that meet certain internal criteria for profit center decentralization. In January 1991, Westinghouse realigned its business units into the following seven major operating groups that correspond generally to the major market each group serves: Broadcasting; Electronic Systems; Environmental Group; Financial Services; Industries and Corporate Resources; The Knoll Group; and Power Systems. The realignment, which affected all of the former groups except Electronic Systems and Financial Services, was completed primarily to consolidate Westinghouse's environmental businesses into one group and to create The Knoll Group. During 1991, the largest single customer of Westinghouse was the U.S. government and its agencies, whose purchases accounted for 23% of 1991 consolidated sales and operating revenues. No material portion of the total Westinghouse business was seasonal in nature.

OPERATING GROUPS

For corporate financial reporting purposes, the seven reporting segments of the Corporation correspond to the seven operating groups identified above. The financial results of manufacturing entities located outside the U.S., and export sales and foreign licensee income are included in the financial information of the reporting segment that had operating responsibility for such activity. Financial and other information by segment and geographic area is included in Note 22 to the 1991 Consolidated Financial Statements incorporated by reference in this report. For information about principal acquisitions and divestitures from 1989 through 1991, see Note 21 to the 1991 Consolidated Financial Statements incorporated by reference in this report.

Broadcasting

Westinghouse Broadcasting Company ("Group W"), a wholly-owned subsidiary of the Corporation, provides a variety of communications services consisting primarily of commercial broadcasting and program production and distribution. It sells advertising time to radio, television, and cable advertisers through national and local sales organizations.

Group W currently owns and operates five network affiliated television broadcasting stations and 17 radio stations. Group W's television stations are located in Baltimore, Boston, Philadelphia, Pittsburgh, and San Francisco and their signals reach approximately 10% of the U.S. viewing audience. Each of the five Group W television stations is currently rated either first or second in its market for the full broadcast week. Its radio stations are located in Boston, Chicago, Detroit, Houston, Los Angeles, New York City, Philadelphia, Pittsburgh, Sacramento, San Antonio, and Washington, D.C. Group W's radio stations operate in eight of the ten top radio markets in the U.S. and form the largest non-network radio group in the U.S. In addition, WINS, Group W's all-news radio station in New York City, currently has more listeners than any other radio station in the U.S. Group W's program production and distribution business, Group W Productions, supplies television series and special programs through national syndication to broadcast television stations and cable networks throughout the U.S.

The Broadcasting group also includes Group W Satellite Communications which provides sports programming and the marketing and advertising sales for two country music entertainment channels and one pay-per-view cable program network. Group W Satellite also provides technical services to broadcast and cable television networks.

Also included in the Broadcasting group are Westinghouse Communications, a voice and data telecommunications and network service business, and the Longines-Wittnauer Watch Company.

Group W broadcast stations have many competitors, both large and small, and compete principally on the basis of audience ratings, price, and service. Group W's commercial broadcast television business experiences competition from cable television which provides program diversification in addition to improved reception. Broadcast stations and cable television systems are also in competition in varying degrees with other communications and entertainment media, including movie theaters, videocassette distributors, and over-the-air pay television. Due to the rapid pace of technological advancement and regulatory change in the communications field, broadcast television stations can expect to face continued strong competition in the future.

Electronic Systems

The Electronic Systems group is a world leader in the research, development, production, and support of advanced electronic systems for the Department of Defense (DOD) and other government agencies, such as the Federal Aviation Administration (FAA), the National Aeronautics and Space Administration, and the Customs Service. In addition to domestic government agencies, customers of the Electronic Systems group include federally approved foreign governments and prime contractors that service these customers.

Products provided to DOD include surveillance and fire control radars, command and control systems, electronic countermeasures equipment, electro-optical systems, spaceborne sensors, missile launching and handling equipment, marine propulsion systems, torpedoes, anti-submarine warfare systems, and communications equipment. Purchases by DOD, directly and through subcontractors, accounted for 71% of the group's sales in 1991.

In 1989, Electronic Systems was realigned to better position itself to increase its non-DOD business. In 1991, the group's non-DOD business represented 29% of total group sales. The group is expanding into non-DOD markets where it can apply technologies developed in its DOD business. For example, the group is providing equipment, systems, and logistic support, both domestically and internationally, for air traffic control, aircraft power generation, drug traffic interdiction, security systems, automated mail-processing, and information services. During 1991, the Corporation acquired Schlage Electronics, now called Westinghouse Security Electronics, a worldwide supplier of electronic access control security systems.

Westinghouse has been successful in using its leadership position in many of its technologies to develop both military and commercial products. Electronic Systems supplies airborne radar systems for the F-16 Falcon fighter and AWACS programs. The group is also the largest supplier of radar systems for the FAA's air traffic control system. It is currently producing the ASR-9 air traffic control terminal approach radars which will be installed at more than 100 airports across the U.S. Under contract to the FAA, Electronic Systems is developing the ARSR-4 long-range radar to guide air traffic between major U.S. locations. In Europe, Westinghouse has made initial equipment deliveries under an $11 million contract with Poland to modernize Poland's air traffic control system.

The Electronic Systems group has a product presence in 100 countries; in 1991 its international sales were 16% of the group's total sales.

In general, sales to the U.S. government and foreign military sales through the U.S. government are subject to termination procedures prescribed by statute. Government contracts vary from fixed-price contracts on production programs and some development programs to cost-type contracts on development activities. Reliability, performance, and competitive costs are the main criteria in the award of contracts in this type of aerospace industry business. This group's business is influenced by changes in the budgetary plans and procurement policies of the U.S. government, as well as changes in its diplomatic and political posture. The recently proposed reductions in DOD's 1993 fiscal year budget, if enacted as proposed, are not expected to have a material adverse effect on group business. However, until budget measures are actually enacted, it is difficult to predict the effect on the group.

This group encounters significant competition, primarily from large electronics companies, on the basis of technology, price, service, warranty, and product performance. On any DOD weapon system platform, the Electronic Systems group might be a prime bidder, or teamed or in competition with any one of the major aerospace companies doing business within the U.S. or allied countries.

Environmental Group

The Environmental Group combines five of Westinghouse's environmental businesses: toxic and hazardous waste services, waste-to-energy plants, radioactive waste services, management and operation of certain government-owned facilities, and electrical products and services.

Toxic and hazardous waste services are provided primarily through Westinghouse Environmental and Geotechnical Services, Inc., Westinghouse Remediation Services, Inc., and Aptus, Inc., which together offer a range of services including risk and environmental assessment, laboratory analysis, remedial investigation, site remediation, waste-material transportation, incineration and waste treatment, and remediation. Certain of these services are provided by the Corporation in Europe through two wholly-owned subsidiaries, one in Germany and one in France.

The waste-to-energy business is conducted through the Resource Energy Systems division. The Corporation has numerous competitors for municipal solid waste disposal and processing services, including landfill disposal companies, recyclers, and other companies offering resource recovery and incineration projects. The market for new waste-to-energy plants has declined substantially and has been adversely affected by project cancellations and delays by municipalities, permitting delays, an increase in recycling, and an uncertain regulatory environment.

Services with respect to radioactive and mixed hazardous/radioactive waste are provided through The Scientific Ecology Group, Inc., a wholly-owned subsidiary of the Corporation.

Through the Government Operations business unit and the Savannah River Company, the Corporation also manages and operates six government-owned facilities under contracts with the U.S. Department of Energy (DOE). DOE facilities are involved in the production of uranium metal products, fuel reprocessing, and nuclear waste disposal. Essentially all of the business conducted by the Government Operations business unit and the Savannah River Company is with the federal government, which reserves the right to terminate all contracts for convenience purposes.

Also included in the Environmental Group is the Electrical Products and Services business unit which provides a range of services, including industrial repair services, for mechanical and electrical equipment.

Competition for services provided by businesses in the Environmental Group is based on price, technology preference, environmental engineering experience, performance reputation, warranties, and with respect to certain businesses, availability of permitted disposal facilities.

Financial Services

The Financial Services group is comprised of Westinghouse Financial Services, Inc. (WFSI), a wholly-owned subsidiary of the Corporation, and WFSI's principal subsidiaries, Westinghouse Credit Corporation (WCC) and Westinghouse Savings Corporation (WSAV). Westinghouse Communities, Inc. (WCI), a subsidiary of WFSI, is included in the Industries group for management and segment reporting purposes. Pursuant to a new strategy adopted by the Corporation's Board of Directors in February 1991, WFSI is taking steps to downsize its business and reduce its exposure to underperforming and higher risk assets.

WCC's portfolios consist of secured and unsecured intermediate-term loans for acquisition financing, project financing and general corporate purposes, commercial line-of-credit loans secured by accounts receivable and inventory, loans for commercial and residential real estate projects, leases of income-producing capital assets, and debt and equity securities. The assets of WSAV consist of the assets of two thrift institutions acquired in 1990. Other WFSI subsidiaries hold loans, commercial and residential properties, and debt and equity securities. Certain of these subsidiaries' assets were acquired in transactions with WCC. WFSI's lending transactions involving Westinghouse constitute less than 2% of WFSI's lending activities.

Implementation of the Corporation's strategy of downsizing Financial Services' portfolios through liquidation or restructuring began late in the first quarter of 1991. By December 31, 1991, WCC had reduced its portfolio of high-yield bonds and preferred stock by approximately $600 million. During the fourth quarter of 1991, WCC disposed of corporate, leasing, and real estate assets for approximately $700 million.

As of December 31, 1991, WFSI's assets totaled $10,358 million. Of this amount, $8,110 million represented assets held for investment and other assets, and $2,248 million, net of a valuation allowance of $1,667 million, represented assets held for sale or restructuring.

In order to preserve or strengthen existing portfolios, WFSI may provide certain financing on a limited basis. In addition, WFSI has issued various loan or investment commitments, guarantees, standby letters of credit and other standby agreements. Depending on market conditions, management estimates that funding of approximately $1.2 billion of these outstanding commitments may be required in 1992. See Note 19 to the 1991 Consolidated Financial Statements incorporated by reference in this report.

The finance industry has historically been highly fragmented and competitive. In the present market, there is significant competition among financial institutions and government agencies that are liquidating assets which may affect WFSI's ability to dispose of assets.

Industries

The Industries group consists of four principal businesses: Thermo King Corporation, Distribution and Control business unit, Westinghouse Electric Supply Company (WESCO) and WCI. These diverse businesses supply a variety of products and services to a broad range of customers in the capital goods, industrial, construction and real estate markets, and to original equipment manufacturers.

The Thermo King business unit is the world leader in its primary businesses. Thermo King manufactures a complete line of mobile temperature control equipment, including units for trucks, truck trailers, ships, fishing vessels, and railway cars. The transport refrigeration units are powered by diesel fuel, gasoline, propane, or electricity. The business unit's products also include air conditioning units for buses and light rail vehicles. Thermo King maintains international manufacturing facilities in Ireland, Brazil, Puerto Rico, Spain, the Dominican Republic, and the United Kingdom. It has dealerships throughout the world, and its equipment is used in more than 80 countries.

The Distribution and Control business unit supplies products and services primarily for construction and industrial applications. These businesses manufacture and sell electrical distribution and protection equipment, motor control centers and motor starters, dry-type transformers, and electronic components. The Distribution and Control business unit's strong position with construction and industrial customers is supported by a network of 2,525 distributors in the U.S. and Canada. Through Challenger Electric Equipment Corporation, a subsidiary which manufactures residential circuit breakers, load centers, meter centers, safety switches, panel boards, switchboards, and electrical boxes, the Distribution and Control business unit serves the commercial and residential construction market.

WESCO, through its 254 branches located in the U.S., Canada, Puerto Rico, Hawaii, and Guam, distributes electrical and non-electrical products. In addition, there are also branches or sales organizations in China, Singapore, Chile, Saudi Arabia, the United Kingdom, and Belgium. The products distributed by WESCO range from light bulbs, conduit, cable, transformers and breakers to panel boards, switchgear, programmable controllers, fiber optic products, data communication products, and work stations, and are marketed worldwide. The products sold through WESCO are manufactured by Westinghouse and non-Westinghouse entities.

WCI develops land into master planned luxury communities primarily in Florida and California. Among WCI's community developments are Coral Springs, Parkland, Bermuda Bay, Pelican Bay, Pelican Landing, Gateway, and Bay Colony, all in Florida, and Big Horn in Palm Desert, California.

The Industries group is subject to a high degree of competition worldwide for all products and services by both large and small competitors. Its products compete on the basis of cost, service, technology, warranty, product performance, and financing. General economic conditions with respect to foreign business have deteriorated somewhat, particularly in Brazil and Canada. Except for Distribution and Control, foreign competition in the U.S. is not currently a major factor for the Industries group.

The Knoll Group

The Knoll Group was formed to manage all of the Westinghouse office furniture businesses. In November 1989, Westinghouse acquired The Shaw-Walker Company, a manufacturer of quality metal files, desks, seating systems, and office furniture systems. In December 1989, the Corporation acquired Reff Inc. of Toronto, Canada, a manufacturer of high-quality office furniture in a wide range of wood veneer and high pressure laminate finishes. In August 1990, the Corporation acquired substantially all of the assets and assumed certain liabilities of Knoll International, Inc. and its related and subsidiary U.S. and foreign companies. Knoll International is a global designer, manufacturer, and marketer of high-quality furniture and furniture systems with principal manufacturing locations in the U.S., Italy, and France. The Corporation believes it is currently one of the four largest office furniture suppliers in North America.

The Knoll Group provides a wide range of furniture products ranging from designer-oriented individual pieces to systems designed to improve work environments and contribute to productivity. Products include individually hand-crafted furniture, executive furniture, general office furniture, furniture-grade textiles, office accessories, and furniture systems.

The Knoll Group is subject to a high degree of competition (including price, service, design, and product performance) for sales of products to the interior design, construction, industrial, and consumer markets from both large and small competitors.

Power Systems

The Power Systems group, comprised of the Power Generation and Energy Systems business units, serves the worldwide markets for electrical power generation.

The Power Generation business unit designs, manufactures, and services steam turbine-generators for commercial nuclear and fossil-fueled power plants, as well as combustion turbine-generators for natural gas- and oil-fired power plants. In addition to serving the regulated electric utility industry, the business unit supplies, services, and operates power plants for independent power producers and other non-utility generators. Growing demand for electrical energy has contributed to the business unit's growth. In 1991, the business unit had a 26% increase in sales, and was awarded orders for approximately 3,600 megawatts of new power generating capacity. The domestic market for new generating equipment from 1992 through the year 2000 is expected to exceed 127 gigawatts; the international market is expected to be over three times the size of the domestic market. With more than 1,700 operating units worldwide based on Westinghouse power generation technology, the business unit has a substantial service business. The Power Generation business unit is a participant in the development of emerging technologies which could shape the future of power generation. Activities focused on clean coal combustion, superconducting magnets, fuel cells, and other advanced energy technologies place the business unit in a strong position for continued growth.

The Energy Systems business unit primarily serves the worldwide nuclear energy market. It also designs and develops solar-based energy systems, advanced energy sources such as fuel cells, and process control systems for nuclear and fossil-fueled power plants and industrial facilities. About half of the world's operating commercial nuclear power plants incorporate Westinghouse technology. With virtually all of Westinghouse's worldwide nuclear plant projects now in operation, the business unit focuses on supplying a wide range of operating plant services, ranging from performance-based maintenance programs to new products and services that enhance plant performance. The business unit also has complete capabilities for supplying customers with nuclear fuel. The annual market for operating plant services and fuel is over $10 billion in the U.S. and $30 billion globally. The business unit is also working with government agencies and industry leaders to revitalize the nuclear energy option, and is developing a simplified nuclear plant design that incorporates natural safety systems.

The Power Systems business units have a number of domestic and foreign competitors in the electric utility industry where Westinghouse is recognized as a significant supplier. Positive factors with respect to the group's competitive position are technology, service, and worldwide presence. Negative factors are an increasing number of small competitors, particularly in the service area, and foreign competitors. The principal methods of competition are technology, product performance, customer service, pricing, and financing.

International Council

While all business units have responsibility and accountability for their businesses worldwide, an International Council, established by the Corporation in late 1990, is responsible for the coordination of international activities among the business units.

In 1991, Westinghouse subsidiaries located outside the U.S. contributed 13% of consolidated sales and operating revenues, and exports accounted for an additional 9%. In addition, patent license and technical assistance agreements that are subject to periodic renewal produced revenues, net of related expenses, of approximately $96 million in 1991, $137 million in 1990, and $149 million in 1989. A significant portion of these amounts was paid by foreign licensees.

RAW MATERIALS

The Corporation has experienced no significant difficulty with respect to sources and availability of raw materials essential to the business.

PATENTS

Westinghouse owns or is licensed under a large number of patents and patent applications in the U.S. and other countries that, taken together, are of material importance to its business. Such patent rights are, in the judgment of the Corporation, adequate for the conduct of its business. None of its important products, however, is covered by exclusive controlling patent rights that preclude the manufacture of competitive products by others.

BACKLOG

The backlog of firm orders of the Corporation was $10,510 million at the end of 1991 and $10,610 million at the end of 1990, excluding amounts associated with uranium supply contract settlements. Of the 1991 backlog, $5,805 million is expected to be liquidated after 1992. In addition to the reported backlog, the Corporation provides certain non-Westinghouse products primarily for nuclear steam supply systems customers. Backlog for the Westinghouse groups is as follows:

Electronic Systems backlog at year-end 1991 and 1990 was $4,397 million and $4,761 million. Backlog of $2,315 million is expected to be liquidated after 1992.

Environmental Group backlog at year-end 1991 and 1990 was $1,264 million and $1,374 million. Backlog of $986 million is expected to be liquidated after 1992.

Industries backlog at year-end 1991 and 1990 was $320 million and $262 million. Backlog of $3 million is expected to be liquidated after 1992.

The Knoll Group backlog at year-end 1991 and 1990 was $156 million and $218 million. All backlog is expected to be liquidated during 1992.

Power Systems backlog at the end of 1991 and 1990 was $4,373 million and $3,995 million. Backlog of $2,501 million is expected to be liquidated after 1992.

ENVIRONMENTAL MATTERS

Westinghouse manufacturing activities presently generate, and in past years have generated, wastes that are now classified as hazardous by environmental laws and regulations. The hazardous wastes generated currently are handled in accordance with present federal and state law requirements for such wastes and are disposed of through permitted facilities.

Prior to the enactment of federal environmental legislation, such wastes were disposed of in accordance with then contemporary business and government practices. The federal Superfund Law applies to any site that poses a risk to the environment and imposes responsibility for cleaning up a site not only on the owner and operator of the site, but also on each person who contributed hazardous materials to the site, without regard to the propriety of the disposal in accordance with then existing standards that were customary and acceptable. As with other large companies with numerous facilities located throughout the country, the Corporation has been named as a potentially responsible party in actions involving a number of sites through various aspects of its operations. See also Management's Discussion and Analysis on pages 17 through 22 of the 1991 Consolidated Financial Statements, incorporated by reference in this report, as supplemented by Item 7 in this report.

The Corporation's experience to date with investigating and evaluating site clean-up costs, claims, and litigation suggests that past environmental practices have created conditions, some of which may still be unidentified, that will require continuing attention and expenditures for a number of years. This experience also persuades management that the outcome of present and future remediation efforts, claims and litigation, and compliance with federal, state, and local provisions regulating the protection of the environment, although expected to be important and time-consuming, will not have any material adverse effect on capital expenditures, earnings, or the competitive position of the Corporation and its subsidiaries. Further, it should be noted that the Corporation has commenced legal action against over 100 insurance companies seeking, among other things, declaratory judgments in its favor regarding coverage for environmental claims and litigation involving personal injury and property damage.

The Corporation has entered into several contracts with DOE to manage and operate facilities owned by the federal government or other governmental agencies (M&O contracts). See the discussion under Environmental Group appearing on page 4 of this report. Several of these facilities have been operated for a number of years by other parties and certain environmental and safety issues have been raised with respect to past practices and their current impact on the environment. Under the contracts which Westinghouse has with DOE, costs associated with environmental liabilities are reimbursed by the U.S. government. This includes costs arising out of regulatory actions and third party claims, as well as the cost of environmental remediation. DOE recently published its new rules governing M&O contracts. If and when the new DOE accountability rules become applicable to the Corporation's M&O contracts, certain costs, subject to a maximum amount, may no longer be reimbursed. The M&O contracts provide for coverage under the Price Anderson Act for any liabilities associated with radioactive materials and nuclear hazards.

RESEARCH AND DEVELOPMENT

Data with respect to Westinghouse research and development is incorporated herein by reference to Note 22 to the 1991 Consolidated Financial Statements incorporated by reference in this report.

EMPLOYEE RELATIONS

During 1991, Westinghouse employed an average of approximately 113,500 people, of whom approximately 95,000 were located in the U.S. During the same period, approximately 17,700 domestic employees were represented in collective bargaining by 29 labor organizations. Of these employees, 68% were represented by unions that are affiliated with, and/or bargain in conjunction with, one of three national unions, namely, the International Brotherhood of Electrical Workers; the International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers; and the Federation of Westinghouse Independent Salaried Unions.

In August 1991, the Corporation negotiated three-year agreements with these unions representing about 12,100 employees. The pay and benefits provisions resulting from these agreements were tailored to reflect a good balance between the particular needs of Westinghouse and its employees.

The basic agreements provided wage increases of 2.5% each in August 1991 and 1992, and 3% in August 1993. In addition, there are five potential cost-of-living increases. The agreements also included major restructuring of the health care delivery system based on comprehensive, pay related, first dollar health insurance and four new managed care networks, plus well care; a restructured pension plan; a new program which allows employees to make contributions toward their medical expenses in retirement; improvements in the savings plan; and changes in various benefit plans to assure compliance with legislative and administrative requirements such as the Older Worker Benefit Protection Act and the Tax Recovery Act of 1986. Management believes that the 1991 labor agreements represent a balanced and competitive package of pay and benefits particularly well suited for Westinghouse and its employees.

ITEM 2. PROPERTIES

At December 31, 1991, Westinghouse owned or leased 1,398 locations totalling 54 million square feet of floor area in the U.S. and 35 foreign countries. Domestic operations, comprising approximately 80% of the total space, included 69 manufacturing plants located in 22 states and Puerto Rico. Some of the larger foreign operations were located in Canada, Brazil, Australia, and West Germany.

Leased facilities accounted for approximately 26% of the total space occupied by Westinghouse in the U.S. and 7% in foreign countries. No individual lease was material.

As a result of the Corporation's restructuring activities, several manufacturing plants are either vacant, partially utilized, or leased to others. All of these plants are expected to be sold, leased, or otherwise utilized. Except for these facilities, the Corporation's physical properties are adequate and suitable, with an appropriate level of utilization, for the conduct of its business in the future.

ITEM 3. LEGAL PROCEEDINGS

(a) Furnas Centrais Eletricas, S.A. (Furnas), the Brazilian government-owned utility, commenced an action against the Corporation on July 10, 1987, in the U.S. District Court (USDC), Southern District of New York, for alleged defects in steam generators supplied by Westinghouse for use at the Angra 1 nuclear power station in Angra, Brazil. The complaint claims an unspecified amount of damages and alleges breach of warranty and contract, negligence, fraud and violations of the Racketeer Influenced and Corrupt Organizations (RICO) statute. In 1988, the Court granted the Corporation's motion to compel arbitration and Furnas filed its request for arbitration with the International Chamber of Commerce Court of Arbitration (ICC). The Furnas request alleges claims for negligence and fraud, breach of contract and Brazilian statutory warranties, and violations of the RICO statute. Furnas seeks damages in the amount of $177 million. The Corporation submitted its counterclaims to the ICC alleging claims for breach of contract based on Furnas' failure to make timely payments to the Corporation for equipment and services. Information was supplied by the parties to the ICC arbitration panel, and on December 3 through 6, 1991, the parties presented final oral arguments in this matter to the panel. A decision is expected during summer 1992.

(b) On December 1, 1988, the Republic of the Philippines (Republic) and National Power Corporation (NPC) filed a lawsuit in the USDC for the District of New Jersey asserting claims against the Corporation, Westinghouse International Projects Company and Burns and Roe Enterprises, Inc. (Burns and Roe) related to a contract between NPC and Westinghouse for the construction of a nuclear power plant in the Philippines as well as an earlier consulting contract between NPC and Burns and Roe related to the same project. The action seeks recision of the Westinghouse and Burns and Roe contracts and restitution of all money and other property paid to Westinghouse and Burns and Roe or, alternatively, reformation of the NPC-Westinghouse contract. Plaintiffs request compensatory, punitive and treble damages, costs and expenses of the lawsuit, and such other relief as the Court deems just and proper. The complaint alleges, among other things, bribery and other fraudulent conduct, tortious interference with the fiduciary duty owed by Ferdinand E. Marcos to the Republic and the people of the Philippines, common law fraud, and violations of various New Jersey and federal statutes, including the RICO statute. Plaintiffs demanded a jury trial.

Also on December 1, 1988, Westinghouse filed a request for arbitration with the ICC pursuant to the NPC-Westinghouse contract, setting forth certain claims Westinghouse has against NPC and the Republic and asking for arbitration of the anticipated claims of the Republic and NPC related to the Philippines nuclear power plant. Westinghouse filed a motion with the New Jersey District Court requesting that the action filed there be stayed in its entirety pending arbitration of the Republic's claims. In 1989, the Court granted a motion brought by the Corporation and ordered 14 of the 15 counts in the lawsuit to be stayed pending arbitration. The subject matter of these 14 counts is now pending in arbitration before the ICC. The Court retained jurisdiction over the remaining count involving an alleged intentional interference with a fiduciary relationship.

The Republic and NPC challenged the jurisdiction of the ICC, arguing that the contract between the parties, including its arbitration provision, was invalid due to alleged bribery in the procurement of the contract. On December 19, 1991, the ICC arbitration panel issued its award finding that the Republic and NPC had failed to carry their burden of proving the alleged bribery by the Corporation. The panel thereby concluded that the arbitration clause and contract were valid and that the panel has jurisdiction over the remaining disputes between NPC and the Corporation. The next phase of the arbitration will address the construction of the plant and other commercial claims.

The New Jersey court, with respect to the one count remaining before it, has reserved until trial the question of whether punitive damages may be sought and has limited compensatory damages in the case to the amount of the alleged bribes. Westinghouse has denied that there have been any bribes and believes that, in any case, the compensatory damages, if any, that could result from the court's ruling would be in the range of $17 million. The Republic will likely argue that the damages are higher. Trial is scheduled to commence during March 1992.

(c) On April 20, 1989, the Corporation initiated a lawsuit against Carolina Power & Light (CP&L) in the USDC for the Western District of Pennsylvania requesting payment of $2.5 million for services performed by the Corporation related to steam generators supplied to CP&L for its Shearon Harris Nuclear Plant Unit No. 1 pursuant to a 1971 contract. In addition, the Corporation sought declaratory judgment as to its obligations under the contract and payment of termination charges arising out of the cancellation of Units 2, 3, and 4.

CP&L filed a lawsuit against the Corporation in the USDC for the Eastern District of North Carolina on April 28, 1989 for an undetermined amount of damages based on the same 1971 contract asserting counts for breach of express and implied warranties, breach of contract, fraud, violation of the RICO statute, and violation of a North Carolina consumer protection statute. CP&L alleges that the steam generators delivered by the Corporation were defectively designed and manufactured.

CP&L transferred its North Carolina action to the Western District of Pennsylvania and filed a counterclaim against the Corporation containing allegations similar to the complaint filed in North Carolina. The actions have been consolidated. In 1990, CP&L filed an amended complaint and counterclaim adding additional claims of negligent misrepresentation and promissory estoppel. The parties are continuing with discovery.

(d) Duke Power Company (Duke) filed a lawsuit against the Corporation on March 22, 1990 in the USDC for the District of South Carolina, Charleston Division, for an unspecified amount of damages based on 1970 and 1975 contracts for Westinghouse's supply of nuclear steam supply systems at Duke's McGuire and Catawba plants. Duke asserts counts for negligence, promissory estoppel, fraud, negligent misrepresentation, violation of the RICO statute, and violation of North Carolina and South Carolina unfair trade practices statutes, and alleges that the steam generators delivered by the Corporation were defectively designed and manufactured. Alleged co-owners of the plants intervened in the litigation as additional plaintiffs. The parties are engaged in litigating motions and discovery.

(e) On March 22, 1990, South Carolina Electric and Gas (SCE&G) filed a lawsuit against the Corporation in the USDC for the District of South Carolina, Charleston Division, for an unspecified amount of damages based on a 1970 contract for Westinghouse's supply of a nuclear steam supply system at the Summer plant. SCE&G asserts counts for breach of warranty, breach of contract, negligence, negligent misrepresentation, promissory estoppel, fraud, violation of the RICO statute and violation of a South Carolina unfair trade practices statute. SCE&G alleges that the steam generators delivered by the Corporation were defectively designed and manufactured. The parties are engaged in litigating motions and discovery.

(f) CP&L filed a lawsuit against the Corporation in the USDC for the District of South Carolina, Charleston Division, on March 22, 1990, for an unspecified amount of damages based on a 1968 contract for Westinghouse to supply a nuclear steam supply system at the Robinson 2 plant. CP&L asserts counts for fraud, negligent misrepresentation, violation of the RICO statute and violation of North Carolina and South Carolina unfair trade practices statutes and alleges that the steam generators delivered by the Corporation were defectively designed and manufactured. The parties are engaged in litigating motions and discovery.

(g) On October 15, 1990, Commonwealth Edison Company filed a lawsuit against the Corporation and four individual defendants (all employees of the Corporation or a Corporation subsidiary company) in Circuit Court in Cook County, Illinois, for an unspecified amount of damages based on the Corporation's supply of nuclear steam supply systems for Commonwealth Edison's Zion, Byron and Braidwood plants. The complaint sets forth counts of common law fraud against the Corporation and the employees, and violation of the Illinois Consumer Fraud and Deceptive Practices Act and violations of the RICO statute against the Corporation. In November 1991 Commonwealth Edison dismissed the individual defendents. The parties are litigating motions.

(h) On October 15, 1990, Houston Lighting and Power Company and its co-owners filed a lawsuit against the Corporation and two individual defendants (one current and one retired employee of the Corporation) in the District Court of Matagorda County, Texas, for an unspecified amount of damages. The claims arise out of the Corporation's supply of nuclear steam supply systems for the South Texas Project. The petition alleges breach of contract warranty, misrepresentation, negligent misrepresentation and violation of the Texas Deceptive Trade Practices Act. In January 1991, the parties reached agreement to dismiss the individual defendants and to stay the litigation for the purpose of discussing resolution of the issues between them. In November 1991, however, the plaintiffs gave notice that they were activating the litigation. The pleadings stage of the litigation has now resumed.

(i) On April 30, 1991, Duquesne Light Company (Duquesne) and its co-owners filed a lawsuit against the Corporation in the USDC for the Western District of Pennsylvania for an undetermined amount of damages. The claims arise out of the Corporation's supply of nuclear steam supply systems for the Beaver Valley plants. Duquesne asserts counts for breach of contract, fraud, negligent misrepresentation, and violations of the RICO statute. The parties are engaged in discovery.

(j) On August 16, 1988, the Pennsylvania Department of Environmental Resources (DER) filed a complaint against the Corporation alleging violations of the Pennsylvania Clean Streams Law at the Corporation's Gettysburg, Pennsylvania, elevator plant. The DER has requested that the Environmental Hearing Board assess a penalty in the amount of $9 million. The Corporation has denied the allegations. The parties have completed substantially all of the discovery and a portion of the hearing on the complaint. The hearing resumed in late 1991 and is scheduled to continue into early 1992.

(k) The Corporation is defending the 13 class action, derivative, and individual lawsuits listed below, which are brought by shareholders of the Corporation against the Corporation, WFSI, WCC, and/or certain present and former directors and officers of the Corporation, as well as other unrelated parties. Together, these actions allege various federal securities law and common law violations arising out of (i) alleged misstatements or omissions contained in the Corporation's public filings concerning the financial condition of the Corporation, WFSI, and WCC in connection with a $975 million charge to earnings announced on February 27, 1991, a public offering of Westinghouse common stock in May 1991, and a $1,680 million charge to earnings announced on October 7, 1991, and (ii) the Corporation's acquisition of substantially all the assets of Knoll International, Inc. and Knoll Nevada, Inc. in exchange for Westinghouse common stock in August 1990 (these claims are asserted only by the seller of these assets). Each of these lawsuits alleges an unspecified amount of damages.

The USDC for the Western District of Pennsylvania issued an order consolidating for discovery and trial purposes the actions pending against the Corporation in that Court (Nos. 1 through 6, 9, 10 and 11). On October 8, 1991, plaintiffs in actions Nos. 1, 2, 3, 4, and 6, together with certain new plaintiffs, filed an amended class-action complaint in the USDC for the Western District of Pennsylvania. This amended complaint alleges substantially the same violations and includes allegations with respect to the October 7, 1991 announcement. Future reports concerning actions Nos. 1, 2, 3, 4, and 6 will refer to these actions collectively as the "Amended Class-Action."

Two cases (Nos. 5 and 9) contain derivative claims seeking a judgment on behalf of the Corporation against the officers and directors named as defendants in the actions.

All of these actions are in the discovery stage. The Corporation has filed motions to dismiss in all but one of these actions (No. 12).

Court	Type	Date Filed	Plaintiff	Purported Class Period
1. USDC, Western District of PA	C/A*	2/27/91	Zucker	10/24/90-10/7/91
2. USDC, Western District of PA	C/A	3/1/91	Feur	10/24/90-10/7/91
3. USDC, Western District of PA	C/A	3/4/91	Christner	10/24/90-10/7/91
4. USDC, Western District of PA	C/A	3/22/91	Model Associates	10/24/90-10/7/91
5. USDC, Western District of PA	D*	4/12/91	Joselow	
6. USDC, Western District of PA	C/A	5/14/91	Spring Creek Cardio-Medical Associates	10/24/90-10/7/91
7. USDC, Southern District of Texas, Houston Division	I*	10/10/91	Kersten	
8. USDC, Southern District of New York	C/A	10/11/91	Lovins	5/9/91-10/7/91
9. USDC, Western District of PA	C/A; D	10/31/91	Kirschner	10/24/90-10/7/91
10. USDC, Western District of PA	C/A	11/6/91	Bertinato	10/2/90-10/7/91
11. USDC, Western District of PA	C/A	12/20/91	Thompson	3/1/90-10/22/91
12. Common Pleas, Allegheny County, Pennsylvania	I	1/3/92	21 International Holdings Inc.	
13. District Court, Webb County, Texas	I	1/3/92	21 International Holdings, Inc.	

*C/A=Class Action; D=Derivative Action; I=Individual Action

Management believes that the Corporation has meritorious defenses to all of the proceedings described in (a) through (k) above.

(l) A description of derivative litigation involving certain of the Corporation's directors is incorporated by reference to "Litigation Involving Derivative Claims Against Directors" in the Proxy Statement. Westinghouse and the individual director defendants believe that these actions are without merit.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

None during the fourth quarter of 1991.

EXECUTIVE OFFICERS

The name, offices, and positions held during the past five years by each of the executive officers of the Corporation as of February 1, 1992 are listed below. Officers are elected annually. There are no family relationships among any of the executive officers of the Corporation.

Name, Offices, and Positions	Age at February 1, 1992
Paul E. Lego - Chairman and Chief Executive Officer since July 1990; President and Chief Operating Officer from January 1988 to July 1990; Senior Executive Vice President, Corporate Resources, from May 1985 to January 1988.	61
Theodore Stern - Senior Executive Vice President since July 1990; Executive Vice President, Energy & Utility Systems, from January 1988 to July 1990; Executive Vice President, Energy Systems, from March 1986 to January 1988.	62
Gary M. Clark - Executive Vice President, Industries and Corporate Resources since December 1990; Executive Vice President, Industries, from January 1988 to December 1990; Vice President and General Manager, Distribution and Control, from April 1986 to January 1988.	56
George C. Dorman - Executive Vice President, Human Resources and Total Quality since January 1989; Vice President, Human Resources, from January 1988 to January 1989; Vice President, Corporate Quality, from April 1986 to January 1988.	62
Warren H. Hollinshead - Executive Vice President, Finance since December 1990; Vice President and Deputy, Finance, from July 1990 to December 1990; Vice President and Treasurer from February 1990 to July 1990; Vice President, Corporate Development, from January 1988 to February 1990; Director, Corporate Finance, Westinghouse Treasury Department, from April 1986 to January 1988.	56
Richard A. Linder - Executive Vice President, Electronic Systems since December 1987; Vice President and General Manager, Defense, from September 1986 to December 1987.	60
Anthony A. Massaro - Executive Vice President, Environmental Group since January 1991; Vice President, Industries and Environmental Services, from January 1989 to January 1991; General Manager, Industries and Environmental Services, from January 1988 to January 1989; General Manager, Industry Electronics Division, from January 1986 to January 1988.	47

Name, Offices, and Positions	Age at February 1, 1992
Robert F. Pugliese - Executive Vice President, Legal and Corporate Affairs, and Secretary since January 1988; Vice President, General Counsel and Secretary, from August 1976 to January 1988.	59
Maurice C. Sardi - Chairman, The Knoll Group since December 1990; Executive Vice President, Commercial and Corporate Resources, from July 1990 to November 1990; Executive Vice President, Commercial, from January 1988 to July 1990; Vice President, Corporate Relations, from June 1984 to January 1988.	56
Burton B. Staniar - Chairman and Chief Executive Officer, Westinghouse Broadcasting Company, Inc. since 1987; President and Chief Operating Officer, Group W Cable, from December 1982 to May 1987.	50
John B. Yasinsky - Executive Vice President, Power Systems since July 1990; Executive Vice President, World Resources and Technology, from January 1989 to July 1990; Executive Vice President, International, from January 1988 to January 1989; Vice President and General Manager, Advanced Industrial Systems Business Unit, from February 1986 to January 1988.	52
Leo W. Yochum - Chairman and Chief Executive Officer, Westinghouse Financial Services, Inc. since October 1, 1991; retired from Westinghouse Electric Corporation January 1988; Executive Vice President, Finance, from June 1978 to January 1988.	64
Laurence A. Chapman - Vice President and Treasurer since January 1992; Special Assistant to Executive Vice President, Finance, from August 1991 to January 1992; Executive Vice President, Finance, Westinghouse Financial Services, Inc., from June 1990 to August 1991; Vice President, Finance, Westinghouse Financial Services, Inc., from May 1988 to June 1990; Director, Corporate Finance, from January 1988 to May 1988; Director, Finance, from April 1986 to January 1988.	42
Robert E. Faust - Vice President and Controller since February 1988; Vice President, Finance and Planning, Westinghouse Broadcasting Company, Inc., from February 1986 to February 1988.	52

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS.

The principal markets for the Corporation's common stock are identified on page 1 of this report. The remaining information required by this item is incorporated herein by reference to page 45 of the 1991 Consolidated Financial Statements incorporated herein by reference in this report.

ITEM 6. SELECTED FINANCIAL DATA.

The information required by this item is incorporated herein by reference to page 45 of the 1991 Consolidated Financial Statements incorporated herein by reference in this report.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The information required by this item is incorporated herein by reference to pages 17 through 22 of the 1991 Consolidated Financial Statements incorporated herein by reference in this report, as supplemented by the information set forth below.

Rating Agencies' Actions

On February 11, 1992, Moody's Investors Service (Moody's) lowered the senior debt ratings of the Corporation and WCC to Baa2 from A3. Moody's confirmed the commercial paper ratings of both companies at Prime-2.

Reasons cited by Moody's for the downgrades included financial pressure placed on the Corporation due to the poor asset quality at WCC and the prolonged worldwide recession, which is likely to delay improvement in the profitability of the parent's core businesses.

Standard and Poor's affirmed the Corporation's senior debt, subordinated debt, and commercial paper ratings and WCC's senior debt, preferred stock, and commercial paper ratings.

The Corporation believes its current ratings will not have a material adverse affect on its ability to borrow funds or on its operations or financial position.

Income Taxes

In February 1992, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards (SFAS) No. 109, "Accounting for Income Taxes," which replaces SFAS No. 96. The impact on the Corporation of the Statement, as issued, is substantially the same as anticipated in Note 3 to the 1991 Consolidated Financial Statements.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

The information required by this item is incorporated herein by reference to pages 23 through 45 of the 1991 Consolidated Financial Statements incorporated herein by reference in this report.

ITEM 9. DISAGREEMENTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT.

Information concerning executive officers is included in Part I pursuant to General Instruction G to Form 10-K.

The information as to directors is incorporated herein by reference to the Proxy Statement.

ITEM 11. EXECUTIVE COMPENSATION.

The information required by this item is incorporated herein by reference to "Executive Compensation" in the Proxy Statement.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT.

The information required by this item is incorporated herein by reference to "Stock Ownership" in the Proxy Statement.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS.

The information required by this item is incorporated herein by reference to "Transactions Involving Directors" in the Proxy Statement.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K.

(a)(1) Financial Statements

Portions of the 1991 Consolidated Financial Statements included in Part II of this report are as follows:

Report of Independent Accountants
Consolidated Statements of Income for each of the three years in the period ended December 31, 1991
Consolidated Balance Sheet at December 31, 1991 and 1990
Consolidated Statement of Cash Flows for each of the three years in the period ended December 31, 1991
Notes to the Financial Statements

(a)(2) Financial Statement Schedules

The following financial statement schedules for Westinghouse Electric Corporation are included in Part IV of this report:

	Page
Report of Independent Accountants on Financial Statement Schedules	19
For the three years ended December 31, 1991:	
Schedule VIII - Valuation and Qualifying Accounts	20
Schedule X - Supplementary Income Statement Information	20

Other schedules are omitted because they are not applicable or because the required information is included in the financial statements or notes thereto.

(a)(3) Exhibits

(3) Articles of Incorporation and Bylaws
- (a) The Restated Articles of the Corporation, as amended, are incorporated herein by reference to Exhibit 3(b) to Form 10-K for the year ended December 31, 1990.
- (b) The Bylaws of the Corporation, as amended, are incorporated herein by reference to Exhibit 3(d) to Form 10-K for the year ended December 31, 1990.

(4) Rights of Security Holders
- (a) The Corporation agrees to provide to the Securities and Exchange Commission, upon request, a copy of instruments defining the rights of holders of long-term debt of the Corporation and its consolidated subsidiaries.
- (b) Rights Agreement, as amended, is incorporated herein by reference to Exhibit 1 to Form 8-A filed with the Securities and Exchange Commission on December 8, 1988, and July 9, 1990.

(10) Material Contracts
- (a) The Annual Performance Plan is incorporated herein by reference to Exhibit 10(a) to Form 10-K for the year ended December 31, 1987.
- (b) The 1984 Long-Term Incentive Plan is incorporated herein by reference to Exhibit 10(b) to Form10-K for the year ended December 31, 1987.
- (c) The 1979 Stock Option and Long-Term Incentive Plan is incorporated herein by reference to Exhibit 10(c) to Form 10-K for the year ended December 31, 1987.
- (d) The Westinghouse Employee Stock Plan.
- (e) The Westinghouse Personal Investment Plan.
- (f) The Westinghouse Executive Pension Plan is incorporated herein by reference to Exhibit 10(f) to the Form 10-K for the year ended December 31, 1990.
- (g) A description of the Executive Group Life Insurance Plan is incorporated herein by reference to Exhibit 10(g) to the Form 10-K for the year ended December 31, 1988.
- (h) The Split-Dollar Life Insurance Plan is incorporated herein by reference to Exhibit 10(h) to Form 10-K for the year ended December 31, 1986.
- (i) The Deferred Stock and Compensation Plan for Non-Employee Directors is incorporated herein by reference to Annex B of Westinghouse Electric Corporation's Notice of 1992 Annual Meeting and Proxy Statement.
- (j) The Advisory Director's Plan is incorporated herein by reference to Exhibit 10(k) to Form 10-K for the year ended December 31, 1989.
- (k) Competitive Advance and Revolving Credit Facility dated as of December 23, 1991, among the Corporation and WCC as borrowers, the Co-Agents and Lenders named therein and Chemical Bank as Administrative Agent, is incorporated herein by reference to Exhibit 10 to the Corporation's Form 8-K dated January 31, 1992.
- (l) Letter Agreement dated as of November 1, 1991, between the Corporation and Leo W. Yochum.
- (m) Supplemental Support Agreement dated as of December 17, 1991, between the Corporation and WCC.

(n) Guaranty Agreement dated as of December 23, 1991, among the Corporation, WCC, and certain owners of WCC's commercial paper promissory notes.

(11) Computation of Per Share Earnings.
(12) Computation of Ratio of Earnings to Fixed Charges.
(22) Subsidiaries of the Registrant.
(24) Consent of Independent Accountants.
(25) Powers of Attorney and Extract of Resolution of Board of Directors.
(28) Financial Review Section of the 1991 Annual Report to Shareholders.

(b) Reports on Form 8-K

A Current Report on Form 8-K (Items 5 and 7) dated December 23, 1991, to report a press release concerning the consummation of a $6 billion revolving credit agreement between the Corporation and a syndication of 49 banks.

A Current Report on Form 8-K (Items 5 and 7) dated October 7, 1991, to report the press releases concerning certain actions at WFSI and earnings of the Corporation for the quarter ended September 30, 1991.

Report of Independent Accountants on Financial Statement Schedules

To the Board of Directors of
Westinghouse Electric Corporation

Our audits of the consolidated financial statements referred to in our report dated January 28, 1992 appearing on page 23 of Exhibit 28 of this Form 10-K (which report and consolidated financial statements are incorporated by reference in this Annual Report on Form 10-K) also included an audit of the Financial Statement Schedules listed in Item 14(a)(2) of this Form 10-K. In our opinion, these Financial Statement Schedules present fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements.

Price Waterhouse
600 Grant Street
Pittsburgh, Pennsylvania 15219-9954
January 28, 1992

SCHEDULE VIII – VALUATION AND QUALIFYING ACCOUNTS *(in millions)*

	December 31		
	1991	*1990*	*1989*
Customer receivables excluding WFSI — allowance for doubtful accounts:			
Balance at beginning of year	$ 53	$ 39	$ 36
Charged to costs and expenses	28	36	19
Charged to the allowance	(18)	(22)	(14)
Charged to other accounts	8	—	(2)
Balance at end of year (a)	$ 71	$ 53	$ 39
Receivables – WFSI – allowance for credit losses:			
Balance at beginning of year	$ 298	$ 193	$157
Charged to costs and expenses	247	122	92
Charged to the allowance	(90)	(44)	(56)
Charged to other accounts	(81)	27	—
Balance at end of year	$ 374	$ 298	$193
Assets held for sale or restructuring — WFSI — valuation allowance:			
Balance at beginning of year	$1,025	$ —	$ —
Charged to costs and expenses	1,286	975	—
Charged to the allowance	(728)	—	—
Charged to other accounts	84	50	—
Balance at end of year	$1,667	$1,025	$ —

(a) At December 31, 1991, all amounts were classified as current. At December 31, 1990 and 1989, $5 million and $6 million were classified as noncurrent.

SCHEDULE X – SUPPLEMENTARY INCOME STATEMENT INFORMATION *(in millions)*

	Charged to Costs and Expenses		
	1991	*1990*	*1989*
Maintenance and repairs	$141	$139	$142
Taxes, other than income and payroll taxes	$120	$128	$132
Royalties	$ 97	$139	$112

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

WESTINGHOUSE ELECTRIC CORPORATION

By: /s/ Robert E. Faust

Robert E. Faust
Vice President and Controller

February 25, 1992

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated.

Signature and Title

Robert W. Campbell, Director
Frank C. Carlucci, Director
William H. Gray, Director
Paul E. Lego, Chairman and Chief Executive Officer (principal executive officer) and Director
David T. McLaughlin, Director
Richard M. Morrow, Director
Richard R. Pivirotto, Director
Theodore Stern, Senior Executive Vice President and Director
Hays T. Watkins, Director
Leo W. Yochum, Director
Warren H. Hollinshead, Executive Vice President, Finance (principal financial officer)
Robert E. Faust, Vice President and Controller (principal accounting officer)

By: /s/ Robert E. Faust

Robert E. Faust
Attorney-In-Fact

February 25, 1992

Original powers of attorney authorizing Paul E. Lego, Warren H. Hollinshead and Robert E. Faust, individually, to sign this report on behalf of the listed directors and officers of the Corporation and a certified copy of a resolution of the Board of Directors of the Corporation authorizing each of said persons to sign on behalf of the Corporation have been filed with the Securities and Exchange Commission and are included as Exhibit 25 to this report.

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