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Editor: Deborah R. Baylin

TELESAVER SALUTES ITS CORPORATE "OLYMPIANS"

On Saturday, August 25th, Telesaver competed against 14 Maryland companies and organizations in the first Battle of the Corporate Stars - and did itself proud! Even with the limited number of people from which to choose a team, and the limited time we had to practice, we placed 3rd in the competition!

"Coach" BARBARA PETERSON was ecstatic. "To think that we were up against companies like Blue Cross/Blue Shield, General Electric, Automatic Data Processing, and Westinghouse," she said. "Companies who have hundreds, even thousands of employees to choose from. We had only one-third of our 90 employees try out for the Battle, and of those, 24 made up the team. Placing third was an incredible accomplishment!"

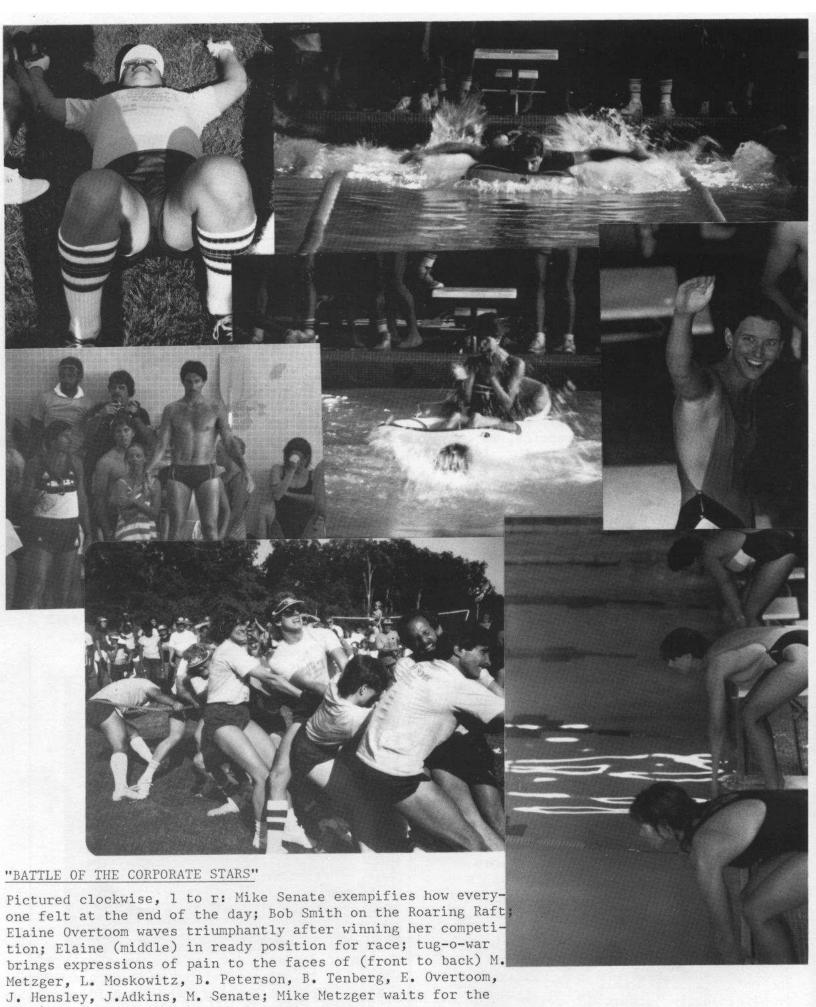
If you've ever witnessed the "Battle of the Network Stars," you have some idea of what our team had to go through. They assembled at 6:00 a.m. at Essex Community College, site of the Battle, and for the next ten hours tested their strength, endurance, and skill in such contests as Farmer Brown's Shuffle, the Flying Frisbee, volleyball, the Big Balloon Blowup, 10K run, 60-yard dash, obstacle course, and Honey-do Hustle. And those were just the morning events! The afternoon was taken up with swimming events - some serious, some zany - and ended with a tug-o-war, just when everyone was ready to drop from exhaustion, anyway.

Excitement ran high throughout the day, but never so high as at the Awards Ceremony. Telesaver's name was announced repeatedly, as our Olympian Stars were called to the podium to receive their awards. JAN ADKINS, ELAINE OVERTOOM, MIKE SENATE, and BRIAN TENBERG placed first in the Big Balloon Blowup, skillfully blowing up a red balloon which they then had to run with between their legs. Brian also placed first in the Roaring Raft and third in the men's freestyle medley, and Elaine stole the show with her expert swimming. She won a blue ribbon for the women's 25-yard freestyle and placed second in the 25-yard backstroke.

Congratulations to everyone who participated in the Battle! Besides those people already mentioned, we applaud ANDREA BROUMBERG, CURT CAVEY, BOB CHERTKOF, ANGELA FIORINO, ART GROSSMAN, JULIE HENSLEY, MIKE METZGER, LENNY MOSKOWITZ, LIZA REID, JODY SCHOOLNICK, BOB SMITH, TIM TARRANTS, ROBBIE TRAINER, JULIE WHITCOMB, and our crew of Telesaver "cheerleaders."



Telesaver's slogan for the day was "Let's Connect!" Standing on either side of the banner are Brian Tenberg and Liza Reid.



sound of the gun; (center) Jan Adkins takes a ride in Chariots of Water.

TELCRO III NEARS COMPLETION by Dr. Robert Glaser, R&D

On the laboratory bench, Telcro III, the digital version of the Telcro II switching module, is currently capable of switching calls. The new switch retains most of the characteristics of its analog ancestor, while adding new capabilities. Work remaining to be done before initial release includes debugging of the new printed circuit boards, modification of the switch firmware, card cage assembly, and final cabling arrangements in the new cabinets.

The digital switching system operates by first converting the audio signals from analog form into digital form. These computerlike signals are then multiplexed such that 32 different voice paths are present on a single wire, called a PCM (pulse code modulation) highway. Up to 16 of these highways go to a single new switch card, permitting as many as 512 ports to be switched. The equivalent switching capabilities in the analog switch would require 256 switch cards of the old type. Some of the 512 ports are used for internal operations. so the maximum size of the Telcro III switch is 384 ports, or 192 paths. After switching, the digital signals are demultiplexed and converted back into their original analog form.

New circuit boards in the digital switch are the switch card, various line cards (which must do the digitization and multiplexing), the audio card, and backplanes. Currently functioning are the switch card, the audio card, and a 2-wire loop/ground start line card. Upon initial release, the 2-wire cards will be used, since all circuits currently in place with the Telcro II are 2-wire; therefore, the new system can directly replace the old one. Shortly to follow will be a 4-wire SF/E&M/ground start line card for direct interface to 4-wire circuits without the need for 2- to 4-wire converters. A 2-wire station card for dedicated access, and a direct digital interface card will follow that.

A full size Telcro III module will occupy about five feet of cabinet space to house 192 talk paths, slightly more floor space than the 72-path Telcro II switch. The new switch will have greater flexibility than the old one, and new features will appear gradually after initial completion. Engineer KODI YAZDANIPOUR is working on the finishing touches for the new system, coordinating

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closely with manufacturing to produce the first Telcro III, which should be ready for installation within a month or two.

A complete Telcro switching system is comprised of a System III Computer Module, from 1 to 16 Telcro II or III Switching Modules, and a Power Cart. The Switching Modules can be a mixture of Telcro II and III switches (from 36 to 192 paths each). The single Computer Module controls all switching modules, providing full routing lookahead between all modules. The Power Cart provides 48 volts DC, with battery backup, which powers all modules. This Telcro family of switching systems is configurable from 36 to 3072 paths (72 to 6144 ports).

PUBLIC APPEARANCES ...

** Dick Goldman and Debbie Baylin appeared on "Consumers' Corner," a local TV program in Baltimore, to explain how equal access affects users of long-distance phone service.

** Dick Goldman will be a presenter at a Telestrategies seminar, "Equal Access: Lessons Learned In Charleston, Minneapolis and Other Equal Access Markets," October 26. He will discuss the concerns and strategies of small and medium sized resellers in maintaining profit margins with Feature Group D.

** Joel Maloff, Robert Glaser, and Sherry Berman are exhibiting at the Communications Managers Association show in Long Island, NY, in early October.

** Speaking from the perspective of both user and manufacturer of equipment for long-distance resale, Joel Maloff will present "network management and control" at the October 11-12 Probe Research Seminar in San Francisco.

** Telesaver was one of eight long-distance companies in the Baltimore area invited to participate in a public forum on equal access and long-distance service. Sponsored by the city's Citizen's Planning and Housing Association and underwritten by GTE Sprint, the forum allowed for brief presentations from each company representative and equal time for questions and answers. A similar forum, in which Telesaver participated, was held on September 26th at the Hilton Hotel in Columbia, MD, for residents of Howard County.

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PUBLIC APPEARANCES cont'd

** Telesaver was asked to share the spotlight with AT&T and GTE Sprint on Baltimore's WCBM Talk Radio. The special call-in program on equal access inspired more questions from listeners than could be handled in the hour allotted for the show.

*** On October 10th, Debbie Baylin will speak at an educational conference hosted by New York's Department of Consumer Affairs. The conference, entitled "Shortcutting Long-Distance Confusion: Exploring Your Options," will give consumers the opportunity to comparison shop the ten long-distance companies offering equal access in the NY Metro area.

SALES AND MARKETING DEPARTMENT REVAMPED TO MEET INCREASING CHALLENGES IN THE INDUSTRY

Activity in the sales and marketing departments at Telesaver has accelerated, due to the recent appointments of two new vice presidents. David L. Carp, vice president for sales, and David H. Nevins, vice president for planning and marketing, were hired in August and September, respectively, to lead the company in meeting the goals set forth in our 1985 business plan. The addition of these two experienced marketers brings a fresh vitality to the department that can only strengthen Telesaver's position in the competitive long-distance arena.

DAVID CARP has more than 18 years of successful sales and sales management experience. Seventeen of those years were spent at Automatic Data Processing, Inc., where he rose to vice president for marketing before finally leaving for a position with CCH-Computax in Baltimore. He holds a B.S. degree in finance and a JD from the University of Baltimore. Carp is a member of the National Association of Accountants and the Beta Alpha Honorary Scholarship Society.

DAVID NEVINS has held positions as marketing and public relations director for the Baltimore Symphony Orchestra, marketing director for Towson State University in Maryland, and director of university relations for the University of Maryland in College Park, MD. He received a B.S. degree in business administration and political science from Towson State University and an M.S. in administrative science from The Johns Hopkins University. Nevins sits on the boards of the

American Cancer Society, Towson Development Corporation, and the Associated Jewish Charities Young Leadership Council, and currently serves as president of Towson State University's Alumni Association.



David L. Carp, VP Sales



David H. Nevins, VP Marketing

"VISTACOM REPORTS" TAKES A LOOK AT THE ISSUES

For up-to-the-minute information, indepth reporting and analysis of the long-distance resale industry, VISTACOM REPORTS is a must on your reading list. Editor SHERRY BERMAN and Associate Editor Joel Maloff research trade publications and periodicals, survey the industry, and do first-hand interviews with industry experts. They don't just report on the issues; they read between the lines and provide analyses of the issues.

VISTACOM REPORTS, now in its fourth month of publication, premiered this past July and has been offered for annual subscription.
Response to the offer has been positive, particularly from industry leaders who need to keep abreast of constant changes and developments that will likely affect their businesses.



Food, fun, and family were the order of the day at Telesaver's second annual company picnic. Vice President, Finance Harry Lipsitz and daughter Joanna agree that this is an event that bears repeating! (That's Jesse Moskowitz, on the far right, taking time out from the activities of the day.) A special thanks to Coordinator JODY SCHOOLNICK and her committee, EUNICE SILBERT, SHARON SAGAL, GUY THERIEN, and ELLE RINEHART for making the day a memorable one.

VISTACOM UPDATE

The push pins on Joel Maloff's wall map of the U.S. are multiplying, which is a good indication of how well Vistacom is doing. The colorful pins serve as markers for those sites where the company has sold TELCRO switches and EASEE modules, and where we have signed on manufacturer's representatives and distributors for these products.

The EASEE module is providing equal access capability for resellers in Minneapolis, Milwaukee, Union City, NJ, and Huntington, W.Va. In several cases, the modules are acting as trials for much larger volume orders, according to Maloff, and since these installations have been problem-free, he expects to receive additional orders soon. Maloff also reports on the installation of a TELCRO II 72-path switch for Capital Telecommunications Inc., in Lancaster, PA; two additional installations for CTI are scheduled in different cities prior to the end of 1984.

Over the past several months, Maloff and Western Regional Manager Michael Yang have made presentations to major suppliers and to

several of the Bell operating companies, and many businesses have expressed serious interest in our TELCRO and EASEE products. Maloff cautions, however, that patience is a necessary requirement in this business. "The average sale cycle for products of this nature, which have a potential cost of several hundred thousand dollars, can be anywhere from two months to several years," he says. "The minimum cost of an EASEE is \$22,000; for TELCRO, the minimum is \$64,800. When people are faced with that kind of expenditure, they usually don't make a decision on-the-spot." He adds, however, that he anticipates a number of significant orders.

SYSTEM III COMPUTER INSTALLED by Dr. Robert Glaser, R&D

The "new" computer system to operate the Telcro switches may seem to have taken forever to many Telesaver employees before first release, but its initial installation in the Columbia, MD, switching center the last week of August came only 15 months after the initial planning. Although this was longer than we had hoped for, with hindsight it is quite respectable with regard to industry standards. There were some initial problems after installation, and a couple of false starts, but the system was up and running early the morning of September 1, ready to handle equal access calls.

In the several weeks after cutover from the TRS-80 System II hardware/software, several problems were detected and corrected. At first, the System III processing speed was about half that of its predecessor; all efforts had been directed to making the system operate correctly rather than fast. However, after a week of working to rectify the execution speed, the System III was operating approximately ten times faster than the prior generation, meeting all design specifications made over a year ago. (Whispered conversations were overheard in hallways commenting on the fact that the new system was slower than the current one; R&D was never concerned about this problem, because we knew that the system was capable of meeting its design specs: it's just that you have to walk before you can run.)

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System III is undergoing some rapid evolutionary changes; upon installation the system is operational, but is lacking many new features and even some old features. Available immediately are eight-digit billing codes, sophisticated routing options, intermodule communication, equal access handling, and greatly improved search and summary programs available on the VAX. Soon to appear features are automatic data transfer between the VAX and the switches, and more programs usable at the switch site.

It may not be obvious what is really inside the tall blue cabinet housing System III: many thousands of lines of detailed software defining the operation of the unit. The computer language used is called PASCAL (with some code written in PL/M); these are high-level languages which promote what is called Structured Programming, a technique used to minimize bugs and increase maintainability of large programs, particularly when an entire staff contributes in part. Each switch module has allocated to it a 16-bit processor (8088) running at 8 mHz and 1 megabyte of memory. The whole system is controlled by another processor which handles intermodule communication, field office programs, and remote communications.

Few people really know the magnitude of work that went into this project, but we should all know the men who are responsible for its success. We are lucky to have a crew young but second to none: ROBBIE TRAINER, operating system expert and switch operating program designer; GUY THERIEN, responsible for routing and communications programs; ANDY McCASKER, author of searcher and report programs; TIM TARRANTS, working on a new billing package; and the departed CHRIS MENGLER, initial creator of the authorization code programs. I am the system architect. I took over the authorization code programs when Chris left, and also handled the equal access modifications. Dan Dumler did much of the physical design of the computer cabinet and power cart. The entire manufacturing team was tracking R&D as closely as possible, making the best of aiming at a moving target. We are thankful to Skip Lane in Virginia Beach who has worked with us during trying times (his switch was the forerunner, installed the first week in May).

System III is still new, and there probably remain some bugs to be searched out and destroyed when they surface. What we now have is a solid base with much room for additional feature expansion. Have patience and look forward to a switching system better than ever!



Robbie Trainer gets ready to pop the cork for a champage celebration of Columbia's cutover to the System III computer.

ROCHESTER CUSTOMERS GET "950" SERVICE

The relocation of Rochester's switching equipment to Rochester Tel's Central Office brought immediate benefits to our customers. As a result of the move, callers no longer have to pay message units to access the switch; instead, they dial a "950" number, known in the industry as Feature Group B, and get a direct connection with the Telesaver switch. Additionally, because of the higher quality of connection with Rochester Tel, customers can expect an improvement in transmission quality and speedier call processing.

The installation was handled expeditiously by CURT CAVEY, field technician, and TIM GAYHEART, quality control technician, during a 24-hour period the weekend of September 15th. BOB LASSER and his office staff deserve recognition for coordinating the move, personally notifying customers of a temporary break in service, and responding to customer queries. Due to their team work and cooperation, the move and installation ran as smoothly as one could ever expect.

TELESAVER MOVES INTO HAMPTON ROADS/ TIDEWATER AREA OF VIRGINIA

Telesaver continues to carve out its geographical niche in the mid-Atlantic region of the U.S. with its recent acquisition of Southeastern Telecom Systems, Inc., a long-distance operation in Virginia Beach, VA. The area served by this merger, known as Hampton Roads, combines the Peninsula and Tidewater regions of Southeastern Virginia, an area praised for its strong, steady growth and healthy economy. Demographically, the area combines the best of both worlds --"a big, stabilizing government and military payroll, plus accelerating growth in the private sector." Its broad-based economy places Telesaver in an extremely favorable marketing position.

Skip Lane, founder and president of STS, informed his customers of the merger with Telesaver by letter, and underlined the advantages of doing business with an established company. Not surprisingly, the response to that mailing has been more than favorable; customers are appreciative of the increased benefits and lower costs resulting from the merger. Virginia customers have also received a personal welcome from Dick Goldman on behalf of Telesaver.

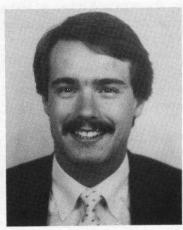
Skip, now serving as area manager for the Virginia operation, is excited about the recent merger and optimistic about his office's future. His education in marketing, experience in running his own business, and telecommunications background combine to ensure his success in the long-distance industry.

"I saw the resale market as a viable and lucrative industry," he says. "I read about TELCRO in one of the trade publications, contacted Joel Maloff, and began the process of selecting a system for my own resale company. After two trips to Owings Mills, I made the decision to do business with Telesaver."

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MOVING AROUND THE COMPANY ...

KAREN MILLMAN is now office administrator for the Columbia sales office; FLO TATE and MARGARET HEIDERMAN, customer service personnel, have moved from Owings Mills to the Columbia office, also. TOM BEAVINS has transferred from credit and collections to shipping and receiving.



Skip Lane, Virginia Area Manager

That was in April of this year. Skip purchased a TELCRO switch and started his own resale venture, which he named Southeastern Telecom Systems, Inc. Concentrating his marketing efforts on large businesses, he successfully signed up some very impressive accounts. Now that he has the backing and support of Telesaver, he has hired eight account representatives to aggressively market the service, in addition to two in-house telemarketers. He hopes to capture a large share of the market prior to the December 2nd "equal access" date for his area. With his energy and outlook, and Telesaver's support, there's no doubt that he can do it!

WELCOME!

For reasons of attrition or addition, Telesaver continues to hire for a variety of positions. We are pleased to welcome the following people to our Owings Mills office: TERRY BOSTON and JOANNA MIDWAY, customer service; KIM GOODMAN, data entry; ROBERT WILLIAMS, routing specialist; MARISSA D'ANGELO, account services; and, of course, our new VP's, DAVID CARP and DAVID NEVINS.

We'd like to welcome new personnel to our area offices, also. Philadelphia office:
MARY DURIE, DALE GOLDMAN, and DONNA
MARZULLO, customer service, and TONY ROCCIA, sales manager. Columbia office: FRANK
HODGES, switch technician, and ENID ROYCE, office assistant/ receptionist. Rochester office: BETH HUFF, customer service. Last, but not least, we send a hearty welcome to JENNY SKIDMORE, office administrator/ customer service, and to SKIP LANE, area manager for our new Virginia Beach office.

TELESAVER DROPS ALL CHARGES FOR ACCOUNTING CODE FEATURE

Telesaver has announced the elimination of all service charges for its accounting code feature, effective with September billing. This announcement was received enthusiastically by our business customers who, up until now, have paid \$15 a month for this time-saving cost management feature.

Accounting codes have been one of our most popular and requested services. Lawyers, accountants, insurance and travel agencies, real estate companies, and consultants, in particular, have relied on accounting codes for automatic sorting and identification of their long-distance charges.

"The time saved by not having to manually log our long-distance calls is tremendous," reports a Columbia, MD, attorney. "We've assigned codes to every client, put the data into our computer system, and when the bill comes, we just attach the coded call detail to the client's file. Our bookkeeper loves it, too!"

Our business customers were also pleased to learn that they will soon be able to use up

to eight-digit accounting codes. As our new System III computer is installed in each Telesaver switch location, this latest innovation will be automatically built into the system. As of this writing, Telesaver is the only company capable of offering the flexibility of one-to-eight digits -- and at no cost to the consumer!

HEROICS WORTHY OF RECOGNITION ...

What would you do if you came upon a crowd of people gawking at an elderly woman collapsed on a park bench, gasping for air? JEFF BIONDO, our switch technician in Wilkes-Barre, PA, didn't stop to think about the question. He acted, and his actions saved a human life. After first checking for a pulse and summoning someone in the crowd to get an ambulance, Jeff gave the woman mouth-to-mouth resuscitation until help arrived. The ambulance crew reassured Jeff that they felt she would be "just fine," but Jeff didn't rest until he received a call from a nurse at the hospital. The patient is doing well, and she owes a debt of gratitude to Jeff Biondo!

