

# Telesaver™

## E X C H A N G E

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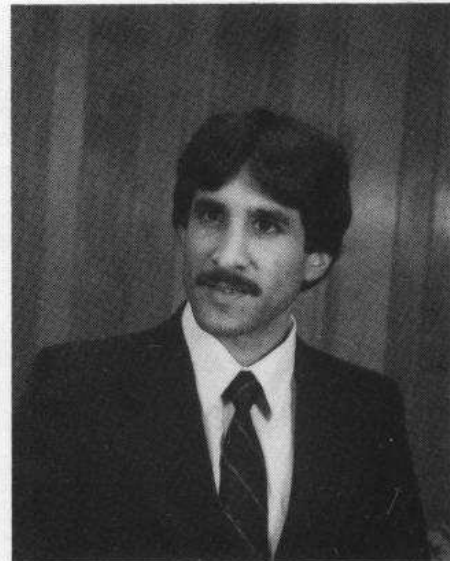
### PROFILE: MICHAEL B. METZGER, CONTROLLER

When the pace gets hectic and the tension mounts, you can always depend on Mike Metzger to add a little comic relief. He has that unique ability to find humor in almost every situation and to get people to not take life so seriously. "Nothing really gets me down," he says with that perennial smile. "My philosophy is to always look on the bright side." And he does.

Mike is one of the Telesaver "originals," having joined the company during its infancy in July 1982. Five months earlier he had retired from his own successful business and, having had enough of what he describes as "playing," was seriously considering opening a health club. He relates how those plans were interrupted and altered.

"In June, Dick (Goldman) approached me with the idea of handling the sale of electronic consumer equipment for Telesaver. The company had 10,000 customers at that time and was growing incredibly fast. Dick's offer intrigued me, I was more interested in direct involvement with the company, rather than a joint venture partnership. I counter-offered with the suggestion that I work on the inside, and Dick accepted." Equipped with business savvy and an accounting background, Mike became Telesaver's controller, responsible for the financial future of the company.

With the appointment several months ago of Harry Lipsitz as Vice President, Finance, Mike's responsibilities have shifted from financial planning and analysis to the



Michael B. Metzger, Controller

day-to-day financial activities of the company. He is now more closely involved with the administrative end, and supervises the billing, new accounts, and credit and collections departments.

Even though Mike spends the greater part of his waking hours at Telesaver, he delights in talking about his after-hours activities. Physical activity seems to be of paramount importance, a carry-over from his high school days when he was captain of the varsity soccer, wrestling and lacrosse teams, and achieved the most points in his high school's history. Four different colleges offered him scholarships based on his outstanding achievements in sports, but he declined them all, deciding instead to accept a senatorial scholarship and attend the University of Maryland, College Park.

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Mike's attitude toward college reflected his outlook on life. He viewed this period in his life as a time to grow, a time to experience. In addition to a heavy schedule of classes in physics, organic chemistry, sociology and philosophy, he played lacrosse in his freshman year and worked his way through school. He reflects back to the days when he worked auctions in Atlantic City, stenciled letters for tombstones, worked at a men's clothing store, and sold display ads for his college newspaper. "I had no idea what I wanted to do after college," he admits. "I enrolled in pre-dent only because I needed to choose a major!"

After graduation Mike started his own business, Perfect Painters, with a friend who would be starting graduate school in six months. His horror stories about falling off ladders and buckets of paint falling on his head are enough to explain why the painting business was short-lived, but future venture opportunities proved much more successful. From 1972 until 1982, he and a partner owned and operated a promotional company and, during the same 10-year period, he ran several mail order companies.

Mike describes himself as a "real family man," and enjoys spending time with his wife, Eileen, and two children, Kimberly, 4, and Ryan, 2. Baby number three is expected this coming June, and according to Mike, this won't be the last little Metzger we hear about!

PERSONNEL NOTES

We welcome BILL LINK, director of network operations, RON FICK, quality control technician, and GAIL GREEN, circuit provisioning coordinator, to our New Plant Court facility. Welcome also to WARREN KENNEL, our new office administrator in Oakland, CA, and to JO ANN DAMEWOOD, who replaces KAREN MILLMAN in the Columbia office. Karen is now administrative assistant at national headquarters and helps coordinate activities of the sales and marketing and corporate communications departments. SHERRY BERMAN, formerly facilities coordinator for network operations, has been promoted to manager, systems analysis support. Sherry offers overall assistance and support to Joel Maloff's efforts in marketing the Telcro digital switch and QC2000 autodialer.

BILL LINK BRINGS 37 YEARS EXPERIENCE  
TO TELESAYER'S NETWORK OPERATIONS

After 37 years with the Bell System, Bill Link has begun a new career. On Monday morning, January 23, he assumed the title of Telesaver's Director, Network Operations. "Retirement just isn't for me," says Bill. "At my age, I'm not ready for a rocking chair, and I don't want to get stale."

In his new position, Bill is responsible for the day-to-day operational quality of the Telesaver network, circuit provisioning, and vendor relations. He sees this job as an ideal opportunity to utilize his skills and apply the experience and knowledge he has gained over the years. Since 1947 he has worked with mobile radio, video, transmission testing and PBX's, and spent his last 17 years with Bell in data supervision. Just prior to his joining Telesaver he was manager of data services, responsible for the networks of nationwide customers such as the Philadelphia National Bank, Smith Transfer, and even the U.S. Marines.

Having worked for a very large, bureaucratic company for so many years, Bill is enthusiastic about the environment in which he is now working. "At Bell problems sometimes escalated to a district department before any action was taken," he explains. "Here, there is close communication, so problems can be discussed within and between departments. It's a more productive way to get things done." His goal, he says, is to "keep the network going and keep the customers happy!"

TELESAYER "RETREATS" FOR PLANNING SESSION

Just three months after a very successful meeting between area managers and Telesaver executives and supervisors, Dick Goldman has scheduled a similar meeting for March 6-8. This time, the "Area Managers' Meeting" will be held at Coolfont, a retreat nestled in the mountains of West Virginia, only a couple hours' drive from Baltimore. Coolfont's facilities are conducive to uninterrupted planning sessions, informal conversation, and relaxation. Marshall Sapperstein states that the three-day conference will "focus on sharpening our sales approach for what we have right now - long distance phone service - and on how we want to market future service offerings."



Joel Maloff, director of systems marketing and sales, and Sherry Berman, represented Telesaver and its TELCRO III at the ComNet '84 Expo, held January 30 through February 2, at Washington, D.C.'s Convention Center. "Our purpose in participating in a show of this magnitude was to gain name recognition for the company as well as the Telcro switch," says Joel. "Interest on the part of attendees was fantastic, and we are now pursuing more than 50 qualified leads received at the show. All told, if only 20% of those who expressed interest are serious prospects, we have gained a significant amount of potential sales. We have made our presence known in the industry and need to back that up with solid performance."



Joel Maloff and Sherry Berman share a rare pause at ComNet '84. The Telcro III display drew inquiries from hundreds of interested conference attendees.

The TELCRO III, a micro-processor-controlled digital switching system that will be available this summer, surpasses its analog predecessor. Joel explains that the new switch allows us to do everything we do now; however, it processes faster, is more economical, and requires less physical space. "The key," he says, "is that whereas TELCRO II was a fine switch for where we were a year ago, it was nonetheless a specialized switch designed to do one thing - resale. TELCRO III, on the other hand, is

an extremely flexible machine capable of doing whatever we tell it to do via various software packages. It is considerably more sophisticated; it is the switch of the future."

Joel feels that Telesaver, being both user and manufacturer of the TELCRO switch, is in an ideal position to understand the needs of the market. "It is our understanding and the ability to meet customer's needs that puts Telesaver at the forefront of technology," he says. "TELCRO III has been designed to meet Telesaver's requirements for perfection and, in turn, optimizes our customers requirements as well."

#### "SWITCH REFERRALS -- DEFINED"

by Joel H. Maloff

The marketing and sale of Telesaver Telcro switches is now in full swing. Several direct sales and distributorship agreements are in the final stages and should be concluded shortly.

Quite a few referrals have been coming in from area offices, but not all of these are for uses that our Telcro systems can provide. Here are some guidelines for the future so that you will know if a situation is a true prospect for our switches or not.

1. What voice service does the customer have today? PBX (which one)? CENTREX? Key (multi-button)? Other?
2. What do they want to be able to do that they cannot do now?
3. Are they seriously planning to buy (money is budgeted) or are they just shopping? When are they considering changing their service?

Once you have obtained the answers to these questions, the systems marketing and sales group should be able to determine the degree to which your customer is actually a switch prospect.

It is also important to clarify what the Telcro systems are and what they are not. Firstly, Telcro is not a PBX (private branch exchange). It does not offer station-to-station calling or an operator/attendant position. As such, it is not meant to entirely replace a PBX, CENTREX, or key system.

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Secondly, the Telcro systems are telephone management systems capable of providing computerized call routing, call detail reporting, and billing output. These systems can perform stand alone functions, as in our own long distance resale operations, or as an adjunct to an existing telephone system. By using Telcro as an adjunct for advanced features, the customer does not have to completely replace his existing system.

The key point is this. If the situation involves high volumes of long distance telephone traffic, and the customer is dissatisfied with his current mode of operation, Telesaver may be able to help. We will attempt to customize solutions to meet his needs.

The Telcro II and Telcro III are sophisticated switching centers that appeal to certain markets within telecommunications. If you come across any situations that fit these requirements, by all means, let us know!

#### TELESAVER "CONNECTS" WITH MEMBERS VIA NEW PUBLICATION

Members of the Telesaver network can look forward each month to the Telesaver Connection, a customer newsletter intended to inform, educate and enlighten. We hope it will inspire customers to write to us with their questions, suggestions and general comments about Telesaver service. Julie Whitcomb, author of the "Connection," introduces Customer Service Supervisor Jan Adkins in the inaugural issue and describes the company's customer service philosophy. A "Q & A" column responds to a persistent question we hear from our customers concerning how they are affected, if at all, by the divestiture. And a "Letter from the President" reemphasizes the purposes behind this monthly publication. In it he states, "Through the vehicle of this monthly newsletter we are going to share some exciting ideas for new and promising services. We are going to introduce you to our colleagues whose primary responsibility is to serve you. Most importantly, we are going to solicit your input. We want to know what you think about the job we are doing, and we want your suggestions on how we can assist you even more...After all, communicating is what Telesaver is all about!"

In this harried, hurried world of ours, we especially appreciate the time that some of our customers take to write and let us know how they are enjoying Telesaver. Like these two letters...

"As a new customer of your long distance telephone service, I want to commend you on providing what I have found to be the best quality connection at a competitively low cost to the consumer. Yours is the only service of the four I have tried that does not result in delayed voice transmission or have an echo effect."

- Steven Jacobsohn, New York, NY

"...my wife is a telephone company retiree and we are now being paid by the Bell system on our phone bill. So naturally it is better to get phone calls free than your good system. Thank you for your good service over the previous years. I will recommend your company whenever I can."

- Henry Becker, Margate, FL

...Or this letter that singles out an exceptional employee...

"I am writing to make you aware of the fine service and help I have received from one of your employees, Ms. Dottie Graves... Ms. Graves appears to put forth a concentrated effort to make your telephone service a customer-oriented one that you can be proud of. Employees of this caliber are hard to find and should be complimented on their pleasant, effective, and knowledgeable manner in which they conduct themselves..."

- D. H. Johnson  
Glen Burnie, MD

With 37 years of customer relations experience under her belt, Dottie is a true "pro" when it comes to responding to queries and irate customers. She emphasizes attitude when instructing others on telephone etiquette. "It's important to listen, really listen," she explains. "If a customer is upset, I don't take it personally. I let him get it off his chest and try to be as sympathetic and kind as I can. The customer is most important; the customer IS our company, and we have to cater to him."



After months of political and public pressure, the FCC has decided to delay the controversial \$2 monthly access charge for residential and single-line business users for at least another year. The FCC action will have no effect on the local rate hikes consumers have recently been hit with. However, since the access charges were designed to replace part of the traditional subsidy long-distance services provide to local service, the proposed 10.5 percent AT&T rate reduction will probably be withdrawn.

Large businesses with more than one phone line will begin paying a \$6 per line charge in April, and new charges will be assessed on Centrex, private lines, FX, and WATS users. These large companies will have more incentive in the next 18 months to bypass local phone companies by building their own long-distance telephone networks.

The FCC also decided that the long-distance competitors will pay 55 percent less than AT&T for connecting charges until such time as the telephone companies can provide access to local customers equal to that received by AT&T. The cost involved exceeds current rates paid by the OCCs, but it is much lower than the rates originally proposed by the FCC. The access charge differential allows the OCCs to keep more of their cost advantage over AT&T for the next four years.

#### LOCAL BELL COMPANIES REQUEST REENTRY INTO LONG-DISTANCE MARKET

Under the 1982 antitrust agreement between AT&T and the Justice Department, local Bell companies are limited to telephone traffic within small geographic areas, called Local Access and Transport Areas (LATAs). Traffic across these boundaries is subject to competition among AT&T and other long distance companies. Now, the local Bell companies are trying to overcome legal barriers and reenter the lucrative, \$40 billion long distance market. Proposals by BellSouth, US West Inc. and other regional companies are requesting limited, inter-city service for now, but evidence shows that reentering the market won't be easy. The battle will require a major capital investment, and the local companies must contend with opposition from well-entrenched operators like MCI, AT&T, Sprint and other long distance companies. (THE WALL STREET JOURNAL, February 2, 1984)

\*\*\* Six new cities have been added to Telesaver's travel network. Mark them, along with their access numbers, on your travel card:

Orlando, FL.....	843-1005
Sarasota, FL.....	371-1550
Albany, GA.....	435-2166
Columbus, GA.....	327-2770
Terre Haute, IN.....	232-1616
Eugene, OR.....	341-6310

\*\*\* Now that Bloomfield, NJ, has access to the TELCRO switch located in Hackensack, the availability of Universal service has tremendously expanded. Residents of Caldwell, Nutley, Verona, Newark, Little Falls, Orange, Belville, Paterson, Livingston, S. Orange, and Karney can dial the Bloomfield access number to reach the switch.

\*\*\* Philadelphia's switch now serves customers in Swarthmore, Pa, and Moorestown, NJ.

\*\*\* Trade shows and mall exhibits have proven to be effective ways to get a message to large numbers of people in a targeted area. During the month of February, Telesaver set up displays in Oxford Valley Mall in Langford, PA, Hunt Valley Mall in Hunt Valley, MD, and Westview Mall in Baltimore County.



"I KNOW HER. SHE'S WITH THE PHONE COMPANY."

TELESAVER HAS A "NEW LOOK" BEGINNING MARCH 1

Telesaver members have received a letter explaining several changes in our service beginning March 1, 1984 -- changes that put Telesaver in an excellent competitive position. WE ARE ELIMINATING SET-UP CHARGES FOR NEW ACCOUNTS and ELIMINATING MONTHLY SERVICE CHARGES on both our Universal service and travel option. In place of the service charges, we are instituting monthly minimums of \$5 on Universal and \$2 on travel. Service charges, in effect, have been absorbed into our rates per minute.

Even with the "bundling" of service charges into our rates, customers will not notice a significant difference in their TOTAL bill. They can expect to save from 20% to 30% off AT&T's current interstate direct-dial rates, 10% to 15% off AT&T's current intrastate rates, and as much as 70% over AT&T's operator-assisted rates. We will continue to show a comparison between Telesaver and AT&T on the call detail, a little "extra" that customers find helpful, and one that adds to our uniqueness.

These changes are the result of weeks of intensive research and planning, and we feel

confident that we have hit upon the right "formula" to best serve our customers and the Company. Most importantly, we pledge to our customers that our commitment to quality of service will NOT change, and that we will continue to provide the best value in long distance phone service available today!

WE INVITE YOUR COMMENTS...

...and suggestions, and sales tips, and newsworthy items of interest. The Telesaver Exchange is YOUR newsletter, and we welcome your contributions. Please let us hear from you. Direct any correspondence to: Editor, TELESAVER EXCHANGE, 20 Gwynns Mill Court, Owings Mills, MD 21117.

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I use not only the brains I have,  
but all I can borrow.

- Woodrow Wilson

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The logo for Telesaver, featuring the word "Tele" in a bold, sans-serif font, followed by "saver" in a similar font, with a small trademark symbol (TM) to the right.

20 Gwynns Mill Court  
Owings Mills, MD. 21117