Editor: Deborah R. Baylin

TELESAVER TAKES A 3-DAY "HOLIDAY" FOR STRATEGIC PLANNING

On February 4, 1983, Telesaver's Executive Committee travelled to Downingtown, Pa., for a weekend of evaluating, analyzing, planning, and strategyzing for the future growth of the company. Sunday evening the group returned to Baltimore through a driving snowstorm, weary but satisfied. The consensus was that Telesaver is on the right track and headed in a direction of continued expansion.

The retreat was scheduled at this time because Telesaver is at a significant juncture. As Dick Goldman explained at the opening session, "We are past the point of being an entrepreneurial company. Because of our own growth and dynamics, we have to decide if we're going to level off and remain a small business, or make an irrevocable commitment to becoming much larger." Dick went on to say that we are in the midst of a dynamic revolution. "This year is key and, more than any other, represents the largest single opportunity in the telecommunications industry. To the extent that we as a company have taken the initiative and have a head start, we have a large advantage. If we choose to continue aggressively, we can go very far, and in many exciting and profitable directions." It was those directions the group brainstormed, discussed, and evaluated.

The weekend sessions offered everyone the opportunity to discuss the major events taking place in the industry, to evaluate Telesaver's strengths and weaknesses, and to determine how we fit into the total picture. It was a time to break away from the routines and challenges of the day-to-day and to think about and plan for the future. At the end of the three days, we could see into the future more clearly.

WILL THERE BE LIFE AFTER DIVESTITURE?

Last month's Telesaver Exchange reported on the two-day conference held in Atlanta, Georgia, by the Bell Operating Companies (BOCs). That event marked the first step by the BOCs in the AT&T divestiture process, and as Robert Chertkof described it, "It was like watching history in the making." At our retreat in Downingtown, Bob gave an excellent presentation on the AT&T divestiture and its implications.

AT&T has announced that, in January 1984, they will consolidate the 22 present Bell Operating Companies into seven larger regional BOCs, and spin off these newly constituted corporations to AT&T's shareholders. To illustrate, the Chesapeake and Potomac Telephone Company, Pennsylvania Bell, Diamond State Telephone (Delaware), and New Jersey Bell will merge and be known as Mid-Atlantic Bell, with headquaters located in Philadelphia.

Typically, each BOC will cover five or six states. Within each state, the BOC will be divided into Local Access and Transport Areas, or LATAs, and those lines will delineate the demarcation points for local or long distance calls. Any call that crosses a LATA will be considered a long-distance, or inter-LATA, call and the local BOC will not be permitted to transmit it.



A PROFILE ON TELESAVER'S FIRST PARTNERS: THE GREIFS

One and a half years ago, Elliot Greif was working in his family business in Hazleton, Pennsylvania — a sewing factory known as College Casuals. Since he was looking for something new to get involved in, it was his luck, and ours, that his cousin in Baltimore told him about Telesaver.

In October 1982, Elliot and his wife Lynn opened the doors of their newly decorated office on North Laurel Street. Prior to that time, the residents of this small community (pop. 35,000) were making all their long-distance calls through AT&T. Now they had a choice and, to date, more than 400 Hazletonians have chosen Telesaver as their long-distance alternative!

Elliot attributes his immediate success to his living in Hazleton his entire life. "I'm a recognizable face and I've established myself in the business community. Sure I'm selling a service that saves people money, but what I'm really selling is integrity. That's what sells. We're perceived not as just another telephone company, but as a company that cares that wants to help."

Elliot loves his new business. He enjoys the personal relationships with customers and sales reps and says he finds running a business with his wife not only "enjoyable but very fulfilling."

In December the Greifs installed a second switch -- this time 25 miles away in Wilkes-Barre. Here they've met with competition from MCI and ITT, but Telesaver is making its mark there, too. They will soon be expanding the service by tying Scranton into the Wilkes-Barre switch.

Before long the Greifs could be "tying up" a good part of Pennsylvania. They have plans to install a third switch within the next 60 days to handle customers in Allentown, Bethlehem, and Easton, and, if it's found to be cost-effective, Reading, too. Further down-the-road they will install a fourth switch to cover Harrisburg, Lancaster, and York. They exemplify the dynamism and growth of Telesaver!

TELESAVER SURVIVES THE BLIZZARD OF '83

Every weather report predicted it. There were no ifs, ands, or buts about it. But it was difficult to imagine that so much snow could fall in the space of 24 hours. Latest reports estimated that Baltimore got hit with 24 inches of the white stuff.

Several brave souls weathered the storm that Friday morning, February 11th, but by one o'clock all but one had gone home to the safety of their homes -- all but Vince Weal, lab technician.

Ask Vince what it was like to spend 3-1/2 days at Telesaver, alone, without many provisions for comfort, and you'll hear, "It wasn't too bad. I had a couple of sandwiches with me, found a television in Dick's office, caught up on some of my work, slept on a carpeted floor."

Vince lives a good 20 miles away, so felt it was best to stay put instead of trying to drive in increasingly treacherous road conditions. And it was our luck that he made that decision. The snow was so high on the roof that it covered the vents, and when it began to melt, the water seeped down the vents and through the ceiling of our quality control lab. Had it not been for Vince's quick thinking, we would have returned to work Monday morning to find two Telcro II switches and a hard-drive wet and ruined.

We thank you Vince Weal!



Field technician Dan Dumler (foreground) gives instructions to Lynn and Elliot Greif, as their son, Lou, looks on.

By the first week in March, customers in the White Plains, NY, and Hackensack, NJ, areas will have UNIVERSAL service. Below is a listing of exchanges that are local to the switch in each area.

Exchanges local to Hackensack:

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224, 261, 262, 265, 288, 330, 342, 343, 348, 365, 368, 384, 385, 387, 393, 438, 440, 441, 444, 445, 447, 460, 461, 471, 472, 473, 478, 487, 488, 489, 546, 567, 568, 569, 570, 592, 641, 646, 652, 662, 664, 666, 692, 772, 773, 777, 778, 779, 791, 794, 796, 797, 833, 836, 837, 843, 845, 854, 861, 863, 864, 865, 866, 867, 868, 869, 871, 886, 894, 933, 935, 939, 941, 943, 944, 945, 947, 967
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Exchanges local to White Plains: (customers with flat rate service only)

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251, 253, 285, 320, 328, 332, 335, 345, 347, 381, 390, 428, 438, 472, 478, 576, 591, 592, 631, 681, 682, 683, 684, 686, 693, 694, 696, 697, 698, 723, 725, 761, 789, 833, 834, 835, 899, 934, 937, 939, 946, 948, 949, 967, 997
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NOTE: Other exchanges local to the switch must pay a small toll charge. Customers should inquire before subscribing to Telesaver service.

INDUSTRY NEWS

***ITT has asked the U.S. District Court to strip AT&T of the right to use the Bell name for marketing purposes after the January 1984 divestiture. It has requested that the Bell operating companies be given exclusive rights to the name. The recommendation was made to eliminate any confusion over continued affiliation between AT&T and the BOCs.

****MCI Communications Corporation is turning to satellites to ensure capacity for its long-distance telephone network. It has bought 12 channels on each of two satellites scheduled for launch in September, 1983, and July, 1984. The purchase of the channels from Hughes Communications, Inc., is believed to be the largest sale of commercial satellite services ever and is reported to have cost about \$200 million.

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INDUSTRY NEWS continued ...

***MCI announced that it will invest \$1 billion to expand its communications network in the fiscal year beginning in April. That figure compares to \$600 million spent in FY '82. MCI's \$1 billion capital spending budget is earmarked for the purpose of digital radio transmission equipment, fiber-optics, switching and control systems, new facilities, and expansion of the current Analog microwave network.

TELESAVER GOES THROUGH A GROWTH SPURT

February was Telesaver's busiest hiring month to date. It was a replay of the 1950's movie "Room for One More," as we stretched our seams to make room for a total of 10 new employees.

Quality Control has a new technician, Tim Gayheart. Operations, under the direction of Micki Jones (see January Telesaver Exchange), has four new people: Teresa Simpson, scheduler, coordinates the installation of lines and switches; Tim Tarrants is conducting research for routing; Eunice Silbert keeps track of costs incurred for network lines; and Beverly Shaw is compiling and analyzing statistics for network management and handling trouble reports.

Collections has a new supervisor. Linda Merryman replaces Paul Savitsky, who accepted a job offer from the Police Academy, a long-time dream of his. We welcome Linda and her assistants, Sherry Berman, Carlos Perez, Burdean Briscoe, and Gary Colton. Gary is our "house detective" and tracks down delinquent accounts by a process called "skip tracing". Fran Kroll, who has been with Telesaver since August 1982, is the "oldest" member of the department.

TELESAVER SENDS SHARON HARMON TO SCHOOL

Sharon Harmon, lab technician in Manufacturing, says, "I'll always go to school. I never want to stop learning." Sharon spends 4 hours, one night a week, at the RETS Tech Training Center in Baltimore. Telesaver supports and encourages her ambition by paying all tuition costs for her schooling. We commend Sharon on maintaining a straight-A average throughout her course on computer electronics.

LIFE AFTER DIVESTITURE from page 1

To complete an inter-LATA call, a customer will have to use a long-distance telephone company like Telesaver, or one of the common carriers -- even AT&T. After January 1984, AT&T will be substantially the same as the other common carriers, no longer being allowed to provide local service. A customer will have to elect which carrier he wishes to use by pressing a prefix digit on his telephone dial before dialing area code and telephone number.

Presently, when a caller presses "1" before the area code, he is electing to place his call through AT&T. Beginning September 1984, he will have the option of pressing a "2", "3", or some other number, indicating his choice of an alternative service, and eliminating the necessity of entering an access number and authorization code.

Bob Chertkof, who experienced the Atlanta conference firsthand, said that it was truly exciting to see the BOCs extend their hand in friendship to their present competitors. "They let it be known that they were here to serve us, that they want to work together with us to formulate policies and procedures, so that life after divestiture would be harmonious for all." They indicated that, beginning January 1984, we will be sharing the same customers, and offered to assist us in some of the administrative details. They volunteered to stuff our long-distance bills in with their local bills, to collect the amount due us, and to cut off local service to customers who do not pay their bills.

To quote Bob's closing remarks, "It was an unforgettable moment to realize that one was watching history in the making - the largest company on earth colliding with an irresistible force, the U.S. Justice Department, and splitting into several parts, causing it to move in new and uncharted directions."

Bob continued, "The AT&T divestiture has opened many more questions than it has answered. Everyone's reluctant to take a position. But one thing is clear. The nation's telecommunications industry will never be the same again!"



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Telesaver Exchange