

TELECOM Today

TELECOM

A Publication of the
Ohio Telecommunications Industry Association

CHAIRMAN SCHRIBER SEES LOCAL COMPETITION AS FUTURE OF TELECOMMUNICATIONS INDUSTRY

FOR THE FIRST TIME in nearly a decade, the Public Utilities Commission of Ohio welcomed a new chairman last year to oversee Ohio's \$24 billion public utility industry. Alan R. Schriber, a political independent from Cincinnati, Ohio, is 10 months into his five-year term as chairman of the PUCO.

This is not the first time, however, Schriber has served on the Commission. He was appointed by former Governor Richard Celeste, serving from 1983 until 1989. During that time, he voted on the divestiture of AT&T, rate basing of power plants, natural gas bypass and major ratemaking cases. It was what he called the "beginning of the end" of traditional rate regulation of public utilities.

Now, 10 years later, Schriber sees a different regulatory environment in Ohio. "Technology has dramatically changed the landscape. We are shifting away from traditional regulatory methods like rate-based, rate-of-return and are moving to more innovative and market based strategies," he said.

Schriber grew up in Dayton and is a proud graduate of Fairview Elementary School. He went on to receive his undergraduate degree from the University of Wisconsin. After graduation, Schriber worked as a stockbroker for the Greene & Ladd Division of Cowen & Co. in Dayton. In 1971, he attended Miami University to get his master's degree in economics, and in 1972, he moved to Indiana University for his Ph.D. Two years later, he returned to Miami to fill in as a professor of economics, and in 1976, he went back to Indiana to finish his doctoral dissertation.

After a brief stint at the Federal Reserve Bank of Cleveland, Schriber returned to Miami to teach for six years until Gov. Celeste called on him to serve on the Public Utilities Commission. When his term expired, he returned to the business world. He owned several radio stations in central and southeastern Indiana.

Last year, newly elected Governor Bob Taft wanted a new chairman at the PUCO. He liked what he saw in Schriber and asked him to serve another term. "It's a great job," Schriber said. "I like being the interface between the Commission, the outside political world and the constituents we regulate. I'm sort of the point person. It's challenging because everyone's got an issue."

Schriber is now in the middle of rule-making for the electric industry deregulation, which takes effect next year. He is also keeping a close watch on the recent trend involving the merging of public utilities, competition in the local telephone service industry and impending changes in telephone dialing procedures. "I expect there to be a lot of merger activity in the next two years," he added.

In regard to competition, Schriber stated, "Like all states, Ohio is struggling with transition.

Competition is good. It's healthy. But getting to competition from 90 years of monopoly is difficult. It raises questions about the definition of utilities. Utilities over time were

defined as a natural monopoly providing a vital service. Utilities today may be providing a vital service but are not always a natural monopoly.

"It would be nice if we could make full telephone competition happen sooner and move faster," he added. "While there is a great deal of competition in the local service market for commercial and industrial customers, residential competition has yet to take off."

Schriber noted that the Commission is currently studying the proposed changes to competitive telecommunications rules that now govern the field. "Every week there is a new feature or a new phone that provides customers with new service. The challenge is pushing the industry to implement more competition in the residential arena."

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NEW TECHNOLOGIES, the desire for enhanced telecommunication services and competition in the marketplace have forced companies in the telecommunications industry not only to redesign their business but to change the way they communicate with their customers as well. Coupled with historic changes in government, our industry is required to communicate to public policy makers, the media and the general public more thoroughly and more effectively than ever before.

Companies in the telecommunications industry and the services they provide are changing so rapidly it is difficult for all of us to keep up. At every level of government, legislative and regulatory policy must adapt to daily, sweeping changes in the industry.

At the OTIA, we are committed to providing all of our audiences, internal and external, with the most accurate, timely and thoughtful information possible. We will continue to develop our web site, (www.otia.org) to provide information daily to our members and the public, and to produce our current publications.

OTIA sponsored conferences, workshops and meetings will reflect a renewed commitment to providing forums where the most relevant, timely information is shared with all of our members and important constituencies.

It is our hope that *Telecom Today* will also provide important perspectives on public policy issues that impact the telecommunications industry. This newsletter will contain articles on trends in the industry, new products and services, views on legislative and regulatory policies, interviews with industry and key public policy makers, and what is going on at the OTIA.

Your thoughts on topics for our newsletter are welcome. We hope you enjoy this and future issues of *Telecom Today* and look forward to working with you in the new year.

Charles R. Moses
President

OTIA AND OHIO STATE FORM PARTNERSHIP FOR FUTURE

IN AN EFFORT TO INSPIRE greater participation in government and an increased interest in public service, the Ohio Telecommunications Industry Association has teamed up with the John Glenn Institute for Public Service and Public Policy at The Ohio State University. Last fall, the OTIA and its 45 member companies pledged a \$525,000 gift over a five-year period to support programs at the Glenn Institute.

The goals and the mission of the Glenn Institute compliment many of those of the Association. In today's increasing cynicism and distrust of government, it is more important than ever that we focus our efforts on attracting young people into public service.



Senator Glenn has set an outstanding example of such dedication and respect for public service.

OTIA's member companies, representing the telecommunications industry, are keenly aware of the value of developing informed, substantive public policy, and will play an important role along with the Glenn Institute in that process.

Ohio State hopes that one day the institute will become the Midwest's version of the John F. Kennedy School of Government at Harvard University. The OTIA/Glenn Institute partnership has been hailed as a strong step toward establishing a first-rate, public policy discourse at Ohio State.

Among other things, the OTIA gift will help support such programs as seminars for public officials at all levels of government to help them expand their organizational



skills and policy-making abilities; opinion research and analysis to measure public awareness and attitudes on a variety of public policy issues; scholarships and internships for undergraduates interested in public service careers; faculty research on public policy issues, and awards for individuals or groups who demonstrate exemplary commitment to public service.

The OTIA gift represents the first of its kind as a major private-sector business organization demonstrating its commitment to public service and public policy. Such public-private collaborations will help move the vision for the Glenn Institute forward.

COMPANY PROFILE Jacqueline Woods President, Ameritech Ohio



Jacqueline Woods firmly believes the best way to make it to the top is to start at the bottom.

"I was recently speaking with a college graduate and suggested she apply for a customer service job with our company," said Woods, president of Ameritech Ohio. "She kind of threw her nose up and asked me where I started, and I told her that I started in customer service here. To this day, I believe that was a big advantage for me, learning that and other sides of the business along the way."

Woods has held various positions since she started with Ameritech in 1970, when it was then Ohio Bell. For instance, she's been chief financial officer for Ameritech Services, in Chicago, and served as president of Ohio Bell Communications. She now runs an operation that employs 10,200 people statewide and generates more than \$2 billion in annual revenues.

"My advice, particularly for women, is to get themselves in jobs that are stretching and challenging of their interests or likes, but are highly measurable," said Woods. "That way you can prove your results and without question be recognized for your accomplishments."

Woods is involved with various non-profit and professional organizations as well, including American Red Cross, the Ohio Business Roundtable, the Ohio Foundation of Independent Colleges, COSI and The Ohio State University Foundation.

"I try to find opportunities that are synergistic with our business," she said. "I also look for places where I can bring skills or value to help an organization to be successful. And I look for things that I personally enjoy doing, since I have to do many of these in the morning, evening or on weekends."

It hasn't been difficult gaining acceptance from her peers, Woods said.

"In the telecommunications industry – Ameritech specifically – there is an awareness that, at the pace we're going and based on the needs we have, we must use and cherish every contribution that everyone can make," she said.

"I've had the advantage of being in a fast-changing industry. If you're achieving results, people will put you in the position where you can grow pretty quickly."

Her communications skills are one reason she is a leader, Woods said.

"I believe in listening to customers, collaboratively solving problems and delegating," she said. "The marketplace and industry have changed drastically – from a regulated monopoly to a highly competitive voice and communications business. The communications skills I can bring to the table are very important in the way we do business today."

Developing these leadership skills requires ongoing education, she said.

"I'm a big advocate of lifelong learning," she explained. "I stress that with the people who directly report to me – continually reinforcing that they do things such as go to seminars or attend classes at night to learn more. You have to change and grow on your own."

"Two of the people I most admire are Cher and Madonna. They reinvent themselves every five years, whether it's their music, their style or whatever. I think each of us needs to really look at ourselves and say, 'Am I still current? Do I fit? Is the way I approach problems relevant?'"

This profile was written by Todd McCollough for the November issue of Columbus Executive Woman.

FUTURE OF TELECOMMUNICATIONS INDUSTRY (Continued from cover)

In looking ahead to the new year, Schriber said one of his priorities will be to figure out how competitive advanced services can be deployed throughout the entire state. As for the future of the telecommunications industry, Schriber has four predictions: a) an oligopoly structure where the market is dominated by a few participants; b) a surge in wireless services, particularly broadband advanced services via radio, in recognition of the public's demand for portability; c) total packaging of services and d) "all distance" pricing where there is no distinction between local and toll charges.

Schriber said he appreciates the assistance he receives from the OTIA on numerous issues. "It is helpful when we can address a problem from a common ground, and the Association has always been very helpful in reaching that common ground."

"People need to understand that serving the best interests of utilities is not necessarily anti-customer. Competing interests are not necessarily segregated by utility vs. consumer. In balancing the interest of utilities, consumers and others in the regulatory process, my goal is to elevate all sides," said Schriber.

TIMELINE – 105 YEARS OF OTIA

1876 First telephone invented

1895 First telecommunications association formed in the United States – The Ohio Independent Telephone Association

1897 United States Telephone Association formed

1906 First Radio Broadcast

1934 Federal Communications Commission (FCC) created

1927 First Television

1976 First Supercomputer created

1980 Ohio Independent Telephone Association becomes The Ohio Telephone Association (OTR)

1982 First Motorola Cell Phone introduced

1983 Personal Computer unveiled

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ABOUT THE OTIA

The Ohio Telecommunications Industry Association (OTIA) is a statewide trade association that promotes the common interests of telecommunications companies serving and employing Ohioans. The OTIA currently represents 45 telecommunications providers along with 95 associate member companies that supply goods and services to the telecommunications industry.

Since 1895, The OTIA has played an active role in the formulation of telecommunications policy. The association seeks to ensure that its members have the opportunity to provide the best telecommunications services possible. OTIA member companies are a key component of Ohio's vigorous economy.



The OTIA is the first established telecommunications association in the United States. The association represents the telecommunications industry, collects and disseminates information relative to the industry and provides a forum for the discussion and resolution of issues of mutual concern.

By supporting the common interests of the telecommunications industry in Ohio, the OTIA helps ensure that Ohio residential consumers, business and other customers have ready access to the most modern telecommunications services available.

1988 House Bill 563, telephone deregulation passed by the Ohio General Assembly

1997 OTA becomes the Ohio Telecommunications Industry Association

1996 Federal Telecommunications Act passed by Congress

2000 Calls from pay phones in Wapakoneta (Telephone Service Company) still cost a nickel.

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1984 Break-up of AT&T

TIMELINE — 105 YEARS OF OTIA