

ENDLESS VOICES

THE STORY OF ROCHESTER TEL

BY F.L. HOWE



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Rochester Telephone Corporation

180 South Clinton Avenue

Rochester, New York 14646

Library of Congress Catalog Card Number 92-90704

Design and production: Bill Buckett Associates

Typesetting: Total Typography, Inc.







Color separations: Rochester Empire Graphics Inc. and Cohber Press Inc.

Printing: Cohber Press Inc.



Binding: Riverside Group

OVERSIZE
338,7613
H855e

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FOREWORD



Rochester Telephone Corporation



ROCHESTER TELEPHONE



ROCHESTER TELEPHONE



RochesterTel

The story of Telecommunications is fascinating not only in itself but in the way it intertwines with the bigger story—the account of society at large, its successes and failures, joys and sorrows, fun and torment.

I've often thought that telephony was a very special part of Americana. I'm not sure why—perhaps because it helped to bring us together as a people, to share our experiences quickly, accurately and personally. Perhaps it is because the guy who climbed the poles lived next door, and your friend's sister was an operator. At any rate, it would be a sin if we did not record the story, a story that's so much a part of our past and thus of ourselves.

Larry Howe is a very talented raconteur, who experienced some of the events he has described and has thoroughly researched the rest. He has done an extraordinary job of memorializing that part of telephone history that was made by men and women of a company known today as Rochester Tel. He has woven it into the greater fabric of the events of the day, some of which we can recall and all of which are familiar to us as the history of our town, our country and our world.

This story is very much like an epic. It can be enjoyed by telephone customers (and who is not counted as a telephone customer). It can be relished by telephone women and men. It can be heard today and retold a year from now with equal pleasure.

It is an unfinished epic. The telephone has existed for almost 12 decades, and the industry it spawned has undergone many changes. Rochester Tel successfully coped with those changes and in many cases anticipated and directed them. Its success was directly attributable to thousands of women and men—employees, directors, share owners and their families—who achieved it.

As we look back on those successes, we do not ignore the future. We know it will be different than the past. The telecommunications industry will become very diverse, and the role of government will diminish.

We look to the future with a sense of confidence that the history that has not yet been written will be notable for its outstanding achievements. The solid values and lessons learned by all of us who work here and by our predecessors are the bases for the solid tradition, or better said, for the spirit which is the core of this organization. It is a spirit and tradition which our young men and women will enliven in hundreds of chapters yet to be written.

A handwritten signature in cursive script, reading "Alan C. Hasselwander". The signature is written in dark ink and is positioned above the typed name.

Alan C. Hasselwander

Chairman of the Board

February 28, 1992

A historical illustration in a dark, monochromatic style. On the left, an elderly man with a full white beard and a tall top hat is shown in profile, holding a telephone receiver to his ear. On the right, a younger man with a beard and a dark suit is looking upwards and to the right. In the foreground, a table is covered with various scientific and telephonic apparatuses, including a large metal cup on a stand, several mechanical devices with coils and levers, and a small stool. The background shows a window with a decorative metal railing.

CHAPTER ONE:

THE

TELEPHONE

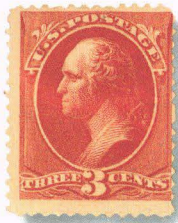
COMES TO

ROCHESTER

1876 THE WAY IT WAS



Opposite page: In this famed illustration, Alexander Graham Bell demonstrates his telephone for Emperor Dom Pedro of Brazil at the 1876 Philadelphia Exposition.



The U.S. in 1876 stretched from the East Coast to California, with Colorado admitted as the 38th state that year.

The country's attention was riveted on Philadelphia, site of the Centennial Exposition. The Exposition's motto was: 1776 with 3 Million People on a Strip of Seacoast; 1876 with 40 Million People from Ocean to Ocean.

The Exposition opened on May 10, closing six months later with large crowds in attendance every day. With the exhibits spread through 180 buildings laid out on 450 acres, it was said that no one could hope to see everything in less than two weeks.

Among its many attractions was the first portion of the Statue of Liberty—the hand and the torch. Ten years later the complete statue was erected in New York Harbor.

George Eastman was a bank clerk in 1876, and William Randolph Hearst a teenager. The usual public school year lasted 16 weeks, with most children never going beyond the 8th grade.

Science had not discovered germs or vitamins; doctors were still using leeches to draw blood; and many hospitals were still called Deadhouses.

There was no standard time—only clock time and sun time, which changed every day as the days grew longer or shorter.

It cost 3 cents to mail a half ounce letter anywhere in the country.

Most grocery items were sold in bulk, with many householders buying their groceries and other goods from peddlers who roamed the streets from door to door. In Pittsburgh, a young man named H. J. Heinz was selling horseradish in glass jars.

Rochester's tallest building was the Powers Block, which was served by the first elevator in Western New York.

Everyone worked 10 to 12 hours every day except Sunday. Seven out of ten industrial workers earned no more than 10 cents an hour. With no labor laws, children worked for much less—as little as 25 cents a day in mines and tobacco fields.

Railroads were the best way to travel from town to town, and horsecars and street railways in cities. It was said that there was little chance that man could ever reach the moon because "the fastest express railroad train would take over a year to reach it."

It took 12 to 17 days to cross the Atlantic by steamship, as many as 26 days by sail. A steamship ticket cost \$75.

Yellowstone became a national park.

Most of the South was still occupied by Federal troops, 11 years after the Civil War.

The telephone came to Rochester in 1877, two years after Alexander Graham Bell had proved it was possible.

On June 2, 1875, in a garret in Boston, Bell heard a twang over a wire from an adjoining room where his assistant, Thomas A. Watson, was tuning the reeds of their harmonic telegraph. For Bell, that “twang” confirmed his theory that a system could be devised for transmitting spoken words beyond the natural range of the human voice.



Rochester's Main Street in the early 1880's when telephone poles and their crossarms towered over the street.

On February 4, 1876, Bell applied for a patent, which he received a month later. It would turn out to be probably the most valuable patent ever issued although Bell sold his interests in it several years later.

Continuing his experiments, on March 10 Bell and Watson were about to try out a new liquid transmitter when Bell upset some acid on his clothes. He called to his assistant, “Mr. Watson, come here, I want you.”

An astonished Watson rushed into the room and said, “Mr. Bell, I heard every word you said, distinctly.” In that moment, the telephone was born.

Voices

“We offer to the business men of Rochester an absolutely perfect system of speaking communication with each other, by which the utmost secrecy is assured. The advantages of such a system in the saving of time and labor, and the expedition of business, are obvious, and clearly demonstrated by the immense success which has already been secured in the operation of a similar system in other large cities...”

*Edward T. Hall, Jr.
Rochester Telephonic Exchange 1879*

The telephone that Bell demonstrated at the Philadelphia Exposition. Users spoke and listened through the same end.



Three months later, in June, Bell exhibited his invention at the Philadelphia Centennial Exposition, where it had to compete with such wonders as the first electric light, the first typewriters, web printing presses and self-binding reapers. It attracted little attention until Sunday, June 26, when Emperor Dom Pedro of Brazil saw it and called it the most wonderful invention he had ever seen or heard.

“My God, it talks,” he exclaimed when Bell demonstrated it for him. From then on, it became one of the Exposition’s top attractions.

That Sunday was famous for another historical event. Two thousand miles west of Philadelphia, at Little Big Horn, the Sioux massacred General George Custer and his 7th Cavalry troops.

The Rochester of that period was a city of more than 80,000 on the threshold of great prosperity. It had built a state arsenal and served as host to both the Republican and Democratic state conventions.

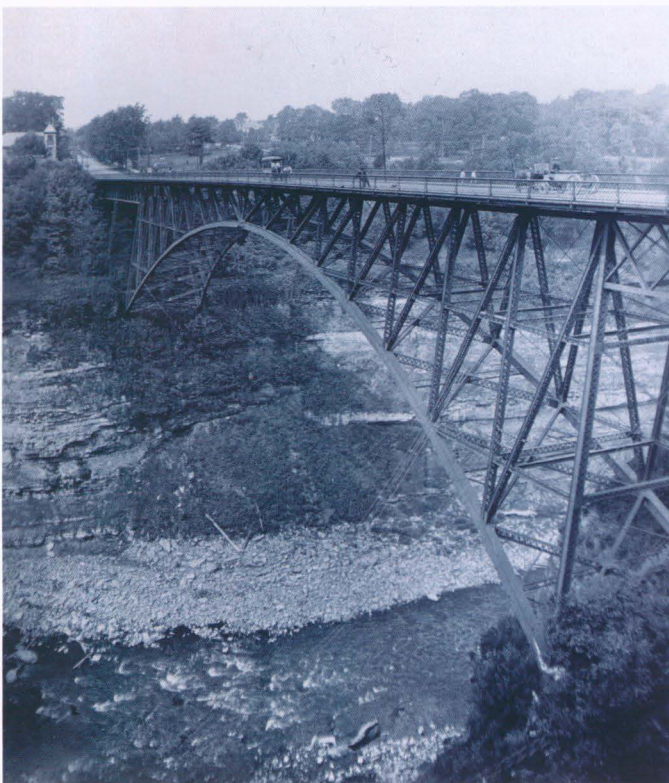
The nursery and seed business, which had made Rochester *The Flower City*, was at its height.

More than 4,500 workers, half of them women and children, were employed by the city’s many shoe manufacturers.

The men’s clothing industry also was a major employer.

James Cunningham & Son, producing carriages and hearses, and the Leighton Bridge and Iron Works, which made and erected wrought-iron railroad bridges, were gaining national reputations.

The Driving Park bridge shortly after it opened in 1891.



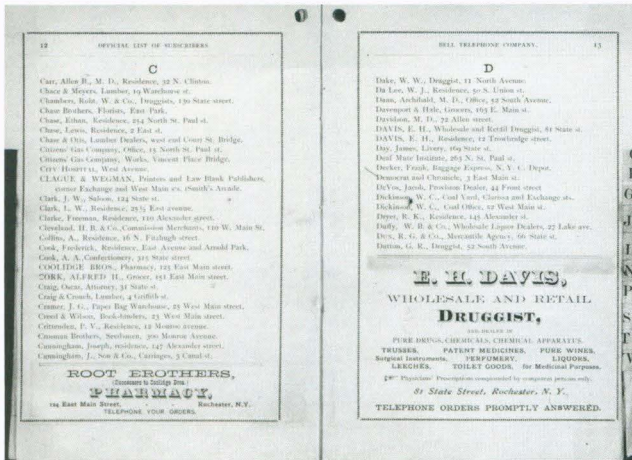
Alexander Graham Bell was a teacher of the deaf in Boston when he invented the telephone in 1876. He and his family had emigrated to Canada from Scotland in 1870 and Bell himself had moved to Boston in 1871. He left the telephone business in 1881, devoting the rest of his life to scientific and creative studies in a number of fields. He died in 1922 at the age of 75. During his funeral service, all telephones served by the Bell System were silent for one minute.



Voices

"Don't talk with your ear or listen with your mouth."

Rochester Telephonic Exchange Directory



Rochester's first telephone directory. There were no numbers; operators connected the parties by name.

The Wilder Building, where Bell moved its switchboard and offices in 1888.

Daredevils of their times, these Bell of Buffalo workers casually pose atop a telephone pole high above Rochester's Four Corners. The picture was probably taken from the Wilder Building, which housed the Bell operation from 1888 to 1900.



Bank clerk George Eastman was trying to perfect a dry plate emulsion in his mother's kitchen. He produced his first film in 1884 and the first Kodak camera in 1888.

Bausch & Lomb Optical Company was making telescopes and other optical devices on North St. Paul Street.

The telephone's arrival in Rochester was first described in July 1877. A Rochester *Union and Advertiser* reporter visited the Phillips coal office on West Main Street, where he talked by telephone with the company's coal yards a mile and a half away.

"Putting his mouth to the tube," the third-person report said, "he carried on a conversation in an ordinary tone of voice, the answer coming back instantaneously and perfectly clear and distinct...It is not impossible that this machine may come into general use, and every business man have a wire running from his house to his office."

Six weeks later the newspaper was on hand for another historic event, a telephone call between Rochester's City Hall and the Waterworks at Hemlock Lake, some 30 miles away. At that time it was the longest telephone line in the world and thus the longest call yet made.

Despite the newspaper reports, the telephone remained a novelty in Rochester and elsewhere. In mid-1877, fewer than 1,000 telephones were in use in the nation.

But then it began to catch on. In January 1878, the world's first commercial switchboard was opened in New Haven, Connecticut. Soon there were switchboards in many other communities.

The next year—1879—Rochester got not one but two telephone companies. The Bell Company of Buffalo, incorporated in Buffalo and controlled by the American Bell Telephone Company, opened what it called the Rochester Telephonic Exchange at 10-12 Main Street Bridge. The Edison company, also a national organization with a Buffalo affiliate, began its operations down the street in the Powers Block.



The Erie Canal aqueduct over the Genesee River in the 1890's. In the center is the Lawyers Cooperative Publishing Co. building, which remains there today. Traffic on the canal, which wound through downtown Rochester, was declining by then and many considered it more of an annoyance than an asset.

The competition between the two lasted less than 18 months. In June 1880, they merged, with Bell the surviving company. Its rates were \$30 a year for businesses, \$24 for residences, payable semi-annually and in advance.

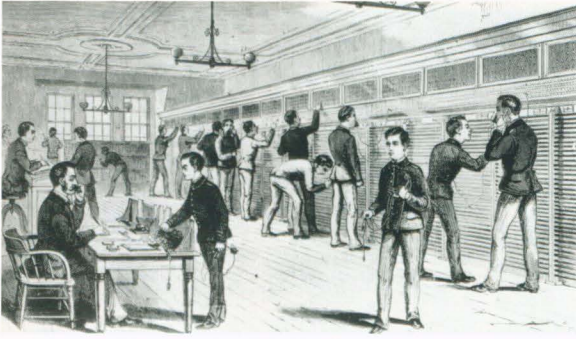
Beginning with 50 telephones, the number of Bell subscribers increased steadily, with the city's five newspapers enthusiastically chronicling each new development. By 1884 there were 800 subscribers, by 1886, more than 1,000. *The Union and Advertiser* called the growth "really wonderful...the telephone has become an actual business necessity."

As telephone service grew, so did the problems. Setting up a call could take as long as seven minutes. Everyone had party line service, often with as many as 20 parties to a line. Wrong numbers were frequent and operators had a habit of testing service in the early morning hours, often awakening subscribers with their calls.

Paid \$4 a week—once a month or once every two weeks depending upon receipts—for 11- and 12-hour shifts, young

A view of the city's Four Corners when tracks were being laid to carry the city's first street cars. The first trolleys themselves appeared in the 1890's.





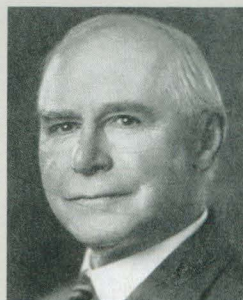
An illustration, top, and a photograph of telephone operators on the job in the late 1870's and early 1880's.

men between the ages of 18 and 22 were hired as the first operators. The work was thought to be too strenuous for young women. On the first switchboards, only a few lines could be placed within the reach of one operator, so operators had to work on their feet and move quickly. As the number of subscribers increased, so did the size of the switchboards, often reaching seven feet or more in height.

One Rochester operator named Frank Montgomery set an early record for handling the most calls, 419 connections in four hours.

Within six months, the male operators were being replaced by women. As one telephone official expressed it: "The service of women is very much superior to that of boys and men. They are steadier, do not drink beer and are always on hand."

A more serious problem was the poles and wires needed to connect subscribers. Initially, wires were carried on wooden fixtures on the roofs of buildings and homes, some as tall as 15 or 20 feet and carrying as many as 200 wires.



Milton S. Baxter was one of the most experienced and well-traveled employees in Rochester Telephone's history. He began his career with the Rochester Telephonic Exchange in 1879. The next year he was transferred to the International Bell Telephone Company and for the next 11 years helped build telephone systems in Switzerland, Holland, and Russia. During that time he became fluent in five languages. In 1892, he rejoined Bell's Rochester operation as chief operator. When he retired in 1930 at the age of 74, with 51 years of service, he was chief clerk in the Plant Department.

The Bell company later won permission from the city to set poles and to string wires along city streets. The company viewed them as "straight and sightly...a fine job in modern line

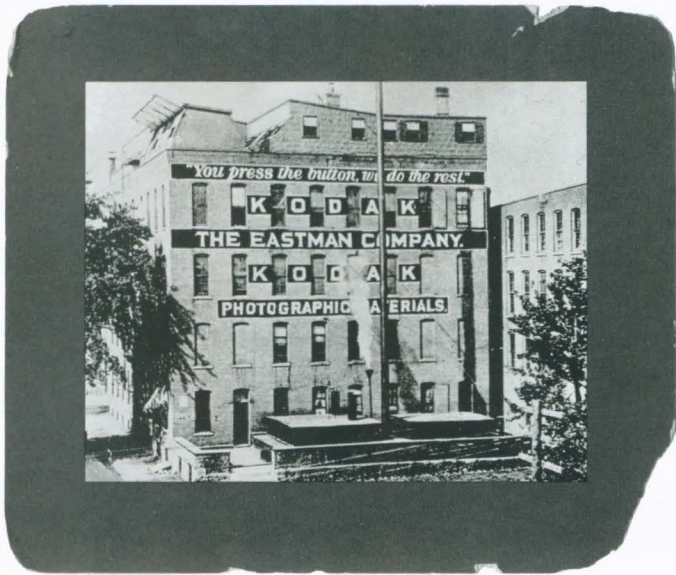
construction.” Critics saw them as a disfigurement of downtown streets, “immense pine sticks, most of which were far from straight and all of which were placed without the slightest regard to the convenience of property owners.”

In 1888, Bell obtained city permission for its first underground conduit. But as long as the poles remained, with their huge crossarms, the dispute over their appearance continued.

A much larger controversy erupted earlier, in 1886, over a proposed change in rates. The Bell company announced that year that measured service would replace flat-rate service—subscribers would pay according to their use of the phone, six cents for each call over 500 messages a year. Basic rates were also increased.

The dedication of the Soldiers and Sailors Monument in Washington Square on May 30, 1892 was one of the biggest events in the city's history. A parade of 10,000 men, marching in a column two miles long, preceded the ceremonies, at which President Benjamin Harrison spoke. Rochester Tel Center now stands across South Clinton Avenue from the monument.





One of George Eastman's first manufacturing buildings on State Street.

Another view of Main Street before the poles and crossarms were removed.



Not surprisingly, subscribers objected, noisily enough to cause the Rochester City Council to revoke the company's franchise. The subscribers organized themselves and on November 20, 1886 united in an action that remains unparalleled in telephone history: At noon that day every subscriber—about 1,000 in all—removed his telephone receiver with the understanding that it would not be replaced until the company came to terms.

For 18 months, both sides stood fast. With no foreseeable end to the strike and sensing the emergence of local competition, the Bell company submitted a new schedule of lower rates without measured service. The city approved and the strike ended.

Bell continued its monopoly of telephone service in

Rochester and in most of the nation's other large cities well into the 1890's. But in 1893 Bell's first patent expired and in the next few years more than 6,000 independent non-Bell companies were formed across the country.

While not one of those first 6,000, Rochester was destined to have its own locally-owned and operated company, a movement triggered by the subscribers strike of 1886.



CHAPTER TWO:

THE STRUGGLE

FOR SURVIVAL

IN A TWO-

TELEPHONE ERA

1900 THE WAY IT WAS



Opposite page: On Armistice Day in 1918, joyous crowds packed downtown Rochester streets from sunrise to mid-night to celebrate the end of World War I.

At the turn of the 20th Century, America was still largely a rural nation—well over half the population of 76 million lived in small villages or on farms.

The geographic center of the nation's population in 1900 was a small town in Indiana, 475 miles farther west than in 1800. Between 1870 and 1900 the greatest migration in history had increased the population of America west of the Mississippi from 7 million to 16 million.

The mix of people had changed, too. Immigration in the 19th Century had been so heavy that by 1900, one third of the people in the U.S. were foreign-born or were the children of foreign-born.

Influenza, pneumonia, tuberculosis, diphtheria, typhoid fever and malaria were among the leading causes of death. The average life expectancy for whites was 47, for non-whites 33.

The nation's first automobile show was held in New York City. Across the country there were 13,824 automobiles registered. Half the country had probably never seen one.

Horses were everywhere—pulling surreys, cabs and delivery wagons in the cities and towns, plows and harvesters on farms. The “clip-clop” sound of horses’ hoofs was universal, as was the jingle of sleighbells in winter.

More than 193,000 miles of railroad track criss-crossed the country, and a town not situated

on a railroad was as remote as it had been in the first half of the 19th Century.

Telephones were still relatively clumsy, found mainly in business offices and in the homes of people of means. There were 1,336,000 in the whole country.

The gulf between wealth and poverty was immense. The average American worker earned 22 cents an hour. By contrast, Andrew Carnegie's income in 1900 was \$23 million, 20,000 times that of one of his steel workers. And no one paid any income taxes.

The Federal government's budget was \$500 million. President William McKinley operated with a staff of just 10 employees, four of whom were doorkeepers or messengers.

There was one subway, in Boston, and most houses were still lighted by gas or oil lamps. The tallest building, at 29 stories, was on Park Row in New York City.

A child born in 1900 had only one chance in 10 of going on to high school, and one chance in 33 of going to college.

Eggs sold for 12 cents a dozen, sirloin steak for 24 cents a pound, a turkey dinner for 20 cents.

There were at least 100,000 saloons, supplied by 3,000 breweries and distilleries. In such cities as Boston and Chicago, it was estimated that half the male population paid a daily visit to their favorite bars.

The first stirrings for an independent telephone company in Rochester surfaced during the unprecedented subscribers strike of the 1880's. Local businessmen organized a People's Telephone Association to take on the Bell company, but abandoned it when Bell dropped its plans for measured service and reduced the amount of its proposed rate increases.

But the opposition remained, and later increases in Bell's rates rekindled the movement for a competing company.

One of the businessmen instrumental in its organization was George R. Fuller. Fuller came to Rochester at the age of 26 from Watertown, New York, where he had been a telegraph operator and auditor for the Rome, Watertown and Ogdensburg Railroad. In Rochester, he purchased a firm engaged in making artificial limbs, renaming it after himself.



George Fuller was one of the organizers and the first secretary-treasurer of Rochester Telephone Company, later becoming general manager and president. With the merger with New York Telephone Company in 1921, he became president of Rochester Telephone Corporation. Affectionately called the "grand old man of independent telephony," Fuller was revered by his employees. On his 73rd and 74th birthdays, 500 employees or more attended surprise parties for him. In 1925, after a six-week tour of South America, hundreds of employees welcomed him home at the New York Central Railroad Station. He died in 1927 at the age of 76. On the day of his funeral, all telephone operations were stopped for ten seconds in his memory.



A police officer directs traffic at Rochester's Four Corners, in 1908 one of the nation's busiest intersections. On an average weekday, more than 2,500 horse-drawn rigs and wagons and 2,000 motor vehicles traveled through it.



A Bell of Buffalo employee identification card of the early 1900's.

Voices

“My first job in 1901 was as a collector, and my territory covered all of the west side of the city, that is, west of the river. From the number of stations, 2,500, you can readily see that our stops were not very close together.”

Bernard Farrell, Chief Commercial Clerk



Fitted out with horses and sleds, these telephone line crews are ready for a winter day's travel and work. The top picture was taken outside the Stone Street building, the other photo in West Webster, a town just east of Rochester.

Fuller interested a number of other Rochester business leaders in investing in a locally-owned telephone company. Among them were Frederick Cook, Thomas W. Finucane, Eugene H. Satterlee, George W. Archer, Albrecht Vogt, H. Wheeler Davis, Gustav Erbe, Jacob Gerling, J. Foster Warner, Edward W. Peck, Horace C. Brewster, Willard B. Spader, V. Moreau Smith and Ezra M. Higgins.

To emphasize the local ownership and distinguish itself from Bell, they named it the Home Telephone Company, as many other independent companies had done throughout the country. It was incorporated under that name in January 1899. Before the year was out, the directors changed it to Rochester Telephone Company, although within the community it was informally known as Home until its consolidation with Bell in 1921.

A canvass of businesses and residences produced about 1,500 five-year contracts, which were submitted to Rochester's City Council in support of Home's application for a franchise. In April 1899, a sympathetic Council approved it. Rates were set at a maximum of \$48 a year for business customers, \$30 for residence customers. And they could not be changed without the approval of the City Council.

While the franchise was only for the City of Rochester, the territory the company aimed to serve was enormous, at least in its incorporation papers. It grandly defined its territory as “the City of Rochester...easterly to Syracuse and Utica, northeasterly to Oswego, Watertown and Ogdensburg, westerly to Buffalo and Niagara Falls, southwesterly to Mayville, southerly to Corning and Elmira and southeasterly to Binghamton.”

In reality, the company served only the immediate Rochester area and a few territories in adjoining counties that belonged to companies it later purchased.

At their first formal meeting in December 1899, the company's directors elected Frederick Cook as president, Eugene Satterlee as vice president, V. Moreau Smith treasurer, and George Fuller secretary. Charles E. Stinson, an experienced telephone engineer, was named general manager.

Service commenced on May 13, 1900. That day the Stone central office, with a new central energy switchboard containing all metallic circuits, was opened in the company's first building at 59 Stone St.



One of the most spectacular fires in Rochester's history, the Sibley, Lindsay & Curr fire of 1904 virtually destroyed half a block in downtown Rochester. The loss exceeded \$2,500,000. The department store was rebuilt the next year.



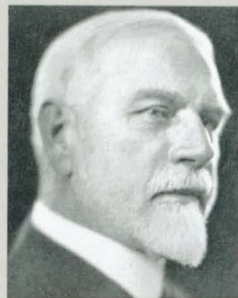
Above, the exterior of Rochester Telephone's Stone Street building in 1901; below, the first floor business office and switchboard operator.

The company began with 1,800 subscribers. To keep pace with the growth, 1,000 lines were added to the switchboard later that year. For the year, the company recorded revenues of \$39,684.28.

As demand mounted, a second story was added to the Stone Street building in 1901 and another switchboard installed. The company also was granted franchises in communities outside Rochester—Charlotte, Fairport and Pittsford. And it established two companies to serve other Western New York counties—Genesee Valley Telephone Company and the Interlake Telephone Company.

Many of the subscribers were disgruntled customers of the Bell company whose poor service and rate increases had led to the creation of the competing company. For a time, Bell was compelled to almost give away service to keep its existing phones in operation.

In October 1900, the Bell company moved from its quarters in the Wilder Building to what a newspaper described as “new and beautiful” premises on Fitzhugh Street. At the cutover of the new switchboard, Bell had 4,000 subscribers.



J. Foster Warner, a Rochester architect who designed many of the company's buildings, including the original Stone Street structure, was one of the company's original directors in 1899. He remained a director until his death in 1937. As a youth, he attended the Centennial Exposition in Philadelphia in 1876 and saw Bell's telephone on display.

Two years later, in an effort to both improve and expand its service, it opened the Chase office on Park Avenue and in 1906 the Genesee office on Genesee Street.

Despite its unpopularity, the Bell company had one huge advantage over the local independent company: Its subscribers could call communities outside Rochester through the Bell System's nationwide network. Customers of non-Bell companies, including Rochester Telephone, could not; they were denied access to the network.

Led by the 1,200 independents who were competing directly with Bell companies, pressure began to mount for a second network. In 1905, a handful of prominent Rochester business leaders, together with business and industry leaders from other parts of the country, formed the United States Independent Telephone Company. It was to be an independent holding company, patterned after AT&T.

With a widespread network of independent companies, the new organization believed it could challenge the dominance of the Bell System. The Stromberg-Carlson Telephone Manufacturing Company, founded in Chicago but purchased by Rochester investors and moved to Rochester in 1902, would be one of its keystones, to match what Western Electric did for AT&T and the Bell System.

The president of Stromberg-Carlson, Thomas W. Finucane, who was also a Rochester Telephone director, was chosen president of the new enterprise. Among its 26 directors were such famous Rochester names as George Eastman, Hiram Sibley, Henry Strong and James S. Watson.

The success of the venture hinged on the granting of a franchise in New York City, where the revenues could help finance the construction of a national network. When the franchise was denied, the organization began to unravel. Its stock, which had sold for \$45 a share in 1906, plummeted to \$3 a share in little more than a year and its bonds lost half their value. In 1907, the company was dissolved.

FORM 55
Rochester, N. Y., Jan. 1, 1907

ROCHESTER TELEPHONE CO.
Acct. for TELEPHONE RENTAL WITH
2340-T.F. Adkin
756 Main St.E.

Jan. 1 to Apr. 1	\$ 9 75
------------------	---------

Please Return This card with Remittance.

PAYED
JAN 22 1907
Rochester Telephone Co.
By B

.....190
Received Payment for the Company,
.....Collector.

Make checks payable only to The Rochester Telephone Co.

A Rochester Telephone customer's bill from 1907. The \$9.75 covered three months' service. Bell customers then were paying \$3 each month.



These two photographs were probably taken on the same day at the rear of the company's Stone Street building, in Minerva Place. The crews' boss, John Haley, is in both pictures; he's second from the left in the photo above and at the far left in the photo on the opposite page.

Voices

“Those of you who did not live in that period before 1914, or are not old enough to remember it, cannot imagine the security we enjoyed and the serenity we felt in that old world.”

A Florida clergyman

The Rochester investors lost money with its demise.

Rochester Telephone, heavily committed to the venture, managed to survive, but the holding company's failure, combined with the increasingly costly competition with the Bell company, had a lingering effect on the company's finances.

No dividends were paid on the company's common stock from 1906 on, and there was no market for its securities. Its bondholders helped keep the company afloat by not cashing in their interest coupons, contributing at least \$86,000 to its survival.

Because of its precarious financial position, the company also was unable to raise any substantial new capital. One result was that until 1911, the company elected not to expand its plant. Only necessary repair and maintenance work was undertaken.

In recalling that period, John P. Boylan, who became the company's general manager in 1921 and its second president,

said Rochester Telephone *Company* “limped along on half rations during the last 15 years of its existence. That it was able to survive and give reasonably good service is one of the outstanding records in telephone history.”

The growth of both companies during the first two decades of the new century was fueled by the public appeal of the telephone and the increases in Rochester's population.



Between 1900 and 1920, the city's population rose more than 80 percent, to 295,750. Dozens of new businesses were established, among them Haloid Company, the paper

manufacturer which a half century later would make Xerox a household word.

To meet the demand for its cameras and film, Eastman Kodak Company also was expanding. In 1912, it began construction of its 16-story office building on State Street and added 65 acres and several new buildings to its Kodak Park complex on the northwest edge of the city, where it had moved its film manufacturing operation in 1890.



An estimated 100,000 people crowded downtown in 1911 to watch the Grand Army of the Republic parade. More than 25,000 Union veterans attended the 45th encampment, which was addressed by President William Howard Taft.

Despite its financial problems, Rochester Telephone added a second central office, the Park office, in 1911. In 1915, it opened the Glenwood central office.

By then, it had just about drawn even with Bell, with 16,000 subscribers.

The telephone growth had a negative side for both companies. As the number of telephones increased and the city expanded outward, there was mounting public opposition to the inconvenience, frustration and expense of having two separate telephone systems. To talk to everyone who had a telephone required separate telephones, one from each company. "Call us—we're on the Bell" became a familiar slogan.

Bell was also losing money on its Rochester operations. But with its greater resources, it could afford it. Rochester Telephone was far less resilient.

Voices

"The (Fairport) switchboard was moved to a building near the main New York Central Railroad tracks. The noise of so many trains there was terrific. We were unable to answer a call until they passed."

Jennie McPartland, Fairport operator

By 1914, motorcycles had begun to replace the horse and wagon as a means of transportation for installers. The company also had just purchased its first automobile, just behind the motorcycles at right.





Front Street awash in Genesee River flood waters in 1913. At its height, the water ran six feet deep on Front Street and inundated the Main Street bridge.

Rochester was not alone in its dissatisfaction with two competing telephone systems and with Bell's refusal to share its long distance network with anyone but Bell companies. By 1912, there were some 5,300 Bell exchanges serving 6 million telephones and 16,000 independents serving 4.5 million telephones. In a thousand communities, Bell and independent companies were in head-to-head, often bitter competition.

The U.S. Department of Justice responded to the public's complaints by launching an investigation of the Bell System's acquisition of competing telephone companies and its refusal to allow the independents interconnection to its long distance network.

In 1913, a compromise agreement was reached. In a letter signed by Nathan C. Kingsbury, then vice president of AT&T, the Bell System agreed to provide long distance interconnection to independents and not to acquire competing companies without government approval.

The Kingsbury Commitment, as it became known, represented a political solution to the problem of Bell's



W. Roy McCanne came to Rochester in 1905 as part of the plan to organize the U.S. Independent Telephone Company. After its failure and liquidation, he helped reorganize Stromberg-Carlson Manufacturing Company, becoming president in 1914. He also was one of the original directors of Rochester Telephone Corporation and, with Fuller and Goodwin, a trustee. He died at the age of 55 in 1934.

monopoly. It enabled AT&T to establish a partnership with its opposition, with AT&T as the overall network manager.

With that issue settled, Bell and many competing companies began to negotiate consolidations of their systems. The Department of Justice oversaw the mergers, generally refusing to allow any transactions unless Bell companies gave up as many telephones elsewhere as they were acquiring.

In New York State, Rochester, Buffalo and Jamestown all had dual telephone systems, with Bell a competitor in each city. Negotiations for the consolidations in each city began in 1915. Two years later, an agreement was reached: Bell would acquire the independent company in Buffalo; in Rochester and Jamestown, new corporations would be formed to acquire and operate the properties of both Bell and the independents.

In Buffalo, Bell would acquire about 32,000 independent telephones. In Rochester and Jamestown, it would give up about 35,000 of its own.

At a special meeting in July 1918, Rochester Telephone directors approved the merger, with the price to be based on an inventory and appraisal as of June 30, 1917, to be adjusted for changes since then. Rochester Telephone was to be paid \$1,363,400 and New York Telephone Company, as the Bell properties in New York State were now known, \$4,206,800.

Rochester Telephone properties included Interlake Telephone Company, the Brockport Telephone Company, and the Bergen Telephone Company.

New York Telephone properties included those acquired from the Federal Telephone & Telegraph Company, among which were several exchanges in its Rochester District.

Voices

"The social custom of the day ignored the telephone. To have invited anyone to dinner by telephone would have been considered utterly illbred. When ladies made engagements, they did so by polite notes or personal calls. Private homes had succeeded fairly well without telephones for a good many hundreds of years and the opinion of the day held that a telephone in the home was in the nature of an invasion of a privacy."

The Rochester Times Union



Crowds line Main Street in 1912 awaiting the start of a parade marking the centennial of the first settlement in Rochester.

Voices

"...It will be well for the promoters of consolidation to keep clearly in mind that this community has an ugly temper in the matter of telephone service and equipment and that any lowering of standards will bring that temper swiftly to the surface."

Rochester Herald, 1918



A line crew with one of the company's first trucks; below, another crew and the more customary equipment of the time, a horse and wagon.



In 1921, the consolidation became official. After the elimination of 5,000 duplicate service telephones, Rochester Telephone contributed 22,592 telephones to the new organization, and New York Telephone 29,827. The Rochester company had 1,000 more telephones in Rochester than New York Telephone; New York Telephone had 8,200 more telephones in the suburban area.

The new corporation owned seven buildings—the rest were leased; 56 cars and trucks, and had total assets of about \$6 million.

The average wage of its 1,200 employees was slightly more than \$25 a week. Operators, who had been receiving a dollar a day only a few years earlier, were starting at \$12 a week, with promises of regular increases and an opportunity to earn up to \$95 a month.

In Rochester, there would be six central offices—Main, Chase and Genesee, from New York Telephone, and Stone, Glenwood and Park, from Rochester Telephone. Outside of Rochester, central office districts or exchanges were Brockport, Charlotte, Churchville, East Rochester, Fairport, Hamlin, Henrietta, Honeoye Falls, Manitou, Pittsford, Rush, Scottsville and Webster, all in Monroe County; Bergen, LeRoy and Pavilion in Genesee County; Avon, Dansville, Geneseo,



John Craig Powers, a leading Rochester banker, was an original director of Home Telephone Company. He went on to serve as a director for well over half a century, until his death in 1955.

Hemlock, Leicester, Lima, Livonia, Mt. Morris, Nunda, Springwater and Wayland in Livingston County; Canandaigua, Naples and Victor in Ontario County; Atlanta and Cohocton in Steuben County; and Castile, Gainesville, Perry, Warsaw and Wyoming in Wyoming County.

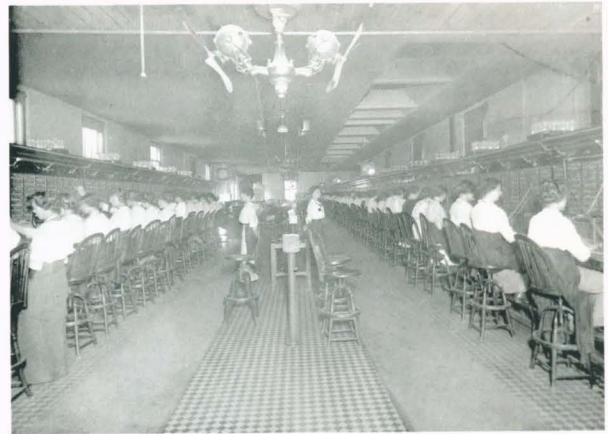
The actual cutover to one system was scheduled for midnight Sunday, July 31. Preparations for it began in April and continued at a feverish pitch, with 80 employees—eight times the normal complement—working fulltime for six months to process and update customer records. Even with that work force, it wasn't until the following February—seven months after the cutover—that customer bills could be mailed at the regular intervals.

The cutover, described by the company as a “stupendous undertaking,” went off without incident or public celebration. In the overblown prose of the time, one newspaper expressed its disappointment: “No pyrotechnic display, speeches or banquet attended the merging, nor did the operation savor of the dramatic.”

On the morning of August 1, 1921, the new Rochester Telephone Corporation was in business. Its principal offices were in the Triangle Building at 335 Main Street East. George Fuller, now 71, continued as president of the new corporation—he had headed the old company since 1905. The 15 directors included four New York Telephone representatives, required as a result of the securities given New York Telephone—\$4,814,000 in preferred stock—for its consolidated properties.

The company distributed its first directory just before the cutover. Covering 203 pages, its first listing was AA Taxi at 85 Cortland St. and its final one, Arie Zwitzer of 20 Eckhardt Pl.

In a letter mailed to all subscribers, Fuller appealed for their patience and understanding:



All in white shirtwaists and long skirts, operators fill nearly every position at the Stone Street switchboards of 1914.



Fred C. Goodwin was a key figure in the development of Rochester Telephone. As vice president and counsel, Goodwin handled the legal affairs for Rochester Telephone Company, including the plan for the 1921 consolidation of the New York Telephone Company properties. Upon the death of George Fuller in 1927, he was elected chairman of the board, serving in that post until his death in 1942. Throughout his association with the company, he remained a partner in his law firm—Goodwin, Nixon, Hargrave, Middleton & Devans. “More than any other individual, his was the guiding hand which, since 1909, directed the destinies of the young and struggling Rochester Telephone Company,” the Board of Directors declared in a 1942 resolution. His son, Fred C. Goodwin, Jr., also became an officer of the company, retiring as secretary and treasurer in 1963.

“The physical consolidation...is an undertaking of such magnitude...that it is beyond human power to complete the work without efforts and mechanical faults which will temporarily affect the service...”

What Fuller and his 40,000 subscribers didn't know then was that Rochester Telephone, and the nation, were on the brink of a golden age. The 1920's would prove to be one of the most exciting decades in the nation's history, a dizzying preface to the nation's worst depression.



*Even the Army, in foreground,
turned out for this Liberty
Loan rally held on Main
Street in 1918.*



CHAPTER THREE:

GOOD TIMES

AND BAD,

EUPHORIA AND

DEPRESSION

1921 THE WAY IT WAS



Opposite page: Part of the installation force of 1924. The department's 91 men completed the year without a single accident, "a splendid and meritorious piece of work," according to the company.

America was never the same after the First World War. It transformed the nation's culture. The small personal communities of the 19th Century and of the first decade of the 20th were replaced by a larger, industrialized society.

In 1921, the population was over 100 million, and for the first time in the nation's history less than half of its people lived in small villages and on farms.

The Gross National Product reached \$71.6 billion, more than double the \$30.4 billion of 1910.

There were over 8 million autos on the roads, 4 million of them Model T Fords that sold for as little as \$350 each. But horses still far outnumbered cars. Of the 3 million miles of rural roads in the country, most were intended for travel by horse.

In the second year of Prohibition, there were 5,000 speakeasies in New York City, selling champagne for \$25 a bottle and Scotch for \$20. Federal agents seized half a million gallons of hard liquor and almost five million gallons of beer.

The nation had 13.8 million telephones, nearly double the number of the decade before.

Life expectancy for men was 54 years, and 55 for women. Less than 5 percent of the population was over the age of 65.

For the first time, heart disease was the Number 1 cause of death in America; tuberculosis was second.

The Federal budget totaled \$6.4 billion, with the national debt

at \$23.7 billion.

Post-war inflation had driven prices higher than ever before—eggs were selling for 68 cents a dozen, bread for 30 cents a loaf, milk 17 cents a quart, and coffee 47 cents a pound.

The Dow Jones Industrial Average high for the year was 81 points.

The remains of the first Unknown Soldier were interred at Arlington National Cemetery, where the first Armistice Day ceremony was held.

Vitamins E and D were discovered, and these products made their first appearance on the market: Mounds candy bars, Wrigley's chewing gum, iodized salt, Band-Aids, Arrow shirts, and the Electrolux vacuum cleaner.

Although their sale was illegal in 14 states, Americans were smoking 43 million cigarettes a year.

The first Miss America pageant was held in Atlantic City, with only eight entries. Despite the passage of the 19th Amendment in 1919, a bill was proposed in Utah to imprison any woman who wore her skirt higher than three inches above the ankle.

Station KDKA in Pittsburgh transmitted the first regular radio programs.

In the wake of the 1919 Black Sox scandal that rocked the sports world, Kennesaw Mountain Landis was appointed baseball's first commissioner.

Romanticized for more than a half century, the 1920's represent one of the most remarkable decades in American history.

Although not shared in by all Americans, the prosperity of those years produced a national euphoria. The stock market, the booming economy, new technology, the speakeasies and flamboyant celebrities of the period, all contributed to creating a new culture.

For the fledgling Rochester Telephone Corporation, it was a period of phenomenal growth, a heady time for an organization that had struggled to survive almost since its founding.

After its consolidation with New York Telephone, Rochester Telephone ended 1921 with 55,000 telephones in service, revenues of \$1.2 million, and a plant investment of more than \$6 million.

By the end of 1926, after five years in business, it had more than 84,000 telephones in service, revenues of \$4.2 million, and a plant investment of \$13.3 million.

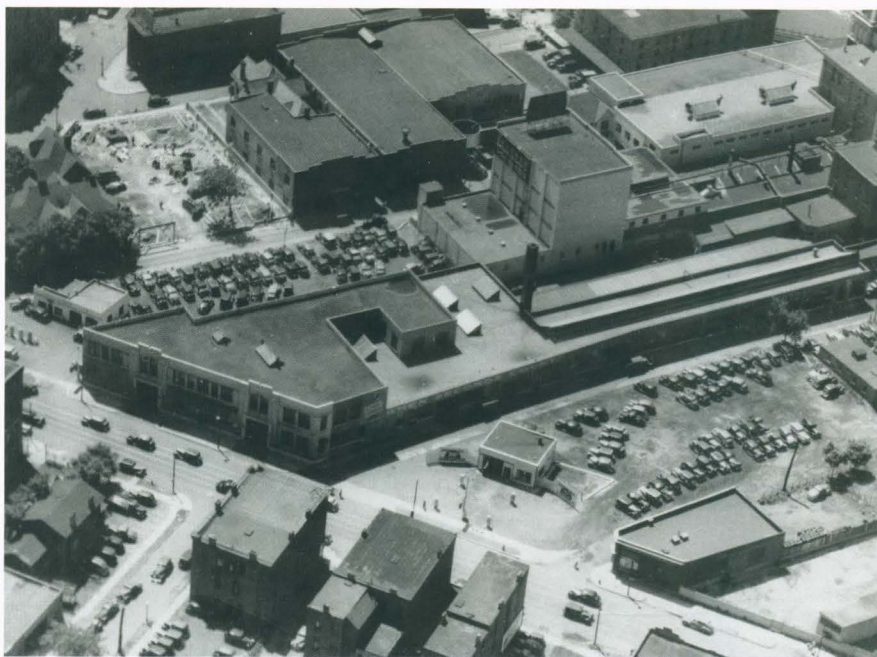
From nearly every aspect, it was a decade of enormous accomplishment:

- Two new central office buildings, Monroe and Culver, were erected;
- Major additions were made to the Main, Genesee, Glenwood and Charlotte central offices;
- A new building on St. Paul Street brought together the company's plant operations, including storeroom, repair shop and garage. Until then, vehicles had been located at rented quarters scattered throughout the city;
- Thousands of miles of open wire were replaced with underground and aerial cable, and rural pole lines were rebuilt throughout its operating territory.

Voices

"In 1919, I started at \$18 a week and one time, a few years later, I got a 50-cent raise for a year. If you got a dollar a year raise, you were pretty lucky."

Accounting Clerk



An aerial view of the company's St. Paul Street garage and plant operations center, completed in 1924. At its opening, 225 men worked out of the building, shops and yards, which were staffed by another 75 employees.



At the End of the Trail.

One of the many cartoons that Rochester's daily newspapers ran in opposing the company's controversial proposal for measured service.

Before and after: the Erie Canal aqueduct over the Genesee River after it was closed in 1920 and, at right, just before it was opened to through traffic as the Broad Street bridge in 1926. Completion of the Barge Canal south of Rochester led to the abandonment of the old canal bed, much of which was later used for Rochester's subway.



In that first year—1921—the company also provoked another controversy over measured service, the same issue that had caused the subscribers strike of 1886. Two months before the consolidation was scheduled to be completed, the company proposed to make measured service mandatory for all business subscribers. Predictably, the community once again rose up in opposition.

One of the leading opponents this time was George Eastman, who argued that it would stifle business by restricting the free flow of telephone traffic. The Chamber of Commerce, representing the business community, said the city did not want measured service, which the Rochester *Democrat & Chronicle* endorsed as “the position of the great mass of telephone users...”

The New York State Public Service Commission initially approved the change, making only minor adjustments in the rate schedule. But as the public opposition escalated—newspapers carried articles and letters opposing it almost daily—the Commission ordered a rehearing.

In an effort to find a solution, a Telephone Conference Committee of six members was formed to present the views of all sides at the final Commission hearing. In preparation, the committee held public hearings throughout 1922.

In October 1922, George Eastman dropped a bombshell. He offered to purchase majority control of Rochester

Telephone, for \$66,600, and donate the stock, and therefore the company, to the City of Rochester.

The letter was at least Eastman's fourth attempt to influence telephone affairs in Rochester. And again he failed. The three trustees who held the majority of the stock—George R. Fuller, Fred C. Goodwin and W. Roy McCanne—rejected his offer, saying that to accept it would be “a gross betrayal of trust.”

With New York Telephone owning \$4,814,000 of preferred stock in the company, they asked, “Can anyone really believe...that we can, with propriety, sell our small holdings to any third party without the consent, freely given, of the real owners of the corporation viz. the New York Telephone Company and the security holders of Rochester Telephone Company?”



Stretching 462 feet across the Genesee River near the Driving Park bridge, these 900-pair cables were the longest aerial cable span in the world when installed in 1923 and 1924.

A month later, the Telephone Conference Committee held its final meeting. A resolution that the committee recommend a flat rate for business telephones produced a tie vote, in effect sanctioning the Public Service Commission's earlier approval of measured rates.

Voices

“I thought it was a terrific place to work. There were six men that answered the calls from customers. I used to make calls to the people who hadn't paid their bills and encourage payments soon.”

Herb Mylacraine, service representative



A central office installation crew of 1925, pictured above in Livonia; from left to right, William McAnally (standing), Frank Sprong, Carl Griswald, Harry Koch, and in rear, Joe Bryson. In photo at right, telephone poles are unloaded in the St. Paul St. cable yard in 1930. The poles were brought in by rail.



The case wasn't closed for another year, with opponents of the plan winning a modest reduction in charges. But the concept held and in 1923 measured service was introduced for Rochester's business customers. It remains in place today, as it does in virtually all large cities.

The company made another significant decision in the 1920's that was to affect it for years to come. Together with the Stromberg-Carlson Company, it studied the cost benefits of whether to remain with manual switching offices or to convert



Thomas J. Hargrave, the corporation's first secretary, resigned in 1927 to devote fulltime to his law practice, the firm that still bears his name—Nixon, Hargrave, Devans & Doyle. He later joined Eastman Kodak Company as general counsel, serving as president for 11 years and chairman of the board for another decade until his death in 1962. His son, Alexander D. Hargrave, was a Rochester Telephone director himself, from 1966 until 1990.

to dial central office equipment.

The results of the study convinced the company to remain manual.

While the company introduced small community dial offices outside Monroe County in the 1930's, Rochester remained manual until 1948. In the 30's, when under normal conditions it might have begun to convert to dial offices, it was unable to raise the necessary capital. During World War II, it was virtually impossible to obtain equipment.

As a result, it was 1966 before the entire territory was converted to dial.

Besides improving its manual systems and cable network, the company's main thrust in the 1920's was the promotion and sale of the telephone, still regarded by many people as either a novelty or a luxury. To help convince the public of its usefulness, the company conducted demonstrations before civic, social and church groups, advertised in newspapers and on the new medium of radio, and introduced inserts in their bills.

The company also tapped another resource—employees. In one sales campaign after another, telephone men and women were enlisted to sell the public on the benefits of having a telephone in their home or business.

The most successful drive was held in 1928 when the company's 1,622 employees signed up 3,755 new subscribers, well over twice their goal, in just two weeks. It was the equiva-



A line crew removes an old pole after installing a new one.

Installers with their trucks in 1924. The average installation then took about 3½ hours, most of it involved in putting in the telephone equipment and inside wire.





A group of installation foremen of the 1920's. Their crews are pictured below.



lent of about eight months of normal business. For each new subscriber, the employee was paid a commission of \$2.

The telephone was becoming just as popular all across the country. For every 100 telephones in 1900, there were almost 1,200 in 1925. In 1923, a second transcontinental line was opened—the first was put in service in 1916. In March 1926, exactly 50 years to the day the first telephone patent was granted to Alexander Graham Bell, the first public test of two-way calling between the U.S. and England was demonstrated. It was formally opened for public use early in 1927.

The first trans-Atlantic call from Rochester was made by B. Forman, founder of the B. Forman store, who called London on January 15, 1927. The 3-minute call cost him \$75.



John P. Boylan succeeded George Fuller as president, serving from 1927 to 1945, which remains the longest tenure of any Rochester Telephone Corporation president. He continued as chairman of the board until his retirement in 1959, having served nearly 40 years with Rochester Telephone and a remarkable total of 67 years in the industry. Having begun as a \$1 a day timekeeper in Cleveland in 1892, his career paralleled the growth of the independent telephone industry. He died at the age of 84 in 1960, less than a year after his retirement.

In May 1927, President George Fuller died. For 22 years, he had been president of Rochester Telephone, first of the shaky Home company, then of the consolidated corporation. He was succeeded by John P. Boylan. Boylan, at 51 an experienced telephone man with 35 years in the business, had joined the company in 1921 as vice president and general manager.

Fred C. Goodwin was named chairman of the board, a parttime job because Goodwin was a partner in his own law firm. That was not an uncommon arrangement in those days; attorneys frequently served as officers of client businesses.

Like the rest of the nation, Rochester profited from the growth of the 1920's. The Eastman Theatre and the Eastman School of Music were opened. Strong Memorial Hospital, the Lincoln Alliance Building, the Genesee Valley Trust Building, the Rochester Theater and Baptist Temple were all built between 1921 and 1929.

The city's subway carried its first passengers in 1925, and the city's first traffic signals were installed the same year.

Rochester Telephone's best year of the decade was probably 1928 when with the help of employee sales efforts, it recorded its largest gain ever in telephones—more than 8,000—and its first million dollar year in operating income.

The next year the company reached the goal it had set for itself years earlier—100,000 telephones in service. It ended the

Voices

"They used to measure your arm to be sure you could reach far enough on the switchboard. I'm 5'2" and I just made it."

Joan Hauser, Charlotte operator



Lucy Sheridan began her telephone career in 1899 as Bell of Buffalo's first stenographer in Rochester. A secretary to three presidents of Rochester Telephone, she achieved a measure of fame within the community by winning a brand new Packard for signing up the most new members in the Automobile Club of Rochester's 1928 membership drive.

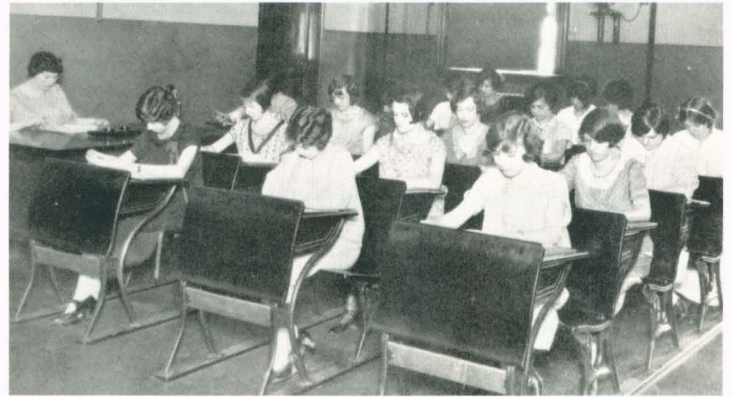


Clara Griffin was Rochester Telephone's only winner of a Vail Medal, which was created by the Bell System in 1920 to recognize outstanding deeds by telephone employees. Miss Griffin was a New York Telephone Company operator in Geneseo in 1921 when she won the award for helping authorities apprehend two robbers. With the consolidation, she joined Rochester Telephone and the medal was presented to her in Geneseo in 1922.



The Monroe central office building on Field Street shortly after it was opened in 1926. It's still in use today.

An operators training class in the 1920's. With an operator force of 950, the company trained an average of 300 women a year. Their average length of service was four years.



year with 105,107 telephones, more than 80 percent of which were within the City of Rochester.

Near the year's end, President John Boylan proclaimed the telephone's success in a message broadcast over Rochester's first radio station, WHAM:

"This quiet, unobtrusive instrument, which a child could easily carry, has literally made a neighborhood of the civilized world, and placed almost everyone in it in the position of being able to talk to anyone else..."

"In Rochester and its vicinity...telephones carry as many as 400,000 messages every business day, and as many as 40,000 in a single hour..."

Good times, happy times, but the stock market's rapid rise—and the economy's—had peaked on September 3 of that year. Stock prices plunged throughout September. On October 29—Black Tuesday—the market crashed.

The market's decline ended two weeks later, but the worst was yet to come, slowly, agonizingly.

In the years that followed, banks folded, millions of jobs evaporated, bread lines appeared.

In each of the three years after the crash, an average of 100,000 workers were fired every week.

By 1932, manufacturing production had fallen below 1913 levels. The automobile industry was operating at 20

In January 1932, the company's chairman, Fred C. Goodwin, conducted a meeting of the Board of Directors by telephone from Pasadena, California, where he was vacationing. On the phone in Rochester were, front row, from left: William B. Woodbury, John P. Boylan, T. Carl Nixon, J. Foster Warner;



back row, left to right, Frank J. Brookman, James W. Hubbell, Huber E. Wheeler, Raymond N. Ball, W. Roy McCanne and William J. O'Hea. All were directors except Brookman and O'Hea, who were vice president and secretary, respectively.

percent of its 1929 capacity, steel plants at 12 percent.

A million people were out of work in New York City, more than 650,000 in Chicago. From one to two million men and young boys were roaming the country aimlessly, looking for work or relief.

Immigration to the U.S. went into reverse—36,000 immigrants entered the U.S. in 1932, 103,000 emigrants left.

In the early 30's, the Depression seemed to grow worse by the day. More than 30 million Americans—one out of every five—had no regular income, with only eight states providing any form of unemployment compensation. Farm income sank to one third of its 1929 level.

Rochester experienced the same economic woes as the rest of the country—unemployment, cuts in wages and working hours, business failures, bank closings, the use of scrip as money...

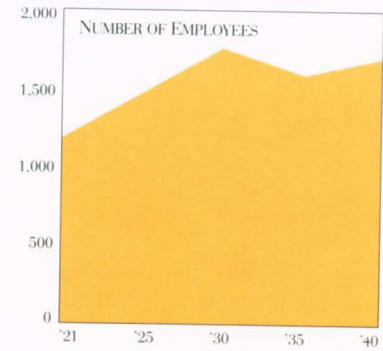
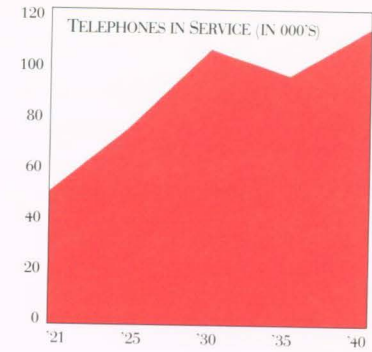
They were hard times for Rochester Telephone, too. The company ended 1930 with the smallest gain in telephones since its consolidation in 1921.

And it quickly got worse. Although the telephone had become enormously popular in the 1920's, many people still regarded it as a luxury. As families and businessmen fought to cope with reduced incomes, telephone cancellations began to exceed new orders.

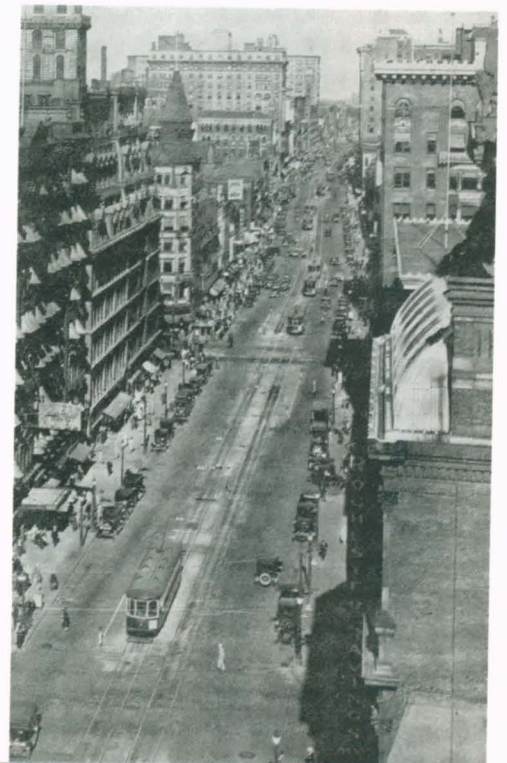
In an effort to limit its losses, the company trained special crews to visit customers who were behind in their bills and persuade them not to discontinue their telephone service. It was a difficult, and more often than not futile, assignment.

In 1931, the company recorded its first net loss in telephones since the consolidation. In 1932, the total number in service plunged below 100,000, and in 1933 even lower.

Revenues and earnings also were falling. In both 1932



Main Street in 1930, in a view looking east toward St. Paul Street.



Voices

"A man over 40 might as well go out and shoot himself."

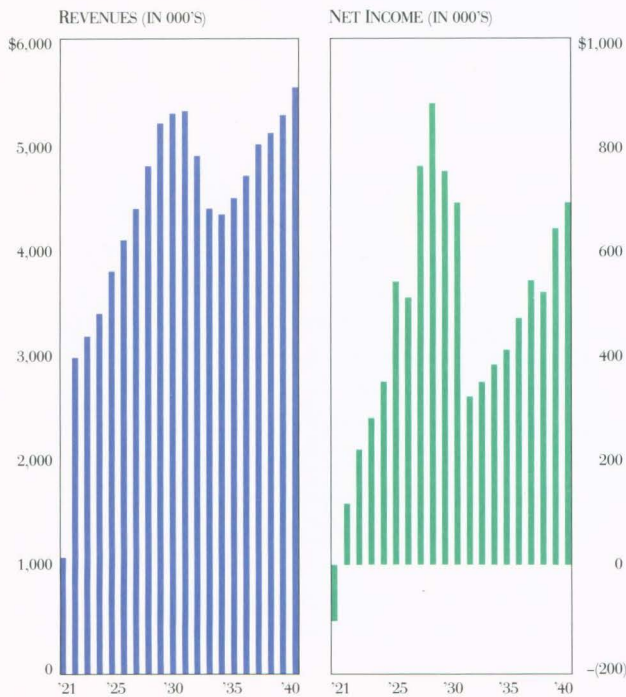
An unemployed worker

Friends and co-workers

Wilbur Lightfoot, left, and Joe Dintruff in front of their repair truck in 1931.



The highwater mark of 1,852 employees reached in 1930 would not be attained again until 1947, and the 1930 payroll of \$2.7 million wasn't equalled until 1941.



To spread the available work among all regular employees, parttime schedules were introduced and wages reduced. Regular pay scales at that time ranged from \$19 per week for operators to \$45 for installers and linemen.

It wasn't until 1934 that the outlook began to perceptibly brighten. From that year on, revenues and the number of telephones in service increased each year.

In 1937, the company filed for, and received, its first rate increase. For customers the increase averaged only about 10 cents a month, producing about \$60,000 in additional annual revenues for the company.

Despite the mean times, the company continued to invest in its plant, averaging about \$1.6 million a year in construction spending during the 1930's. In the booming 1920's, the average annual capital expenditures had been closer to \$2 million.

In 1938, the company placed in service in Canandaigua the first "universal" telephone exchange of its kind in the world. The equipment, made by Stromberg-Carlson, permitted any operator to handle local, rural or long distance calls without transferring them to a special operator.

In November 1939, the company installed its first new central office in Rochester in 13 years, the Hillside office. Designed to provide additional facilities for the growing southeast side, it was housed in the same Field Street building as the Monroe central office.

During the 1930's, new central office buildings also were constructed in a number of communities outside the City of Rochester, including Brockport, Churchville, Dansville, Fairport, Honeoye Falls, Livonia, Perry, and Webster.

Although less prolific than the 1920's, the decade of the 1930's brought significant change to the Rochester community. The University of Rochester began classes on its new River Campus, with the women's campus remaining on Prince Street. Colgate Rochester Divinity School admitted its first students. The Veterans Memorial Bridge over the Genesee River was erected, along with the Rundel Memorial Building, and the Masonic Temple and Auditorium. Kodak added three stories to its State Street office building to reclaim the distinction of having the tallest building in the city.

For Americans, the decade, and indeed the period between the nation's involvement in the century's two world wars, was climaxed by the New York World's Fair of 1939-1940, the largest and most ambitious international

Voices

"We knew everybody in town. People wouldn't ask for a number. They'd just say, 'Let me talk to so-and-so.' And you'd plug them in. And if somebody stepped out of her house for a few minutes, we could generally find her for whoever was calling her. We'd just keep ringing places we thought she'd be until we located her."

Mrs. Ruth Berg, Henrietta operator



T. Carl Nixon was an original director of Rochester Telephone Corporation and one of the most influential members of the board for more than 45 years, until his death in 1967. Nixon was a leader in the Rochester community for most of his life, a behind-the-scenes power in local politics. In the words of the *Rochester Times-Union*, "(he) held a central place in the 'passion and action' of his time." Nixon's law firm—Nixon, Hargrave, Devans and Doyle—and its predecessor organizations have been associated with Rochester Telephone for more than 90 years.



The Veterans Memorial Bridge under construction in 1931 and, below, after its completion, with the St. Paul Street traffic circle at right.

exposition ever staged. Its "World of Tomorrow" theme drew 45 million visitors to a 1,200-acre site in Flushing Meadow, Queens.

"It was a celebration of the good and bad, the paradox of all paradoxes, the acme of all crazy vulgarity, the pinnacle of all inspiration," one observer wrote.

As the Fair played on, across the Atlantic World War II had already begun, a war that was to test the nation and its telephone resources as never before.



Arthur Gibson was a young accountant in 1928 when he signed up 54 new customers to lead all other employees in a two-week sales campaign. He was vice president-finance when he retired in 1959.



Wolcott J. Humphrey, a banker and civic leader in Wyoming County, was a director for 35 years, until his death in 1959. His son, **Wolcott J. Humphrey, Jr.**, is a director today.



Raymond N. Ball was first elected to the board in 1930, serving as an active member until his death in 1966. A community leader, he was president of the Lincoln Alliance Bank and Trust Company in Rochester for 25 years.



CHAPTER FOUR:

ROCHESTER

GOES DIAL, BUT

OVERALL SERVICE

SUFFERS

1940 THE WAY IT WAS



Opposite page: Central office installers move a main frame into position in one of the dial offices built in the 1950's. Subscriber cables were later connected to the frame.

By 1940, the worst of the economic crunch seemed to be over. There were still 8 million people unemployed—over 14 percent of the work force—but jobs were becoming more plentiful and wages were slowly rising.

Wages in manufacturing in 1940 averaged 66 cents an hour, with the average take-home pay of a factory worker \$25.20 a week.

At Rochester Telephone, operators were making \$21 a week and linemen \$43.

The Internal Revenue Service collected \$1.5 billion in personal income taxes from 7 1/2 million taxpayers. The average tax paid was \$102.

The Federal budget for the year was \$13.2 billion; the total national debt amounted to \$43 billion.

The nation's population was 131.6 million, up a scant 7 percent over 1930 and the smallest increase since statistics were begun in 1790. People over 65 comprised about 7 percent of the population.

New York to Los Angeles was 15 hours by air. The Pan American Yankee Clipper flew from New York to Lisbon in a record 18 1/2 hours.

Most daily newspapers cost 5 cents or less. The Wall Street Journal's circulation was 32,000.

The average American had only eight years of schooling.

There were 22 million telephones in the country, about one for every six people.

A quarter of all American

housing units had no running water and about 35 percent had no flush toilets.

Tuberculosis was the leading cause of death among persons 15 to 45.

For someone born in 1940, average life expectancy was 64.

The first color television broadcast was made in New York City, freeze drying was adapted for food preservation, and plasma was discovered as a substitute for whole blood in transfusions.

Congress passed the Selective Service Training Act. More than 16 million men received registration cards for the first peacetime draft.

A haircut cost 50 cents, a glass of beer a dime, and most doctors charged \$2 an office visit. Lunch at a good restaurant cost 65 cents, coffee was 21 cents a pound, bread 8 cents a loaf, and gasoline 14 to 19 cents a gallon.

Cars with built-in running boards made their first appearance, and the first Jeep was built. A brand new 1941 Ford sedan cost \$685.

The first Social Security recipient received a check for \$22.54; the first mailing of Social Security checks totaled \$75,844.

In the National Football League's 1940 championship game, the Chicago Bears walloped the Washington Redskins by a record score of 73-0.

The number of flights departing from and arriving daily at the Rochester airport doubled, from four in 1939 to eight in 1940.

December 7, 1941 is one of those singular days which people old enough to remember can never forget. For the rest of their lives, they can invariably recall where they were and what they were doing when they heard the news of the Japanese surprise attack on Pearl Harbor.

Rochester Telephone that Sunday was in its 20th year of operation, enjoying its largest gain in telephones since 1929. Its revenues were the highest in its history, its earnings the best since 1930.

The company opened a new central office, in Charlotte, which was to become the last manual central office in Rochester. By then, it also had decided to begin to convert to dial switching. The Stone Street central office required additional capacity and the company planned to replace the whole office with dial switches.

A decade earlier the Depression had delayed the conversion to dial. This time war did. The Federal government declared that all telephone central offices would be run at 105 percent of capacity until further notice, meaning that no equipment could be taken out of service. Besides, it was virtually impossible to obtain switching equipment of any kind.

The timing could not have been worse. The war brought a sharp increase in telephone use for both local and toll service. In 1942, the average number of local calls handled daily in the company's territory exceeded a half million for the first time ever.

All of the company's central offices were carrying close to capacity loads, and customers were repeatedly asked to make

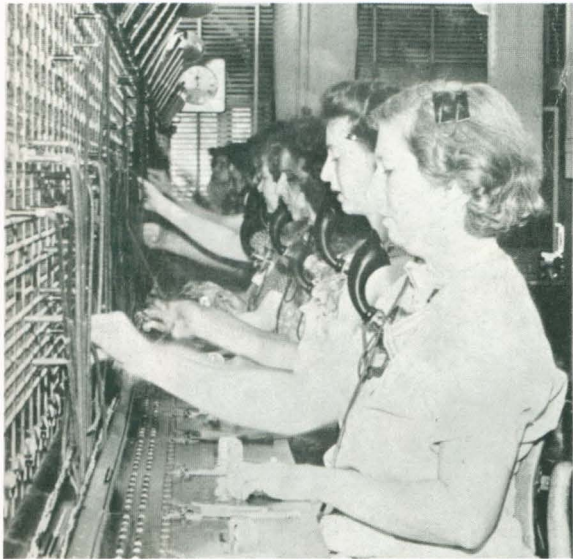
Voices

"We built up a big reservoir of ill will during the war when we couldn't install new service or expand present service. You don't build good public relations by saying 'no' to people all the time. And naturally people weren't happy about having manual service when other cities had dial."

William A. Kern



An aerial view of downtown Rochester in the mid-1940's when the Main Street bridge was still lined with buildings.



Operators in wartime; one of their jobs was to ask customers to restrict their calls to 3 minutes.



their conversations as brief as possible. In 1943, the company began using a signaling device to remind customers to shorten their local conversations: Every three minutes a tone sounded.

Later that same year, operators began to break in on long distance calls after the first five minutes to advise the parties that others were waiting to use the long distance lines.

Because of government restrictions and shortages of equipment, the company was unable to meet the public's increasing demand for telephones. Beginning in 1942, applications for new service far exceeded the actual number of telephones installed each year. By 1944, there was a waiting list of more than 4,000 customers; in 1945, the backlog doubled.

The company's construction programs also were reduced. The total value of its plant from 1941 to 1945 increased only about \$1.3 million.

Another change was becoming evident. Up until the war, 80 to 90 percent of telephone growth had been in the City of Rochester. The geographical mix began to change in the early 1940's and by 1945, only 56 percent of the the company's telephone growth was in Rochester, a significant indicator of the tremendous suburban expansion to come.



The telephone careers of Robert M. Bruce, top photo, and Frank T. Byrne, bottom photo, paralleled each other to a remarkable degree. Both started with Bell of Buffalo as installer's helpers, Bruce in 1898, Byrne in 1900. Each joined Rochester Telephone Company shortly thereafter. Bruce ran the company's Plant Department as its superintendent or vice president for 23 years, until his retirement in 1944 with 46 years of service. Byrne directed the company's commercial operations as superintendent or vice president for 24 years, retiring in 1945 with 45 years of service. Each also served as a director.

The end of the war brought another sharp rise in telephone usage, almost beyond the company's capacity to handle. The company acknowledged the problem in its 1945 Annual Report:

"The volume of traffic handled has vastly increased since V-J Day and despite the corporation's continued efforts to induce telephone users to refrain from making unnecessary calls, there have been peaks of traffic which it was impossible to handle...Equipment and personnel for the satisfactory handling of these loads are still not available, and as a result the quality of the service rendered remains below the accepted standards of good service."

The availability of personnel was a problem for the company throughout the war. By 1945, it was operating with 150 fewer employees than it had in 1941. With more jobs than ever before open to women in other industries, annual turnover rates among operators, who represented more than half the work force, climbed to 40 percent or more.

Financially, the company fared well during the war. While revenues from local service rose less than 15 percent from 1941 to 1945, toll service revenues soared, nearly doubling over the same period and exceeding a million dollars for the first time in 1944.

Some of the increase was the result of more favorable toll settlement arrangements with the Bell System. But most of it



Top photo: Linemen replace open wire with cable in the late 1940's. Bottom photo: Undergrounding of cable remained an important part of the company's construction programs of the 1940's and 1950's. This crew was made up of Chuck McGrath, Fred Stoetzel, kneeling, and Andy Neary, at right.



Cliff Goodrich was one of Western New York's leading amateur golfers for more than a half century. Goodrich, who joined the company in 1928 and retired as a PBX installer-repairman in 1975, was the Rochester area champion three different times, won his country club's championship 19 times and at one time held the record at five different courses. He died in 1990 at the age of 78.

came from the number of long distance calls being made between Rochester area servicemen and their families back home. Perhaps more than any other single event, World War II demonstrated the value of long distance calls to the American public.

Rochester in 1945 was bracing itself for the return of its servicemen. During the war its industry had contributed significantly to the war effort. Now it had to prepare for a peacetime economy.

For Rochester Telephone, the post-war years presented a number of sizable challenges. One was the rising tide of applications for new service. Another was the long delayed conversion to dial switching. Complicating both was the urgent

Telephone poles are rolled into position for loading onto trucks at the St. Paul Street pole yard.



need to raise the capital for the equipment and facilities required to do the job.

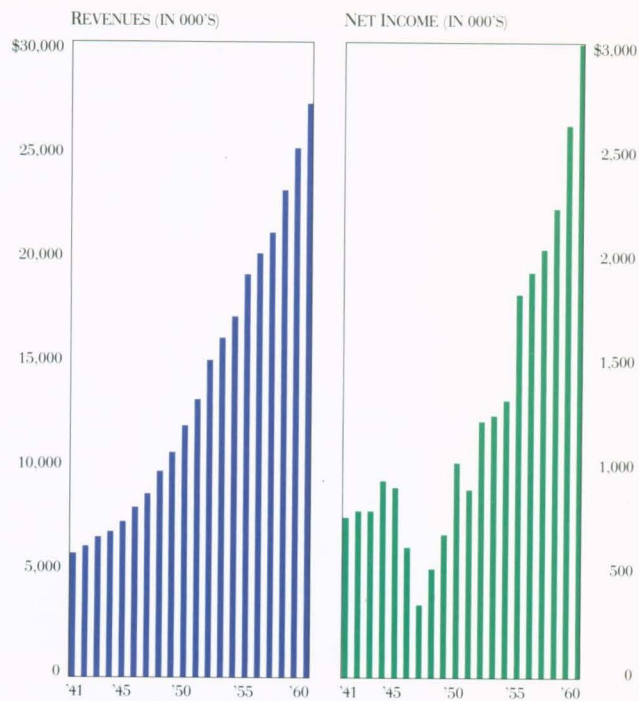
The public climate could hardly have been worse. During the war the public had been relatively tolerant of the service deficiencies. But with its end, criticism and complaints intensified.

Letters to editors of the daily newspapers condemned service as “wretched” and “outrageous”. Initially, the news-

papers themselves were sympathetic. An editor's note of the period advised patience: "...Improvements are being made, but as in other fields labor shortages and material shortages make progress slow."

In public appeals, the company asked for cooperation, even urging parents to keep an eye on their children's use of the telephones. Long distance service also was affected: Beginning in June 1946, customers were urged to avoid placing calls between 10 a.m. and noon.

As the clamor grew louder, the New York State Public Service Commission ordered an investigation. The findings were about as expected: Service was deficient in some areas,



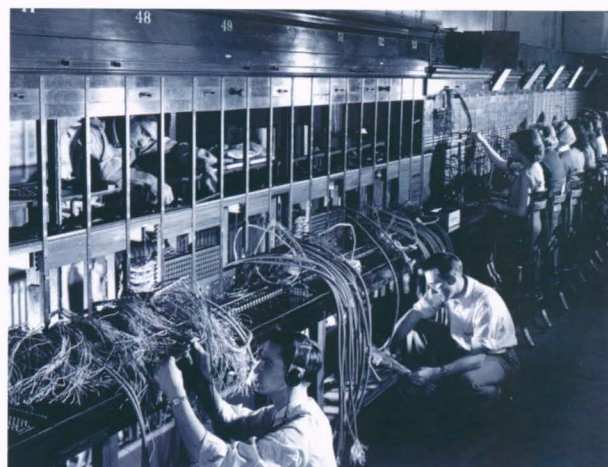
By the 1950's, crews were using power equipment to install and remove poles.

To improve service, dozens of switchboard positions were added in the years immediately following World War II. These installers are Carl Botticelli in the foreground, Bert Foes at right, and Walter Gilbert, Jr. behind the board.

but primarily because the company could not obtain any new equipment.

Meanwhile, the gains in the number of telephones in service set records in both 1946 and 1947. Ominously, unfilled orders for service were rising, too. By 1948, the waiting list had climbed to nearly 12,000 applications.

The same delays were being experienced throughout the country. The public had adopted new habits and attitudes during the war. Among them was a greater dependence upon





At one of the public open houses held in central office buildings in 1949, customers get a firsthand look at a busy switchboard.

the telephone. More people wanted service in their homes. More people made more calls and talked longer. Within a matter of years, the telephone had become a necessity.

Although the Bell System was installing phones at the rate of 250,000 a month, it still had 2 million applications on hand in 1947, the same as a year before. In February 1947, The Wall Street Journal observed: "The telephone industry is finding itself in the plight of Alice after she stepped through the looking glass: it has to run as fast as it can to stay where it is."

Rochester Telephone attributed its worsening performance to "a reduction in Plant Department personnel occasioned by the corporation's limited cash resources."

The capital requirements of its first dial conversion were directly affecting its cash flow, so much so that in 1948 it omitted the dividend paid on its common stock.

The company's dire financial position was pointed up that same year when it was forced to withdraw an issue of 67,500



John W. Morrison, another important figure in the company's early years, was elected Rochester Telephone's third president in 1946. He had been with the corporation and its predecessor company since 1906. He began as a purchasing agent, but soon got into engineering, becoming the corporation's chief engineer after the 1921 consolidation, which he coordinated. While his years as president were marked by rising public complaints over service, he presided over the first of the dial cutovers in 1948. He retired in 1950 at the age of 70, but remained a director of the company until his death in 1955.

shares of \$100 par value preferred stock. When it was offered for competitive bidding, not a single bid was submitted.

Partial relief that year came from two temporary rate increases granted by the Public Service Commission, the first one of 12 percent effective in April of that year and the second

of 10 percent in October. Both were to expire on June 30, 1949. Together, the increases provided about \$1.4 million in additional annual revenues.

To meet its capital needs, the company issued \$8.5 million in sinking fund debentures. It used the proceeds to retire more than \$5.7 million in short-term borrowings and to purchase its first dial equipment.

In a year with so few highlights, the cutover of the company's first two dial switches was an occasion for some rejoicing in 1948. After 70 years of telephone service, Rochester got its first dial telephones.

The Baker-Hamilton central offices, the first two placed in service, served 24,000 telephones in downtown Rochester. Two additional dial units were cut over in 1949, serving another 12,000 telephones. The cost was steep: About \$5 million, which had severely strained the company's ability to provide satisfactory service.

The first steps had been taken three years earlier when portions of the company's original Stone Street buildings were razed. The building erected in their place housed the first dial units.

The manufacturer was Federal Telephone & Radio Corporation, an American subsidiary of International Telephone & Telegraph Company. For Federal, it was the first installation of its 7A-2 Rotary equipment in the U.S.

The system had been developed by ITT's manufacturing companies overseas, and had been used throughout the world, in such diverse cities as Shanghai, Paris, Cairo, Rio de Janeiro and Mexico City.

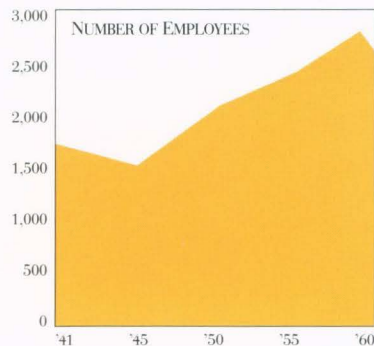
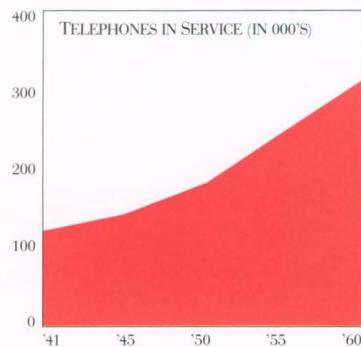
The equipment for Rochester was manufactured in Clifton, New Jersey, but installers were brought to Rochester from several countries. It complicated the installation because



A view of downtown Rochester in the early 1950's when the Troup-Howell bridge, in foreground, and the Community War Memorial, upper center, were both under construction.



Central office installers from a number of foreign countries were brought in to wire the first dial office at Stone Street in 1948.



Voices

“With a crossbar cutover, Western Electric installers would be in the office and trucks would be rolling up literally for weeks, bringing in these huge bays of equipment. Then there were weeks of cables down and connecting them. Installation, testing and cutover took ten months to a year for each office—and we were lucky to change over one office a year.”

Dick Huxley, foreman

the installers often didn't speak the same language, one of the reasons for the two postponements in the cutover date.

Originally, Rochester Telephone had planned to use the Federal equipment for its entire dial conversion program. After the cutover, the company experienced some problems with the equipment. Later it made still another discovery: The system was unsuitable for metropolitan areas with multiple central offices. It lacked the flexibility required for switching calls to and from central offices equipped with other types of switches.

Forced to look elsewhere, the company turned to Western Electric Company, AT&T's manufacturing and supply subsidiary. It had wanted Western switches from the start, but Western Electric sold only to Bell System operating companies.

Informal talks were begun with the Bell System and agreement was reached: Western would supply Rochester with its #5 crossbar systems.

The first #5 crossbar switch was installed on the city's northeast side. At its cutover on August 2, 1953, another 16,000 telephones were changed to dial. From that point on, the company averaged better than one dial conversion a year, giving Rochester one of the most modern switching networks in the nation.

Even with the modernization of service, the public remained unimpressed with the company's overall service. In an effort to show customers the scope and complexity of its operations, the company held open houses in 1949 at its five manual central offices in Rochester. The turnouts were so large that the events were repeated.

But any goodwill they created was only temporary. In 1950, when Donald H. Campbell was elected president, *The Democrat & Chronicle* laid out the magnitude of the task that confronted him: “(The company) draws the wrath of its





Donald H. Campbell was the company's fourth president. He began as a splicer's helper at Rochester Telephone Company in 1911. He rose through the ranks, becoming a vice president in 1946 and executive vice president in 1947. In 1950, he was elected president and headed the company through the difficult dial conversion years of the 1950's. He became chairman in 1959 and retired in 1960 after 47 years with the two companies. He continued as a director until his death in 1965.



As unnecessary as it might seem, many customers requested instructions on how to use a dial telephone. Here Ed Zimmerman, a staff assistant, outlines dialing procedures for a group of high school students.

Opposite page: In a familiar, and for customers welcome, scene of the 1950's, installer Jim Porter puts in a new dial phone. Before the actual cutover to the dial switch, new dial telephones were installed in all homes and businesses served by the new office. After the cutover, crews returned to remove the old manual phones.

Inside a new dial office, a Western Electric installer sorts through a maze of cables.

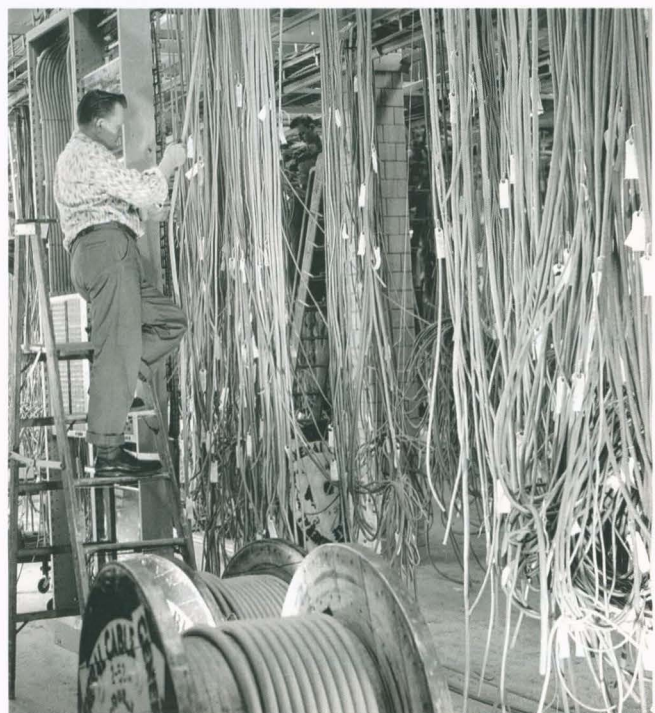
customers daily with slow connections, slower answers and broken conversations...Overcoming this dissatisfaction is a task that will test the tact, energy and vision of the new president."

Campbell succeeded John W. Morrison, who had been elected president and general manager in 1946 to succeed John Boylan.

Actually, according to the Public Service Commission, service was somewhat better than it had been in the immediate post-war period. With the cutover of the dial units at Stone Street, the Commission was able to report that the quality of service had "materially improved."

In 1949, the Commission also concluded the rate case begun in 1948. It made the two temporary increases of that year permanent and approved revised rates that would yield another \$645,000 in annual revenues. It also authorized an increase in the rate for local calls from coin telephones, from 5 to 10 cents. Early in 1950 Rochester became the first city in the U.S. to have a 10-cent charge for local coin telephone calls.

The company's major concern now was to raise the capital required to finance its dial conversion program and to build the



other facilities needed to meet the demand for service. Since the war, most of the money for new construction had come from debt securities. Now the company turned to issuing more stock.

There were five different offerings of common stock in the 1950's. By 1959, the number of shares outstanding had more than doubled, along with the number of share owners.

Three issues of preferred stock also were sold in the 1950's and another \$22.5 million was realized through first mortgage bond offerings.

Aside from its need for capital, the company did well financially throughout the 1950's. By the end of the decade, revenues and net income had more than doubled. Telephones in service had reached nearly 290,000, from just under 185,000 in 1950. Construction expenditures had risen from just over \$3 million a year to almost \$13 million. Plant in service had more than quadrupled.

With its increasing investments in facilities, the company was able to catch up with the demand for telephone service in 1954. After years of delayed orders and waiting lists, it could fill customer orders in reasonable time frames.

That was no small task, given the area's growth. While the City of Rochester's population had already reached its peak by 1950, there was accelerating growth in the suburbs. By 1960, Monroe County's population had climbed to 586,000, with a 72 percent increase in the number of residents in the towns and villages outside the city during the decade.

With the expansion came a burst of construction—of thousands of new homes, of suburban shopping centers, of a new General Hospital. In the city, the Community War Memorial was built, and work got underway on the Civic Center and Midtown Plaza, which was to dramatically alter the character of downtown. St. John Fisher College opened its

Voices

"All the stuff was hand-wired and hand-soldered when we put it in. The Norton Street installation took at least 60 people. They had four foremen, and each foreman had a big crew."

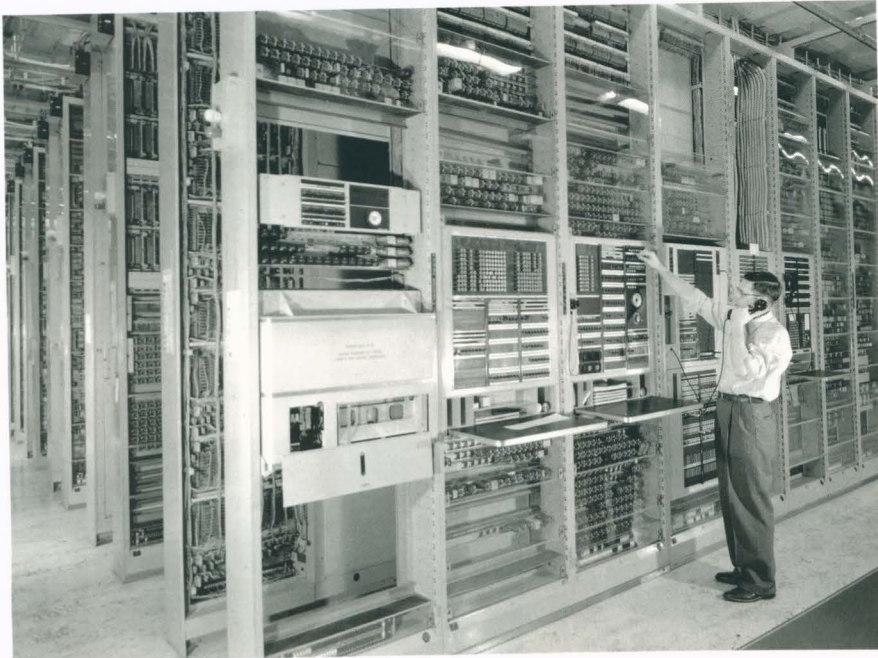
Roger Hebert, frameman

A former president, a president-to-be and the then president of Rochester Telephone break ground in 1954 for a dial office at the Field Street central office building; from left, John P. Boylan, William A. Kern and Donald H. Campbell.





The first outdoor telephone booths began to appear on Rochester streets in the 1950's; this one was on Main Street.



In a new #5 crossbar office, a switch technician checks the master test frame. The switch monitored itself, initiating its own trouble reports by punched cards, a major improvement over older switches.

doors and the University of Rochester moved its women students to its Genesee River campus.

Along with the steady parade of new dial central offices, the 1950's were characterized by a succession of rate cases—in 1951, in 1954 and 1958. Although the quality of service was again criticized at the public hearings that accompanied the 1951 filing, the Commission said the number of complaints it received had declined since their peak in the immediate post-war years.

The 1954 case was uneventful, with little opposition voiced at two public hearings. The Commission granted the rate increases substantially as filed, saying that since 1951

“...the Rochester company has made healthy strides toward the complete regeneration of its plant and facilities.”

But there remained a strong undercurrent of customer dissatisfaction, which surfaced in 1958 when the company sought its third rate increase of the decade. The announcement set off a barrage of critical letters to newspapers throughout the

territory, similar to those of 1948.

At the public hearings on the filing, service was described as “25 years behind the times,” as “poor and antiquated.” Even the Public Service Commission engineers testified that service was “entirely inadequate.”

Many of the complaints were justified. Magneto (crank) telephones were still in use in some outlying communities. Hundreds of customers living in Rochester suburbs were

sharing four- and eight-party lines, unable to get the individual line service they were willing to pay for.

Rates had increased significantly, too. A residence customer was paying 35 percent more for an individual line than in 1947, and a business customer nearly 90 percent more.

In August 1958, the company was granted an increase, enough to add \$2 million to its annual revenues. But in authorizing the increase, the Commission had some unusually sharp words for the company's management:

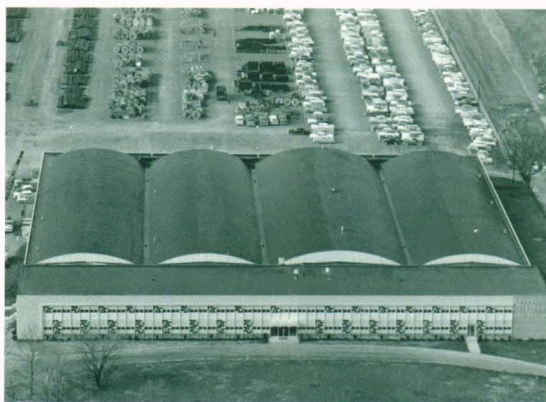
"Listening to the testimony, it was impossible to escape the conclusion that the company is too compartmentalized; that its various heads of departments seem to be running separate empires; and that there is not sufficient exchange of knowledge or information...on day-to-day operations."

In its decision, the Commission also branded as "inexcusable" the company's failure to provide adequate service in such areas as Canandaigua, Scottsville and Webster. To underscore the message, it assessed a token penalty of a 30-day delay in applying the rate increases in those communities.

It was the most critical judgment the Commission had ever made of Rochester Telephone. And yet the public was still not satisfied.

The Democrat & Chronicle compared the Commission's treatment to that "of the bad boy who was given a spanking and access to the cookie jar at the same time."

The 1958 rate case and the stormy public hearings and blunt Commission decision that it produced marked both an end and a beginning for Rochester Telephone. It was the end of the company's catch-up years during which it spent more than \$45 million on dial conversion, dollars that it found difficult to raise.



The company's brand new operations center on West Henrietta Road in 1959. With its opening, three other sites used by the company were closed, including the St. Paul Street garage.

Outside a Main Street East department store, shoppers use telephones to listen to a recorded message on the development of Midtown Plaza in downtown Rochester.



“As a new employee, I learned quickly not to tell any social acquaintances where I worked to avoid the wrath of complaints of poor service.”

Dave Kopp, engineer



William A. Pitbladdo played a major role in the company's dial conversion program. As traffic engineer and later chief engineer, he directed the company's major dial conversions. In 1967, he was elected vice president-engineering and construction. He retired in 1969 after 38 years of service, all with Rochester Telephone. Assisting him here is Jane DePrez.

By 1958, the dial conversion program in Metropolitan Rochester was 80 percent complete, but the massive effort had exacted its price: With manpower and capital concentrated on the purchase and installation of dial equipment, the quality of service had deteriorated. The cable network was overextended and overloaded; there weren't enough cable facilities to meet the growing demands for better grades of service; customers had to wait from two to three weeks to have telephones installed.

Because of the public's attitude toward the company, many employees were reluctant to say that they worked for Rochester Telephone. Any acknowledgment generally unleashed a torrent of criticism.

Later that year, William A. Kern, executive vice president, described the company's struggle: "Because of our preoccupation with dial conversion, other things have suffered. Now we can start acting like a telephone company. We've known how to all along, but we haven't been able to and carry out our conversion program at the same time."

Kern was to get his chance to shape a new Rochester Telephone the next year. In a major reorganization prompted in part by the Commission's comments of 1958, five new officers were elected, with Kern named president. And the company was poised for the greatest growth in its history.



CHAPTER FIVE:

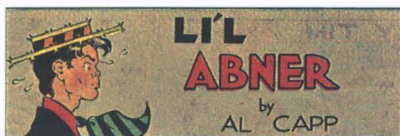
GETTING IT

TOGETHER:

THE BIGGEST

DECADE

1960 THE WAY IT WAS



Opposite page: The company's dial symbol is hoisted to the roof of its Midtown Plaza office building in 1962.

Americans entered the 1960's with a feeling of optimism and commitment. It was a time of tremendous promise.

The 1950's had begun under the shadow of the Cold War and the atomic bomb, yet for most Americans they had been the best years of their lives. They brought a general prosperity unequalled in memory.

The U.S. still reigned as the strongest nation on earth in 1960, respected by friends and allies. The Gross National Product had reached \$500 billion, an increase of 75 percent over 1950. Median family income was up more than 80 percent. For the first time in history, white collar workers outnumbered blue collar laborers.

There were 70 million job-holders, compared with 53 million in 1950.

A Rochester Telephone operator's maximum pay that year was \$73 a week, a lineman's \$115.

The nation's population was at 179.3 million, up 28 million over 1950 and the largest increase in one decade in the nation's history. More than 80 percent of the population gains were in the nation's suburbs.

One out of every three Americans of college age was in college.

Heart disease remained the leading cause of death, followed by cancer. A man's life expectancy was 67, a woman's 73.

There were 74 million phones, with more than 270 million calls

made over them every day.

The nation had 85 million TV sets. In 1950, there were less than 2 million sets in the nation. Never had a new product expanded so rapidly to become an essential part of American life.

In a good Washington restaurant, a complete dinner of a whole Maine baked lobster—appetizer, salad, dessert and beverage included—cost \$3.95.

Eggs were 58 cents a dozen, milk was 26 cents a quart and bread 20 cents a loaf. A 17-inch Philco portable TV set sold for \$139.95.

The world's first communications satellite, Echo I, was launched.

For the second year in a row, the number of passengers crossing the Atlantic Ocean by air outnumbered those going by ship.

The first air crash in which more than 100 people were killed occurred over New York City when two jet airliners collided; 134 passengers and crew members died in the crash.

The Xerox 914 began the copy revolution, Teflon-coated cookware and felt-tip pens were sold for the first time.

The first birth control pill went on the market at 55 cents a pill.

Some 95 percent of all soft drinks and 50 percent of all beer were sold in reusable bottles.

The most popular comic strips were Peanuts, Li'l Abner, and Pogo.

At the start of what was to become one of the most tumultuous decades in the nation's history, Rochester Telephone was a vastly different company from the beleaguered one of 1950.

- More than 75 percent of its telephones had been converted to dial switching;
- A new operations center, consolidating construction and installation forces from around the Metropolitan Rochester area, had been completed;
- A new management team was in place;
- And Rochester Telephone was now listed on the New York Stock Exchange, giving the company national recognition.

Under its new president, William A. Kern, the company set out to improve service and lessen the customer dissatisfaction that had defined the 1958 rate hearings.

In 1960, the company began to mechanize its customer bills; it opened a new public office at 66 East Avenue after 40 years in the original office at Stone Street; it completed construction of an operations center for northeast Rochester and Monroe County.

The company's momentum was slowed by a nine-week strike in 1961 by employees represented by Local 1170 of the Communications Workers of America. With most installation and construction work halted, more than 7,000 service orders had accumulated by the time the strike ended.

Late that year, on December 3, the dial conversion of the Rochester Exchange was completed. On that day, the last manual exchange in the city—Hillside—fell silent and 6,700 more customers were able to dial their calls.

It was a significant occasion for the company and for everyone who had worked for Rochester Telephone during the post-war years. From the day ground was broken for the first

Voices

"The old manual board was a faithful technology and it made telephony what it is today. Even though I welcome the new technology and appreciate all its wonderful features, there's an emotional feeling in saying goodbye to an old friend."

Karl Greenhagle, engineer

The company gained national publicity in 1960 when this photograph was used in a U.S. Independent Telephone Association ad in the Saturday Evening Post. Under the headline, "Next Crop—3,000 Telephones," the ad described the growth of the nation's independent telephone companies. President William A. Kern is at the right, with Mark Clark, a vice president. Donald Ayers is the lineman on the pole.





On the night in 1961 when the last manual office in Rochester was cut to dial service, the company's traffic manager, John Banks, has a final look at the deserted switchboard, which just hours before was alive with people and voices.

dial office in Stone Street, it had taken 15 years and the efforts of hundreds of telephone men and women, not to mention the \$45 million in capital that it had required.

And there was more, much more, to be done. Customers in Rochester's growing suburbs were clamoring for dial telephones and a better grade of service: More than half the company's residence customers had four or more parties on their lines.

But complaints were declining. The public seemed to be accepting the company's public declarations that it was mobilizing its efforts to improve service.

Meanwhile, the company was making impressive financial progress. Revenues and net income set new highs each year in the 60's. The dividend paid on the common stock was raised in 1961 for the first time, and increased every year after that.



William A. Kern was a district traffic superintendent for New York Telephone Company when he joined Rochester Telephone in 1934. He became an executive vice president in 1948 and president in 1959. Candid and outgoing—he made it a point to attend as many employee social functions as possible—Kern was widely credited as the man who persuaded the Bell System to sell Rochester Telephone Western Electric crossbar switches and later as the architect of the company's revitalization. As both company president and a community leader, he also worked to improve the company's public personality. At his death in 1964, the Board of Directors paid tribute by describing him as “a man of great courage and intuition (who) developed a strong organization to administer a growing company...”

The company was beginning to draw national attention for its performance. In 1961 *Financial World* magazine listed Rochester Telephone as one of the 98 highest rated stocks in the country, and more and more financial analysts began to follow the company.

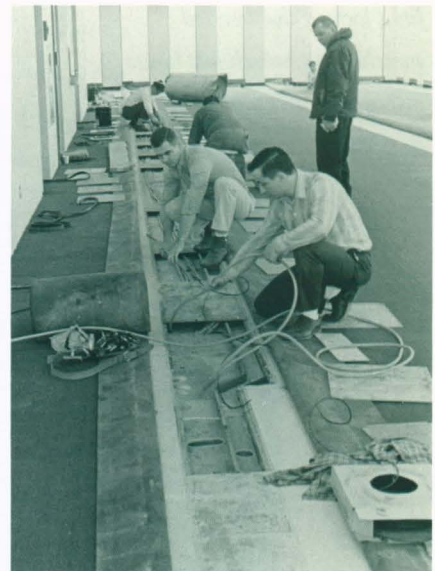
The growth in telephones also was at record levels. The company added more than 200,000 telephones in the 60's, with its largest gain, 28,858, coming in 1968.

Rochester Telephone's success in the 60's was due in large part to the remarkable economic growth of its service area. Paced by the performance of Xerox Corporation, employment rose more than 30 percent in those years. While the city's population fell, the suburbs were flourishing, with new housing developments, shopping centers and expressways altering their landscapes.



The downtown skyline was changing dramatically, too. New buildings included the Americana Hotel, the Civic Center, Midtown Tower and Plaza, Security Trust Tower, and Xerox Square, whose 30-story tower symbolized the amazing growth of the company that occupied it. From a firm with just 2,600

Xerox Tower under construction in 1967; Midtown Tower is in the right center. In the photo directly below, company installers Bob Rinck, Tom Riley, both kneeling in foreground, and John Bedrin, standing, lay cable inside the tower. Equipping the building for telephone service took 11,600 man hours and 1,500 miles of wire.





A police officer stands guard outside a looted store after the race riots of July 1964; the telephone booth at right escaped virtually undamaged.

employees in 1960, Xerox by 1970 employed nearly 60,000, more than 12,000 of them in the Rochester area.

In the early 70's, Marine Midland Plaza, Holiday Inn-Downtown and Lincoln First Tower further changed the face of the city.

The company made a change of its own in the downtown scene. In 1962, it opened its four-story office building at 100 Midtown Plaza. Leased for 25 years, the building brought together 500 employees who had been located at four different sites—its Franklin Street headquarters, two offices on East Avenue, and Stone Street.

The company also was investing increasing amounts of capital in its outside plant, a major cause of the unavailability of individual lines and of customer complaints. It rebuilt much of its cable network in the 1960's, work that had been deferred by the dial conversion program.

During the 1960's, the number of miles of wire in underground and aerial cable nearly tripled. Preventive maintenance programs were introduced, including the pressurization of all major cables to keep moisture out and to help crews locate punctures in the cables.

Capital construction programs for the period averaged more than \$25 million annually. And the investments were clearly improving service. By 1966, the company was not only 100 percent dial, but individual or two-party service was available to all customers who wanted them.

A year earlier, the company had replaced its first Rotary 7-A dial units with #5 crossbar switches. The project marked the end of the Baker, Hamilton, Emerson and Locust prefixes that had introduced Rochester to dial telephones in 1948 and 1949. In 1966, all-numerical telephone numbers were adopted throughout the company's territory.

A repair service clerk searches for a customer line card in the Stone Street Service Bureau in the early 1970's. The repair records were mechanized in 1982.



One of the company's most historic, and proudest, moments was recorded at 3:01 a.m. Sunday, May 15, 1966 when the last manual office in the company's operating territory, in Churchville, was cut over to dial. President George S. Beinetti described it as an era concluded and an era begun.

Beinetti had taken over as president after the death of William A. Kern in 1964. Retaining the management team Kern put together, Beinetti continued to rebuild the organization.

Increasing attention was given to such areas as training, management development and recruiting. Until the late 1950's, for example, there had been little formal classroom training for employees; what there was had been accomplished largely on the job. By the end of the 1960's, a fullscale training program for both craft and management employees had been instituted.

The company also began an active college recruiting program. In 1959, the company had only about 50 college graduates among its employees; by 1975, there were 220. Five of the men serving as officers in 1991 were hired off college campuses during the 1960's.

The Kern-Beinetti management team was younger, too. In 1959, the average age of the company's top management people was 55; by 1975, and with twice as many positions, the average age was 42.

While there were probably more significant improvements in service during the period, one welcomed by most customers was the expansion of their toll-free calling areas. In 1959, Rochester Exchange customers could call just one suburban exchange in Monroe County without toll charges. By 1975, they could call 15 other exchanges. Customers in Rochester's suburbs enjoyed similar expansions of their local calling areas.

Direct Distance Dialing was introduced, giving customers



In another historic moment, an operator in the Churchville office, the last manual central office in the company's operating territory to be converted to dial service, prepares to shut down the switchboard.

Voices

"Dear friends: Today the dial telephones were installed in our home. For 40 years, we have enjoyed the courteous, efficient service rendered by the local operators. We are going to miss you and are sorry for the change..."

A letter from a Brockport customer, 1961

These line trucks were called out in 1967 to repair cables knocked down in a traffic accident in a Rochester suburb.



access to the nationwide network. In 1969, Zero-Plus dialing was initiated, which represented a major company investment in Traffic Service Position (TSP) equipment and in a new traffic center.

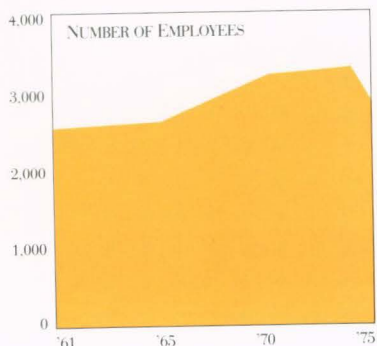
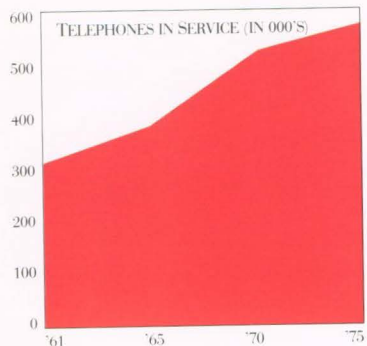
Construction of the building at 120 Plymouth Avenue North, adjoining the Fitzhugh Street complex, began in 1966. The project was a massive one, involving hundreds of employees. Each central office had to be equipped with Automatic

Linemen and installer trainees practice climbing with hooks at the West Henrietta Road training center.



George S. Beinetti served as president and chief executive officer for 11 years, taking over after Bill Kern's death in 1964. Like Kern a former New York Telephone Company executive, Beinetti also had a genuine affection and regard for people. Under his leadership, the company's quality of service improved dramatically and its revenues and earnings nearly tripled. Active in more than a score of community organizations, in 1974 he won the Rochester Area Chamber of Commerce's Civic Development Medal for his contributions to the Rochester community. On his retirement in 1975, after 43 years in the industry, his last 16 of them with Rochester Telephone, the Board of Directors characterized him as "a towering leader... who personifies the evolvement of the company into one of the outstanding independent telephone companies in the nation."





The Plymouth Avenue traffic center shortly after its opening in 1969.



Number Identification (ANI) equipment; trunking capacity between the central offices and Plymouth Avenue expanded; and the TSP equipment—the operators' consoles and the TSP switch—installed. Retraining of operators also was required.

Accomplished in two separate cutovers six weeks apart, the project provided more than 200,000 customers with a new convenience in long distance calling; they could dial all their calls direct, without operator assistance.

For Rochester Telephone, it meant an appreciable increase in long distance revenues—45 percent alone in 1969 over 1968. From 1969 to 1975, the company's toll revenues just about doubled, largely as a result of the increased investment in long distance facilities and more favorable toll settlements.

The TSP cutover had some historic significance, too. After 70 years, it left Rochester Telephone as the only phone company in town.

Although the public was largely unaware of it, the New York Telephone Company had continued to handle the long distance operation in Rochester after the consolidation in 1921. But from 1961, when Direct Distance Dialing was introduced, until 1969, New York Telephone operators handled fewer and fewer calls, from 70 percent of all originating long distance calls in 1961 to less than a third in 1969.

Operator Sally Sutter was featured in the company's public promotions for the 1969 cutover to zero-plus direct dialing.



Opposite page: In a scene commonplace in the 1960's, linemen prepare to hang aerial cable underneath the strand; the cable is attached to the wire by a cable spinner.

The New York Telephone switchboard was on the third floor of the Fitzhugh Street building, which Bell of Buffalo had built in 1900. The old switchboard took its last call at 1:02 p.m. Friday, July 18, 1969, in the 91st year of the telephone in Rochester.

That same year, the company paused to celebrate its own progress. It put together an audio-visual presentation highlighting the accomplishments of the 1959-1969 period. Unveiled at the 1969 Annual Meeting, it was later condensed and shown on television and before community groups.

For those who realized how far the company had come, it was a winning performance. The *Brighton-Pittsford Post* offered one assessment:

“Surely one of the notable accomplishments in Monroe County in recent years has been the modernization of the Rochester Telephone Corporation ...Operating a public utility is

a difficult and often thankless task, for it is difficult to be both a successful business and a public service. The RTC is doing both superlatively well, and has gained this position against very substantial odds.”

The Democrat & Chronicle was less complimentary: “The firm has good reason to boast, but as it admitted, 10 years ago it had a lot of improvements to make...”

The company wound up the decade in style. Revenues in 1969 were up more than 17 percent over 1968, nearly 160 percent for the decade. Its net income set another record



The Traffic Service Position office on the third floor of the Plymouth Avenue building in 1969.

***“To wonder, to understand
To search, to know
How much there is we can
discover if we talk to one
another”***

Verse on 1972 Rochester Phone Book cover

*Spanning more than 40 years,
two noteworthy customers,
William J. Lewis, left, and
Kevin O'Brien, right, pose
with President George S.
Beinetti at the 1970 Annual
Meeting. The company's
100,000th telephone was
installed in Lewis' home in
1929, and the 500,000th
telephone in O'Brien's
bedroom in 1970.*



for the year; for the decade, it more than tripled. Adjusted for a 1965 stock split, the dividend paid on the common stock more than doubled over the same period, with increases declared every year.

There were 2,500 more share owners in 1969 than in 1959 and after a 1965 stock split, 2,860,000 more shares of stock.

And service levels were appreciably higher. A customer attitude survey conducted in 1969 showed that 92 percent of the customers participating thought the company's service was either good or excellent.

The new decade began on a positive note, the installation of the company's 500,000th telephone in service. The company marked the event at its 1970 Annual Meeting by inviting as special guests the customers who had shared other milestones—the installation of the 100,000th telephone in 1929, the 200,000th in 1956, the 300,000th in 1962 and the 400,000th in 1967.

In 1970, the company also changed the colors of its fleet of vehicles from the traditional telephone green to two shades of gold. The new colors were chosen for their bright appearance.

In 1971, Rochester Telephone marked its 50th anniversary in business by establishing a chair in communications at Rochester Institute of Technology. Named in memory of William Kern, the chair was created to foster communications research at RIT and to develop a diversified program in the communicating arts and sciences.

As an anniversary tribute to its own employees, the company established a fund to help finance the costs of higher education for their children or other dependents. Since then, the fund has provided awards to more than 100 students.

It was in 1972 that the company signaled an important

change in its business philosophy. It reached agreement to acquire the first telephone company outside the limits of its operating territory, the Sylvan Lake Telephone Company in Dutchess County.

While the company's revenues remained strong, the rate of growth in its Rochester operating territory was slowing. It was prudent to begin to look elsewhere for growth opportunities.

In 1976, the company completed the acquisition of a second and larger company, Highland Telephone Company, also in southeastern New York State. The two companies were the first of what by 1991 was to become a group of 36 telephone subsidiaries.

One of the major changes unfolding in the industry then was interconnection—the attachment of customer-owned equipment to the telephone network. Until 1968, telephone companies, with the support of regulators, had generally prohibited any equipment but their own from connection to the telephone network.

The principle of interconnection was approved by the Federal Communications Commission in 1968, and later upheld in the courts. The industry continued to oppose it on legal grounds.

Rochester Telephone did not. Acknowledging that it was here to stay, it developed a network protection device that permitted customers, if certain other conditions were met, to attach their own equipment to the company's network.

Initially, the effects of interconnection on the company's telephone base were negligible. In 1973, aside from a unique situation involving Eastman Kodak Company, the loss was 566

Voices

"At one time we were the only company in town. We're still the best, but now with interconnection, if you treat a customer poorly, we might lose that customer."

Pat LaBarber, sales consultant



Before interconnection, the company's set refurbishment operation, shown here in 1973, reconditioned and repaired as many as 100,000 telephones a year.



Dorothy B. Wadsworth was elected to the Board of Directors in 1971, becoming not only Rochester Telephone's first woman director but also the first woman to serve as a director of a major independent telephone company. A community leader, she resigned in 1976 to accept a New York State government appointment.



First stripping the ends of the wires, cable splicer John Maier works on a subscriber cable at the site of a new housing development in the early 1970's.

telephones. In 1974, it rose to 612, with a resulting revenue loss of less than \$48,000.

By 1975, the loss of telephones exceeded 1,200, and from that point on the losses were progressively heavier.

The company was experiencing mixed financial results in those years. The first two years of the decade were successful ones, with new highs in revenues and earnings. But by 1972 increases in operating expenses, driven by inflation and higher wages, were beginning to outstrip revenue gains.

The earnings increases in both 1972 and 1973 were achieved through the use of Federal tax incentives. Without the tax credits, net income for both years would have been lower than the previous year.



Against that backdrop the company publicly predicted that 1974 would be a critical year. It proved to be more difficult than it had ever imagined. Problems included a strike by employees represented by the Communications Workers of America, raging inflation, a business recession, and, finally, a decline in earnings.

The CWA strike began on November 22 after negotiations had reached an impasse. It was to become the longest strike in the company's history, ending 28 weeks later, on June 3, 1975. As in the 1961 strike, service was maintained by the company's management personnel and employees represented by the independent Rochester Telephone Workers Association.

The company's financial performance in 1974 reflected not only double digit inflation but also a rate structure unchanged for 16 years. It wound up the year with a 25 percent decline in earnings compared with 1973.

In an effort to boost its revenues, it filed for rate increases in August, asking for some of them on an interim basis. The public climate was far more benign than in 1958. The hearings drew few complaints and while the Commission denied any interim increases, it authorized about \$11.5 million in permanent increases the following July.

The increases had little impact on the company's 1975 performance. Operating revenues increased 8 percent, but net income was virtually flat year to year.

But there were other important changes that year. George



A lineman prepares to bury cable in one of the many housing developments that sprang up throughout the Rochester area in the 1960's and 70's.

Voices

"I want to thank my fellow employees for a splendid association over the past 16 years. Together we have built a strong service-minded corporation offering the best in communications to one of the finest areas in this country...So long!"

George Beinetti, 1975

Beinetti, the company's president since 1964, retired. James C. Henderson, who had joined the company in 1967 from New York Telephone Company, succeeded him, at 47 becoming the youngest president in the company's history.

In March, the company completed the largest financing in its history, \$40 million in first mortgage bonds.

And the computer, which had been taking on an increasingly important role in operations, was introduced in the Business Office. The new system virtually eliminated paper records, with service representatives directly accessing customer records through the computer.

A more visible change was taking place in the work force. As a result of attrition, early retirement programs and force reductions, the company ended 1975 with 372 fewer employees than at year-end 1974.

In summing up the year, and in effect the first half of the 70's, President Henderson characterized 1975 as "a year more auspicious for what it portended than what it actually produced. Essentially, it was a year in which we laid the groundwork for future success—by updating our rate schedules, by extending technology and improving operating methods, by re-examining our entire organization to better prepare ourselves for the challenges and opportunities that lie ahead."

Henderson's words were prophetic: Ahead lay a period of epic change during which the very nature of the industry would be transformed.

Service representatives Clarietta Nowden, at left, and Rose McCaughey on their terminals with customers shortly after the computer was introduced in the Business Office in 1975.





CHAPTER SIX:

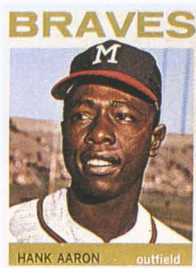
REORGANIZING

FOR

DIFFERENT

TIMES

1976 THE WAY IT WAS



Opposite page: Reaching up into a brilliant summer sky, this microwave tower could be a symbol of the vast changes the telecommunications industry began to undergo in the 1970's.

For most of the 1970's, the nation suffered a hangover from the 60's. There was a general air of disillusionment, of estrangement. Nothing seemed to work like it used to—the Presidency was beset by scandals, the nation's biggest railroad, the Penn Central, went broke, inflation and unemployment persisted.

In 1976, the nation paused to celebrate the bicentennial of its founding. There were 215 million Americans, and 33 metropolitan areas had populations of a million or more.

It was also the 100th anniversary of the invention of the telephone. There were 300 million telephones in use in the world in 1976, with more than half of them in the U.S.

AT&T, the corporation that symbolized the telephone in America, became the first company to earn a billion dollars in a quarter.

The Dow-Jones average reached 1000 for the first time.

Inflation was at 8.7 percent and unemployment at 8.3 percent; layoffs in the automobile industry totaled nearly 275,000.

The cost of mailing a first class letter was 13 cents.

A new Cadillac Seville cost just under \$13,500 and a Volkswagen Rabbit, \$3,500. Despite oil embargos and rising gasoline prices, almost 70 percent of all U.S.-made cars sold were equipped with a V-8 engine.

An operator at Rochester

Telephone with five years on the job was making \$192 a week, and a lineman, \$298.50. The minimum wage was \$2.30 an hour.

For the first time in history, there were more than a million divorces in the U.S.

The world population exceeded 4 billion, growing at a rate of 200,000 people each day.

Teamster boss Jimmy Hoffa was still missing, having been seen for the last time in a Detroit restaurant in 1975.

The Concorde began the first regular transAtlantic supersonic flights.

A typical household—a working father, a mother who stayed at home and two children—represented a mere 7 percent of all American families.

The average American was 28.7 years old and had completed 12.4 years of school.

A survey showed that well over half of all Americans believed in UFOs (Unidentified Flying Objects).

A total of 1,299 University of Colorado students ran across campus without clothes to establish a new streaking record.

The U.S. Air Force Academy admitted 155 women, ending the all-male tradition at U.S. military academies.

Henry Aaron retired from baseball with a career, and record, total of 755 home runs, 41 more than Babe Ruth hit.

Even as it celebrated the first 100 years of the telephone, the telecommunications industry was undergoing profound changes.

Competition was intensifying, with losses to interconnection mounting. Specialized common carriers like MCI and Sprint were attracting hundreds of thousands of customers. The Federal government was pressing its antitrust suit against the Bell System.

It was in this climate that James C. Henderson took over as Rochester Telephone's chief executive officer.

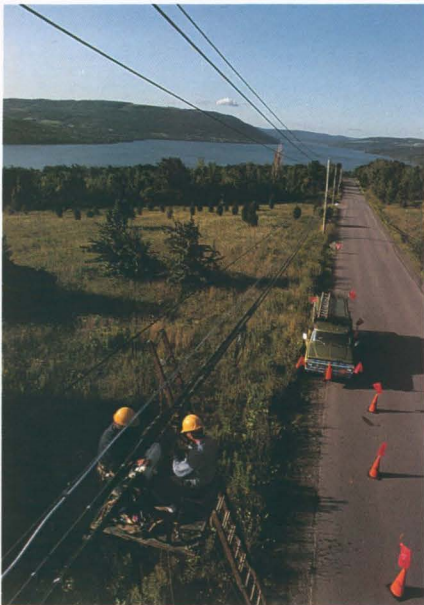
Like his immediate predecessors, Kern and Beinetti, Henderson was a former New York Telephone Company executive who had joined Rochester Telephone in mid-career. And like them, he was the right man in the right job at the right time. While the rest of the industry continued to battle the competition and push for Congressional action to limit its spread, Henderson was convinced that a restructured industry was inevitable, even desirable.

Well ahead of most of his peers, he envisioned a new industry, one that would make traditional practices and assumptions obsolete. He believed telephone companies had to become more responsive to customers and their needs.

"Through the years," he noted in 1977, "we as an industry, perhaps unconsciously, developed and encouraged a certain mystique about telephone service, creating a public perception of the telephone as an instrument that needs special expertise. Yet it's really no different from many other household devices—people can learn to both wire and fix one.

A lunchtime concert at Cornerstone Park shortly after the park was dedicated in 1977. The park was developed by the company for public use. Concerts were held there weekly for the park's first 12 summers. This view looks east, with the south wall of the Stone Street central office building at the far left.





With Canandaigua Lake as a dazzling backdrop, a cable splicing crew prepares for the cutover of the company's first digital remote switching office in 1981. The host switch was 15 miles away, in Victor.

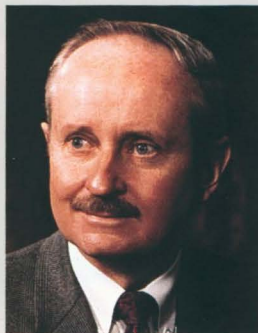
"We cannot continue to presume that only we know what's best for customers. We must learn to compete aggressively for their business and to offer them options."

To respond more effectively to the industry's changing economics and technology, Henderson reorganized the company's management structure. Officers were reassigned and departments realigned.

Basic service rates were unbundled. Customers began receiving bills itemizing charges by access line, telephone outlet and the telephone itself, so they could see for themselves what each component of telephone service cost them.

Charges for installations were raised to reflect more of the actual costs involved. A monthly discount was offered residence customers who were willing to maintain their own portable telephones.

In 1977, the company began to offer for sale telephones and outlets already installed in customers' homes or businesses.



James C. Henderson was one of the most innovative and successful presidents in Rochester Telephone's history. Elected chief executive officer in 1975, he quickly gained a national reputation for his foresight and resourcefulness in restructuring the company. "Rarely has a chief executive made a more powerful imprint on his company," the Board of Directors noted in a resolution marking his retirement in 1985. Henderson's retirement was cut short by death. He died at the age of 58 in 1986 of cancer, which he had been battling since 1982.

Customers who moved or ordered new service were allowed to re-use existing equipment and even convert outlets themselves to new modular jacks.

All of these are standard in the industry today, but in the 1970's they constituted a drastic change in the industry's

traditional operating and pricing philosophies. And in most instances Rochester Telephone was the first to adopt them.

Another significant change in Henderson's first years was the reduction in the company's work force. Through attrition, early retirement programs and layoffs, the number of employees dropped to under 2,500 in 1980.

A number of factors was behind the reductions, including new technology and improved productivity. The company's rate of growth was slowing, too, as a result of increased competition, higher installation and service connection charges, and a roll-back of Rochester industry.

Eastman Kodak Company and Xerox Corporation continued to expand their manufacturing facilities in the Rochester of the 1970's, but several other industries shut down or relocated operations. One of them was Stromberg-Carlson, closely allied with Rochester Telephone for more than 60 years. Under new ownership, it gradually moved its manufacturing operations out of Rochester.

What this meant for Rochester Telephone after the spectacular growth of the 1960's and early 70's was a slackening in the demand for communications services. The emphasis changed from one of construction and expansion to refinements in service.

Financially, with new and higher local rate structures in place and continued growth in toll revenues, the late 70's were all successful years. The company had followed up its successful rate case of 1974-1975 with a filing in 1976 that ultimately produced another \$10 million in increased annual revenues.

In 1978, consolidated revenues—Rochester's combined with its two downstate telephone subsidiaries, Sylvan Lake and Highland—were twice what they had been 10 years earlier. Net income that year exceeded \$23 million, almost as much as the



Contrasting the old and the new in telephone vehicles, a restored 1931 telephone truck stands alongside a modern service van at an Annual Meeting.

A Directory Assistance operator at work in 1977, the year the company adopted a computerized system which enabled operators to locate even the most difficult listings in a matter of seconds.



Voices

"A lot of people were afraid of going to the computers. It may sound silly now, but I can remember stories going around about the computers—people were saying that the screens would ruin your eyesight, and that the things would blow up. Now, nobody would think of going back to using the old rotary directory to look up numbers."

Beverly Huether, Directory Assistance operator

company's revenues in 1958.

The company's cash position also was greatly improved. In contrast to the frequent financings of the 1960's and early 70's, the company was able to finance all of its construction programs for five consecutive years, from 1976 through 1980, through internally generated funds. It ended each year with no short-term debt and with profit margins that were among the best in the industry.

The company was also paying significantly higher dividends to share owners, an objective Henderson had set for his administration in 1975. That year, the dividend was 76 cents per common share. In 1978, after five separate increases, share owners collected \$1.31 per share, a payout in total that exceeded what the company had earned on a corresponding per share basis as recently as 1970.



A summer sunset in Rochester, with the company's Fitzhugh Street microwave towers outlined against the darkening sky. The company began transmitting by microwave in the 1950's.

Henderson also induced more share owners to attend the company's annual meetings. Attracted by lunch and tours of company facilities, share owners and their guests crowded the ballrooms of Rochester hotels in the late 1970's. In the early 80's, as many as 1,300 turned out for meetings held in a larger facility.

One notable setback was the rejection by the New York State Public Service Commission of the company's proposal to form a holding company. The company wanted more flexibility to take advantage of the boom in telecommunications. As a regulated telephone company, it required Commission approval for each venture or investment it contemplated.

Despite a favorable recommendation by the hearing examiner who presided in the case, the Commission rejected the filing on the grounds that the plan was not in the public's

interest. It tempered its decision somewhat by stipulating that it would allow some diversification by the company but only under its current structure.

The company took the Commission at its word. With Commission approval, in 1978 it invested \$2 million to establish two subsidiaries under the Rotelcom name it had hoped to use for its holding company. They were the cornerstone of what was to become the Telecommunications Group five years later.

Rotelcom Business Services sold business communications systems, competing in the then blossoming interconnection market. Rotelcom Consulting Services offered telecommunications expertise, primarily in the engineering field, to other telephone companies and to businesses. Initially, both organizations were staffed by transferred Rochester Telephone employees.



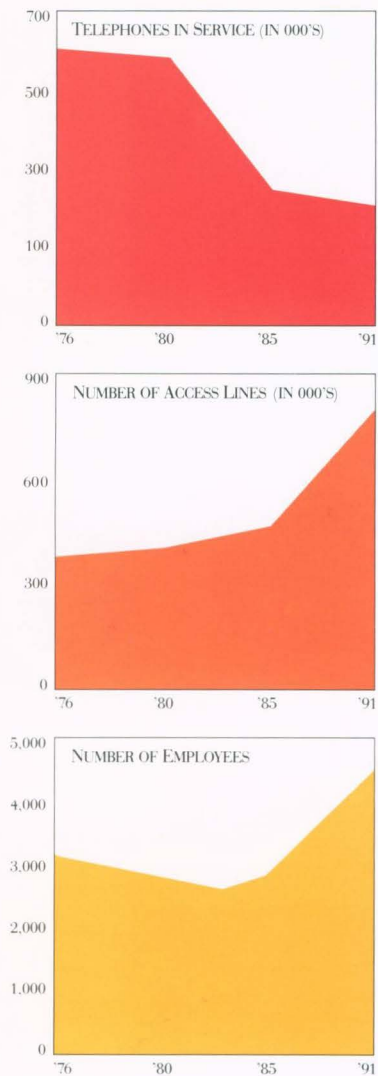
A Rotelcom installer, Jaye Lang, working on the installation of a Rolm switch at the University of Rochester. Completed in 1987, Rochester Telephone served as the general contractor for the project, which was the largest ever undertaken by Rotelcom.

Voices

"The most demanding part of my career was the first few years at Rotelcom. We left the comforts of Rochester Telephone and entered the world of entrepreneurship. It took a tremendous effort and a tremendous commitment from everyone."

Jim Whelehan, sales manager

Rotelcom's set refurbishment line in Cortland, NY, in 1981 when employees were servicing more than 200,000 sets a year for other telephone companies and businesses. As demand for used telephones dropped off, the operation was shut down in 1985.



In the early 1980's, Rotelcom Supply reached into New England markets such as Boston, where this van inches its way through rush-hour traffic. The company still serves New England through its Anixter-Rotelcom venture.



By 1980, these first two Rotelcom operations had been joined by the Supply and Set Refurbishment Division, based in Cortland, NY, and Rotelcom Data Inc., which sold data processing equipment, software and time-sharing services.

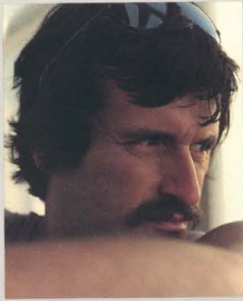
In 1982, Rotelcom added another group, Rotelcom Switching Products Division, which, under an agreement with AT&T, sold Western Electric Company digital switching systems to independent telephone companies, including Rochester Telephone.

Sensing an opportunity in the flourishing hotel market in Hawaii, the company also opened a Rotelcom Business Systems office in Honolulu in 1979, later launching a long distance service to the mainland, Call America. It became the forerunner of RCI Corporation.

Rotelcom's growth in its first years was exceptional. In 1978, sales were slightly over \$500,000. By 1980, they had reached \$26 million and net income was \$1.4 million.

In the first half of the 80's, sales continued to rise, but Rotelcom's financial performance was uneven as competition

intensified in all of its markets. In 1985, despite record sales, profit margins dropped sharply. The Hawaii operation was sold and as the demand for used telephones declined, the set refurbishing business also was shut down. The Consulting Services and Switching Products divisions were absorbed within the organization.



One of the most shocking incidents in the company's history occurred in 1979 when a cable repairman, Thomas P. Luciano, was shot and killed while working on a cable on the city's southwest side. A 16-year-old youth was later convicted of his murder and sentenced to prison.

The next year, the Supply operation was closed and a joint communications supply venture formed with Anixter Brothers, Inc., a world-wide wholesale communications firm. Under the name Anixter-Rotelcom, it continues to sell communications equipment in the Northeast.

Rotelcom today operates as the Network Systems division of the Telecommunications Group. With a focus on providing integrated communications systems to major corporations, it remains a leading interconnect company.

RCI Corporation, the company's second venture in the unregulated marketplace, was launched in 1983, the year before the divestiture of the Bell System became final. Its charter was to build an advanced voice and data network in New York State and adjacent states.

By the end of 1984, RCI had built a microwave network across New York State and was adding customers at the rate of 80 to 100 each working day.

In 1985, RCI extended its network by building a 580-mile fiber optic network west to Chicago. It also purchased fiber facilities from New York City to Washington, ending the year with 41,000 customers and a network spanning 1,300 miles and serving 12 major cities.

Sales increased each year, rising from \$9 million in its first full year of operation to more than \$140 million in 1990.



To expand its customer services, RCI introduced operator services from Rochester's Plymouth Avenue traffic center in 1989 under a contract with Rochester Telephone. In the foreground is Gwen Thomas, a senior operator.

High above snow-covered Syracuse, a construction worker scales the heights during the January 1984 installation of an RCI microwave tower atop a 20-story office building. The tower was one of 28 erected for RCI's original New York State network, completed in 1985.





Reprinted with permission of the Chicago Tribune

The road to profitability was more difficult. The costs of building its network and putting together a sales and marketing capability more than offset the sales gains. In addition, the fierce competition in the long distance market continually squeezed profit margins.

To focus its attention on its primary market, New York State and the Northeast, RCI sold off a portion of its original Midwest network in 1988. More recently, it purchased two regional long distance resale companies, one in New York State's Capital District, and the other in New England.

RCI today is a thriving regional long distance carrier, with a market presence in eight Northeastern and Mid-Atlantic states. In 1991, its sales amounted to \$169 million and its operating income nearly \$12 million, its best year ever.



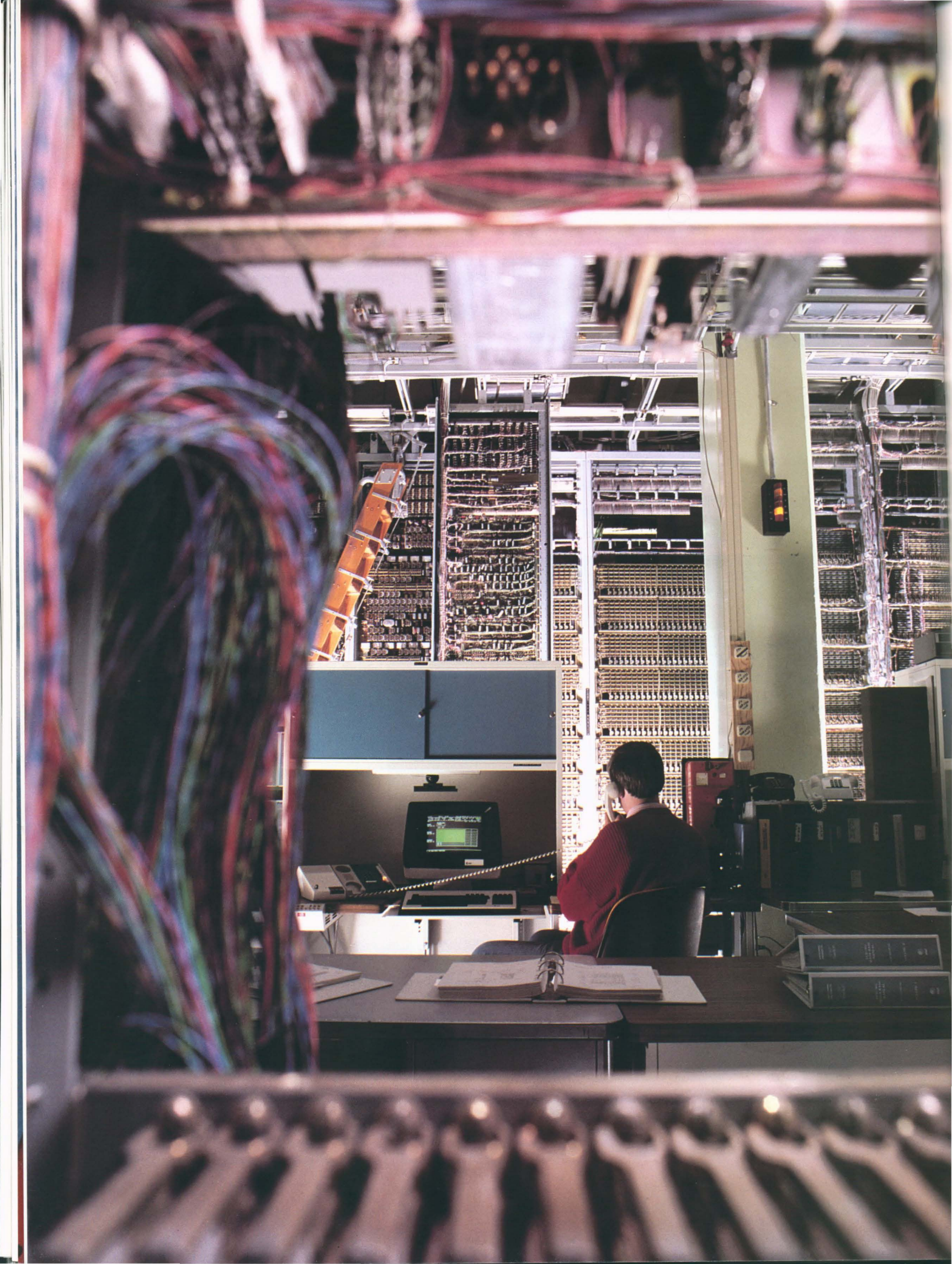
This Rochester builder, Charles P. Lissow, became Rochester Tel Mobile's 1,000th cellular customer in mid-1986, about a year after it went on the air in the Rochester market.

Cellular telephone service was the third deregulated enterprise the company established. It was introduced in the Rochester market in 1985 through Rochester Tel Mobile Communications, which the company formed after obtaining the wire company license for the Metropolitan Rochester area. Rochester

Telephone is an 85 percent owner in the partnership with ALLTEL Corporation.

RTMC's progress was extraordinary. Between 1985 and 1990, its customer base grew by at least 50 percent each year and its sales more than tripled. In 1990, it became the co-manager/operator of a second cellular property, which covers six counties in Western New York.

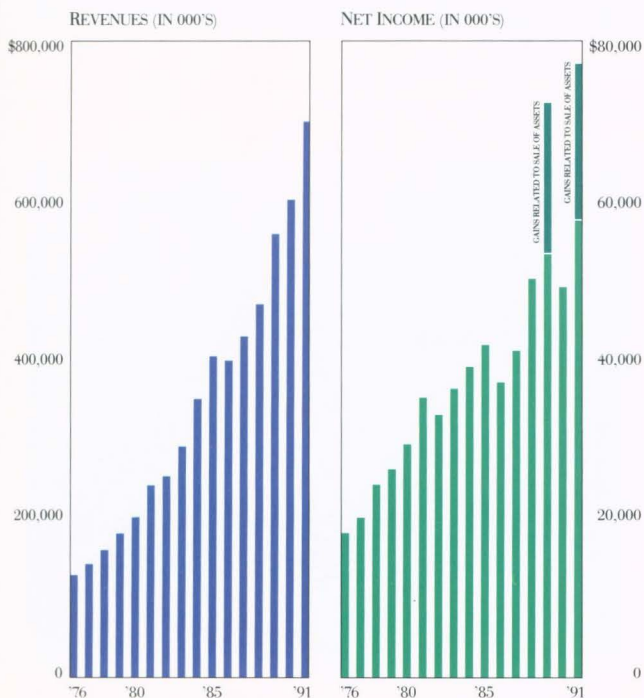
In 1991, the company reduced its cellular holdings outside New York State, giving up 20 properties as part of a transaction with Centel Corporation. Owned mostly through





In another digital installation of the 1980's, switching technician Jim Waldorf connects cable pairs to the main distribution frame.

Opposite page: With the old crossbar frames illuminated in the background, a switching technician checks out the operation of a new #5ESS switch in a central office building in a Rochester suburb in 1987. After its removal, the crossbar equipment was sold or scrapped.



acquisitions of other telephone companies, the company held a minority interest in each property, with little likelihood of achieving either a majority interest or management responsibility.

Today, RTMC manages the company's majority and minority cellular interests in five other states. In all, its cellular interests, including Rochester, represent 1.4 million POPs, or units of population.

Even as it was launching its deregulated businesses, the company was gaining a national reputation for both its financial performance and the innovations it was introducing for telephone customers.

- *Telephony* magazine, a leading trade publication, described the company in 1980 as "the front runner of the telephone industry;"
- *Dun's Review* rated the company as one of the nation's top "dividend achievers;"
- *Business Week* magazine cited it as one of only two utilities in the nation whose five-year cash flows covered all their growth needs;
- *Financial World* magazine selected Henderson as one of the leading chief executives in the industry for three consecutive years;
- Two investment research firms applauded the company's management as "innovative and effective."

As it looked ahead to a new decade, Rochester Telephone's principal mission was planning and managing the transition to a digital environment. It decided to skip analog electronic switching—the generation of switching between crossbar and digital—and go directly to digital systems.

The Rochester company's first digital central office became operational in 1981 in a Rochester suburb. In 1982, it

completed the installation of a Western Electric #4 Electronic Switching System (ESS). Replacing two conventional tandem switches in the Rochester toll center, with ten times their switching capacity, the #4ESS elevated Rochester to a primary status in AT&T's toll hierarchy. Heretofore, Rochester's toll traffic on the AT&T network had been switched to and from Buffalo; with the #4ESS, it could be switched directly to other primary toll centers across the country.

The company's first #5ESS, which like the #4ESS was manufactured by Western Electric, was installed in 1983, laying the groundwork for the many #5ESS conversions that followed.

Like the dial conversion program before it, the transition to digital switching was a team effort of extraordinary dimensions, accomplished in a much shorter space of time. Just eight years after the first digital switch was installed, the final system in the conversion plan was cut into service in a Rochester suburb on September 30, 1989.

It was another historic occasion—the end of the company's crossbar era and the start of the digital age. The journey had required 55 separate cutovers, including 33 remote switches linked to the 20 host offices either with fiber optic cable or electronic carrier systems.

The investment totaled more than \$200 million—well over four times the entire cost of the dial conversion program—but it gave the company one of the most modern networks in the nation. Rochester might have been the last major telephone company to have dial telephones, but it was among the first to provide its customers with a total digital environment and the many enhanced services it offered.

Along with the central office conversions, hundreds of miles of fiber optic cable were installed, including a fiber ring in downtown Rochester to serve the community's largest major

Voices

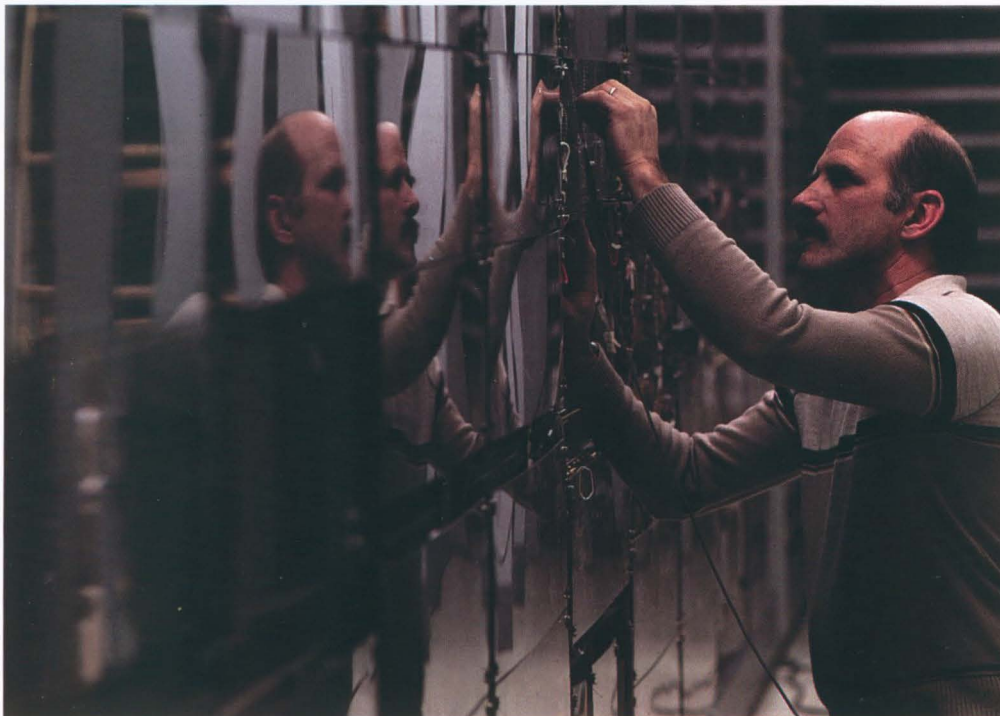
"A 24-fiber cable can replace a dozen 2,200-pair copper cables. So, though each splice takes longer, maybe 20 minutes compared to several seconds, there are far fewer splices to make—24 compared to over 26,000. And the fiber cable is lighter and easier to handle."

Dick Meintel, cable splicer

Central offices throughout Rochester Telephone's operating territory and in other New York State locations are monitored 24 hours a day from this switching control center in Rochester's traffic center.



In the final installation stages of the #4ESS switch at the Rochester traffic center, a Western Electric installer runs tests on the digital interface frame. The switch was the keystone of the company's conversion to a full digital network.



business customers. The company also installed Subscriber Line Carriers (SLC's) to enhance both the quality and capacity of its network and reduce the need for outside plant expansions.

The move to digital technology required record capital expenditures for most of the 1980's. But until 1987, the company was able to finance its programs without any major external financings.

The fiscal structure changed beginning in 1987. That year, the company issued \$70 million in medium-term notes to retire long term debt that had matured and to pay off part of

the costs of its construction programs.

The company's increasingly ambitious acquisition program led to the next financing, in December 1989, when it issued \$100 million in 30-year debentures. In May 1990, it issued \$38 million in medium term notes.

In June 1991, the company issued another \$100 million in 30-year debentures and \$29 million in medium term notes. Those proceeds were used to fulfill a portion

of the cash requirements of the purchase of Centel Corporation's Minnesota and Iowa telephone properties.

So, in the space of a few years, a capital structure that had been the strongest in the company's history took on a vastly different look. Its debt ratio went to 51 percent in 1991, from 37 percent five years earlier. The superior bond ratings of the early 80's also receded, although remaining at good investment grade levels.

Besides its digital network, what had it bought for those hundreds of millions of dollars? The answer lay in its growth as

a company. Not only had it diversified into unregulated markets through RCI and its cellular enterprises, but by mid-1991 it also had 36 telephone subsidiaries in 15 states, ranging in size from a small company in Kansas to a Minnesota operation with 85,000 access lines. Its revenues and sales in 1991 exceeded \$700 million, well over three times 1980's revenues.

Its telephone acquisitions had started modestly in 1974 with the purchase of Sylvan Lake, followed by Highland Telephone in 1976. In 1984, AuSable Valley, a smaller property, was purchased. But all three were in New York State and the company wanted more diversity, less dependence on one economic and regulatory climate.

Rochester industry during the 1980's was undergoing a major retrenchment. In Rochester, more than 20,000 manufacturing jobs were lost as Eastman Kodak Company and other companies reduced their workforces. A number of old Rochester businesses also vanished, purchased by out-of-town corporations and either dissolved or given new operating names.

The company's chief executive officer in 1985 was Alan C. Hasselwander. He had been elected president and CEO in 1984, to succeed Jim Henderson, who became chairman of the board that year prior to his retirement in April 1985.

In February 1992, Hasselwander announced his intention to retire, effective in April, and to serve as chairman of the board in the interim. He was succeeded as president and chief executive officer by Ronald L. Bittner, an executive vice president of the company and president of its Telecommunications Group.

"I believe this is an ideal time for me to leave the CEO position," Hasselwander said in his announcement. "Through the dedicated efforts of our board and our employees, Rochester Tel has achieved a substantial part of its Strategic



Along with the conversion of digital switches, fiber optic cable was installed to connect central offices.



Alan C. Hasselwander was elected the company's president and chief executive officer in 1984. Under his leadership, the company refocused its operations in unregulated telecommunications markets and dramatically expanded its acquisition program. Hasselwander also was an important figure in formulating policies for the industry, serving as a director of the U.S. Telephone Association and as its chairman in 1988-89. In February 1992, he announced his intention to retire later in the year, ending his 35-year career at Rochester Telephone.

The company's new symbol is fastened to the front of its Plymouth Avenue building in 1988. In addition to changing its mark, the company adopted Rochester Tel as its communicative name to more effectively underscore the relationship between the parent company and its subsidiaries.



Plan and is, in my opinion, among the top firms in our industry.”

Al Hasselwander was 50 when he took over as the company's 8th chief executive. Unlike the past three presidents, he had spent his entire career with Rochester Telephone, joining the company in 1957 as a plant trainee and working for a time as a lineman.

Under Hasselwander, the acquisition program accelerated. With the aim of gaining greater flexibility, one of his first objectives was to form a holding company. A petition was filed but later withdrawn after an agreement was negotiated with the New York State Public Service Commission. Under its terms, the company won a significantly greater degree of freedom to invest in both regulated and unregulated ventures without the need for separate Commission action.

The agreement was especially timely because the same year it was approved by the Commission—1986—the company completed negotiations to purchase its second and third out-of-state telephone companies, Breezewood and Enterprise, both in Pennsylvania. The first out-of-state property the company purchased was Oswayo River, also located in Pennsylvania. Another Pennsylvania company, Canton, was acquired in 1987.

In 1988, the company reached into the Midwest to acquire C,C&S Systems, Inc., in Michigan and The Thorntown Telephone Company in Indiana.

Closer to home, it acquired Seneca-Gorham Telephone Corporation, which adjoins its Rochester territory, and its fifth Pennsylvania company, Lakewood Telephone.

The next two years—1989 and 1990—were the most productive. In 1989, Rochester Tel acquired its first companies in Illinois and Wisconsin and added to its holdings in Indiana

and Michigan. The new subsidiaries that year were Inland, Lakeside, Midland and Prairie in Illinois; Mondovi, Lakeshore and Urban in Wisconsin; Ontonagon and Midway in Michigan; and Citizens in Indiana.

In 1990, it acquired 11 telephone properties in six new states—Monroeville, Southland and Lamar County in Alabama and Florida; Fairmount in Georgia; Mid-South in Mississippi; S&A in Kansas; Schuyler in Iowa and Illinois; Mt. Pulaski and Orion in Illinois; and St. Croix and Viroqua in Wisconsin. Altogether, they represented 48,000 access lines.

A major reason for the company's success was its philosophy about acquiring companies. Recognizing that owners and managers of semi-urban and rural telephone companies have strong ties to the communities and customers they serve, Rochester Tel viewed any merger or acquisition as a partnership.

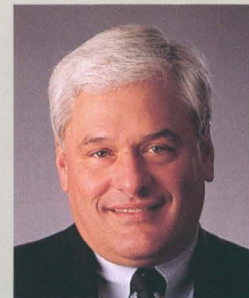
This approach carried over into 1991 when the company completed its two largest transactions: the purchase of the Minot Telephone Company in North Dakota and the acquisition of Centel Corporation's telephone properties in Minnesota and Iowa.

The Centel transaction cost the company \$115 million in cash, 2.885 million shares of new common stock and minority interests in 20 cellular properties in seven states. In return, it got 135,000 access lines, which brought its total number of access lines to more than 850,000 in 15 states. Most important, 35 percent of them were outside New York State, a key objective of the strategic plan.

Thus, in just five years, from the end of 1986 through 1991, Rochester Tel acquired 31 telephone companies, establishing a presence in 13 new states and serving more than 850,000 access lines. They were making a significant



The company's Midtown Plaza Product Center, which was remodeled in 1989 to serve as a showcase for the company's increasing number of products.



Ronald L. Bittner was elected president and chief executive officer in February 1992, at 50 becoming the company's ninth president. Bittner joined Rochester Telephone in 1963 and was named a vice president in 1980. In 1988, he was elected an executive vice president and later president of the Telecommunications Group. In announcing his election, his predecessor, Alan C. Hasselwander, described him as "ideally suited for his responsibilities as CEO, having successfully operated in top positions in the traditional local exchange business as well as the highly competitive long distance, cellular and equipment businesses."

Voices

"We should feel good about what we've accomplished these past ten years. I know I do. But we don't have it made just because of our efforts in the 80's. There's no place for complacency in today's environment."

Alan C. Hasselwander, 1990

contribution to the company's overall performance, too. In 1991, telephone subsidiaries accounted for nearly 40 percent of consolidated operating income. In 1986, it was less than five percent.

Rochester Tel's overall financial performance in the 80's was uneven. There were two standout years—1981 and 1988. Net income from operations in each one of those years increased more than 20 percent over the preceding year. There were declines in net income in both 1982 and 1986.

But in total, the decade's accomplishments were outstanding. Revenues more than tripled, net income nearly doubled, and the corporation's total assets climbed well over a

billion dollars, more than double the total at the start of the 80's.

One of the many significant changes of the decade was a new headquarters building, Rochester Tel Center. Opened in late 1988 and leased from the builder-developer for 15 years, the handsome red brick 7-story building on South Clinton Avenue, across from



Rochester Tel Center in downtown Rochester; Xerox Tower is at the far left. Besides bringing together employees from throughout the area, the building is a visible symbol of the company's continuing commitment to Rochester.

Washington Square Park, brought together more than 1,000 employees from throughout the organization.

For the Rochester company itself, the financial picture of the later 80's was somewhat discouraging. The regulatory environment in New York State had changed substantially and it was affecting the Rochester company's earnings.

After an unsuccessful rate case in 1985, the company

sought an incentive to improve its earnings prospects. In 1987, it negotiated an agreement with the New York State Public Service Commission that allowed it to retain half of any earnings it achieved over its allowed rate of return, with the other half to be refunded to customers. At the same time the Commission required the company to reduce basic rates and forego any general rate increases that would become effective before January 1, 1990.

In 1989, the company and Commission reached a new agreement. This time the Rochester company was granted rate increases and two years of future rate changes tied to inflation. The agreement also continued the company's incentive to exceed its authorized rate of return on equity as long as it shared some portion of any over-earnings with customers.

With the regulatory constraints, the Rochester company's basic rates have remained well below their actual costs. They are the lowest of any metropolitan area in the state, in striking contrast to the 1950's and 1960's when rates in New York Telephone Company communities were usually lower, giving customers another cause for complaints.

The Rochester company's service levels also rank among the best in the state and nation. In 1990, for the second year in a row, the company received service commendations from the New York State Public Service Commission, along with three of its New York State companies—Sylvan Lake, Highland and Seneca-Gorham.

The ratings were supported by periodic customer attitude surveys in which more than 90 percent of those responding consistently rated the company's overall service as good or excellent.

The improvements in service didn't just happen. They were the product of the hundreds of millions of dollars of

Outside the Triangle Building, at Main Street East and East Avenue, where the company had its main offices for 35 years, linemen install fiber optic cable beneath the city's streets. This two-mile fiber ring provides enhanced wideband services to 30 of the company's key customers.



These men and women were among employees who were recognized in 1989 by the Rochester company's *Make the Difference* program for their special responsiveness to customers: from left to right, Lori Garvey, Karen Bell, Dick Conley, Bill Dengler (in the truck), Rosemary Nassar, Ross Dennis (standing by the truck), Jan Todd, and Dick Dierks.



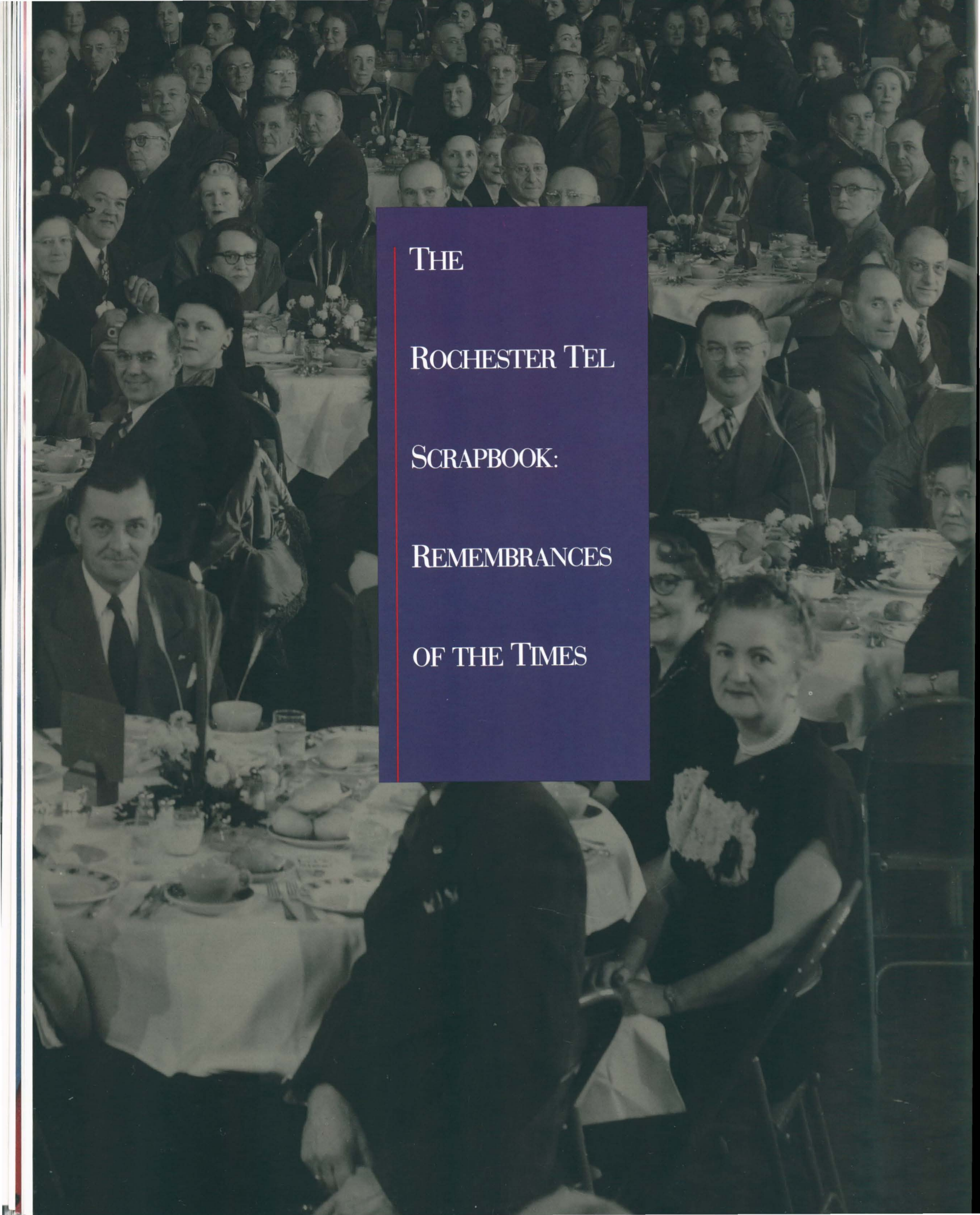
investments made in the digital switches and transmission network, in mechanized line testing, in greater use of the computer in all operating areas, in improved employee training.

Another reason for the high service levels was an increasing emphasis on quality. In 1989, Rochester Telephone established a Quality Institute, with the objective of involving every employee at every level of the organization in the quality process. In 1990, the program was rolled out to the telephone subsidiary group. In the deregulated lines of business, the program is centered on service guarantees that have become an integral element of their marketing strategy.

The importance of employees to the success of the organization is also recognized through such programs as *People Make the Difference*, which singles out telephone men and women who have made exceptional efforts to meet customer needs.

Behind the principles of quality and the employee recognition programs is a new vision of Rochester Tel. Its focus is a corporate culture built around quality and customer satisfaction, of people working together to meet or exceed customer expectations, treating each other with respect and honesty while sustaining a tradition of excellence.

Such a vision was probably out of the reach of the organizations and of the men and women that introduced the telephone in Rochester. But it was their skills and energies that gave the telephone its start; its future depends upon the men and women who follow them.



THE

ROCHESTER TEL

SCRAPBOOK:

REMEMBRANCES

OF THE TIMES

THE TELEPHONE PIONEERS

*For 80 years they've
helped their communities
and the less fortunate*

By the early 1900's, the telephone had become a livelihood for a whole generation of employees, who understandably thought of themselves as pioneers of a new industry. With no one to show them the way, they taught themselves and each other, borrowing from telegraphy and creating and improvising as the need arose.

The idea for an industry-wide society of these pioneers was first suggested in 1910. The next year, on November 2, the Telephone Pioneers of America was founded in Boston. Attending that first meeting were 244 Bell employees.

At that first meeting, Theodore N. Vail, president of AT&T and one of the most influential figures in the telephone's development, was elected the first president of the Telephone Pioneers, continuing in that post until his death in 1920. They adopted as their goals the perpetuation of the ideals and traditions of the industry and the promotion of the fellowship that came from working together.

The first Rochester Pioneers began meeting in 1922 as members of the Empire Chapter, which

covered all of New York State. Its roster included employees of Rochester Telephone, New York Telephone, Stromberg-Carlson Manufacturing Company, Western Electric Company and AT&T.

Rochester area Pioneers formed the Genesee Chapter in 1937. Since then, the chapter has consistently enjoyed one of the highest membership enrollments of all 104 chapters.

The triangular emblem of the Telephone Pioneers symbolizes the three principal purposes of the organization: Fellowship, Loyalty and Service. The emphasis today is largely on service, with individual Pioneers contributing hundreds of hours each year to community activities.

From a movement that began primarily as a social group, the Pioneers have become one of the most community service-minded organizations in the nation.



Opposite page: Some of the 400 employees who attended a 1950 service recognition dinner at the Chamber of Commerce.

Rochester Telephone began its operations from just one building, 59 Stone Street in downtown Rochester. It stood for 65 years. The last of the original structures was demolished in 1965 to make way for new dial offices.

The company's first central office code—the prefix to the

CENTRAL OFFICES

It began with Main and Stone; today it's 3-digit numbers, and over 140 of them at that



The Fitzhugh Street building in 1924.



Just 33 years to the day after it was opened in 1932, this manual office in the village of Honeoye Falls was abandoned in 1965, and later razed, after the community was cut over to dial service.

telephone number—was Stone. The Park and Glenwood codes were added before the 1921 consolidation with the Bell properties.

The Bell company had Main as its first central office code. Chase and Genesee were its other Rochester central offices.

Preceded by the central office name, two and three-digit numbers remained in use in Rochester until 1947. That year, in preparation for its first dial cutover, Rochester Telephone converted all telephone numbers to four digits, with the traditional party-line letters



The Charlotte manual office in 1950; after it closed in 1959, it became a public library.

eliminated. Central office names were retained as prefixes.

By 1956, when a fifth digit was added—Locust 2000, for example, became Locust 2-2000—many of the original office names already had disappeared. The rest vanished

in 1966 when telephone numbers became all-numerical.

For many Americans, the telephone lost much of its romance when 7-digit telephone numbers were adopted and such distinctive names as Klondike, Rhinelander, Murray Hill and Butterfield passed out of existence.

Rochester's central office names were more prosaic, lacking the color of those in other cities. But they performed a function that the all-numerical prefixes of today can't

easily match: They served as a geographical guide to the city. Genesee customers, for example, were located on the southwest side, Monroe on the east side; Glenwood the northwest, and so on.

With today's all-numerical numbers, it's almost impossible for the average customer to remember where each specific central office code is located. There are more than 140 codes in use in the company's operating territory.

For the record, here are the life spans of the Metropolitan Rochester manual central office names Rochester Telephone customers once gave operators thousands of times each day:

<i>Main</i>	<i>1902-1948</i>
<i>Stone</i>	<i>1911-1948</i>
<i>Chase</i>	<i>1902-1927</i>
<i>Genesee</i>	<i>1906-1958</i>
<i>Park</i>	<i>1911-1926</i>
<i>Glenwood</i>	<i>1915-1960</i>
<i>Charlotte</i>	<i>1924-1959</i>
<i>Culver</i>	<i>1925-1955</i>
<i>Monroe</i>	<i>1926-1954</i>
<i>Hillside</i>	<i>1939-1961</i>

Here is a sequence of the construction of the company's Metropolitan Rochester central office buildings:

Manual Offices

Stone Street—1899
**Fitzhugh Street—1900*
**Chase office (Park Avenue)—1902*
**Genesee office (Genesee Street)—1906*
Park office (Park Avenue)—1911
Glenwood office (Broezel Street)—1915
Culver office (Hurstbourne Road)—1925
Monroe office (Field Street)—1927
Hillside (addition to Monroe office)—1939
Charlotte replacement office (Lake Avenue)—1941
**Bell of Buffalo buildings*

New Dial Offices

Stone Street addition—1948
Norton Street—1953
Merchants Road—1955
Fairport Road, East Rochester—1957
Dewey Avenue, Greece—1959
Erie Station Road, Henrietta—1960
Lexington Avenue—1960
Ridge Road, Webster—1961
Brockport—1961
Stottle Road, Chili—1962
Second Stone Street addition—1965
Honeoye Falls—1965
Churchville—1966
Long Pond Road, Greece—1967
Pixley Road, Gates—1971
Pittsford-Palmyra Road, Perinton—1972
Phillips Road, Webster—1975
Brighton-Henrietta Townline Road—1977



In the early hours of January 17, 1965, workers await the signal to disconnect the company's first dial equipment at Stone Street and activate a new crossbar office; above, the "tombstone" for the old Rotary dial office.

SWITCHING

From manual to digital systems is a journey of light years

Today's switching of telephone calls is literally light years away from the manual switchboards of yesterday.

To connect two telephones on a manual board, the operator inserted the plug of a cord into the caller's jack, then plugged the other end of the cord into the jack of the called telephone. If the call was being made to another central office in the same city, the operator used an inter-office trunk and the operator in that office would connect the trunk, and the caller, with the called party.

The first automatic switches were called "step-by-step", so named because the calls progressed through the switches in steps. The dialing of each number or letter initiated another action. The major drawback was that all of the switches remained in the connection until the conversation was completed; they could not be used to process other calls.

At Rochester Telephone, step-by-step systems remained in service in a number of small communities



Ken Okolowicz, a central office foreman, examines a line card in the company's first #5ESS office.

until the 1980's when they were replaced by digital #5ESS systems.

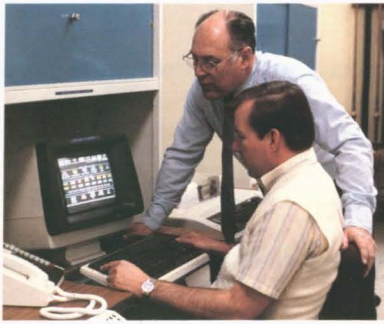
Crossbar switching was the next significant advance. In crossbar machines, common control equipment records the number dialed, decides how the connection should be made—the proper path through the switched network—and triggers the electromagnetic relays to make the connection. The common control equipment then withdraws from the connection and awaits the next call.

Rochester Telephone put its first #5 crossbar switch in service in 1953. By 1971, it had Western Electric #5 crossbar systems in every Metropolitan Rochester central office.

In 1974, the company installed its first stored program control

switching system (SP1), which made the first real use of the computer in switching.

From the SP1, made by Northern Electric, the company moved to the #1ESS, manufactured by Western Electric. Instead of



Foreman Ron Walker and switching technician Dick Conley; seated, use a terminal to make a line change in the Stone Street digital switch.

relays, ESS machines use integrated circuit boards and are controlled by a central processor. The circuit boards contain instructions for control of the system along with data on customer lines, equipment, special features, etc. In addition, the machine constantly monitors its circuits and lines, diagnosing its own problems.

A digital time division switch has all of the features of electronic systems, plus the capability of transmitting calls in binary bit streams—off-and-on pulses rather than

analog waves. The process, called time division multiplexing, allows thousands of calls to share a single fiber optic link, with calls switched at close to the speed of light.

Rochester Telephone installed its first digital switch in 1981, a Nippon NEAX 1250, one of the few available in the marketplace at that time. It changed to Western Electric's #5ESS in 1983. All but three central offices are now equipped with #5ESS machines, and those are scheduled to be replaced in the next few years.

Inventor of the dial phone had Rochester roots

For a city that was one of the last in the nation to have



dial telephones, it's somewhat ironic that the inventor of the first dial system was born in the Rochester area.

Almon Brown Strowger was principal of a school in Penfield, a town adjacent to Rochester, before he went to Kansas City in the 1880's. There he became an undertaker.

Convinced that he was losing customers to rivals because operators were misdirecting his calls, he worked to devise a system in which the calling party would directly control the equipment, without any operator assistance. He filed a patent for his automatic telephone exchange in 1889.

The system, originally exhibited and advertised as the "girl-less, cuss-less, out-of-order-less, wait-less telephone," used a step-by-step, magnet-driven mechanism. The

electrical impulses were created by pushing a series of five buttons on the telephone.

In 1891, the Strowger Automatic Telephone Exchange was formed. The first system was placed in service in LaPorte, Indiana; by then, engineers had replaced the pushbuttons with the dial.

Strowger sold his interest in the company in the late 1890's and retired to Florida, where he died in 1902.

FROM OPERATORS TO EXECUTIVES

*Women's role in the
business has changed
dramatically*

The telephone industry has historically been one of the nation's largest employers of women. In 1900, when women made up less than 20 percent of the U.S. work force, there were 19,000 operators in the U.S. Twenty years before, there had been virtually none.

Despite its social acceptance, the job paid poorly and working conditions were not always the best. In 1910, an operator at Rochester Telephone Company started for as little as \$4 a week, and earned nothing for her first three weeks while she learned the job.

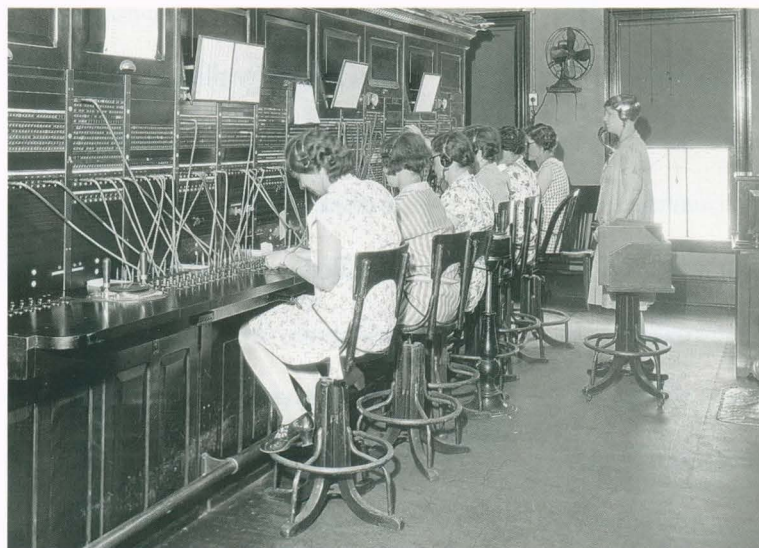
It was still very much a man's world in those days. Men outnumbered women by a million and a half, they ran the nation's businesses, cast all its votes, and pro-



A portrait of a chief operator of the 1920's, Mary O'Connor.

duced most of its arts and literature. Women were barred from most clubs, restaurants, saloons and tobacco shops—in 1904 a woman was arrested on Fifth Avenue in New York City for smoking a cigarette in public.

The passage of the 19th Amendment and the changes in lifestyles during the 1920's gave women an increasing measure of freedom. By 1930, ten million women were working, most of



Operators in the Dansville office in 1929.

"Women employees accepted for employment on and after January 15, 1935 will be notified that upon marrying they must resign, and this condition will be included in the application for employment which (they) must sign."

Rochester Telephone, 1935

them wearing clothing considered scandalous just 10 or 15 years earlier.

World War II accelerated the influx of women into the work force, with five million women taking jobs for the first time. By 1960, a third of the work force were women.

Until Rochester Telephone began its dial conversion program in the late 1940's, half or more of its



The Business Office in 1959 when it was located in the Stone Street building.



Cable repair foreman Mary Ellen Hildmeyer and her crew in 1975.

employees were operators. As late as 1952, there were twice as many women employees as men, the vast majority of them in traditional jobs.

"Sometimes the men were super and sometimes I was tested. I had to fight certain small battles. When I was new to installation and repair, for example, the men figured that because I was a woman, I would make the coffee. No way!"

Mary Ellen Hildmeyer, foreman

By 1969, there were nearly 200 more men employees than women and the number of operators had dropped to about 15 percent of the work force.

It was in the 1960's that women first began to work in jobs that had been exclusively held by men. More women also were hired for, and promoted into, management positions.

In the Rochester Telephone of the 1990's, women comprise

about half of the work force, with about 45 percent of them in management jobs and several in senior management positions.

While women have yet to achieve full equality in the American workplace, they perhaps have done as well in the telecommunications industry, and at Rochester Telephone, as in most other businesses.



One of four women serving as department heads in 1991, Josephine Trubek was elected secretary and general counsel in 1989.

THE TELEPHONE

*Today's styles reflect
the improvements in
the quality and scope
of service*

Since the beginnings of telephone service, the telephone instrument has remained its most obvious and visible symbol. It has become one of the most familiar objects in the world.

The first instruments were crude. To make a call, the subscriber had to turn a crank, press a knob, and wait for his own bell to ring. Then he turned a switch, waited for an operator, told the operator whom he wanted to call, by name, and waited for his own bell to ring again. This meant the party was on the line. After hanging up, he signaled the operator to disconnect by turning the crank.

It took as many as five operators to complete the call and anywhere from 5 to 20 minutes to get it through.



An early magneto wall set.

The connection also was usually bad. A good deal of shouting was necessary and because the telephone user spoke and listened through the same end of the instrument, he was continually reminded not to talk “with your ear or listen with your mouth.”

Improvements in both transmitters and amplifiers gradually improved transmission quality. But the sets themselves remained large and unwieldy, with batteries and cranks required to operate them. The batteries required constant testing and replenishing, with their fluids occasionally leaking onto floors.



The popular candlestick phone.

By the early 1900's, battery power was installed at central offices, allowing the sets to become smaller. This led to the upright desk set, known popularly as the candlestick, which became this country's standard for the next 25 years.

In the 1920's, the telephone took on a more stylish look. With a combined receiver-transmitter handset based on a European design, it was quickly nicknamed the French phone.



1928 desk set, nicknamed the French phone.

The most important development in the 1930's involved the telephone bell, which was placed in the set itself. Until then, separate bell boxes were required.



This dial desk set, with the bell in the base, remained in general use well into the 1960's.

Color telephones were introduced in the 1950's, in both desk and wall models. The desk set acquired a new kind of glamour in 1960 with the Princess set. Its compactness and illuminated dial made it a natural as an extension in the



A color wall telephone of the 1950's.



A push-button desk set, marketed by the company as TouchPhone.

bedroom. The Princess was later replaced by the Trimline telephone, which under the name of Slimline



The Princess telephone, which featured an illuminated dial.

became the most popular premium telephone Rochester Telephone ever offered.

"When I started working on PBX's in 1956, Stromberg-Carlson, Western Electric and Northern Electric made just about everything. But today there must be 100 different manufacturers of switches, tailoring their switches to the customer's needs, whereas 30 years ago you had to settle for what was out there."

Bill Schaefer, repair technician



The premium Trimline telephone, sold as Slimline by Rochester Telephone.

The push-button telephone made its first appearance in Rochester in 1967. Marketed under the name TouchPhone, it gradually replaced the dial phone in most homes and businesses.

Technology has turned the plain old handset into a sophisticated electronic instrument, providing a number of features. Its capabilities are further enhanced when it's plugged into today's digital networks.



One of the popular clock-radio-telephones of the 1990's.

THE LIFE AND TIMES OF A TELEPHONE BUILDING

*Voices filled
its rooms for more
than 50 years*

For the youthful Rochester Telephone Corporation, one of the major accomplishments of its first few years was the 1925 opening of the new Culver central office building. It was the company's single largest project since its predecessor company, Home Telephone, opened its doors on Stone Street in 1900.

It was a typical central office building for its time. In the

basement were the heating plant, cable vault and storage batteries. The ground floor housed the test desk, main frames and other power equipment. The operators' rest rooms, lockers and cafeteria also were on the first floor.

On the second floor were two separate switchboards, designed to serve 3,400 lines. The "A" board, with 20 positions, handled calls from Culver customers. The smaller



The Culver central office building shortly after it was opened in 1925.



The switchboard room on the second floor; initially, 26 positions were equipped for operators.



The entrance to the building's training area.

"B" board took incoming calls from outside the Culver office, connecting them to Culver customers.

Over the next 30 years millions of calls were completed through those two switchboards, calls that touched the lives of many thousands of people. Help was summoned, invitations were issued, dates made and broken, deaths and births reported.

In 1955, the dial conversion program reached the Culver office. A new building was erected next door to house the dial switching equipment and frames. In the Culver, or Hurstbourne Road building, as it was called within the company, the switchboards were dismantled and taken away, and the operators given other assignments.

"It was hot in the summer and extremely busy, but we all worked hard with a feeling that we had accomplished something. There was a tremendous lot of friendship there."

Tamara Maloney, Culver operator

The building itself survived. For the next 15 years, it served as the center for the company's engineering operations. It was here that other dial conversions were planned; equipment evaluated and ordered; new cable routes laid out to meet the explosive growth of Rochester's suburbs.

After another remodeling, in 1969 it also became home for the company's training programs. Hundreds of employees learned new skills in its classrooms.

In the mid-1970's, as the need for new employees decreased, training was moved to other locations. The last of the engineering groups moved out, leaving the once humming building silent and empty.

Except for its basement cable vault, which remains part of the adjoining Merchants Road central office building, it was razed in 1978. With it went the last faint echoes of the voices that had filled its rooms for more than a half century.

"There was always a jigsaw puzzle going on in the lounge on the first floor. Once a lady in the house next door called in to complain about the stacks of puzzles piled in the window!"

Margaret Dreas, Culver operator



An aerial view of the Culver office and the adjoining Merchants Road office just after the dial cutover in 1956.

GENERATION TO GENERATION

*Telephone work
is a tradition
for many families*

The Rochester Telephone of today has been described as a family of companies. The same might be said of many of its employees—it's not uncommon for three or four generations of one family to work in the business.

An informal survey conducted in 1967 showed that of the company's then 2,700 employees, one

of every six was related—husbands and wives, fathers and sons, mothers and daughters, brothers and sisters, nephews and nieces, cousins, etc...

Sometimes they met as employees, married and had children who became telephone workers themselves. Here's the story of one such family:

A loving connection for 60 years

Back in the early 1920's, a young Rochester Telephone night operator was always quick to volunteer to take a big box of pencils from the third-floor

operators' room at Fitzhugh Street downstairs to sharpen them.

The more pencils there were, the happier Letitia Clancy was.

That's because there was a nice



Frank and Letitia Angevine in 1986, and at right, just after their marriage in 1926.

repairman, Frank Angevine, who often came over to chat with her while she was sharpening all those pencils.

The operator knew what she



The Angevine telephone family; with Frank and Tish seated, and Don Angevine and Verna Nelson behind them.

was doing. On June 2, 1986, Letitia Clancy and Frank Angevine celebrated their 60th wedding anniversary.

Together, they have raised five children and greeted the births of 21 grandchildren and seven great-grandchildren.

And Rochester Telephone has played a vital role in their lives:

- Frank Angevine worked for the company for 45 years, retiring in 1968.
- Letitia Angevine worked 29 years.

She started in 1921, took a 19-year break to stay home with their children, and returned in 1946 to work until 1964.

- Their daughter Verna worked 31 years for the company, starting in 1950 at the manual Genesee central office. Like her mother, she took time off to have children—six of them—and returned. She retired in 1986 with 31 years of service.
- Don Angevine, the youngest son, has been with the company since 1955. He is a foreman-installation/repair.

“We think of the company as family. It supported us while our children were growing up. And it still does,” says Frank Angevine.

Frank Angevine worked at Fitzhugh Street as a repair service clerk for 20 years, often working nights, which is how he met Letitia.

Later, he worked at the Genesee Street office, and in the old Monroe central office at Field Street, where he was a foreman. From 1960 until his retirement in 1968, he headed a cutover committee and moved from office to office preparing them for conversion to dial switches.

Tish Angevine started with the company in 1921 at the age of 15, a time when first names weren't used.

“We all called each other Miss So-and-So,” she says. She and her co-workers never spoke to anyone on duty except their supervisor and occasionally wished they had roller skates at night when a call would come in at the far end of the switchboard.

Later, she worked at the Genesee office, not too far from the home where the Angevines have lived for 48 years. She also worked in dial administration at Fitzhugh Street.

“I worked with wonderful people,” she recalls. “We were almost like a family.”

The Angevines were married June 2, 1926 in Caledonia, her hometown; her parents had come to the U.S. from Scotland when she was 5.

She sums up her feelings about their 60 years of marriage this way: “We don't know what we'd do without each other.”

Reprinted from the August 1986 TIELINE

EVERYTHING FROM A TO Z

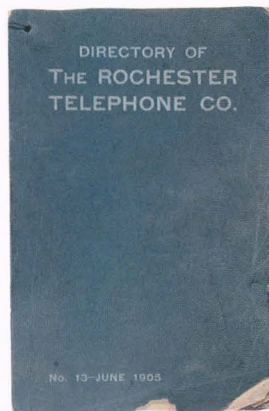
Modern telephone

directories are bigger in

size, and in revenues

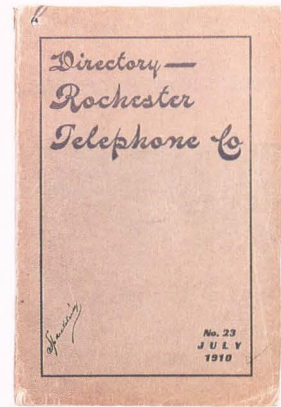
The nation's first telephone directory was published in New Haven, Connecticut, in 1878. The 50 customers were listed on a single sheet of paper. There were no numbers, just the names and addresses of the customers.

Rochester's first directory, issued in November 1879, was much larger, but also had no numbers. It carried 32 pages of customer listings, 11 pages of advertisements, six pages of notices and instructions on how to use the telephone, plus a discussion of the dispute over who actually had invented the telephone (as a Bell of Buffalo directory, the article supported Alexander Graham Bell's claims).



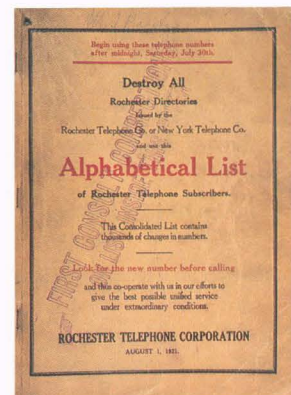
A few of the customers listed in that 1879 directory are still Rochester Telephone customers today—Alling & Cory, Bausch &

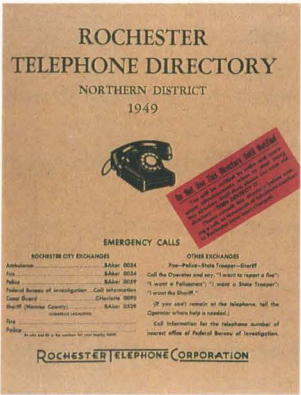
Lomb Optical Company, The Democrat & Chronicle, and the Genesee Brewing Company.



By 1910, directory listings included the customer's name and his full address. The Rochester Telephone Company directory that year had telephone numbers that ran from 1 to 7644. Walter W. Powers of 234 East Ave. had Stone 1. George Eastman, farther down the street at 350 East Avenue, had Stone 5600.

The Bell directories of that period lumped all of Western New York within its covers; Rochester listings appeared with those of





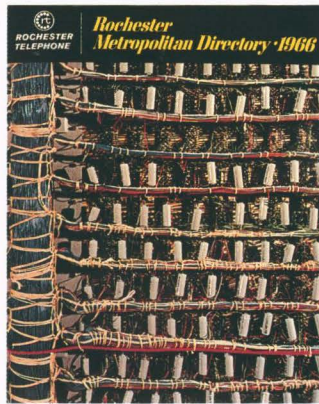
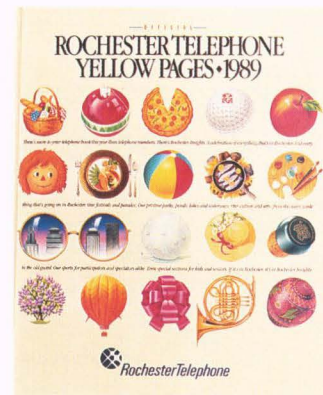
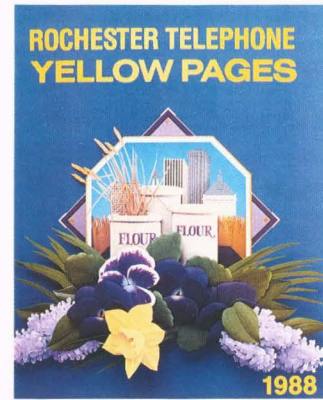
Buffalo, Niagara Falls, Lockport and other communities.

Until 1947, Rochester Telephone's directories carried advertising on their front covers. Phone books then were usually published twice a year. The Metropolitan Rochester book was called the Northern District directory and the communities outside Monroe County were combined in a smaller Southern District directory.

In 1959, the covers assumed a more contemporary look when illustrations were introduced. The first full color photograph appeared in 1963.

Rochester Telephone began publishing separate White Pages and Yellow Pages directories in 1984 and in 1991 began to offer four-color ads to advertisers. Yellow Pages advertising has become an important source of revenue for the company, comprising more than 10 percent of its operating revenues.

Another change in directory publishing has been in the recycling of old books. Once collected routinely and sold as waste paper—



Phone Book



This cover was used by telephone companies throughout the country in 1976 to mark the centennial of the telephone and the nation's bicentennial.

the company reported in 1923 that "25,875 pounds of old directories were picked up and sold for a tidy sum" – today's huge telephone directories have become an environmental concern. Rochester Telephone is now cooperating with the City of Rochester and Monroe County and with suppliers to recycle used books and reduce the waste problem.



These are some of the 183,000 directories collected for recycling in 1973.

STORMS AND OTHER DISASTERS

*Nature, fire and
accident have all done
their damage*

Over the years, Rochester Telephone's plant has been damaged countless times by ice, wind, snow, rain, fire and accident.

Ice storms—rain that falls as sleet and freezes on trees, poles and wires—have caused the worst damage. Under the weight of the ice, poles and wires break or topple to the ground, silencing the telephones they connect. Falling trees and limbs present a danger in both ice storms and wind storms.

Rain and flooding can also cause heavy damage. If moisture penetrates a cable or wire, above ground or below, service can be short-circuited.

If light enough, snow is not especially harmful. But heavy, moisture-laden snow can be almost as damaging as ice or rain.

"Many times operators had to walk three, four or five miles through freezing blizzards to get to work. I can remember being so cold after walking, because I couldn't drive my car, that I was crying when I got to work."

Lillian Fogarty, operator

Fire poses the worst threat because it can destroy a central

office building or switchboard and disrupt service for weeks or even months.

The most preventable damage is machine or equipment hits to cables, usually done during construction work.

For telephone companies, one of the most serious effects of storms or disasters is the peak calling volumes they generate and the congestion caused in the network. In times of emergency and crisis, the public turns to the telephone, but the network can't always accommodate the extraordinary demand, resulting in delays in dial tone.

Some of the heaviest demands on the network have come in times of national calamity and tragedy. The death of President Franklin D. Roosevelt and the assassination of President John F. Kennedy both triggered record calling volumes for their times.

Following, by incident, is a brief accounting of the worst storms and disasters that have befallen Rochester Telephone:



Rewiring the Stone Street frame after the 1908 fire.

May 24, 1908

A fire in the Stone Street central office shut down the company's entire operation for two weeks. Employees had to rewire all the frames and the switchboard before service could be restored for the company's 11,000 customers.

June 25, 1923

A windstorm ripped through the Rochester area, knocking out about 2,000 telephones.

December 7 and 17, 1929

Two sleet storms inflicted what the company described then as "the worst blow local service has ever



One of the hundreds of poles downed in the 1929 ice storm.

been dealt." Nearly 12,000 telephones were knocked out of service, more than a third of them outside Monroe County. At the peak, more than 800 men worked to restore service—600 Rochester Telephone employees, 150 from 12 other telephone companies, and 100 hired as laborers. Even with those numbers and setting 100 new poles a day from January 1 to February 6, service was not restored to all subscribers until February 15, 1930, at a cost of more than \$1 million.

"A gang would start out in the morning to patch breaks and get a circuit through; the hardest kind of toil in the extreme cold, fighting the ice, struggling to get a pair O.K., working from dawn to dark and starting out next morning with the thought that today we'll surely get through, only to find that during the night a tree had come down over the line, more poles had crashed under the load and wires that were repaired yesterday were down today."

A foreman, 1929



Restoring service after the Livonia central office fire of 1930.

March 19, 1930

Fire destroyed a three-story building that housed the telephone office in Livonia, disrupting service for 600 subscribers. Working round the clock, installers restored service within 30 hours.



The aftermath of the 1936 ice storm; the area outside Rochester was especially hard hit.

March 17, 1936

Sleet, snow and rain pelted the Rochester area, felling poles, wires and trees and flooding highways. About 4,500 telephones were put

out of service, with entire communities isolated for several days. Every wire between Canandaigua and Naples was downed.

November 29 & December 11, 1944

Two massive snowstorms struck the area within a two-week period, making roads impassable throughout the area. The first, accompanied by high winds that blew for three days, resulted in 150 broken poles and 1,700 downed lines. The December 11th storm was less damaging to the company's plant, but effectively shut down the City of Rochester and required exceptional efforts by employees to cope with the heavy calling volumes.

October 16, 1954

Hurricane Hazel knocked out about 1,200 telephones.

June 25, 1958

A windstorm with gusts of over 100 miles per hour flattened poles and wires; 6,500 telephones were put out of service.

December 28-29, 1959

About 5,000 telephones were stilled by an ice storm that crippled the

Rochester area. Service wasn't fully restored until the first week of January.

November 5, 1965

When power went off throughout New York State and much of the Northeast in the Great Blackout of 1965, the telephones kept working. Aside from some delays in dial tone, the company's network withstood the crisis.

January 30-31, 1966

A snowstorm packing high winds paralyzed the area, stranding most people in their homes for two days or more. There was little damage to plant, but calls were at record levels until February 2.

October 22, 1970

A contractor working on the Lincoln First Tower project

pounded a one-ton I-beam into six telephone cables carrying 8,600 pairs of wires, rupturing service for most businesses in downtown Rochester and tying up the long distance network. Service was



This I-beam smashed six telephone cables near the Stone Street office in 1970.

partially restored the same day, with nearly 70 percent of customers back by evening.

June 23, 1972

Hurricane Agnes lashed Western New York and the Southern Tier.



Flood waters at the Mt. Morris garage in 1972.



A service van makes its way along a snow-banked road in the 1970's.

Damage to plant was limited, but the company's operations center in Mt. Morris was flooded, forcing the evacuation of vehicles housed there.

March 2-3, 1976

An ice storm struck Western New York, with the company's service area outside Monroe County particularly hard hit. At least 3,500 drop wires were downed in Livingston County, hundreds more in Genesee, Ontario, Steuben and Wyoming counties.

January 28-30, 1977

A blinding snowstorm dumped up to 34 inches of snow on the Rochester area. Most plant facilities were unaffected, but dozens of employees were stranded at work locations and calling volumes rose to record levels.

March 3-4, 1991

The most destructive ice storm in the area's history left the Rochester area reeling for weeks. Under the weight of tons of ice, thousands of trees were downed or severely damaged. Damage to Rochester Telephone facilities was unprecedented—hundreds of poles felled or damaged, 71,000 drop wires

downed, with service disrupted for more than 60,000 customers. At the peak of the company's restoration efforts, 750 men and women were in the field, more than 300 of them from other telephone companies. Even with the outside help, it took nearly three weeks to restore service to everyone affected, and at a cost of more than \$9 million.



The morning after the ice storm of 1991, probably the most devastating in the company's history.

INFORMATION— DIRECTORY ASSISTANCE

*“Give me the one-armed
lawyer whose last name
begins with ‘Z’”*

In the early days of the telephone, Information provided much more than telephone numbers. It was customary then for the Information operator to have reference books from which she could obtain a variety of information—train arrivals and departures, weather reports, baseball scores,



Operators at the Information desk in 1925.

locations of fires, recipes, spelling of words.

Among other arcane information, Rochester Telephone Company used to maintain the location of watering troughs for horses. Farmers who came into Rochester to sell or trade their produce frequently called Information to ask for the nearest

watering trough to water their teams.

In 1925, the company recalled some of the questions its operators had received over the years:

“Give me that woman in the Central Building that sells stockings...”

“Can you spell ‘guarantee?’”

“I want a party on Park Avenue. He has a son who lives three miles from Geneseo, and he drives a Maxwell in the summer, everybody knows him.”

“Is the water in the river very riley today?”

“Can a child under 12 years of age talk to Buffalo cheaper than an older person?”

“Give me the one-armed lawyer whose last name begins with ‘Z’...”

“Can you give me the population of Mexico?”

“Is the South Pole supposed to be very cold?”

“Give me Mrs. Cohen—she sells chickens under the bridge.”

“I’m looking for a dressmaker—the last of her name is ‘nacht.’”

“Can you tell me how much it will cost to send a horse to Cooperstown?”



The turret-type files pictured above were used by Information operators to obtain new or changed numbers until 1961 when they were replaced by a comprehensive telephone directory that was updated daily, photo below.

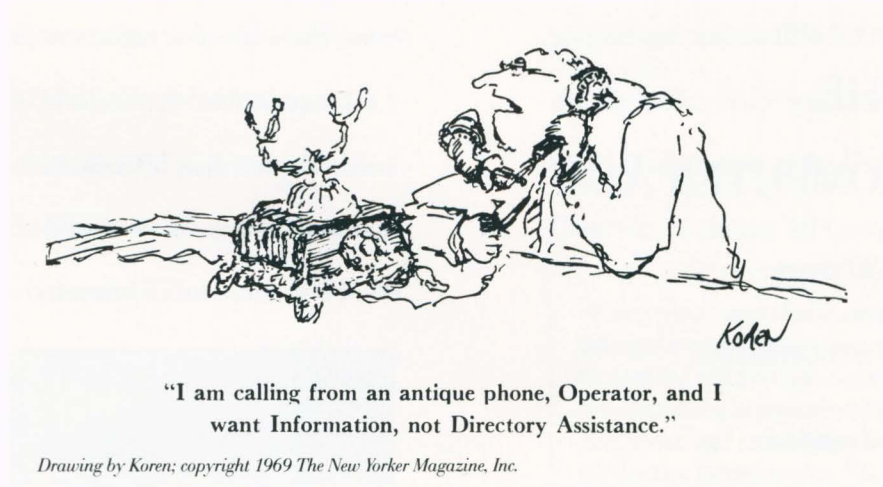
The company gradually began supplying less and less general information. Its biggest problem was the thousands of customers who wanted the operators to look up the numbers for them, whether they were listed in the directory or not.

Through the years the industry made periodic efforts to discourage unnecessary calls with varying degrees of success, even changing

the name of the service to Directory Assistance in the late 1960's.

The most effective measure was charging for calls, which Rochester Telephone initiated in 1980 and which sharply reduced the volume of calls.

Since then, assisted by increasingly sophisticated computer systems, Directory Assistance operators have been able to concentrate on their main job—providing new or changed telephone numbers.



"I am calling from an antique phone, Operator, and I want Information, not Directory Assistance."

Drawing by Koren; copyright 1969 The New Yorker Magazine, Inc.

"Young women of courtesy, tact, patience and intelligence are the only young women the Rochester Telephone Corporation keeps on its 'Information' desks. They may be beautiful, but they can't be dumb."

Rochester Times-Union, 1935

THE COMPUTER AGE

*In 30 years,
it's revolutionized
the business*

Seventy years after the telephone was shown at the nation's Centennial Exposition in Philadelphia, the world's first electronic computer was unveiled in the same city.

ENIAC—the acronym for Electronic Numerical Integrator and Calculator—had 32 separate units, stood nine feet high, occupied 1,800 square feet of space, and weighed more than 30 tons. Its hundreds of miles of wires and 18,000 vacuum tubes generated so



Jim Meehan, left, and Ken Rütenthaler inspect the wired control panel of an IBM machine in 1961.

much heat that special refrigerating machinery was necessary to prevent it from melting.

It may have been ugly and cumbersome, but it worked, performing mathematical calculations a thousand times faster than any other existing calculator, human or mechanical.

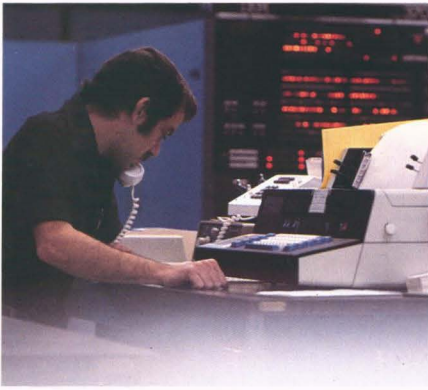
Today's computers are roughly a million times faster than that crude 1946 model. A computer designed today to handle the same scale of operations as ENIAC would be about the size of a typewriter and cost less than \$1,000.

The computer revolution was touched off by the invention of the transistor and the later development of printed circuits on silicon chips. They made possible miniaturization and phenomenal transactional speeds.

At Rochester Telephone, the computer has been instrumental in helping the company achieve the operating efficiency and quality of service required in a competitive age. Virtually all of the Rochester company's operations are mechanized, with a data processing operating and planning staff of 175 employees.



Clerks updating customer records on key punched cards in the 1960's.



This was the control center of the company's computer system in 1977.

The company began on a small scale in 1960 with the customer billing process. The system featured an IBM punched card using various IBM machines that were programmed by wired control panels.

In 1964, the first 1410 IBM computer system was installed. Featuring magnetic tape drives and a fixed disk storage device, its major application was the rating of long distance calls and settlement and billing. The next year, a second 1410 was installed to mechanize the service order process.

The next important advance came in 1970 when the 1410's were replaced by third generation IBM 360 Series Computers. In 1975, the IBM 370-155 was brought in. It made possible the company's first mechanized service order entry and processing system, the first disk-based customer data base and



Programmers Doug Snell, left, and Tom Deeks among disc drives in the Midtown Plaza computer center in 1979.

Customer Accounts Record System (CARS), which led to the elimination of paper records in the Business Office.

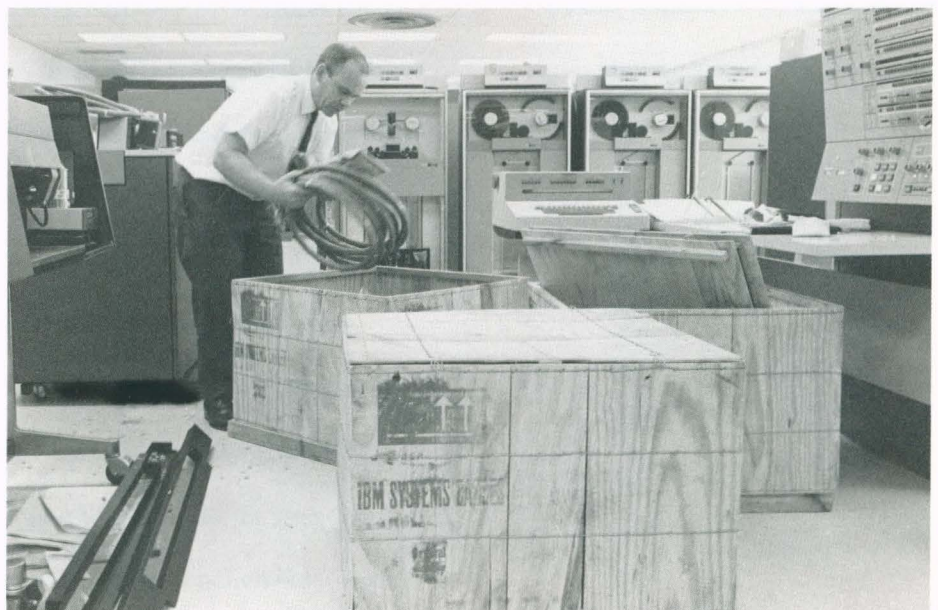
From 1978 through 1988, the company was a pioneer in the use of non-IBM plug compatible computers. Manufactured by Hitachi Ltd. in Japan and marketed in this country by ITEL Corporation, these computers

utilized IBM programs, but more efficiently than existing IBM machines. Using these systems, virtually all company functions were mechanized and on-line terminals installed at most work locations.

In 1988, the Hitachi line was phased out and an IBM 3090-200E installed. This is the system currently in operation at the Computer Center in Rochester Tel Center.

"Thirty years ago there were 50 clerks who just processed tickets for toll billings. Today all the toll billing is processed by computer. But the volume of toll traffic has increased so much that I imagine it would take over 1,000 clerks to do it by hand—if it could be done at all."

Tom Sharkey, staff analyst



An IBM engineer unpacks equipment for the 360-40 system installed in 1970.

IN TIME OF WAR

Five telephone men

have given their lives

There have been four wars in this century involving the U.S., and Rochester Telephone men and women fought in every one of them. Five gave their lives.

In World War I, more than 25 Rochester Telephone *Company* employees served in the armed forces, including Marie Belanger, who was an operator in France. One was killed in action, Alan Eggleston, who was a test deskman when he enlisted in April 1917.

A generation later, more than 100 men and women served in World War II. Two of them died. Clark Bevin was killed in a crash of his Army Air Corps training plane in Arkansas in 1943. The next year Glen Butler, a troop carrier pilot in the Air Corps, was lost over New Guinea.

Both men were memorialized in the name of the company's American Legion organization, the Butler-Bevin Post.

About 15 Rochester Telephone men served during the Korean War, many of them World War II veterans, without casualty.

Well over 50 employees were in the Vietnam War. Two of them, Michael Brady and Joseph Williams, were killed in action in 1969.

Both came from telephone families. Mike Brady's father and two brothers worked for the company; Joe Williams' mother had been an operator.

"I'd never met Joe Williams' mother, but she knew my name. She kind of put her arms around me at the funeral home and told me I must have meant a lot to Joe: 'He brought you home with him to our supper table every night for three months. He was always filled with what you said or did. Thank you for looking after him.'"

Harold Murphy, line foreman

More recently, several reservists were called to active service in the Persian Gulf conflict, returning without incident.

LABOR RELATIONS

Unions got their

start in 1934

The labor movement at Rochester Telephone had its beginnings in 1915 when the International Brotherhood of Electrical Workers attempted to organize employees.

When the company refused to recognize the union, about 110 employees—approximately 80 men and 30 women—left their jobs. Five months later they voted to end their walkout, but not all were re-employed. The IBEW never was able to establish a union.

With the passage of the National Recovery Act in 1934, employees formed the Employee Association of Rochester Telephone Corporation as an independent union.

In 1942, plant employees—the installation, maintenance, construction and central office forces—left the group and formed a separate union, the Genesee Valley Telephone Workers. In 1946, it joined the National Federation of Telephone Workers and the next year participated in a nationwide strike called by the federation, which later

changed its name to the Communications Workers of America. In 1951, the Rochester Telephone group became Local 1170 of the CWA.

The original Employees Association became the Rochester Telephone Workers Association, which has remained independent. It represents non-plant employees—operators, service representatives and other office workers.

As in the rest of the industry, the company's labor relations have been a mixed bag. The CWA local's two major strikes, nine weeks in 1961 and 28 weeks in 1974-1975, were called after collective bargaining talks failed to reach new agreements. A number of brief walkouts also have occurred over the years.

FACES FROM ANOTHER TIME

*The telephone
was part of
their lives, too*

The photographs on these pages are of men and women hired by Rochester Telephone Company between 1900 and 1915. Their pictures were pasted on small index cards, which then became the record of their employment with the company.

Most looked directly at the camera for their pictures. Many of the men put on ties, even though they never were to wear one on the



job. A few kept their hats on.

Nearly all the women became operators, starting out for as little as 8 cents an hour and working 10 hours a day, six days a week.

The men were hired as linemen, installers, switchboard workers, splicers, trouble men, inspectors, shopmen, chauffeurs, construction helpers. Depending upon their experience, their starting wages usually ran higher than what the operators received, from 15 to 25 cents an hour.

Telephone work was more transient then. Scores of operators quit their jobs every year, about half of them to get married. Others resigned because of ill health or because their mothers were ill or because they were “going out of town,” a frequent notation on the employee records then. Some never gave any reason.

The men who quit mostly left for other jobs. A large group resigned en masse in 1915 to take part in an organizing strike that failed.

Nearly all of them lived in the city, close to downtown, either taking street cars or walking to work. Few could afford automobiles.

There is no record of how they viewed their job or the company, of what they did in their off-hours, whether they were married or had children...

But like the employees of today, the telephone was a focal part of their lives. Their contributions to its development in Rochester, along with their photographs, remain an important part of the record.



EMPLOYEE'S RECORD					RATE		PAY ROLL NO.		RATE		PAY ROLL NO.	
DATE	DEPARTMENT EMPLOYED	OCCUPATION	RATE	PAY ROLL NO.	RATE	PAY ROLL NO.	RATE	PAY ROLL NO.	RATE	PAY ROLL NO.	RATE	PAY ROLL NO.
3/23/16	Equipment	Chauffeur	2.50	9	2.75	16	\$3.00	39	\$3.00	32		
9/2/16	"	B. Suttall	2.75	"	3.00	"	3.25	39	3.50	32		
5/3/17	"	"	3.00	"	3.50	"	2.75	"	3.00	32		
1/2/18	"	"	3.50	"			4.25	23	3.25	32		
1/4/18	"	Class Suttall	3.75	"			4.50	"	3.50	"		
1/5/18	"	" B "	4.50	"			5.00	"	3.50	11		
1/6/19	"	" A "	4.25	"					4.00	"		
CHANGE OF ADDRESS					26/20. 5.00 a day		before 1899 - 7/1/15		4.68		33rd or 36th	
DATE	ADDRESS	TEL. NO.										
	185 No Union St		5/7/19 Resigned Sent off		20/19 20/19 5.50		Recemployed		before 1899 - 7/1/15		33rd or 36th	
	34 Copeland St		5/14/19		20/19 20/19 5.50		Recemployed		before 1899 - 7/1/15		33rd or 36th	
			5/19/19		20/19 20/19 5.50		Recemployed		before 1899 - 7/1/15		33rd or 36th	
			10/2/19		20/19 20/19 5.50		Recemployed		before 1899 - 7/1/15		33rd or 36th	
			2/26/20		20/19 20/19 5.50		Recemployed		before 1899 - 7/1/15		33rd or 36th	
			5/20/20		20/19 20/19 5.50		Recemployed		before 1899 - 7/1/15		33rd or 36th	

Curiously, advertising in the telecommunications industry in some respects has come full circle since its early days.

In the telephone's infancy, competing companies promoted whatever strengths they had: Bell companies boasted of their clear transmission and long distance connections, independent companies pushed their community roots and lower rates.

For nearly a half century, until the late 1960's, the industry was a virtual monopoly, providing end-to-end service with no competition in any form. For most of those years, the industry allocated their advertising dollars to selling extension phones and promoting long distance calling.

With competition intensifying, companies today are more likely to promote the quality of their service, their years of experience in providing it, and the array of advanced services their new technology offers. The message and media may be different, but the intent is the same as in those first years, to attract and retain customers.

ADVERTISING

Selling telephone

service has come almost

full circle

"A telephone would bring you a comfort you have never known before...The telephone is the greatest convenience of everyday life, efficient saver of your precious time and steps. The Rochester Telephone Corporation is eager to provide every family with this magic annihilator of time and space..."

Radio commercial, 1928

The first telephone ads in Rochester spoke largely of the improved communication the telephone made possible and the social prestige a telephone could bring: "Telephones are rented only to persons of breeding and refinement," a Bell ad of the 1880's declared. "There is nothing to be



A newspaper ad from the 1920's.



Promoting long distance calling in the 1960's.



A Rotelcom anniversary ad of 1988.

feared from your conversation being overheard. Our subscribers are too well refined to listen to other people's business."

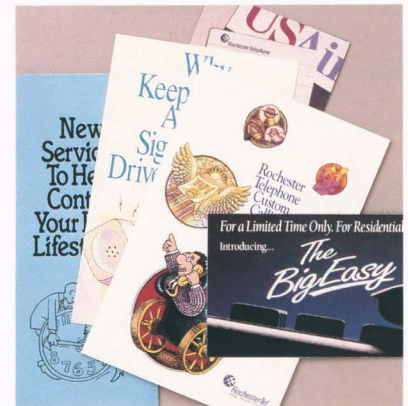
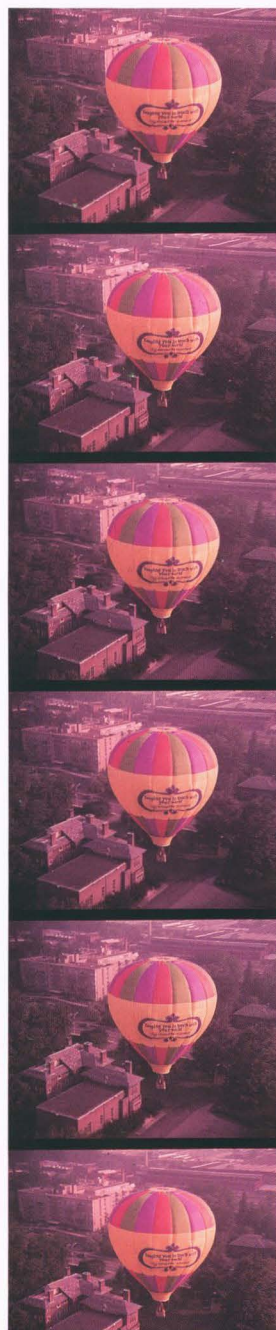
As the telephone gained in popularity, the ads of the 1920's proclaimed the security and convenience it offered. Headlines varied from "A whispered word and help is on the way" to "A telephone may mean a life."



One of a series of 1970's ads designed for the business equipment market.

The first real changes in telephone merchandising appeared in the mid-1950's. After years of nothing but black telephones, the industry blossomed out in color and new ideas—there were color telephones, models with illuminated dials, hands-free phones, telephone answering machines.

In the 1970's, Rochester Telephone promoted the value and universality of telephone service. As a symbol, it used a huge hot air



Some direct mail promotions of the '90s.

balloon that was photographed for both television and print ads soaring over the Rochester skyline and other scenic portions of its territory. Its message was "Keeping You in Touch with Your World."

In recent years, the focus has been on the new products and services provided through the remarkable advances in technology. With the diversity of products, the ads are now aimed more at specific markets.



The oversized telephone above was used in TV spots in the late 1970's to dramatize how using the telephone could reduce travel costs; the hot-air balloon pictured at left was featured in TV commercials of the same period.

HOW THE COMPANY WENT PUBLIC

*The first 380,000
shares of common stock
were sold in 1944*

For its first 45 years, Rochester Telephone Corporation was privately owned. Home Telephone Company (later Rochester Telephone *Company*) was established by Rochester investors. Because of the company's financial struggles, they received virtually no returns on their investments.

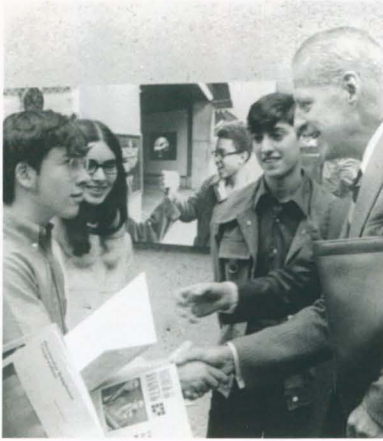
In 1921, with the consolidation of Rochester Telephone and New York Telephone Company properties, a total of 1,000 voting shares were issued. Of these, 665 were held by three trustees—George R. Fuller, the company's president; Fred C. Goodwin, who was vice president and counsel; and W. Roy McCanne, a director. This assured them control of the company, with the remaining 335 shares held by New York Telephone.

Goodwin acquired the shares of Fuller and McCanne upon their deaths. These were later purchased by Goodwin's son, Fred C. Goodwin, Jr., the company's secretary and treasurer; John P. Boylan, its president; six directors, Raymond N. Ball, Bernard E. Finucane, Sol T. Heumann, T. Carl Nixon, J. Craig Powers and Douglas C. Townson; and Frank E. Devans, with Goodwin and Nixon a partner in the law firm of Goodwin, Nixon, Hargrave, Middleton & Devans, the corporation's legal counsel.

In 1943, through a bank loan, the new majority owners purchased the 48,140 shares of second preferred stock held by New York Telephone Company, also issued at the time of consolidation, at the option price of \$110 per share.



President William A. Kern conducted the company's 1961 Annual Meeting in his office in the Monroe County Savings Bank building at 10 Franklin St.



President George Beinetti greets some of the students who attended the 1972 Annual Meeting held on the Rochester Institute of Technology campus.

They next purchased the remaining 335 shares of common stock held by New York Telephone, at the

option price of \$110 per share, thereby becoming the sole owners of all the common stock.

The 48,140 shares of preferred stock were converted into 380,000 shares of new common stock, at \$10 par value, and the 1,000 shares of common stock were changed into 120,000 shares of new common, with the same \$10 par value.

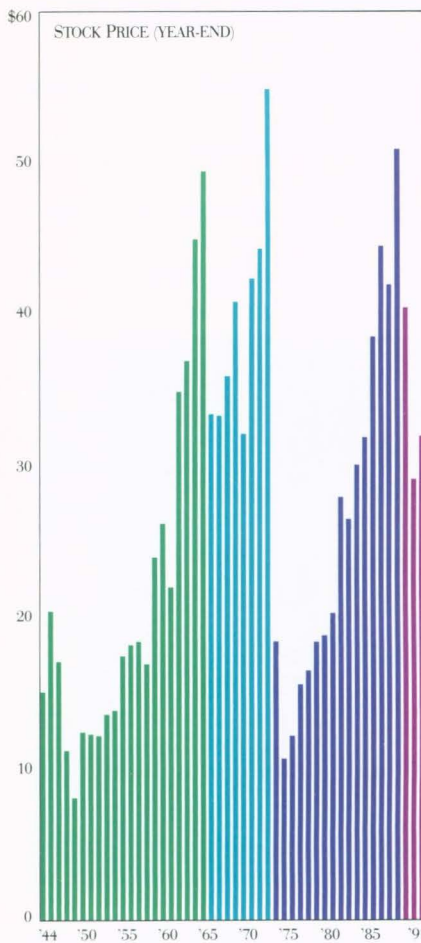
In January 1944, underwriters completed the sale of 380,000 shares to 2,800 buyers at \$15.375

per share, for an aggregate offering of \$5,842,500. Of that, the majority owners received \$5,443,500.

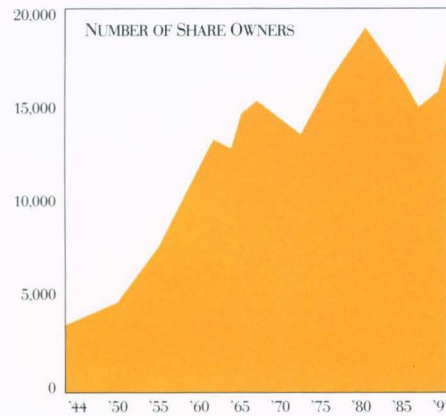
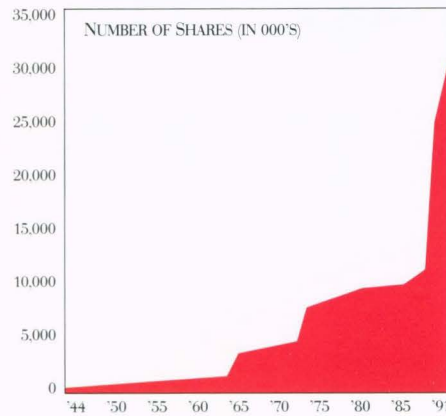
They also continued to hold the 120,000 common shares converted from their original 1,000 shares.

Until 1959, the stock was traded in the over-the-counter market. In March 1959, it was listed on the New York Stock Exchange and by the end of that year the number of share owners had increased 20 percent, to well over 11,000.

After three stock splits—in 1965, 1973 and 1989—one share of stock purchased in 1944 has become eight shares, worth about 16 times the original investment. The number of shares outstanding has risen to nearly 32 million, and the number of share owners to more than 18,800.



This graph tracks the year-end prices of the company's common stock since the company went public in 1944. The changes in color represent the three 2-for-1 stock splits, in 1965, 1973 and 1989. The stock price at the time of the splits was \$69.50 in 1965, \$50 in 1973 and \$88.50 in 1989.



As many as 1,400 share owners and guests attended annual meetings in the 1980's.

EMPLOYEES ON, AND OFF, THE JOB

*They worked hard in the
early days, but they
always had their fun*

Over the years tens of thousands of men and women have worked for the telephone companies that have served the Rochester area.

In the early years, when the telephone's success was far from certain, they were people willing to take a chance in a new kind of business. And it was a risky business.

A Western Union Telephone Company report prepared in 1882 discounted the development of the telephone as "utterly out of the question..." The famed financier J.P. Morgan described it as "a novelty...with no commercial possibilities."

Despite the skeptics, the

telephone succeeded beyond anyone's imaginings. And none of it would have been possible without the skills and energies of telephone workers.

The first jobs were just hard work. Tools were crude, and there were only men's muscles to erect poles and crossarms to carry the telephone wires. Linemen frequently worked 60 feet or more above the ground, relying on agility and strength.

A telephone installer's job wasn't much easier. He always had a coil of wire slung over his shoulder, along with tools, gallon jugs, and a heavy telephone.



A Rochester Telephone family picnic of 1920.



An installer of the early 1900's, carrying the tools of his trade.

William Culliton recalled what he had to carry to complete an installation in 1904, driving a horse and buggy to get there:

“A 6-foot wall set; a coil of split knobs; 100 feet of burnt copper wire, to be used as outside ground wire; a 100-foot coil of inside station wire; a glass jug containing battery solution; two one-gallon battery jars; two porous battery cups; two carbons; two pyramid zincs; one bottle of mercury; and of course my installer’s tools.”



Stone operators on a 1906 outing as guests of a Rochester automobile dealer. The car was a Dolson, the last of which were made in 1907.

“It’s amazing how technology has changed things. Today a bucket truck crew of two can do more work in one day than a six-man crew could do in two weeks when I joined the company back in 1947.”

Al Franklin, cable foreman

“If you asked for a raise and didn’t get it, you resigned. That was how it was in the good old days.”

Hartley Norman, supply clerk



Employees of the Supply Department in the early 1930's.



The 1930-31 Rochester Telephone basketball team: in the front row, from left, Jerry Cole, Cliff Goodrich, Phil Blowers, Rusty Poletto, Jerry Webber; standing, from left, Emil Maess, John McGraw, Howie Wirth, Irving Lawrence, the manager, Bernie Hefner, Ted Hansen.



The company’s 1925 baseball team; note the telephone emblems on their left sleeves.



The cast of the company's first minstrel show, held in April 1923 at Convention Hall. More than 3,000 employees and family members attended.

In a growing industry, jobs were plentiful.

Frank Hayes, who retired as a lineman in 1931, said: "If things didn't go just right, you rolled your tools together and started work for another company."

From the memorabilia of their times—their photographs and snapshots, their parties, their sports

teams, their gossip columns—it's evident that there was an exceptional closeness and sociability among telephone employees in those years. They seemed to have a genuine affection for each other and for their company.

Daunted by the Depression and the acute service problems that followed, employee spirit seemed to

revive in the 1960's when the company began to rebuild its plant and service. After years of being subject to public criticism nearly anywhere they went, employees took a new pride in their jobs and in the company.

Today's employees represent still another generation of telephone men and women, with skills and talents far different from those of their predecessors. But they still have much in common with each other. Baseball, for one. Rochester Telephone fielded teams in the first decade of this century. Today, it's



The Main Halloween party of 1930, in the Fitzhugh Street building. Halloween parties were held by work groups throughout the company, with prizes awarded for the best costumes.

"In 1923 I decided to quit school and look for a job. I went looking and the first day I was offered two jobs, one as a plumber and the other with Rochester Telephone. When I came home, my mother told me that I'd be secure with the phone company, and never be without a job. So I started with the company. As it turned out, she was right."

Jim Slattery, cable splicer



One of the largest testimonial dinners in company history was held in 1929 for Milton S. Baxter in celebration of his 50th anniversary in the telephone business (his career is summarized on Page 9). In this photo, he is standing on the dais, the eighth man from the left.



The 1941-42 Charlotte bowling team, from left, Chip Murat, Bill Peck, Joe Dintruff, Frank Steffen and Nate Vickery.

softball instead of hardball, and women also play.

The kind of work employees do has changed, but the spirit and proficiency they bring to their jobs, and the company, has endured.



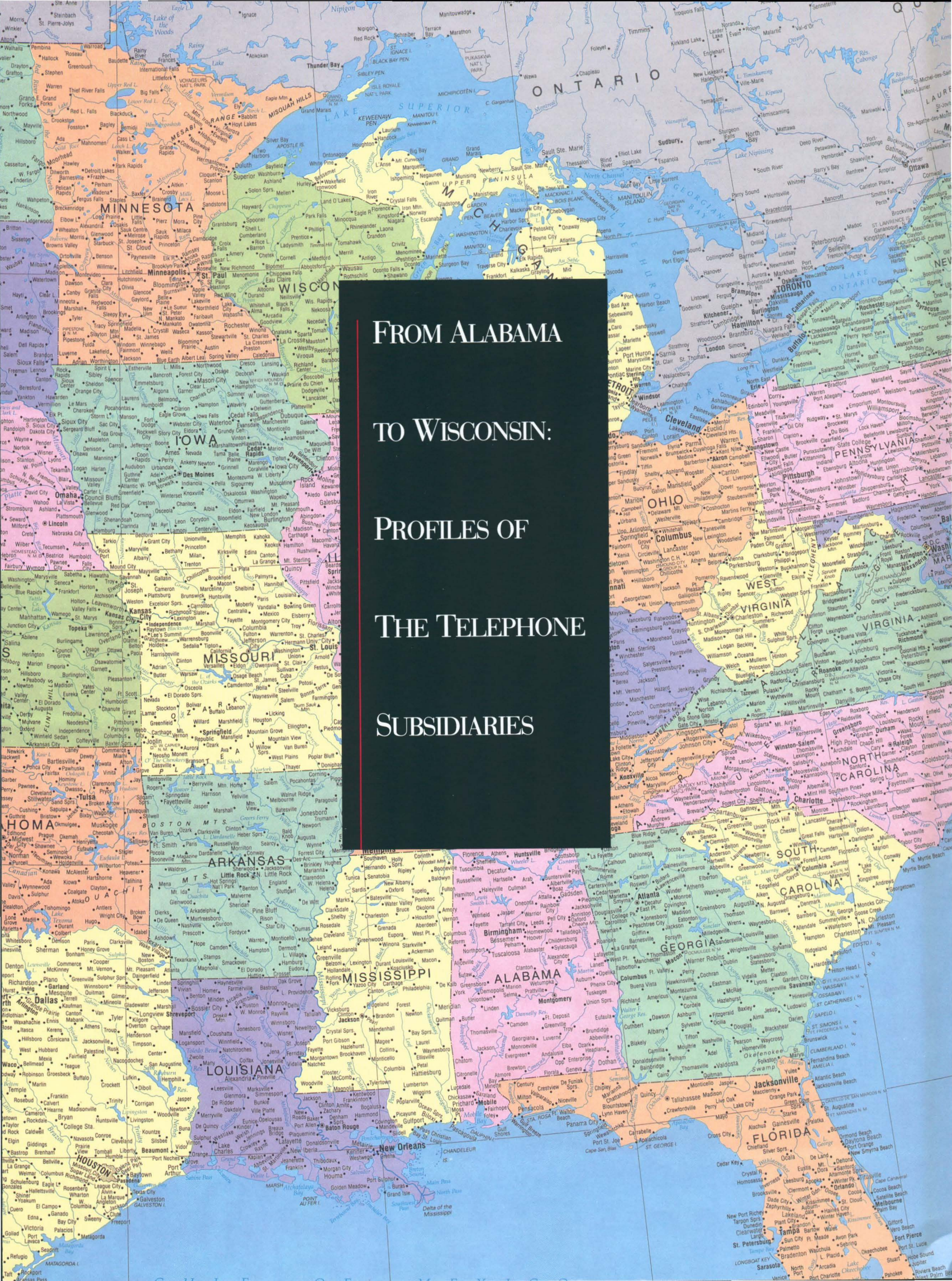
Service representatives applaud the winners of a business office sales contest of the 1960's.



President George Beinetti addresses a 1969 management dinner at the Chamber of Commerce.

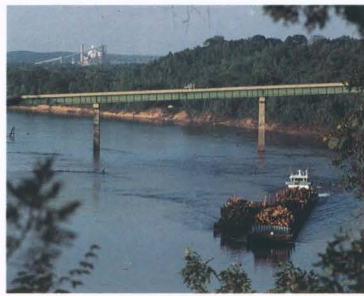


The 1986 corporate Christmas party, which drew 3,000 employees, retirees and guests to the then new Rochester Riverside Convention Center. A defective sprinkler system later sprayed water on some of the tables shown here, but it didn't stop the party.



**FROM ALABAMA
TO WISCONSIN:
PROFILES OF
THE TELEPHONE
SUBSIDIARIES**

ALABAMA/FLORIDA



In the photo at far left, a barge carries logs to a pulp mill on the Alabama River near Monroeville; at near left, a house in Atmore.

- **Southland Telephone Company, Atmore, Ala.**
- **Operating territory: 796 square miles in six counties in Alabama and in Escambia County, Florida**
- **12,410 access lines, seven central offices, 13 remote offices, 92 percent digitally equipped**
- **Largest community served: Atmore**

The predecessor of Southland Telephone Company was the Atmore Telephone Company, founded by Walter Brantley in 1908.

The Brantley family operated the company until 1942 when it was sold to Minor Corman and his son, W. F. (Bill) Corman. It then served 310 telephones. In 1947, the Cormans incorporated the firm as the Southland Telephone Company.

The Cormans put up a new building and replaced the magneto switch with a common battery operation. Another new building was completed in 1960 when Atmore was converted to dial service.

Meanwhile, Southland was expanding through the purchase of other companies and exchanges, including Molino in Florida. It grew from a little over 1,300 telephones in 1950 to more than 18,500 by 1985.

By 1977, Southland had eliminated all party lines, becoming the first company in either Alabama or Florida to have all single party lines.

In 1984, the company reorganized as a holding company, Southland Communications Corporation, with four subsidiaries, including Southland Telephone.

In 1987, the firm merged with SoutherNet, an interexchange carrier, which later merged with Telecom*USA, a larger long distance carrier. In 1990, Rochester Telephone purchased Southland from Telecom*USA. Bill Corman is still active with Southland Telephone.

- **Monroeville Telephone Company, Monroeville, Ala.**
- **Operating territory: 1,541 square miles in five counties**
- **11,046 access lines, seven central offices, ten remote offices, 87 percent digitally equipped**
- **Largest community served: Monroeville**

Monroeville Telephone Company began operations in the 1890's, founded by R. L. Kennedy, Sr. It changed hands twice before it was purchased by Kennedy's grandson, M. M. Kennedy, Sr., in 1946. On his death in 1965, his son, M. M. Kennedy, Jr., took over the management.

Until 1948, the company was equipped with magneto switchboards, which required batteries in the telephone on the customer's premises. That year a common battery switchboard was installed at Monroeville.

The company's first dial offices were installed in 1951 in Frisco City, Repton and Uriah.

In 1955, the company had four exchanges serving about 1,800 customers. Most long distance calls still required the assistance of three or more operators.

About that time the company began an extensive modernization program with financing from the Rural Electrification Administration (REA). Two new dial offices were installed, outside plant was rebuilt and telephone service was extended to communities that had never had telephone service. As late as 1967, some residents of Monroe and Clark counties got telephones for the first time.

Rochester Tel purchased Monroeville in 1990 from Gayle Kennedy, the widow of M. M. Kennedy, Jr.

Flashbacks: Monroeville can claim two famous American writers. Nelle Harper Lee won the 1961 Pulitzer Prize in fiction for "To Kill a Mockingbird." Truman Capote was the author of "In Cold Blood," among other books. Close friends, both were born and raised in Monroeville.

- **Lamar County Telephone Company, Millport, Ala.**
- **Operating territory: 267 square miles in three counties**
- **1,834 access lines, one digital central office, one remote office**
- **Largest community served: Millport**

Lamar County Telephone Company got its start in the 1930's as the Millport Telephone Company of Millport and the Bobo Telephone Company of Kennedy. They were owned and run by the Blaylock family, with switchboards in Millport and Kennedy.

The switchboards were replaced by dial systems in 1963 when the Blaylocks formed the Lamar company.

The founders of the company, Mrs. Madge Blaylock and her son, R.E. Blaylock, died in the early 1970's. R. E. Blaylock's widow later sold the company to Mid-South Telephone Co., Inc.

Lamar County was one of the three telephone companies Rochester Tel purchased from Mid-South Telecommunications in 1990.

Flashbacks: Mrs. Madge Blaylock ran the switchboard in the upper floor of the old drugstore in Millport. A customer could get his or her prescription filled, sit at the soda fountain for a Coke and the latest gossip, then run upstairs and call faraway relatives.



Carter Dam, in background, is spurring development in Fairmount's territory.



- **Fairmount Telephone Company, Inc., Fairmount, GA.**
- **Operating territory: 282 square miles in five counties**
- **1,614 access lines, two central offices, one remote office, all digital**
- **Largest community served: Fairmount**

The Fairmount Telephone Company was organized in 1908 by a local jewelry merchant, P. H. Green. The original exchange included a small magneto switchboard and two telephones.

The business was purchased by H. D. Lacey in 1920. He and his family ran the business, even personally collecting bills from subscribers.

In 1949, a dial switch was installed and as the area's population continued to rise, another dial system was installed in the 1960's.

The Lacey family sold the company to Mid-South Telephone Co. in 1987, ending more than 75 years of personal ownership and management.

Fairmount was one of three telephone companies Rochester Tel purchased from Mid-South Telecommunications Company in 1990.

Flashbacks: *In the 1920's, with just 70 telephones in service, Fairmount's commission for handling long distance calls was paid not in cash, but in U.S. postage stamps. The company usually received \$3 to \$6 in stamps each month from Southern Bell.*

- **Statesboro Telephone Company, Statesboro, GA.**
- **Operating territory: 110 square miles in Bulloch County**
- **15,340 access lines, three digital central offices**
- **Largest community served: Statesboro**

Telephone service was introduced in Statesboro in 1901 by four local businessmen. One of them was J. L. Mathews, whose family continues to manage the company today.

By 1905, the company had about 100 subscribers and expanded steadily, improving its facilities through the years. Dial service was introduced in 1954 and the first digital office was cut into service in 1985.

The company's current management is the third generation of the Mathews family to be involved in the operation of the company. After more than 50 years with the company, J. L. Mathews was succeeded as president in 1954 by Charlie Joe Mathews, his nephew. C. J. Mathews' three sons, Harry, Joe and Charlie B. Mathews, are the company's officers today.

Statesboro is the home of Georgia Southern University, which, with an enrollment of 12,000 students, is one of the state's largest universities.

Rochester Tel announced its plans to purchase the company in February 1992. At presstime, the acquisition had not been completed pending regulatory approvals.

- **Inland Telephone Company**
- **Operating territory: 441 square miles in nine counties**
- **4,141 access lines, six central offices, two remote offices, 75 percent digitally equipped**
- **Largest community served: Moweagua**

- **Midland Telephone Company**
- **Operating territory: 493 square miles in 10 counties**
- **3,913 access lines, 10 central offices, one remote office, 30 percent digitally equipped**
- **Largest community served: Pocohontas**

- **Prairie Telephone Company**
- **Operating territory: 109 square miles in two counties**
- **944 access lines, two central offices**
- **Largest community served: Flanagan**

- **Lakeside Telephone Company**
- **Operating territory: 80 square miles in two counties**
- **772 access lines, one digital central office, one remote office**
- **Largest community served: Findlay**

These four companies were purchased by Rochester Telephone from James L. Capel and William Capel, grandsons of J. M. Capel, the man who was largely responsible for establishing the companies.

He and four Champaign businessmen started by forming the Champaign County Telephone Company about 1930. The company served two communities in the southern part of that county.

With the help of Rural Electrification Administration loans, the company expanded, serving 20 communities in the Champaign and Milford areas. J. L. Capel, J.M. Capel's son, also organized the Inland Telephone Company in central Illinois.



From the far left, the headquarters building in Champaign of the first Rochester Tel companies in Illinois; harvesting soy beans in Schuyler's territory; the restored Mt. Pulaski courthouse where Abraham Lincoln once practiced law.

After the Champaign County company was sold to Mid-Continent Telephone Corporation in the early 1960's, the Capel family organized three other companies, Midland in southern Illinois, and Lakeside and Prairie.

Together with Midland, these were sold to Rochester Tel in 1989.

Flashbacks: *The economics of the business were crushing in the 1930's. There was no way out of the vicious circle of poor service, old plant, little financing, low rates and no toll revenue. At one point the house where the Bondville switchboard was located was declared uninhabitable and J.M. Capel advanced the owner \$300 for the needed repairs.*

- **Mt. Pulaski Telephone Co., Mt. Pulaski, Ill.**
- **Operating territory: 198 square miles in four counties**
- **1,786 access lines, one digital central office, two remote offices**
- **Largest community served: Mt. Pulaski**

The Mt. Pulaski Telephone & Electric Company was incorporated in 1901. It purchased two other exchanges in 1911 and 1914.

The company's vice president was Dr. J. W. Collins. Until January 1992, when he retired, his grandson, Joseph R. Aldendifer, served as president and general manager.

The Mayer family also was active in the company's management. Fred G. Mayer was operations manager for the company's first 44 years; his son, Fred L. Mayer, succeeded him in the job, serving until 1974.

Rochester Telephone purchased Mt. Pulaski in 1990.

Flashbacks: *The village of Lincoln, which is near Mt. Pulaski, was the first community in the nation to be named for President Abraham Lincoln. Lincoln practiced law in both the Lincoln and Mt. Pulaski courthouses, which have been designated as national landmarks.*

- **Schuyler Telephone Company, Rushville, Ill.**
- **Operating territory: 277 square miles in two counties in Illinois, one in Iowa**
- **3,599 access lines, two digital central offices**
- **Largest community served: Rushville**

The Schuyler Telephone Company was incorporated in 1912. Before that, two telephone companies, the Western and Grange companies, served the area. Ed Peck, a local farmer, purchased the controlling interests in both companies and merged them.

In 1964, the company completed its conversion to dial service and in 1985 purchased the Woodward Mutual Telephone Company in Woodward, Iowa, which is operated as the Woodward exchange.

Rochester Tel purchased the Schuyler company in 1990 from the Crum family. Gary and Richard Crum continued as managers.

Flashbacks: *An ice storm on New Years Day in 1949 virtually wrecked the company's plant. With 20 parttime workers and the help of local farmers, the company was able to restore service.*

- **Orion Telephone Exchange Association, Orion, Ill.**
- **Operating territory: 65 square miles in three counties**
- **1,671 access lines, one digital central office, one remote office**
- **Largest community served: Orion**

The Orion Telephone Exchange Association got its start in 1896 in a drug store in Orion owned and operated by one of its 12 founders, R. J. Fullerton. For the first three years, the switchboard was manned by employees in the drug store.

The company grew over the years, installing a common battery switchboard in 1939 and converting to dial

service in 1965 in a new operations building.

Rochester Tel purchased the Orion company in 1990.

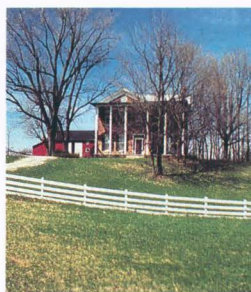
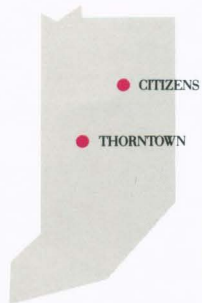
Flashbacks: *The farmer-owned and operated telephone lines in Illinois were generally started up by a group of six to 15 farmers living in the same general area or along the same road. They would form a mutual or co-operative organization and build a telephone line which would extend to the village limits, there to be connected to the lines from the central switchboard. These were party lines consisting of only one conductor. Each phone line had a president, secretary-treasurer and one or two men appointed to maintain the line. Whenever a subscriber's phone rang, phones also rang in all the other homes on the line. A favorite pastime was listening in to all the conversations, although the more eavesdroppers on the line, the weaker the signal became.*

- **DePue Telephone Company, DePue, Ill.**
- **Operating territory: 22 square miles in Bureau County**
- **771 access lines, one central office**
- **Largest community served: DePue**

Telephone service in DePue was established by the Bureau County Mutual Telephone Company in 1907. Three years later the DePue Telephone Company was incorporated with 23 stockholders.

In 1919, the switchboard was moved to a combination house and office building occupied by Fred J. Rauh, Sr., and his family. Rauh became sole owner of the company six years later. In 1967, the company's existing building was erected in conjunction with the cutover to a dial system.

Rochester Tel purchased the DePue Telephone Company from descendants of the Rauh family and other share owners in 1990.



Pictured at far left, a farm near Thorntown, and near left photo, the Citizens Telephone building in Fairmount.



- **The Thorntown Telephone Company, Thorntown, Ind.**
- **Operating territory: 80 square miles in four counties**
- **2,104 access lines, one digital central office, one remote office**
- **Largest community served: Thorntown**

Telephone service in Thorntown had its beginnings with the Thorntown Co-operative Telephone Company, which was organized in 1901. The first switchboard was located in a private home, but in 1902 was moved into the Coones Building in downtown Thorntown, where it remained until 1960.

In 1909, the company absorbed a competing company and in 1916 reorganized as the Thorntown Telephone Company.

In 1966, Thorntown acquired two smaller companies, the Peoples Cooperative Telephone Company of Stockwell and the Clarks Hill Telephone Company. The two were later consolidated into one exchange.

Rochester Telephone purchased the company in 1988, with Gerald White remaining as president and general manager.

Flashbacks: *In 1982, Thorntown became the first Indiana telephone company to provide cable TV service. Today it has 840 cable customers in Clarks Hill and Stockwell and is one of three Rochester Tel subsidiaries to provide cable TV service.*

- **Citizens Telephone Company, Fairmount, Ind.**
- **Operating territory: 63 square miles in three counties**
- **2,211 access lines, one central office**
- **Largest community served: Fairmount**

The Citizens Telephone Company was founded by a group of businessmen and farmers in 1902. In 1908, the company began to provide service in the neighboring town of Fowlerton and in 1909 it purchased the Fairmount Telephone Company, with which it had been competing, for \$5,000, consolidating the facilities of the two companies.

It constructed its own building in 1922 and the following year installed a new combination common battery and magneto switchboard. Dial service was introduced in 1951.

Rochester Telephone purchased the company in 1989.

Flashbacks: *One of the early Citizens directories carried this message for customers: "Speak distinctly and directly into the telephone mouth-piece. This will save you and your friends much annoyance." ...Fairmount is the hometown of James Dean, a movie idol of the 1950's who was killed in an automobile crash in 1955. Fairmount Museum Days, held each September, commemorates Dean's death.*

- **Vista Telephone Company of Iowa, Burnsville, Minn.**
- **Operating territory: 2,682 square miles in 21 counties**
- **49,081 access lines, 32 central offices, six remote offices, 49 percent digitally equipped**
- **Largest community served: Fort Dodge**
- **Vista Telephone Company of Minnesota, Burnsville, Minn.**
- **Operating territory: 3,463 square miles in 19 counties**
- **87,625 access lines, 42 central offices, 17 remote offices, 81 percent digitally equipped**
- **Largest community served: Apple Valley**
- **Schuyler Telephone Company (see Illinois)**

The telephone properties that make up Vista Telephone Company of Iowa and Vista Telephone Company of Minnesota were once part of the Central Telephone Company. There is no formal record of the beginnings of telephone service in many of the communities, but telephone service was introduced in some of the areas as early as 1886.

Central's lineage goes back to 1900 when 17-year-old Max McGraw used \$500 he had saved from his newspaper route to establish an electrical contracting business.

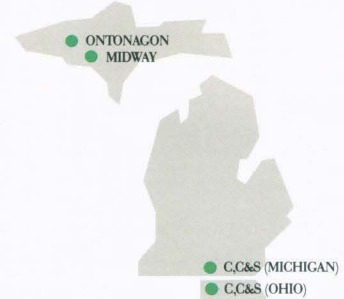
McGraw's business interests expanded and in 1922 he acquired the Central Telephone and Electric Company of St. Louis, which owned telephone and power companies in a number of Midwestern states.

The expansion continued, and in 1944 all of the telephone properties were consolidated in the Central Telephone Company. Its parent company ultimately became Centel Corporation from which Rochester Tel acquired the Iowa and Minnesota telephone properties in 1991.

The Iowa properties were acquired by McGraw, who died in 1964, and Central Telephone between about 1910 and 1966. At one time the company provided telephone service in 62 different exchanges located



This building in Burnsville, Minnesota, serves as headquarters for the Vista companies of Iowa and Minnesota.



throughout the north central and western parts of the state. Through acquisitions, sales and trades, Vista now serves 36 communities in Iowa.

The recorded history of Vista Telephone Company of Minnesota dates back to 1929 when McGraw's Central West Public Service Company purchased the properties of the Minnesota Southern Telephone Company. Communities in the transaction included Adrian, Canby, Farmington, Sherburn and Slayton. Additional properties were acquired in 1935.

In 1957, Central Telephone acquired the Fairmount and Ceylon exchanges of the Fairmount Telephone Company, along with 11 central Minnesota exchanges. Seven years later it purchased the Worthington Telephone Company.

Vista of Minnesota now serves 45 communities, including several suburbs of Minneapolis-St. Paul.

Flashbacks: *In Sac City, Iowa, the first telephone was in the Barkl Bros. drug store. The only other telephone then was in a jewelry store in Carroll. When a call came in for someone from Carroll, the druggists would send a boy to find the called party, who would then come in and return the call. "There were not many calls," druggist Charles E. Barkl recalled in 1973, "and in time my brother and I thought the phone somewhat of a nuisance, but we kept it."*

- **S&A Telephone Company, Allen, Kansas**
- **Operating territory: 179 square miles in two counties**
- **786 access lines, two central offices**
- **Largest community served: Scranton**

The territory served by S&A Telephone Company was once owned by the Kansas Telephone Company based in Chicago. When the company filed for bankruptcy in 1939, two of its exchanges, Scranton and Allen, were purchased by one of its employees, Marvin A. Biggs.

Biggs and his family operated the exchange in Allen, and he hired an operator, at 10 cents a hour, to operate the switchboard in Scranton. In 1963, Biggs acquired the Admire exchange.

Rochester Tel purchased S&A Telephone from the Biggs family in 1990.

- **C,C&S Telco, Inc.**
- **Operating territory: 600 square miles in six counties in Michigan and one in Ohio**
- **19,054 access lines, 10 central offices, five remote offices, 97 percent digitally equipped**
- **Largest community served: Brooklyn**

C,C&S Systems, Inc. was organized in 1977 as the holding company for three Michigan telephone companies: Southern Telephone Company, Camden Telephone Company and Concord Telephone Company.

Southern Telephone had its beginnings in the Brooklyn Switchboard Association, which was started around 1900 by a group of farmers and Brooklyn residents. Southern later merged with the North Adams Switchboard Association. Service in North Adams dates back to 1883.

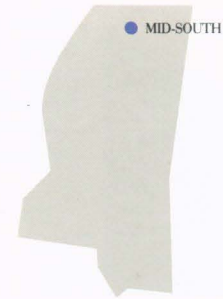
Camden Rural Telephone Company was incorporated in 1903 and by 1927 was serving nearly 1,000 telephones, some of them in Ohio. It later acquired three other small companies.

Concord Telephone Company originated in 1899. Four years later it combined with the Farmers Mutual Phone Company and was incorporated as Concord Telephone in 1948. It later merged with the Pulaski Telephone Company.

C,C&S was purchased by Rochester Tel in 1988; the chairman of the C,C&S board then was Bucky Harris. In 1990, the company's data processing operation was organized as a separate subsidiary, C,C&S Services; it now performs data processing services for a number of other telephone companies.



The photo at far left shows some of the man-made lakes in C,C&S's territory, and near left, a portion of Ontonagon County's territory, with Lake Superior in the background.



- **Ontonagon County Telephone Company, Ontonagon, Mich.**
- **Operating territory: 976 square miles in six counties**
- **3,977 access lines, five central offices, one remote office, 51 percent digitally equipped**
- **Largest community served: Ontonagon**

The first telephones in Michigan were installed in 1877 in the remote Upper Peninsula village of Rockland. That gives the Ontonagon County Telephone Company the distinction of being the first telephone company in Michigan.

The company's founder was Linus Stannard, proprietor of a general store in Rockland, who in 1876 attended the Centennial Exposition in Philadelphia. There he saw Alexander Graham Bell demonstrate the telephone. He was so fascinated that when he got back home in Rockland, he wrote to Bell in Boston and purchased five instruments. He ran wire from his home to his store and to the home of a friend and installed those first crude telephones.

With the help of three friends, wire lines were extended to Ontonagon that winter. In 1879, the four men organized the Ontonagon Telegraph Company, which is the forerunner of today's company.

Ontonagon's territory includes 28 miles of Lake Superior shoreline and portions of the Porcupine Mountain State Park and the Ottawa National Forest.

Rochester Tel purchased the company in 1989.

- **Midway Telephone Company, Watton, Mich.**
- **Operating territory: 828 square miles in four counties**
- **771 access lines, three central offices**
- **Largest community served: Watton**

In business for less than 35 years, the Midway Telephone Company was established in 1958 to provide telephone service to remote areas of the Upper Peninsula.

The first central office was established in August of that year in Trout Creek. The day of the cutover, 46 homes got telephone service for the first time.

The next central office was built in Watton in 1960. The Golden Lake office was added in 1970.

Ontonagon County Telephone Company purchased Midway in 1986 and Rochester Tel took over Midway with its acquisition of Ontonagon County in 1989.

- **Mid-South Telephone Company, Inc., Rienzi, Miss.**
- **Operating territory: 509 square miles in seven counties**
- **4,606 access lines, four digital central offices**
- **Largest community served: Rienzi**

Mid-South Telephone Company was incorporated in 1958 with the objective of owning and managing telephone and communications businesses. That year it acquired its first two telephone companies, the Rienzi Telephone Company, in Rienzi, and the Courtesy Telephone Company, located at Guntown, Mississippi.

In 1960, it purchased the Tishomingo Telephone Company of Tishomingo. Three years later it merged with the Mutual Telephone Company, based in Houlka.

Under the ownership of H. E. Bovay, Jr. and Otis O. Miller, Mid-South in 1987 expanded outside Mississippi, becoming the parent company of Lamar County Telephone Company in Alabama and Fairmount Telephone Company in Georgia. Its name was then changed to Mid-South Telecommunications Company.

Mid-South Telecommunications sold its three telephone companies to Rochester Tel in 1990, along with Mid-South Cablevision Company, which serves Rienzi and Houlka in Mississippi.

NEW YORK STATE



In the far left photo, a crew installs cable along the shores of Sylvan Lake in Dutchess County; near left, a Highland lineman fastens cable to a strand of wire in the 1970's.

- **Sylvan Lake Telephone Company, Hopewell Junction, NY**
- **Operating territory: 90 square miles in Dutchess County**
- **14,144 access lines, two central offices, two remote offices, all digital**
- **Largest community served: Hopewell Junction**

Telephone service in the Sylvan Lake operating territory was begun in 1902 by the East Fishkill Telephone Company. Largely a rural area then, growth was relatively slow, with only about 300 telephones in service 20 years later.

In 1926, Lester and Mary Seguire purchased the company and incorporated it as the Sylvan Lake Telephone Company. Growth began to build in the 1950's; by 1959, there were more than 2,000 telephones in service, from less than 950 in 1950. Growth became even more explosive in the 1960's and 1970's with the establishment of a large IBM plant in East Fishkill.

Sylvan Lake was Rochester Tel's first subsidiary acquisition in 1974. At that time Mary Seguire retired, after nearly 50 years of active management of the company.

- **Highland Telephone Company, Monroe, NY**
- **Operating territory: 335 square miles in two counties**
- **50,804 access lines, three central offices, eight remote offices, all digital**
- **Largest community served: Monroe**

Highland Telephone Company was incorporated in 1900 at Highland Mills. On the day service was initiated, there were 24 customers.

In 1909, Highland acquired the poles, lines and exchange equipment of the Hudson River Telephone Company and the Monroe Telephone Company, eliminating duplicate service in its territory.

As the telephone grew more popular, the company replaced its horse and wagon with a Chalmers automobile and enlarged its switchboards at Monroe and Highland Mills. In the 1920's, most lines still carried 14 to 16 subscribers.

After 35 years in Highland Mills, the company moved its headquarters to Monroe in 1935 and converted the first communities to dial service. It continued to expand its service area by purchasing the Chester Telephone Company in 1949, and the Goshen exchange facilities from New York Telephone Company in 1956. The next year it became the first independent company in New York State to offer Direct Distance Dialing.

Highland's final acquisition was the Walden Telephone Company in 1972.

Rochester Tel purchased Highland in 1976.

- **Seneca-Gorham Telephone Corporation, Bloomfield, NY**
- **Operating territory: 350 square miles in two counties**
- **8,197 access lines, three central offices, one remote office, all digital**
- **Largest community served: Bloomfield**

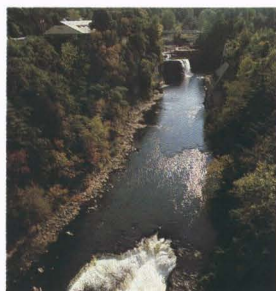
Located just south of Rochester, Seneca-Gorham Telephone Corporation resulted from the merger of the Seneca-Gorham Telephone Company and the Ontario County Mutual Telephone Company in 1921.

The Seneca-Gorham company was founded by a group of businessmen and farmers. Exchanges were established in Stanley and Rushville, with telephones in Stanley as early as 1892.

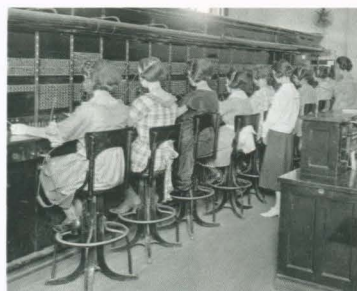
The Ontario County Mutual Telephone Company was organized in 1907. Its two exchanges were Honeoye and Holcomb.

Seneca-Gorham experienced limited growth until the the post-World War II expansion and the exodus from Rochester to the suburbs, which brought hundreds of new homes to the area.

Rochester Telephone purchased Seneca-Gorham in 1988 from the Walters family, the descendants of Charles W. Walters who was the first general manager of the merged Seneca-Gorham organization.



The AuSable chasm, one of the scenic attractions in AuSable Valley's territory.



Information operators in Minot in 1923.

- **AuSable Valley Telephone Company, Keeseville, NY**
- **Operating territory: 425 square miles in three counties**
- **5,857 access lines, three central offices, one remote office, 79 percent digitally equipped**
- **Largest community served: Keeseville**

Telephone service was introduced in the Keeseville area in 1882 by the Northern New York Telephone Company. Two years later the village had six telephones, all in stores or businesses.

In 1904, a group of Keeseville businessmen organized the Keeseville Telephone Company and acquired the Northern New York Telephone Company lines that served the village. Service was initially provided to Keeseville, AuSable Forks and later Port Kent and Douglass.

The company's territory stretches from Lake Champlain to Saranac Lake and includes Whiteface Mountain, one of the venues of the 1932 and 1980 Winter Olympics.

Ownership changed in 1946 when a group headed by George S. Beckwith purchased the company, by then named AuSable Valley Telephone Company, with Beckwith becoming president. There were about 920 telephones in service, with at least one switchboard still located in an operator's living room.

Rochester Tel purchased the company from the Beckwith family in 1984.

Flashbacks: In the early 1900's, Marjorie Merruweather Post, of the Post cereal family, built a lavish estate in Paul Smith, New York, part of AuSable Valley's operating territory. Her estate, on the St. Regis River, was accessible only by boat, and telephone crews had to use a barge to install service in the main lodge and guest cabins. AuSable's repair crews still use a small boat for service maintenance in the territory.

- **Minot Telephone Company, Minot, ND**
- **Operating territory: 188 square miles in Ward County**
- **23,631 access lines, one central office, five remote offices, all digital**
- **Largest community served: Minot**

The Minot Light and Telephone Company was incorporated in 1901 after receiving a charter to provide both electric and telephone service in Minot. There were 50 customers at the start, and more than 200 three years later.

The growth in both the telephone and electric operations necessitated a move to a new building in 1911. The telephone switchboard was on the second floor, the offices and electric equipment on the first floor.

That same year the Minot properties were acquired by the H.M. Byllesby Company, which was then

buying a number of utilities in the Upper Midwest. It later became a unit of the Northern States Power Company.

Minot remained a manual telephone operation until 1948 when the company installed a dial system in an addition to its 1911 building. There were then about 6,300 telephones in service. A second central office building, with a new dial switch, was erected in 1974. By then, it was serving 19,365 telephones.

Rochester Tel purchased the Minot telephone property from Northern States Power in 1991, renaming it Minot Telephone Company.

Flashbacks: During Prohibition several operators of the Minot Telephone Exchange were suspected of protecting bootleggers by tipping them off to impending raids. One day, as state police were about to make a raid, armed officers were sent to the telephone office to prevent any operator from warning the bootleggers. According to the operators, not one of them knew a bootlegger in the entire state.

PENNSYLVANIA



At far left, an Oswayo River cable technician works on a terminal outside Shinglehouse; at near left, a farm scene in Enterprise Telephone's territory.

- **Oswayo River Telephone Company, Shinglehouse, PA.**
- **Operating territory: 183 square miles in two counties**
- **1,934 access lines, one digital central office, two remote offices**
- **Largest community served: Shinglehouse**

Oswayo River Telephone Company was incorporated in 1928 in Shinglehouse, which was then served by two different companies—Bell of Pennsylvania and the Federal Telephone & Telegraph Company of Buffalo. Because the two companies had no interconnection, customers of the competing companies could only be connected by long distance, even within the village.

In 1940, Oswayo River was purchased by Owen and Lydia Jenkins for \$6,100. Jenkins was cashier of the local bank in Shinglehouse. At that time there were about 200 customers. For several years, Jenkins retained his bank job, running the company from an office on the front porch of his house.

Rochester Tel purchased the company from the Jenkins family in 1985. Interestingly, the Genesee River originates in Oswayo River territory, flowing north from there through most of Rochester Telephone's territory into Lake Ontario.

Flashbacks: *The first Miss America, Miss Myrtle Merriwether, was from Shinglehouse. She was crowned in Rehoboth City, Delaware, in 1880. Thomas Edison was among the judges.*

- **Breezewood Telephone Company, Breezewood, PA.**
- **Operating territory: 314 square miles in two counties**
- **3,488 access lines, three central offices, one remote office, 81 percent digitally equipped**
- **Largest community served: Breezewood**

The Breezewood Telephone Company was chartered under that name in 1939 after its purchase by Walter and Pearl Nave from the McConnellsburg-Breezewood Telephone System. At that time there were only 12 telephones in the entire territory.

Despite financing problems, the Naves were able to keep the company going, buying a neighboring company, the Wells Tannery Telephone Company, which became the New Grenada office.

Rochester Telephone purchased the company from the heirs of the Naves in 1986.

Flashbacks: *In 1950, the area served by Breezewood was devastated by an ice storm. A third of the company's plant was downed, buried under ice and snow. Ready to give up, the Naves offered to sell the company, but there were no buyers. With loans from two suppliers, they rebuilt the system and in 1958 completed the changeover to dial service.*

- **Enterprise Telephone Company, New Holland, PA.**
- **Operating territory: 175 square miles in two counties**
- **20,897 access lines, two central offices, six remote offices, all digital**
- **Largest community served: New Holland**

The Enterprise Telephone Company was organized in 1902 by businessmen from the New Holland area who were dissatisfied with the service being provided by the existing telephone company. They began operations in New Holland the next year, leasing the territory and purchasing the equipment, including pole lines and 100 telephones, for \$10,000.

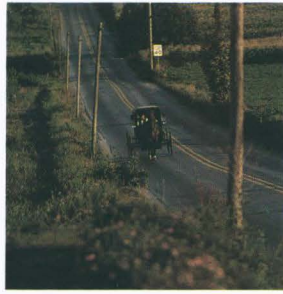
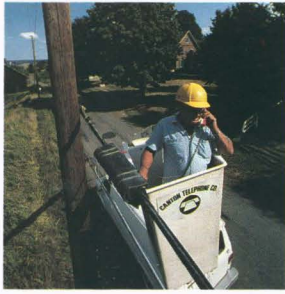
In 1925, the company reached an agreement with Bell of Pennsylvania to purchase Bell's interests in the New Holland and Leola areas and to sell one of its exchanges to Bell. At the same time it purchased two exchanges from the Denver & Ephrata Telephone Company, giving up one exchange in return.

Telephone growth was slow but steady, rising from 1,500 telephones in 1930 to 3,700 by 1949. The company completed the dial conversion of all its offices by 1951, the same year it moved into a new headquarters and operations center in New Holland.

Enterprise's service area is located in the heart of the Amish/Pennsylvania Dutch country and tourism is an important part of the local economy.

Rochester Tel purchased Enterprise in 1987.

Flashbacks: *A storm in 1918 flattened nearly every pole in the Leola area. As rumors spread that the company was finished, many stockholders sold their stock at reduced prices...In 1958, a 30-inch snowfall knocked out one of every five telephones, with service not fully restored for five weeks.*



A Canton Telephone installer-repairman checks a customer's line, and near left, an Amish carriage clatters along a Lancaster County highway.



- **Canton Telephone Company, Canton, PA.**
- **Operating territory: 475 square miles in three counties**
- **3,237 access lines, one digital central office, one remote office**
- **Largest community served: Canton**

The Canton-Leroy Farmers Telephone Company started up in 1905 as a "stock" company. Anyone who purchased a share of stock in the company received a free telephone.

The company competed with Bell of Pennsylvania until 1925 when it purchased Bell's interests in its territory. It converted to dial service in 1959 and that same year shortened its name to Canton Telephone.

Rochester Telephone purchased the company in 1987.

Flashbacks: *Eight operators, who worked in shifts, 24 hours a day, seven days a week, handled all calls except those placed outside the Canton exchange. To make a long distance call before 1925, customers had to visit Whitman's Drug store, which had the only phone in town that was connected to the Bell System.*

- **Lakewood Telephone Company, Barnesville, PA.**
- **Operating territory: 25 square miles in Schuylkill County**
- **1,386 access lines, one digital central office**
- **Largest community served: Barnesville**

The Lakewood Telephone Company was founded in 1926 by a Barnesville businessman, Charles Kunkel. When it opened its doors for business that year, it had 12 customers served by a magneto telephone system.

Kunkel ran the company until 1950 when he sold it to four local businessmen. Weeks after the sale, the company's plant was nearly wiped out by an ice storm, disrupting service for all 300 customers. Undaunted, the new owners rebuilt the plant and replaced the old magneto switch with a common battery system.

Rochester Tel purchased Lakewood in 1988 from descendants of the four families who owned the company for many years.

- **Urban Telephone Corporation, Clintonville, Wis.**
- **Operating territory: 950 square miles in four counties**
- **18,245 access lines, two central offices, seven remote offices, all digital**
- **Largest community served: Shawano**

Urban Telephone Corporation has its roots in the Marion and Northern Telephone Company, which was incorporated in Marion in 1902.

One of its first expansions was to acquire the Clintonville exchange of the Wisconsin (Bell) Telephone Company. It traded a toll line for the franchise, which had been established in 1886.

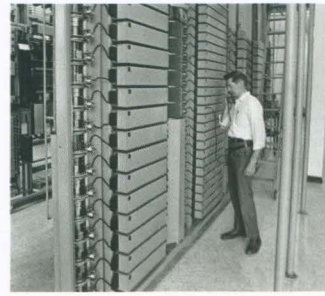
Between 1920 and 1930, the Marion company acquired other exchanges, moved its offices to Clintonville and changed its name to the Urban Telephone Company. Additional exchanges were acquired in the 1930's and early 1940's.

In 1957, the company acquired the Shawano exchange from the Wisconsin Telephone Company, trading it for the Big Bend Telephone Company. In 1962, Urban Telephone and the Dairyland Telephone Corporation combined operations to form Urban Telephone Corporation. In 1964, the company acquired two other exchanges.

Urban's territory includes portions of two Indian reservations, the Menominee and Stockbridge-Munsee reservations.

Rochester Tel purchased Urban Telephone in 1989. The principal share owners were members of the Schafer family; John Schafer continued as president.

Flashbacks: *Why is a telephone company based in a rural area of Wisconsin called Urban? It became Urban Telephone Company in 1929 when the company offices were moved from Marion to Clintonville. It was the wife of the general manager, John Spengler, who suggested the name; she apparently thought moving the offices from Marion to Clintonville constituted a move from a rural town to an urban city.*



Beginning at the far left, a St. Croix telephone van in a new housing development in New Richmond; Urban's headquarters building in Clintonville; and Viroqua's XY switch shortly after it was installed in 1970.

- **Lakeshore Telephone Company, Cecil, Wis.**
- **Operating territory: 72 square miles in two counties**
- **1,703 access lines, one digital central office**
- **Largest community served: Cecil**

The Lakeshore Telephone Company has been operating under that name only since 1970. Before that, it was known as the Cecil-Green Valley Toll Line Company.

Telephone service in the territory served by Lakeshore originated in 1909. Ruben and Robert L. Schmidt acquired the company's controlling stock in 1954. On Ruben Schmidt's retirement in 1969, his son Robert and his wife Barbara took over the company's operation.

The village of Cecil, where the company's headquarters are located, is on the east shore of Shawano Lake. As a resort community, its population of 400 increases significantly in the summer. The opposite side of the lake is served by another Rochester Tel subsidiary, Urban Telephone Corporation.

Rochester Tel purchased the company in 1989, with Robert Schmidt continuing as general manager.

- **Mondovi Telephone Company, Mondovi, Wis.**
- **Operating territory: 120 square miles in three counties**
- **2,123 access lines, one digital central office**
- **Largest community served: Mondovi**

Mondovi Telephone Company first provided telephone service in 1890. It was incorporated in 1904.

Four local businessmen founded the company, with one of them, B.S. Lockwood, serving as the first president and general manager.

The company converted to dial service in 1954 and installed a digital switch in 1981.

Rochester Tel acquired the company in 1989 from the Hesselman family. James Hesselman continued as president and general manager.

- **St. Croix Telephone Company, New Richmond, Wis.**
- **Operating territory: 144 square miles in two counties**
- **5,741 access lines, one digital central office, five remote offices**
- **Largest community served: New Richmond**

The story of how St. Croix Telephone Company got its start is similar to that of Rochester Telephone Corporation.

Wisconsin Telephone Company, a Bell System company, was serving New Richmond in 1910. Dissatisfied with its service, a number of customers organized a local company, which later purchased the franchise from Wisconsin Telephone.

In 1914, St. Croix moved into a new building, which, after several additions, remains its headquarters today.

In 1984, the company established the New Richmond Cable Company, Inc., which provides cable TV service to New Richmond and the village of Star Prairie.

Rochester Tel purchased St. Croix in 1990.

- **Viroqua Telephone Company, Viroqua, Wis.**
- **Operating territory: 69 square miles in Vernon County**
- **3,131 access lines, one digital central office**
- **Largest community served: Viroqua**

Viroqua Telephone Company was founded in 1897. The first system had a 100-line switchboard, which within ten years was replaced by a 300-line board.

Fire destroyed the company's building in 1907, but service was restored within a week. The original switchboards were replaced in 1927 by a new 1,200-line board in a new building. A dial switch was installed in 1953.

Until 1989, Viroqua served as a toll center for a number of neighboring companies.

Rochester Telephone purchased Viroqua in 1990.

Flashbacks: *On February 21, 1922, with temperatures at the freezing point, a steady rain began falling in the Viroqua service area. Telephone wires became ropes of ice two inches thick and by the morning of the 22nd, the city's streets were a mass of tree limbs, wires, cables and telephone poles. Of the 812 telephones in service before the storm, only 50 remained in operation. It was not until May of that year that telephone service was entirely restored.*

ACKNOWLEDGEMENTS

Endless Voices: The Story of Rochester Tel is the second illustrated history of Rochester Tel. It's an expanded version of *This Great Contrivance; The First Hundred Years of the Telephone in Rochester*, which was published in 1979.

Much of the research done for that book is incorporated in the narrative of *Endless Voices*. The late Herbert G. Jackson, Jr., a friend and former city editor of The Rochester Times-Union, did most of the original research. Countless other people, mainly Rochester Telephone retirees and employees, contributed their own recollections and perspectives. Most of the quotes used in the individual *Voices* were drawn from the files of the company's employee publications, the Rochester Telephone *Bulletin*, *Newsletter* and *Tieline*. I am also indebted this time around to Al Hasselwander for the foreword and for his helpful suggestions, and to Ken Schirmuhly for his review of the text and proofreading.

Wherever possible, employees who are recognizable in the photographs and whose names could be confirmed are identified in the captions. Still, some errors are inevitable, and I apologize in advance.

One other disclaimer: *Endless Voices* is not meant to be a definitive corporate history. It is more the story of the thousands upon thousands of men and women who gave the telephone voice in Rochester and Rochester Tel its energy and lifeblood.

In telling that story and in sorting through the photos and memorabilia of ages long since past to illustrate it, I often had the extraordinary feeling of having passed through a ghostly door and into a world preserved as if it all existed a moment ago. It is a powerful and moving experience, and I am grateful to the people at Rochester Tel who made it possible for me to make the journey and to record it for future generations.

F. L. Howe
March 13, 1992

About the Author

Larry Howe joined Rochester Telephone in 1971. Before that, he worked as a reporter and editor for newspapers in California, Ohio and New York, as a college journalism instructor and sports publicity director, and as an account supervisor with a Rochester public relations agency. Born in Rochester, he attended Rochester public schools, served in the Army during World War II and graduated from Stanford University in 1951. For most of his 20 years with Rochester Tel, he managed the company's employee, customer and investor communications programs, and news media and community relations. *Endless Voices* was his last assignment for Rochester Tel before his retirement in March 1992.



Photographic Credits

Photographers whose work appears in this book include, in alphabetical order, John Alexander, Talis Bergmanis, Hal Campbell, Gary Geer, Ted Kawalerski, Forest McMullin, Byron Morgan, Andy Olenick, Lou Ouzer, Ken Pamatat, Rowe Commercial Photographers, F. L. Schaeffer and Jamey Stillings.

Of the photographers commissioned by the company through the years, Lou Ouzer contributed the most. He was Rochester Telephone's principal photographer for more than 15 years, becoming a familiar figure at work locations and social functions.

Sources of the other photos in the book include AT&T, Gannett Company, Inc.; Local History Division, Rochester Public Library; Rochester Historical Society; Stone Collection, Rochester Museum and Science Center; and Telephone Pioneers of America.