program of about $130 million due to the wind down of the Space Shuttle program and volume from commercial satellite and launch vehicle activities of approximately $125 million. There was one commercial satellite delivery in 2010 and 2009 and no commercial launches in 2010 compared to one commercial launch in 2009. Partially offsetting these decreases was a growth of about $35 million due to higher volume in government satellites activities.

Operating profit for the Space Systems segment increased $21 million, or 2%, in 2011 compared to 2010. The increase in operating profit principally was attributable to retirement of risks on government satellite programs of about $60 million and decreased equity earnings of about $30 million primarily due to the completion of the Space Shuttle program.

Operating profit for the Space Systems segment was unchanged for 2010 compared to 2009. Operating profit increased on government satellites programs by approximately $15 million due to higher volume and risk retirements and higher equity earnings of approximately $40 million. These increases were offset by lower volume and reserve for performance of about $40 million on commercial satellite programs and lower volume on the NASA External Tank program of approximately $15 million.

Total equity earnings recognized by the Space Systems segment from ULA and USA represented approximately $230 million, or 23% of this segment's operating profit during 2011. During 2010, total equity earnings recognized by the Space Systems segment from ULA and USA represented approximately $260 million, or 27% of this segment's operating profit.

Backlog decreased in 2011 compared to 2010 mainly due to higher sales volume associated with the Orion program and on government satellite activities. Backlog increased in 2010 compared to 2009 mainly due to orders exceeding sales on government satellite programs and strategic missile programs, which more than offset higher sales volume compared to new orders on the Orion program in 2010.

We expect Space Systems' net sales to decline in 2012 in the mid single digit percentage range as compared to 2011 primarily due to lower activities on government satellite programs and the Orion program. Operating profit is expected to decline in the mid to upper single digit percentage range in 2012 due to the lower sales volume as well as lower equity earnings from ULA, resulting in a slight decline in operating margins between the years.

Liquidity and Cash Flows

Our access to capital resources that provide liquidity has not been materially affected by the changing economic and market conditions over the past few years. We continually monitor changes in such conditions so that we can timely respond to any related developments. We have generated strong operating cash flows which have been the primary source of funding for our operations, debt service and repayments, capital expenditures, share repurchases, dividends, acquisitions, and postretirement benefit plan funding. We have accessed the capital markets on limited occasions, as needed or when opportunistic.

We expect our cash from operations to continue to be sufficient to support our operations and anticipated capital expenditures for the foreseeable future. We have financing resources available to fund potential cash outflows that are less predictable or more discretionary, as discussed under Capital Structure, Resources, and Other. We have access to the credit markets, if needed, for liquidity or general corporate purposes, including letters of credit to support customer advance payments and for other trade finance purposes such as guaranteeing our performance on particular contracts.

Cash received from customers, either from the payment of invoices for work performed or for advances in excess of costs incurred, is our primary source of cash. We generally do not begin work on contracts until funding is appropriated by the customer. Billing timetables and payment terms on our contracts vary based on a number of factors, including the contract type. We generally bill and collect cash more frequently under cost-reimbursable and time-and-materials contracts, which together represent approximately 55% of the sales we recorded in 2011, as we are authorized to bill as the costs are incurred or work is performed. In contrast to cost-reimbursable contracts, for fixed-price contracts, which represented approximately 45% of the revenues we recorded in 2011, we generally do not bill until milestones, including deliveries, are achieved. A number of our fixed-price contracts may provide for performance-based payments which allow us to bill and collect cash as we perform on the contract. The U.S. Government recently has indicated that it would consider progress payments as the baseline for negotiating payment terms on fixed-price contracts, rather than performance-based payments. The use of progress payment provisions on fixed-price contracts may delay our ability to recover costs incurred and affect the timing of our cash flows.