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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

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

Date of Report (Date of Earliest Event Reported) - July 3, 1997

LOCKHEED MARTIN CORPORATION
(Exact name of registrant as specified in its charter)

Maryland (State or other jurisdiction of Incorporation)	1-11437 (Commission File Number)	52-1893632 (IRS Employer Identification No.)
6801 Rockledge Drive, Bethesda, Maryland (Address of principal executive offices)		20817 (Zip Code)

(301) 897-6000
(Registrant's telephone number, including area code)

Not Applicable
(Former name or address, if changed since last report)

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Item 5. Other Events

On July 3, 1997, Lockheed Martin Corporation, a Maryland corporation ("Lockheed Martin"), and Northrop Grumman Corporation, a Delaware Corporation ("Northrop Grumman"), issued a joint press release announcing that they had entered into an Agreement and Plan of Merger dated as of July 2, 1997 (the "Merger Agreement"). A copy of the press release is attached hereto as Exhibit 99 and is incorporated herein by reference.

The Merger Agreement, which is among Northrop Grumman, Lockheed Martin and Hurricane Sub, Inc. ("Lockheed Martin Merger Sub"), a Delaware corporation and wholly-owned subsidiary of Lockheed Martin, provides for the merger (the "Merger") of Lockheed Martin Merger Sub with and into Northrop Grumman, with Northrop Grumman surviving as a wholly-owned subsidiary of Lockheed Martin. Pursuant to the Merger Agreement, each share of common stock, par value \$1.00 per share of Northrop Grumman ("Northrop Grumman Common Stock") outstanding immediately prior to the Effective Time (as defined in the Merger Agreement) of the Merger (other than shares held in Northrop Grumman's treasury) will be converted into the right to receive 1.1923 shares of Lockheed Martin common stock, par value \$1.00 per share ("Lockheed Martin Common Stock"). No fractional shares will be issued and cash, without interest, will be paid in lieu thereof. As of the Effective Time, all shares of Northrop Grumman Common Stock issued and outstanding immediately prior to the Effective Time will no longer be outstanding and will be automatically canceled and retired and will cease to exist, and each holder of a certificate or certificates which immediately prior to the Effective Time represented outstanding shares of Northrop Grumman Common Stock will cease to have any rights with respect thereto, except the right upon the surrender of such certificate to (i) receive certificate(s) of Lockheed Martin Common Stock representing the number of whole shares of Lockheed Martin Common Stock into which such shares of Northrop Grumman Common Stock have been converted and (ii) any cash, without interest, to be paid in lieu of any fractional share of Lockheed Martin Common Stock, provided, however, that certificate holders that properly perfect their rights as provided by the General Corporation Law of the State of Delaware ("DGCL") shall have the appraisal rights provided by the DGCL.

Prior to its execution, the Merger Agreement was unanimously approved by the respective Boards of Directors of Lockheed Martin and Northrop Grumman. The consummation of the Merger is subject, among other things, to the approval by the stockholders of Lockheed Martin of the issuance of Lockheed Martin Common Stock, to the approval of the Merger by the stockholders of Northrop Grumman and to certain regulatory approvals. It is anticipated that the Merger will be accounted for using the pooling-of-interests method of accounting, however, Lockheed Martin is considering other transactions which, if consummated, could result in the Merger being accounted for as a purchase.

Item 7. Exhibits

Exhibit No.	Description
99	Press Release issued July 3, 1997.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

LOCKHEED MARTIN CORPORATION

/s/ STEPHEN M. PIPER

Stephen M. Piper
Associate General Counsel
and Assistant Secretary

9 July, 1997

INDEX TO EXHIBITS

Exhibit No. -----	Description -----
99	Press Release issued July 3, 1997.

For Immediate Release

LOCKHEED MARTIN AND NORTHROP GRUMMAN
TO FORM STRATEGIC COMBINATION

\$11.6 billion transaction to create \$37 billion global technology leader

BETHESDA, Maryland/LOS ANGELES, California, July 3, 1997 -- Lockheed Martin (NYSE:LMT) and Northrop Grumman (NYSE:NOC) announced today that their respective boards of directors unanimously approved a definitive agreement to combine the companies to further enhance efficiencies and increase global competitiveness. Following shareholder approvals and U.S. government regulatory reviews, the transaction will create a leading, broad-based technology company with estimated 1997 revenues of approximately \$37 billion and nearly 230,000 employees.

Under terms of the agreement, Northrop Grumman shareholders will receive 1.1923 shares of Lockheed Martin common stock for each share of Northrop Grumman stock. The transaction is expected to close by the end of 1997.

"As our industry becomes increasingly global, we must constantly improve efficiencies to compete in the 21st century worldwide marketplace," said Norman R. Augustine, chairman and chief executive officer of Lockheed Martin. "In bringing together these two healthy, well-matched companies, we will meet our commitments to reduce costs for our customers, increase long-term opportunities for employees and enhance shareholder value."

The combination is consistent with Lockheed Martin's long-term growth strategy to expand core businesses and move into closely related emerging markets. Key impacts on its lines of business will be to:

- Expand critical mass, economies of scale and synergy opportunities in electronics, military aircraft, commercial aerostructures and information systems;

- Increase breadth and depth in key technological discriminators, such as composites, data processing, stealth, sensors, microelectronics and manufacturing;

- Enhance systems engineering and platform integration capabilities.

It is anticipated that the transaction will be accounted for as a pooling-of-interests; however, the impact of other transactions under consideration could, if consummated, result in accounting for the transaction as a purchase. Financially, the transaction is expected to be neutral to 1998 earnings and increasingly accretive thereafter.

Augustine noted that "Lockheed Martin and Northrop Grumman have been leaders in consolidating the aerospace industry, and we are now taking the logical next step in combining together to shape the future. Both corporations have successfully integrated multiple operations and cultures, while maintaining focus on program performance and mission success. We fully intend to combine these two companies with the same spirit of teamwork and emphasis on performance."

"We enter this transaction in the strongest position in our history, which augurs well for the future," said Kent Kresa, chairman of the board, president and chief executive officer of Northrop Grumman. "Another plus is that our two companies have worked together successfully, including on such major current programs as the Joint Strike Fighter, the F-22, the Apache Longbow, and airborne early warning systems. We think this is a great opportunity to combine our unique skills and dedicated employees for the benefit of our customers and shareholders, as well as our employees."

Kresa will join the Lockheed Martin board of directors along with two other members of the Northrop Grumman board to be determined. Kresa also will serve as vice chairman of Lockheed Martin and will have a strong role in the transition.

Dr. Vance D. Coffman, who will become vice chairman and chief executive officer of Lockheed Martin on August 1, reaffirmed Lockheed Martin's continuing commitment to serving as a merchant supplier, including supporting The Boeing Company and other teammates around the world on various existing and future programs.

Bear, Stearns & Co., Inc. and Lehman Brothers, Inc. are acting as financial advisors to Lockheed Martin. Northrop Grumman is being advised by Salomon Brothers.

Lockheed Martin, headquartered in Bethesda, Maryland, is a global technology company with 1996 sales of \$27 billion. The Corporation provides space and missile systems, electronics, military aircraft, information systems, systems integration and a broad range of services to U. S. and international governments and commercial customers. It has 180,000 employees worldwide.

Northrop Grumman, headquartered in Los Angeles, California, is a leading designer, systems integrator and manufacturer of military surveillance on combat aircraft, defense electronics and systems, airspace management systems, information systems, marine systems, precision weapons, space systems and commercial and military aerostructures. The company currently employs more than 45,000 people and had 1996 sales of approximately \$8 billion.

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