

FIRST 72-PATH SWITCH INSTALLED IN COLUMBIA, MARYLAND

December 6, 1982, was an eventful day for Telesaver. The first 72-path Telcro II switch was installed in the Columbia regional office to provide Universal service for our Washington area Customers. Area Manager Marshall Sapperstein praised the technicians responsible for the installation: "Thanks to the efforts of the unsung heroes of the 'Midnight Crew,' we are experiencing a very smooth conversion. We now have sufficient capacity to accommodate almost twice the number of customers now using the Universal system. This has been a year of overcoming many hurdles, and we now are at the point we have all been striving to reach." Added Robert Glaser, Director of Research and Development, "This was quite a major step for us. It's (the switch) our biggest yet."

TELESAVER "GRADUATES" TO DEC COMPUTER

Telesaver is like the teenager who's grown so quickly he's surprised one day to find his pants legs above his ankles. We have expanded so rapidly, and with many of the same "growing pains" that a teenager experiences, that we long ago outgrew the TRS-80 computer for billing, account information, and other programmable data. Bill Berg, Manager of Data Processing, foresaw the need for a larger system and, after months of planning, Telesaver is now the proud owner of a new DEC 11/24 computer.

The DEC substantially increases our efficiency, productivity, and capabilities. It allows for the transmission of information between area managers, the national office, and Danskjold-Reed, our network manager. It produces print-outs at 6 times the capacity of our former system, and can support up to 63 simultaneous users with unlimited storage per user.

The time saved in accessing information and in printing allows us to do all the billing at our headquarters, rather than depending on an outside source to do them. Customers will receive their bills on time and at regular intervals.

TELESAVER ANNOUNCES PARTNERSHIP WITH J & J MANAGEMENT

Telesaver takes pleasure in announcing its newest partnership, J & J Management, Inc. John Kane, President, and Jeffrey Shearman, Vice-President, will market Telesaver in northern New Jersey, southern Westchester County, and southern Connecticut. Prior to establishing J & J Management, the two men were associates at Coradian Corporation, a telecommunications company based in New York. Additionally, Kane spent 12 years operating his own telecommunications contracting company and Shearman spent 11 years with Xerox Corporation, most recently as sales manager. Target date for delivery of Telcro II is March 1, 1983, at which time southern Connecticut will begin Universal Service.

HAZLETON'S FIRST MONTH

Hazleton Area Manager Elliot Greif reports 200 new accounts in the first 30 days of Universal service in his home town. He and wife Lynn are very pleased and are looking forward to opening the Wilkes-Barre, PA, area on December 19th. They are busy interviewing, with the hope of adding to their sales force 18 new reps for their expanded territory.



NEW BUSINESS BROCHURE READY FOR DISTRIBUTION

The wait seemed interminable, our patience was tried, but the business brochure for Universal Service is truly outstanding. Its unique design (by Romer & Company, Rockville, Maryland) exemplifies our unique position in the industry. It would be difficult for anyone to resist "lifting the receiver" to discover what's inside. Now that the brochure has been distributed to all area managers and to their sales reps, we anticipate that orders will come in at a rapid pace. Next month's Telesaver Exchange will report on business sales in our Universal areas.

TELECOMMUNICATIONS IN THE COLLEGE CLASSROOM

It might surprise you to learn that the study of long-distance companies will be part of the curriculum at Wellsley College next fall. Time Magazine (December 6, 1982) reports that 32 of our nation's top liberal arts colleges have received grants to integrate tech-oriented courses with the humanities. The reason: to overcome technophobia and to change the way students approach problems.

Wellsley freshmen and sophomores will analyze competitive services. They will evaluate cost and convenience, study elementary electronics, satellite operations and microwave systems, and examine management practices in order to choose the best company to do the job. They're bound to choose Telesaver!

A VIEW FROM THE FRONT DESK...OR MUSINGS FROM JULIE WHITCOMB

Did you know that the national office's switchboard is actually a telephone? The Inter-tel mpk/II has a ten-line capacity and does things no ordinary telephone would ever aspire to. It can automatically connect a person with an outside line that is busy by a simple touch of the pound (#) button after dialing the number. When the number is no longer busy, the caller is signaled by a beeping sound, and needs only to lift the handset.

Did you know...that the music you listen to while on "hold" is synthesized? And that the only thing people complain about more than their bills is the music they must listen to while on "hold"! The current selection is Lovers' Concerto.

GOLDMAN GIVES TALK AT CELLULAR RADIO CONFERENCE

Telesaver President Dick Goldman recently spoke at a two-day National Cellular Radio Conference in Arlington, Virginia. One hundred and sixty attendees gathered at the conference on December 6-7 to learn about and discuss the newly authorized cellular radio service. Commented Mr. Goldman, "Those of you familiar with mobile telephones will realize the severe limitations in terms of the restrictions on the number of phones possible and the quality of service. In many areas, there is over a 5 year wait to obtain a radio phone and when you do get one, it is frequently impossible to get a clear channel."

Under cellular technology, areas are divided into very small cells or compartments, and lower power transmitters and receivers are used for communication within a cell. The concept, which allows the same frequency to be used multiple times, requires an intelligent switch much like our Telcro II.

Dick spoke about the applicability of long-distance resale in the cellular radio market, as well as the utility of Telesaver's switch. "With more than 500 cellular areas opening within the next two years, and an average of 3 switches needed for each area, there is a tremendous market being created," he said. Dr. Robert Glaser has already begun the initial design of a Telesaver cellular switch.

NON-TRAVEL CUSTOMERS WILL RECEIVE WALLET CARDS

Cards are now available for our customers who have purchased Telesaver Universal service without travel. The wallet-size cards were printed on heavy card stock in colors coded to each area, i.e., bright yellow for Baltimore/Washington, orange for Wilkes-Barre, bright blue for Rochester, etc. Instructions for placing a Telesaver call are listed on one side, with appropriate access number, address, and office phone number for each area. Trouble-shooter responses are listed on the reverse side and explain what to do if problems should occur. If you need these cards for any of your customers, you can get them from your area manager.

HOW YOUR TELCRO II ARRIVES AT YOUR DOOR
or
NO - ONE WEEK'S NOTICE IS NOT ENOUGH

by Robert Glaser, Ph.D.
Director, Research and
Development

"My customers want Universal - when do we get our Switch?" is a common question the manufacturing department hears from Telesaver's area managers. Perhaps some insight into what goes into the production of our switches will be helpful.

The planning department gives Manufacturing a schedule of cut-in dates based upon a delicate balance of partnership agreements, financing, telephone line availability dates, customer concentration, and company expansion objectives. Manufacturing Manager Mike Senate then places his orders with our many vendors who supply component parts for our switch. Delivery times of 3-4 months are not unusual for large quantities. When the parts arrive, Inventory Coordinator Clyde Sennett inventories the incoming parts and then breaks them down into parts kits for each of the component boards of the switch. They are then sent to the assembly house which manufactures the printed circuit boards, stuffs the parts, and solders and trims the leads.

When the completed circuit boards are received, Laboratory Technicians Sharon Harmon, Roland Slatkoff, and Vince Weal inspect all boards and pretest some of them. This same staff is responsible for constructing power supplies, modifying computer equipment, assembling card cages to hold the circuit boards, and final integration of all subassemblies into a complete switch.

The completed cabinet is rolled down the hall to the Quality Control Lab, where Field Technicians Dan Dumler and Will Rotunno attach preassembled cables to the various boards, power it up, and test individual boards and overall operation before releasing for installation. At this time, a computer system and disk drive are prepared by Switch Programmer Robbie Trainer. Control files and routing tables provided by our network management subsidiary, Danskjold-Reed, and customer authorization codes, supplied by Barbara Peterson, are loaded onto the disk. The system is checked out once again, and everything is packed carefully for shipment to final destination.

On site, the Field Technicians mount telephone connecting blocks and cross-connect between the several long-distance line suppliers and our equipment. The system is powered up and extensive check out procedures are followed. Finally, the local office personnel are trained in the proper attendance of their "magic box," and customers are given their new codes. The Field Technician then heads for the home office where construction of the next switch is already underway.

However, the effort does not stop there. Trouble complaints reported by customers are collected by area managers and forwarded to the Network Manager and the Manufacturing Manager. Most of our problems are phone line related, and these are reported by Danskjold-Reed to the associated carrier. Other problems are routed to the appropriate person where correlation with statistical and log files from the switch are often used to locate trouble.

As can easily be seen, the Telesaver Team never has to say, "What shall we do in our spare time?"

NEW CITIES ADDED TO TRAVEL NETWORK

The Telesaver Travel Network expands so rapidly that our Travel Card becomes obsolete almost before it's even off the presses. Some of the new cities that have been added to the network since the November, 1982, printing are: Encinitas, CA; Escondido, CA; Des Moines, IA; Ft. Wayne, In; Raleigh, NC; Grand Rapids, MI; Charleston, SC; Madison, WI; Roanoke, VA; Provo, Utah; and Kaysville, Utah.

Please note that there are recent additions and changes to the Travel Card that you should be aware of. Long Island now has three access numbers to help alleviate the constant busy signal many customers experience: (516) 222-9180, 222-9289, and 222-9284. Area code 714 in California has been split into two parts: Anaheim and Ontario are still area code 714; Capistrano Valley, Encinitas, Escondido, Oceanside, Palm Springs, San Diego, and Vista are now area code 619. Also, according to our supplier, additional circuits will be added to south Florida after the first of the year, which should ease the problem our Florida customers experience when placing a Telesaver call.

(Continued)

***Bell System's Credit Card has been replaced with the 1982 "Calling Card." In areas of the country where Calling Card service is available, holders of the card can place calls from Touch-Tone phones without the aid of an operator, can make consecutive calls without re-dialing the Calling Card number and, for long-distance calls, can save 50 cents over third number charged and collect calls. Note: The caller must still pay \$1.00 per call, plus tolls. (Southern Bell, Atlanta, GA)

***Satellite Business Systems (SBS), a joint venture of IBM Corporation, Comsat, and Aetna Life and Casualty, is competing in the long-distance carrier market with "SBS Skyline." The new service offers 14-30% savings over Bell and includes universal destination capabilities in 48 states, Puerto Rico, and the U.S. Virgin Islands. Washington, Minneapolis, and Philadelphia are the first cities slated for Skyline; there are projections for 17 additional major metropolitan areas next year. Skyline charges a one-time set-up fee of \$16 and a minimum \$15 monthly charge. (MIS Week, November 10, 1982).

***American Telephone & Telegraph Company completed the largest common stock offering in history December 2, 1982, as 17.7 million new shares were sold for \$60 each, raising a total of \$1.062 billion. (The Sun, Baltimore, December 3, 1982)

***MCI, under a 20-year, \$4.4 million lease with Amtrak, is installing a new fiber optics system along Amtrak's northeast-corridor route to increase its capacity to transmit long-distance telephone calls. Underground cables containing thin glass filaments will provide 40,000 circuits capable of transmitting both telephone conversations and computer data, as compared to the 10,000 calls MCI's microwave transmission can presently handle now. Gary Tobin, company spokesman, said the new technology provides clearer transmission and is more economical than the microwave towers MCI now uses. MCI plans to have the cable in place between Washington and Philadelphia by 1984, and installation to New York will be completed shortly after that. (The Sun, Baltimore, December 2, 1982).

***The FCC, after many months of deliberation, has fully authorized the sharing and resale of overseas voice as well as data traffic. (MIS Week, December 1982). With the approval of a foreign government, it will be possible for Telesaver to offer discounted phone service to other countries, such as Israel. Negotiations between Telesaver and Israel's government for long-distance phone service are now underway.

TELESAVER IN THE NEWS

Since the last printing of this newsletter, Telesaver has appeared in local papers in two of our Universal Service areas. In a November 19th story on competitive long distance service companies, Rochester's Democrat and Chronicle announced the start of Telesaver Universal in the Rochester area in December. And the Hazleton Standard-Speaker reported that the Hazleton Area School District has entered into a contract with Telesaver. After a 3-month survey, the board estimates that Telesaver can save as much as \$200 each month on the district's telephone bill.

DISCOVER TELESAVER...THE NEW LONG DISTANCE SERVICE THAT CAN SAVE...

60 Minutes' Andy Rooney described the ten most used words in sales and advertising today: NATURAL, NEW, LIGHT, SAVE, FREE, RICH, REAL, FRESH, EXTRA, and DISCOVER. Using as many of these words as you can, try to produce a dynamic advertising headline for Telesaver. If you come up with something you think is unusually ingenious, please share it with us.

HAPPY NEW YEAR!

Telesaver will celebrate the New Year with an Open House at the National Office on Thursday, December 30th. Invitations have been extended to all employees and their spouses, as well as suppliers and vendors, shareholders, and other close associates of the company. It will give many of our friends the opportunity to see first-hand how the company has grown. And it will give us the opportunity to raise a glass or two in appreciation to all our friends who have made this past year such a success. We wish all of you a happy, healthy, and prosperous 1983!