

Telesaver™

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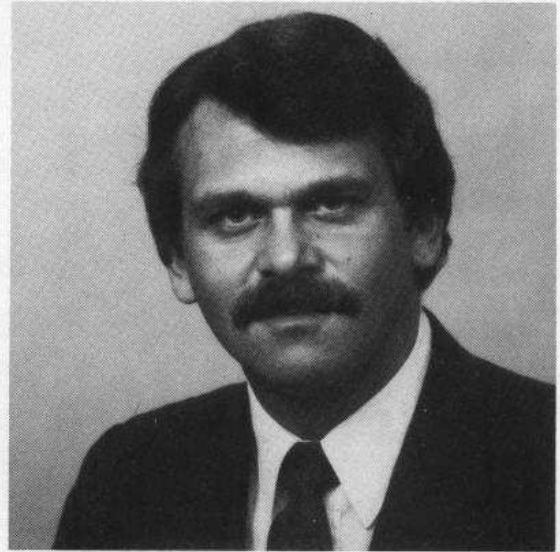
Editor: Deborah R. Baylin

TELESAVER HIRES VP, NETWORK SERVICES

James K. Peterbok, by his own admission, is somewhat of a communications addict. "It will become quickly apparent, if it hasn't already," relates Telesaver's new Vice President, Network Services, "that I eat, sleep, live and breathe communications." No stranger to the field, Jim has spent the last 15 years working with voice and data networks, so he is quite comfortable with his new responsibility for the planning, design, installation, and operation of Telesaver's network. As Jim explains, that responsibility is key to the company's continued success and profitability.

A native of Chicago, Jim relocated to Baltimore in September 1982 to fill the position of senior telecommunications officer at First National Bank of Maryland. His dissatisfaction with the bank came about because of what he describes as an internal "political war." Communications was to be reorganized under a new vice president, and the bank was moving toward integrating voice and data into one division. Three weeks before the new VP was to begin, Jim learned about the opportunity at Telesaver.

Jim's career in telecommunications began in 1969, soon after graduation from Chicago's DePaul University. His mother worked at Illinois Bell and, through her, he met the company's marketing manager who sparked his interest and offered him a job as communications consultant. Jim says, "I was intrigued and fascinated with the complexities of the telephone.



James K. Peterbok, VP, Network Services

My interests were in how things worked rather than in sales, and I made every effort to find out as much as I could about traffic engineering and networking."

He remained in sales and consulting for several more years though, first as manager of marketing with Corplex International, a distributor of Stromberg Carlson telephone systems, then as director of consulting services with Communications Control Ltd. It was his next job, at Bunker Ramo Corporation, that he was able to not only initiate a project, but "follow through and experience the results." As telecommunications analyst, he was responsible for the company's administrative network totalling \$1.6 million a year in network services. It was at this time, also, that he began the MBA program at Lake Forest School of Management.

(See PETERBOK, pg. 2)

When Bunker Ramo was acquired by Allied Corporation, Jim "jumped ship" to work for Continental Grain, a transitional move which allowed him to remain in Chicago to continue with school. The job also allowed him time to become involved with a professional group of communication managers, the Chicago Industrial Communication Association. As chairman of the education committee, he coordinated a seminar on deregulation, for which the planning took place five months before divestiture was even announced.

With one final quarter of school to go, and only three courses needed for his MBA degree, Jim was recruited for the position at First National Bank of Maryland. "I was anxious to utilize what I learned in school," he says. So he took the job. He has every intention of completing his degree when the time is right.

When asked his impressions of Telesaver, Jim quickly responded, "As a consultant in an industry where I have seen a lot of companies, Telesaver is absolutely the most unique. It's high tech with a high energy level. I haven't met anyone who is retired on the job. I see a lot of highly motivated people doing things they believe in.

"The company is not without problems," he continues. "It would be absurd to think a company growing at this rate would be. I'm not worried about solving them, though. There are definite solutions." Jim even goes out on a limb to say, "I'm almost convinced that the network can operate more efficiently and become more profitable than AT&T." We hope he's right!

STAFF REASSIGNMENTS ANNOUNCED BY GOLDMAN

Dick Goldman has announced a high level reassignment for two key individuals in the company. Effective January 9, 1984, Greg Jones will take the post of area manager for the Baltimore/Washington areas and Marshall Sapperstein, the current area manager, will shift to the national office as a manager in Sales and Marketing. "Both individuals are eminently qualified for their new responsibilities," Dick stated, "and will be working closely together during a transition period."



Telesaver's Holiday Open House, December 16, was a huge success. Representatives from our Philadelphia, Columbia, and Hazleton offices attended, plus shareholders, bankers, accountants, and vendors for the corporation. "Good cheer" was the order of the day!

"WE'RE NO LONGER 'THE OTHER GUY'"

by Michael M. Frieman

Just a couple of years ago, if you wanted to make a long distance call in Baltimore, you could use AT&T, MCI, Sprint, or "the other guy." The "other guy" was TELESAYER. Since then many other companies have made their presence known, some that even bill in six and 30 second increments. After the January 1 divestiture, companies will literally be coming out of the woodwork. Gimmicky companies. Companies that will offer everything, "guarantee" anything, and possibly - not probably - be able to back it up.

As Reps for Telesaver, awareness and knowledge of the competition is imperative. Your key to an account is the ability to LISTEN to your prospective customer's needs.

An account may tell you what a competitor has promised him. Listen. Take notes. Then one by one answer his questions directly. If you don't know the answer, be honest and say so. Call our office and get the right answer.

Telesaver's rates are the lowest around, and we offer more benefits at a lower cost than the competition. That's "peace of mind" to sell a quality product. We are not going to be a winner all of the time. But to grow as fast as we have, and to be as successful as we are, we are winning a good percentage of the time!

*** Mike Frieman (Baltimore/Washington) has been a sales rep for Telesaver for 11 mos.

Harry Newton, publisher of TELECONNECT, wrote an article in the January issue of the magazine that we find particularly insightful. His message to "AT&T & Its Children" is "Welcome to the Bright New World of Telecommunications." If you'd like to be enlightened as to what's in store for all of us, read the following excerpted article.

Every day we at TELECONNECT Magazine receive reports of studies predicting dramatic growth for our industry. Cellular radio, Local Area Networks, Computer Communications, Tele-Conferencing, Video-Conferencing, Home Communications, Home Security, Home Monitoring and Control, Shopping by Computer. . .

It's hard to believe there aren't opportunities more than sufficient for all of us.

Over the next five years:

- No other industry will confer as many genuine benefits on its customers.
- No other industry will benefit as much from technological innovation.
- No other industry will create sounder business opportunities.
- No other industry will have the potential to do more good for human society.

For the world's developed economies — such as ours — the industrial revolution is over. Already two thirds of us work in white collar or service-related jobs.

Technology writer John Gantz says the industrial revolution has moved into a period of equilibrium where progress will be measured by refinements, not revolution. Instance the recent refinements in jet planes or stereo componentry.

But that equilibrium, suggests Gantz, "will be lost to the flash and crackle of the next big technological hop — the one centered on blindingly fast-data manipulation, speed-of-light communication and limitless storage of electronic pulses.

Call it *The Information Age*. Consider ours *The Information Society*. No longer a mere merging of computers and communications. No longer a coming together "one day." No longer the "Future."

The Future is Now.

Less than twenty years ago, there was one satellite earth station in the world. It cost \$50 million. Now earth stations dot the landscape and cost under \$5,000.

Fewer than ten years ago, copper prices were skyrocketing. Soaring telecommunications demand was depleting copper mines. Today the world's largest copper mine is under the streets of Manhattan. Today, we mine telecom cable on beaches, where sand for fiber

optics is abundant. Copper prices tumble.

Five years ago, microwave and satellite congestion threatened the viability of the United States telecommunications industry.

Communications satellite capacity was being auctioned to the highest bidder. Today railroads are laying fiber optics along their tracks. There is talk of imminent long-haul overcapacity.

Compare the potential of today's copper telephone line coming into your home with tomorrow's fiber optic cable.

Today we have the capacity of a bathroom faucet. Tomorrow's fiber optics bring the capacity of Niagara Falls. The fiber that delivers this miracle measures little wider than several strands of hair.

The computer industry revels in analogies. If the automobile industry had enjoyed the progress of the computer industry of the past 30 years, a Rolls Royce today would deliver power to propel the Queen Elizabeth 2, would have an efficiency of three million miles to the gallon and would cost an affordable \$2.75!

In the year just past more computers were sold than in every year up to and including the previous year, 1982. In the year we are just beginning more computers will be sold than in every year up to and including 1983.

Most of these computers will be Personal Computers. Dedicated to enhancing the productivity of one person. You and Us. .

Each one of these several million Personal Computers can be equipped with telephone line communications for under \$300. Communications is the culmination, the end-result, of all the work we do on Personal Computers.

No business will be able to survive without strong telecom skills.

Telecommunications offers the most fundamental competitive advantage of all — **the most powerful customer-pleasing tool ever devised.**

Banks discover 24-hour banking wins new customers. *Telecom-based banking.* Airfreight companies discover databases. Customers now know where their packages are. *Telecom-based airfreight.* Publishers discover electronic publishing because paper is too slow. *Telecom-based publishing.* Insurance agents discover briefcase-sized computers linked to home office mainframes sell policies on the spot.

Telecom-based insurance. Supermarkets discover point-of-sale terminals linked to mainframe computers place on the shelves what we want to buy and remove what we don't. *Telecom-based supermarkets.*

Nothing from the past can prepare us for the impact telecommunications will have on our future. In the post-industrial societies — the U.S., Western Europe, Japan, Australia, Korea, Israel — more than half the workers are "white collar." In these countries the cry has gone up: *Do something — anything — to improve white collar productivity.* And we answer by doing very little, as yet. By focusing on Access Charges and Rate Relief!

Commuting is exhausting, debilitating and wasteful of precious non-renewable resources. Commuting recasts economic power in strange and unpleasant ways. Look at the mess our dollars have created in the Middle East.

Today we bring our workers to the information. The future says *Be Productive. Take the information to our workers.*

The world's telecommunications system stands ready, ubiquitous and universal, to answer that plea for heightened productivity.

There is no more powerful force affecting our lives today than new telecommunications technology.

Telephone switching that will — with equal dexterity — move voice, data, TV, facsimile, video and even these written words. Phone lines that will transmit the entire Bible in one second. Phones you can use wherever you are. Phones that no longer are "Phones." But multi-functional tools.

We have within our grasp the most powerful productivity-enhancing force. The most powerful force for improving education. The most powerful force for bettering our lives.

This Vision is bigger, broader and more powerful than anything we have ever dreamed of.

In the words of Andrew V. Smith, president of Pacific Northwest Bell Telephone Company, speaking in late November, 1983, "What we are looking at is a future that stretches far beyond Alexander Graham Bell's wildest dreams." ©

AREA MANAGERS' MEETING SOLVES "LIFE-LINE" ISSUES, SETS GOALS

On December 6th and 7th, Telesaver's ten area managers met in Baltimore with management and key department personnel for the purpose of discussion, problem solving, and future planning. Dick Goldman's introductory remarks set the tone for the two-day seminar, which took place at a nearby hotel, away from the hum of activity at Telesaver headquarters.

"If I had known then what I learned now, we would have been able to anticipate all the problems from the beginning," he began, restating the age-old "hindsight is 20/20" adage. "The vast majority of us, both at the national level and at the regional offices, had no prior experience in the industry or in business. Add to that the brief history of the resale industry and, yes, we did make some mistakes. How long does it take to build a switch?...to build a network?...to design a program? We didn't know until we actually did it." By sitting down as a group and planning together, he continued, we can minimize the risks and uncertainties, and establish a better understanding.

The following hours of intensive discussion and debate helped to define how we see ourselves as a company, and answered the questions: Where are we going? How are we going to get there? What are the roadblocks?

Dick strongly emphasized that we are a 'telecommunications company.' "Although the sale of long-distance phone service is the bulk of our income," he said, "to say we are a long-distance company does not define who we are. Our desire is to humanize technology and make it readily accessible to the consumer. We want to add value and enhancements to communication," he told the group, "not just voice, but data, information, ideas, and techniques."

The subsequent working sessions dealt with major, "life-line" issues: sales compensation and commission statements, network quality, and the need for an operating plan and budget for individual offices. Specific guidelines for the implementation of procedures were decided upon and are now in effect - and working!

The consensus is that we gained a great deal from the two days of meetings - so much so, that many of the area managers extended their stay to meet informally with particu-

lar departments at national headquarters. The free flow of conversation and dialogue created an environment of further cooperation and understanding, and we look forward to meeting again in the spring.



Francesca LoPorto-Peck, California area manager, confers with Harry Lipsitz, VP, Finance, during a "break" in the Area Managers Meeting, December 6-7.

BELL CUSTOMER SERVICE DETERIORATES AS AT&T PREPARES FOR JANUARY 1 SPLIT

Promises of phone service delayed for months, two days of busy signals at a local phone company, installations reported completed that have not even begun. Sound like the old AT&T? Maybe not, but these and other "horror stories" are examples of recent phone company foul-ups reported in the Wall Street Journal, and they all have one thing in common - the divestiture.

AT&T is in the process of shuffling many of its nearly one million employees and millions of customer records across hundreds of miles and state lines, and deteriorating in the wake of all this confusion is Ma Bell's once-sterling customer service.

The confusion is blamed on "a breakdown of coordination between AT&T and the Bell operating companies." However, even Bell's big customers, like Control Data at \$100 million of business a year, are having problems and are ready to take their business elsewhere. John M. Faccibene, responsible for Paine Webber's nationwide communications systems, understands that some problems are inevitable as AT&T goes through its transformation, but remarked, "they can't expect their customers to stick around while they solve them." Obviously, the longer it takes for smooth operations to resume, the lower the competitive positions of AT&T and its offspring will fall.

FOR YOUR INFORMATION

** The Philadelphia office is moving its customer service and sales office from its present location on Roosevelt Boulevard in Philly, to the Benjamin Fox Pavilion, Suite 622, Jenkintown, PA 19046, (215)885-5310. The Philadelphia location will serve as a switch site only.

** Good news! Robert Glaser reports that Research and Development has developed a new program, which now allows the use of accounting codes from 1 to 99,999. This expanded feature (the ability to use 5-digit codes) is particularly helpful to lawyers and accountants, who assign accounting codes on a client/case basis.

** Telesaver's "travel option" has changed to be consistent with the new policies announced recently by our supplier, GTE Sprint. Customers with this service have received notification that there is no longer a monthly service charge for travel. Instead, there is a \$2 minimum monthly usage charge for travel calls, for both residential and business customers.

** Customers in areas of the country not served by Telesaver's Telcro switch will see several changes in their service beginning January 1, due to new policy decisions by our supplier in those areas. Those changes

for our "alternative" service include: no more monthly service charge, \$5 minimum usage charge per month, 24-hour service for both business AND residential, volume discounts applied to total billings of \$25 or more, and the ability to call any phone in the country, including Alaska and Hawaii, plus Puerto Rico and the U.S. Virgin Islands. The tariff for this service has also undergone some changes.

WELCOME!

Telesaver continues to offset unemployment statistics. The roster of new employees has grown considerably in the past two months, and according to Lenny Moskowitz, VP, Human Resources, this trend will continue. A warm welcome to the following new personnel: SUSAN KADIS, CAROL DIGGINS, and JANINE NORTON, Customer Service; CECELIA WITOW, KATHIE CONNER, and PAT ECKHARDT, Credit and Collections; KATHY WICKLING, Data Entry; THERESA KELLY, New Accounts; GUY THERIEN and CHRIS MENGLER, Research and Development; THERESA DOBRY, Network Services; LIZA REID, Information Services; and EDWARD LINDSEY, Shipping and Receiving.

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20 Gwynns Mill Court
Owings Mills, MD. 21117