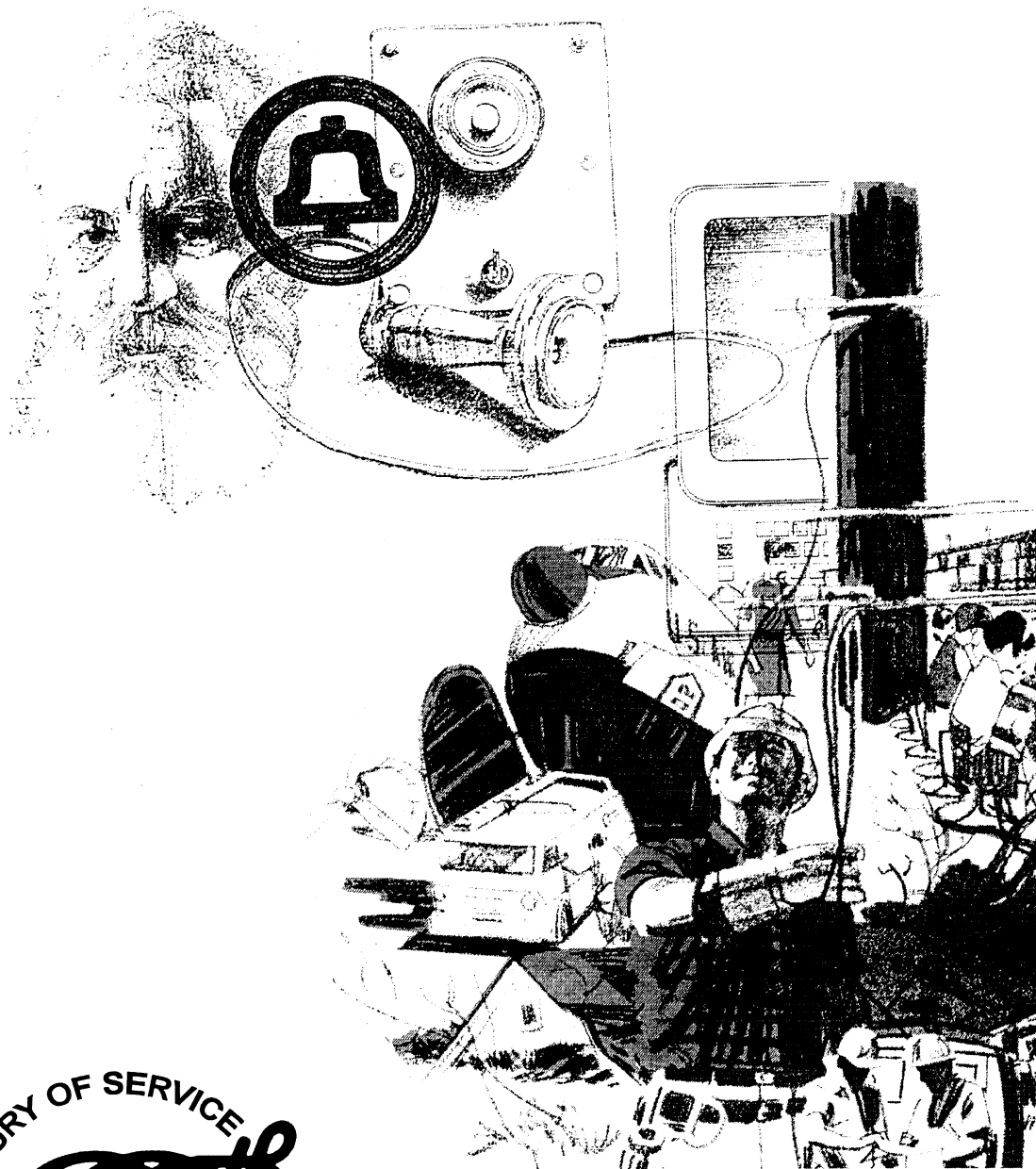


# The First 100



A Hundred Years  
Of New Beginnings

# President's Roll Call

## Diamond State Telephone / Bell Atlantic

1897 to 1911	H.A. RICHARDSON
1912 to 1918	F. H. BETHELL
1919 to 1932	L. H. KINNARD
1933 to 1946	PHILIP C. STAPLES
1947 to 1949	FRANCIS J. CHESTERMAN
1949 to 1964	WILFRED D. GILLEN
1965 to 1969	ROBERT M. WACHOB
1970 to 1975	WILLIAM S. CASHEL, JR.
1976 to 1982	WILLIAM L. MOBRAATEN
1982 to 1985	RAYMOND W. SMITH
1985 to 1988	GILBERT A. WETZEL
1988 to 1991	JOSEPH F. HULIHAN
1991 to 1996	CAROLYN S. BURGER
1996 to present	JOSHUA W. MARTIN, III

We step toward our next century with a body of knowledge developed over 100 years. Based on the experience of those who preceded us, this wisdom lives on and grows each day. Grounded in ethical principles and public concern, it is the well-spring of our past and future success. Our cumulative wisdom assures we will choose wisely and well, always capitalizing on our strengths to better serve our publics. Executed with determination, persistence and fortitude— with that spirit of “doing whatever-it-takes-to-make-it-work”— it distinguishes a Bell Atlantic - Delaware effort from all others.

Challenged to do more with less, to provide greater value for our customers, to become astute marketers, the best of us will bring out the best in us.

Preserving the greatness of the past while innovating a great new business future, we will create a newer, stronger company — competitive in the marketplace, yet mindful of those we serve. A company that does not shrink from, but pursues responsibility. A company which commands the respect of its owners, its employees, its customers and its competitors. A company totally committed to success.

In our next century, change will be our constant companion, challenge will be our personal motivation, and leadership our individual response to challenge.

We will marshal all our resources and continue to rededicate ourselves to the goal of providing superior service. We will nurture the creativity and encourage the ambitious efforts of our women and men. We will select and use to the greatest advantage the technology necessary to retain our commitment to quality and leadership. We will seek and discover new markets, and prosper as never before.

Now, with an exhilarating new sense of mission, let us begin to make another “New Beginning.”

  
President and Chief Executive Officer

# The First Beginning

***It was On March 10, 1876 when Alexander Graham Bell yelled: "Mr. Watson, come here, I want you!"***

***Watson ran into Bell's room saying he heard every word "distinctly."***

***....and thus the telephone was born.***

At first people were disinterested or amused and did not foresee the implications of the telephone.

The telephone was first introduced in Delaware in April, 1878, by William Thorn Westbrook who established headquarters at the northeast corner of Third and Market Streets. Previous to that time he was an operator for the Morse Magnetic Telegraph Co. and went on to become the leading personality in what was known in Wilmington as the Delaware and Atlantic Telegraph and Telephone Company.

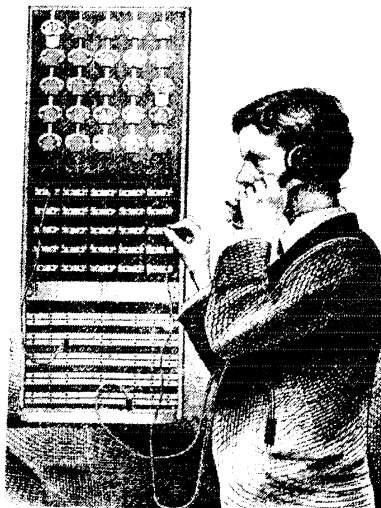
The editor of Wilmington's afternoon newspaper, Every Evening, on April 10, 1878, hailed it as "the greatest marvel of this progressive age."

The editor went further: "It is an invention outstripping the wildest

dreams of the most sanguine scientific enthusiasts of a few short years ago."

Subscribers were charged \$50 a year for the rental of a telephone and from \$80 to \$100 a mile for connecting the lines.

The new communications medium got off to a comparatively slow start. By August of 1878, about 35 telephones had been installed. Later that year an assistant, James H. Mehaffey, had been hired.



The first telephone switchboard was placed in operation at Wilmington in 1879 and the system began to spread in the following year when the first line was extended outside the city to the Garrett Snuff Factory at Yorklyn.

Success of this venture created a demand for similar

lines and New Castle County was soon honeycombed with local telephone networks which later extended through Kent and Sussex Counties.

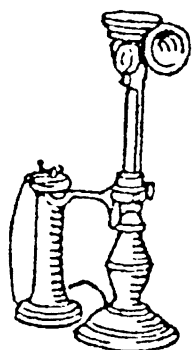
In those early days, each community operated its own telephone company and there was no system of intercommunication. The telephone companies did not operate beyond the limits of the community in which the central office was situated.

Bell's original patents expired in 1893 and 1894. The rush to form telephone companies was on - another gold rush. In the rural areas that lacked service, little telephone companies mushroomed.

In cities, the new companies attempted to compete with Bell. In some cases, threatened it seriously, though rarely toppled it for a number of reasons.

The promptness of Bell service was already forming an aura around the name. The soundness of Bell's business policies was explicitly underscored by the fact that increasing numbers of prestigious businesses were installing Bell equipment. Also, a measure of goodwill in the community

had been earned by Bell's early social consciousness.



Desk Type Telephone  
Used In 1886

Still competition was furious as competing salesmen undercut each other in quest of the customer.

The skies of the larger towns were darkened with hundreds of wires from competing telephone companies that criss-crossed over the streets. It was impossible to call another party if he subscribed to another company even if he lived across the street. The solution? Subscribe to two or even three companies.

Harry A. Richardson, of the Richardson and Robbins Company, holder of an interest in the Dover Telephone Company, undertook to unite the small community services into a single company. He organized the Diamond State Telephone Company in March, 1897, and established a complete telephone system which connected key points throughout the Delaware-Maryland-Virginia Peninsula

south of the Delaware-Chesapeake Canal.

The American Bell Telephone Company was weaving a nationwide telephone system at this time and, in 1905, the Diamond State Company arranged with the American Company for the connection of Delaware telephones to the growing Bell System.

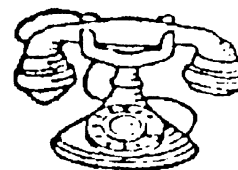
By 1907, capital was scarce, and because of the ruinous duplication of facilities all telephone companies were having a difficult time getting the financial backing they needed to stay in the race. Bell and his backers persuaded Theodore N. Vail, a pioneer telephone manager, to return to the Bell companies after a 20-year absence and manage them once again. His reputation for financial acumen got Bell the needed credit with the banks.

Vail's policy gave the company the direction it would need for the 20th century - a policy that formed the integrated structure of the Bell System.

In 1912, the Diamond State Company sold to the Chesapeake and Potomac Company all its properties in Maryland and Virginia. At the same time, it purchased the properties of the Delaware and Atlantic Telephone and Telegraph Company which

served Delaware's New Castle County.

Telephone growth during the following years paralleled the steady growth of the telephone system in all parts of the nation.



Desk Type Telephone  
Used In 1930

Dial service was introduced in the state for the first time at Wilmington in 1929. At the time, there were 32,000 telephones in service throughout Delaware. The 50,000 mark was reached in 1940 and, after World War II, the number of telephones spurted past the 100,000 mark in 1948.

In 1940, the Diamond State Company introduced coastal harbor radiotelephone service with receivers along the Delaware coast contacting ships in Upper Chesapeake Bay, Delaware Bay, the Delaware River and coastal waters as well as in the port of Wilmington.

This service was instrumental in 1953 in the saving of seven lives when Wilmington switchman Joe Hogan maintained for hours the only contact with a storm-whipped fishing trawler in the Atlantic and guided rescue ships to the craft. He was awarded the Vail Medal, a high Bell



System citation, for his skill and devotion to duty.

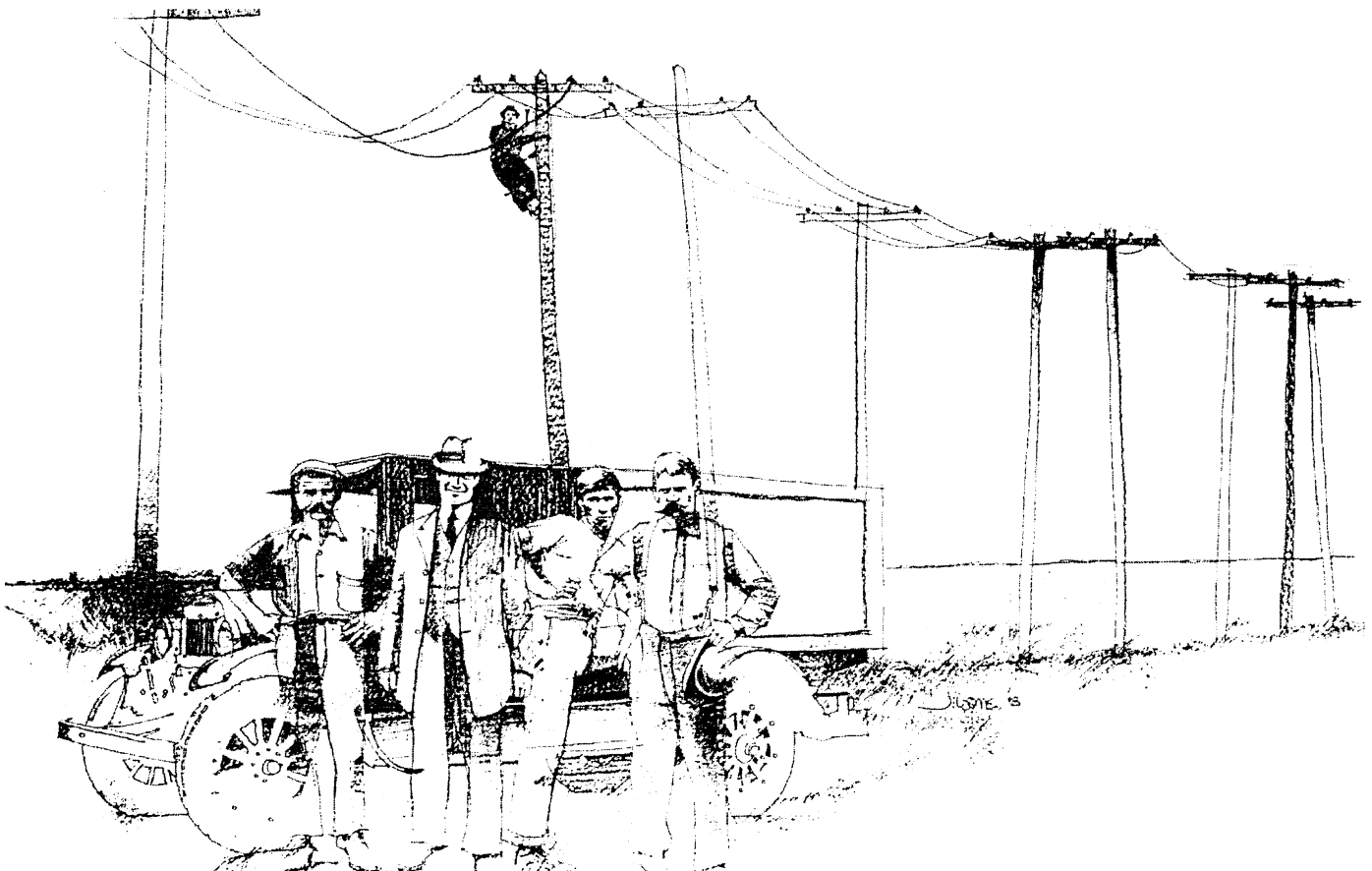
Delaware became the first state in the nation to enjoy one hundred per cent dial service when the Georgetown central office was converted to dial operation in 1950.

At this time in 1950, the Diamond State Company had 36 central offices in Delaware handling approximately 870,000 originating local and out-of-town calls on the average business day. In 1997 we have 33 central offices, and now process tens of millions

of originating local and long distance calls each day.

Bell Atlantic - Delaware's history parallels the history of the Bell System. From the first two telephones installed by Mr. Westbrook, the company grew to 100,000 in 1948, to 200,000 in 1959 and over 500,000 in 1979. And as the number increased, so did the value and versatility of each telephone. Early on you could rent a telephone from us as long as your color choice was black. Various telephone colors were later introduced for an additional fee each month. We even

sold "Design Line" telephones where you bought the shell and rented the insides from us. Eventually customers could start getting their telephones from sources other than Bell. At first they had to register the "ringer equivalency number" with us to insure compatibility with our network. That changed over time and it became impossible to know how many telephones were hooked up to our network. In 1982 we started to measure our growth in access lines served. Today we serve over 520,000 business and residence access lines.



JANUARY, 1883.

# Telephone Exchange,

Open Day and Night,  
Every day in the year.

WILMINGTON, DELAWARE.  
W. T. WESTBROOK, Manager.

Messenger's services furnished.  
Short errands, 10 cents, or 15 cents  
per one-half hour.

## MODE OF OPERATION.

Ring for the Exchange by the usual call ~~one or more times~~ without waiting for an answering ring, listen to your Telephone and the Exchange in a few seconds will say "well?" (And should your number be 164, and you want 175,) say connect 164 with 175. Replace your telephone and make one long ring at intervals of 15 Seconds.

You must observe the 15 Second Rule, and make one short ring when your conversation is finished.

### LIST OF OFFICES.

129 Adair, L. F.,  
88 Almshouse,  
134 Allen, A.,  
37 Allwood, J. P. & Co.,  
27 Arlington Mills M'g. Co.,  
182 Artisans Bank,  
52 Augustine Mills,  
63 Baird, Chas. & Co.,  
44 Bates & Harrington,  
44 Bates, G. H., (Res.)  
51 Bancroft, Jos. & Sons,  
51 Bancroft, Jr., Samuel, (Res.)  
160 Bayard Law Building,  
172 Bayard & Dawson,  
140 Beadenkopf, Wm.,  
37 Beggs, Jas. H.,  
165 Bellah, Quigley & Co.,  
62 Bellah, Joseph, (Res.)  
84 Belt, Z. James,  
171 Betts Machine Co.,  
50 Bond, J. A.,  
7 Bowers, Dure & Co.,  
178 Bradford, James,  
58 Brackle, W. R. & Co., Greenville,  
58 Brackle, W. R., (Res.)  
84 Bringhurst, Jr., E., (Res.)  
157 Brown, H. A.,  
188 Bush, G. W. & Sons,  
98 Bush, W. D., (Res.)  
86 Bush, G. W., (Res.)  
43 Bullock, W. S.,  
23 Brandywine Pay Station,  
56 Canby, E. T., (Res.)  
163 Capelle Hardware Co.,  
128 Carlisle J. V. & Co.,  
50 Carswell, F. R.,  
40 Chandler, Hayes, (Res.)  
42 Chief Engineer's Office,  
100 Chief of Police Office,  
133 Child, M. M.,  
113 Churchman, G.,  
42 City Mills,  
181 Clayton House,  
109 Cold Spring Ice Co.,  
50 Cole, J. C.,  
42 Cool Spring Reservoir,  
77 Colquhoun, W. C. R.,  
48 Cone, Lewis & Son,  
99 Cranston. J. A., Newport,

### LIST OF OFFICES.

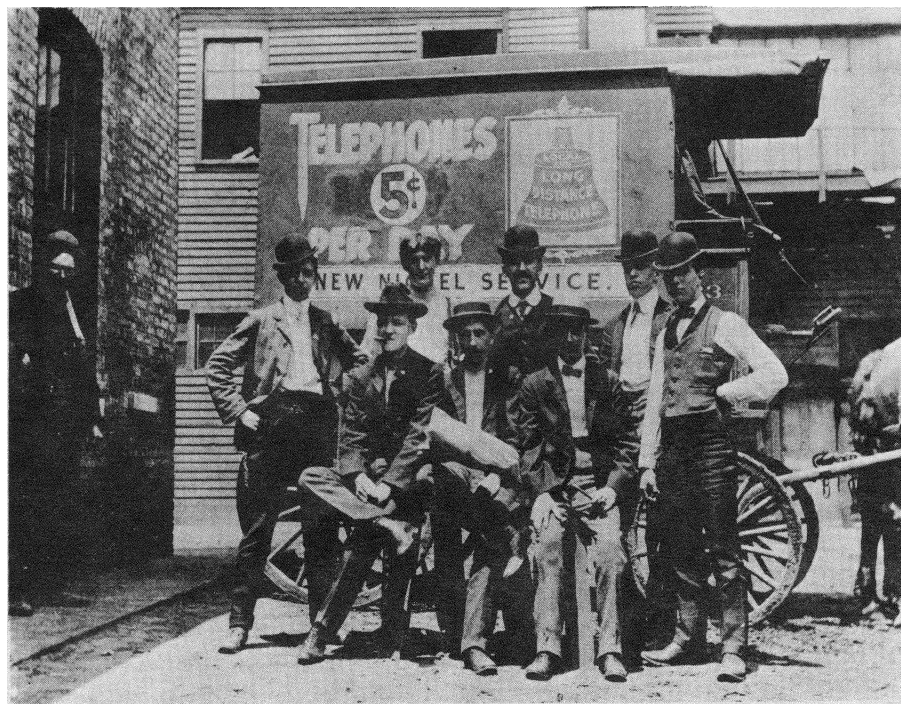
83 Flinn, J. R., (Res.)  
20 Frantz, Dr.,  
49 Garret, M. & W.,  
55 Garrett, Elwood, (Res.)  
47 Garrett, Howard, (Res.)  
49 Garrett, Maurice, (Res.)  
57 Gause, J. T., (Res.)  
93 Gause, Harlan,  
57 Gause, H. T. (Res.)  
62 Gause, S. Irwin, (Res.)  
93 Gause, Harlan, (Res.)  
159 Gregg & Pierce,  
73 Ganthrop, Brother & Co.,  
191 Gulpia & Co.,  
49 Griggs, A. C., (Res.)  
122 Gillespie & Co., Plumbers,  
101 Harlan & Hollingsworth, Co.,  
131 Harlan & Hollingsworth, Car Shops,  
44 Harrington, A., (Res.)  
38 Harvey, J. M.,  
192 Harvey & Sisker,  
133 Hawkins, D. T. & Son,  
170 Heald & Co.,  
176 Hewes, Emlen,  
32 Hiles & Jones,  
17 Hiles, S. L., (Res.)  
22 Hirst, Benj.,  
47 Hoffecker, J. H.,  
19 Howland, C. W., (Res.)  
19 Howland, C. S., (Res.)  
5 Hamilton, John & Co.,  
148 Hewes, Emlen, (Res.)  
154 Jackson Lime & Coal Co., No. 1,  
1 Jackson & Sharp Co.,  
54 Jackson, J. H., (Res.)  
131 James & Brother,  
153 James & Webb P. & S. Co.,  
162 Johnson, H. H., (Res.)  
12 Johnson Forge Co.,  
18 Jessup & Moore Paper Co., Brandywine,  
114 Jackson Lime & Coal Co., No. 2,  
16 Kennebec Ice Co.,  
65 Kent, D. H., (Res.)  
123 Kent Iron and Hardware Co.,  
67 Kent, L. C.,  
102 Kent, B. Lundy,  
43 Kirkman, G. E., 10th street,  
10 Kirkman, G. E., 3d street,  
147 Kilmer, J. R.,

### LIST OF OFFICES.

125 Palmer, L. W.,  
3 P. W. & B. Freight Office,  
136 Pickels, H. F., Store,  
136 " " Foundry,  
135 Pickels, W. D.,  
106 Pierson, W. H.,  
117 Poole, J. Morton, Co.,  
80 Pusey, Scott & Co.,  
111 Pusey & Jones Co.,  
64 Pyle, C. & J.,  
68 Pyle, Frank, (Res.)  
46 Pennington, Evans,  
146 Pennsylvania R. R. Freight Office,  
15 Philips, L. D. & Son.,  
186 Paschall, S. D.,  
24 Philadelphia,  
177 Remington & Co.,  
200 Republican Office,  
66 Riddle, J., Son & Co.,  
40 Robinson, Chandler & Co.,  
135 Robinson, R. R. & Co.,  
70 Rockland Mills,  
30 Rodney, C. A., (Res. Call Vol. Fibre Co.)  
96 Richardson, Joseph,  
173 Seal, J. H.,  
4 Seidel & Co.,  
56 Seidel, H. B., (Res.)  
99 Scott, J. Winfield, (Res.)  
103 Simmons, S. G. & Bro.,  
48 Singles, E. H. & Son,  
49 Smith & Palater,  
100 Smith & Warner Axle Co.,  
89 Speakman, Allen,  
71 Sperry, W. F., R.  
62 Springer, Morley & Gause,  
62 Springer, L. R., (Res.)  
99 Stanton Mills, Stanton,  
166 Stone, G. W.,  
69 Stone, G. W., (Res.)  
61 Swift, W. H., (Res.)  
43 Smith, Chas. E.,  
141 Stewart & Jones,  
183 Stoekle, Joseph,  
124 Schoen, W. H.,  
58 Stoner & Thompson,  
107 Talley, C. W. & Co.,  
20-Tantum & Frantz, Drs.,  
99 Tatnall, Jos. & Co.,  
105 Tatnall, H. L. & Co.,

# Each Generation Made Its Mark

It took tough-minded people to persist in the face of the telephone's troubled infancy. They had studied their products and they knew how it worked. So they struggled and they believed.



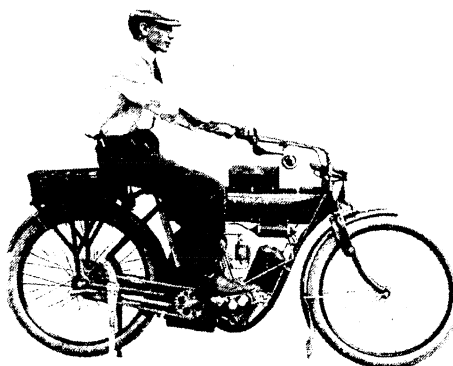
Whenever they finished the grueling job of attaching wires to rooftops or on pole lines 90 feet high, they sprinted down and set out to sign up neighboring householders for this new service. In their buggies, they carried a supply of subscription contracts and right-of-way agreements.

They never realized that they were creating a Bell tradition - they were making company business their business, and laying a cornerstone for the devotion to service that has been the

consistent theme of Bell people for the past century.

Over the years they built a vast system of wires and cable, switchboards and central offices, and made it

an instrumentality of human service. They endowed it with life by breathing into it something of their own loyalty and pride.



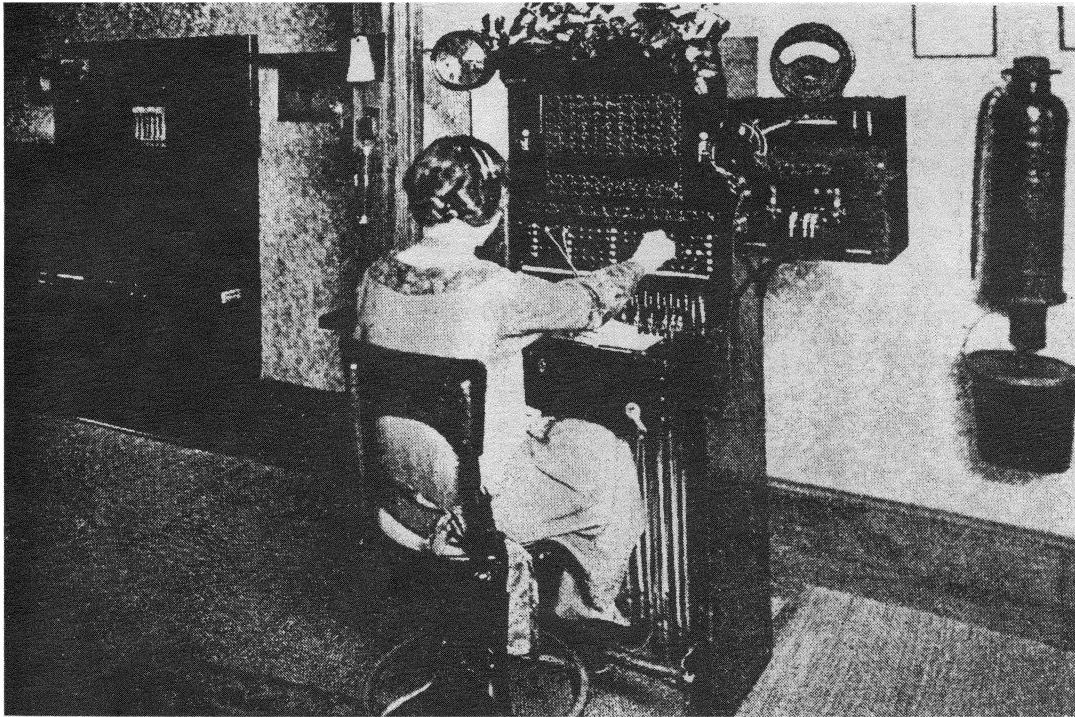
In a speech before the Telephone Society in October 1905, a company

executive examined the force motivating Bell employees. He called it "the new spirit." Those imbued with the spirit," he said, "aim to make the words 'Bell' synonymous with all that is fair, businesslike, efficient and honorable.

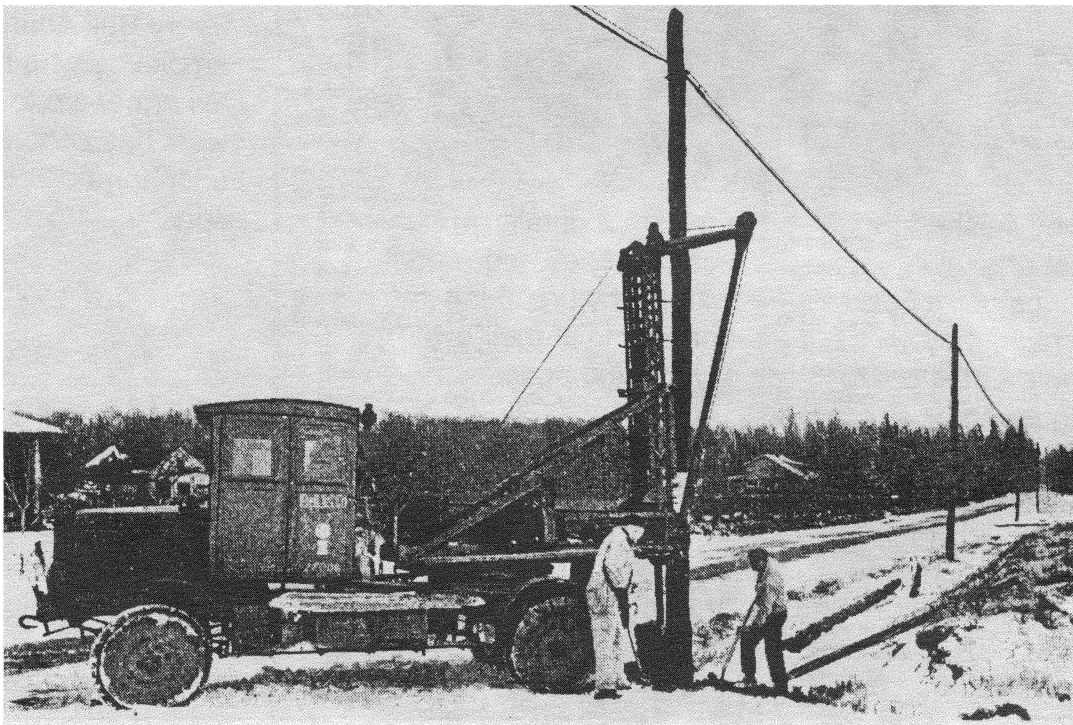
"We aim to make the commercial development of our business the most remarkable industrial achievement of our time."

That goal is as valid on the threshold of the company's second century as it was for the generations of telephone people who conscientiously pursued it during the first. Every Bell Atlantic- Delaware employee who has devoted his or her life to telephone work has contributed to the telephone creed of public service.

*Some of their efforts are described in these pages - men and women, past and present, whose efforts have kept Bell Atlantic - Delaware strong, reliable and innovative . . . a leader in the telecommunications industry.*



**The Central Office at Frederica, serving 120 telephones.**



**Rebuilding a pole line in the Holly Oak Exchange Area. Periodical inspections are necessary on all "outside plant" to determine its condition and the necessity for replacements.**

# Rooted In The Past Attuned To The Future

Three men and a list of names scribbled on a sheet of manila paper. That was the beginning of Pioneering.

The time was 1910. Bell's invention, once scoffed at as a "scientific toy," had survived years of struggle.

It had grown up. And a generation of pioneering telephone people had grown up with it.

One of these pioneers was Henry Pope, veteran special agent of the Bell System. Late one afternoon as he sat at his desk feeling nostalgic, he began to recall men he had worked with in the early days. One by one he jotted the names on a scratch pad.

He was joined by Charles Truex, who spent many hours establishing and reorganizing telephone exchanges, and Thomas Doolittle, inventor of hard-drawn copper wire, which made long distance practical.

The result was a roster of men who had ushered in a new era in communications. Pope and Truex took the list to Theodore N. Vail, a dynamic builder of the Bell

System, then serving as its first president. They proposed that a society be formed reserved exclusively for long-service communications people. Their list was to be a nucleus. Vail liked the idea.

purpose of perpetuating friendships and fostering and encouraging other worthy and appropriate purposes."

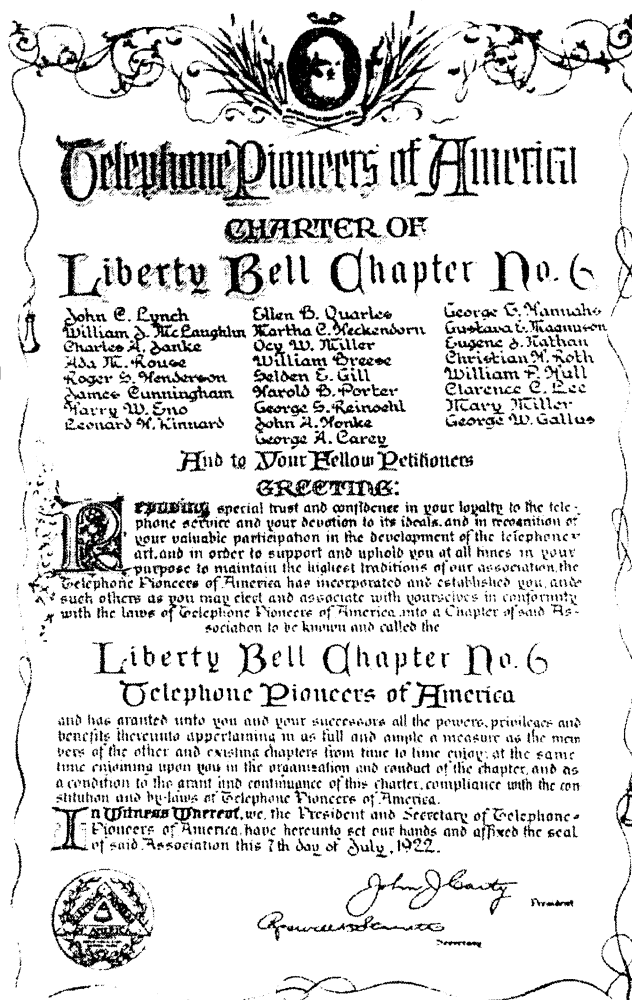
"The Telephone Pioneers of America" evolved as the only possible name for this telephone fraternity. These

were the trailblazers - railroad men, merchants, postmasters, accountants who had left their accustomed trades for the uncharted field of communication. They created a new body of knowledge, new science and technology, and built a tradition as they progressed.

The first meeting of the Telephone Pioneers of America was held on November 2 and 3, 1911 at the Hotel Somerset in Boston.

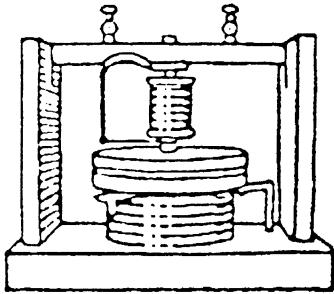
The passing years saw significant progress. The nation grew, the communications industry grew, and of course, pioneering in Delaware and the nation grew. By

1921 Pioneering had grown so big it was necessary to form local chapters and later councils and clubs to bring Pioneering closer to home. The first seven chapters



A membership paper was taken personally or mailed to all veteran telephone people. It proposed that an association be formed of early workers in the telephone field "for the

were chartered on July 7, 1922.



Alexander Graham Bell's  
First Telephone

Liberty Bell Chapter No. 6 was the first chartered by the Pioneer Association on that date. It encompassed Eastern Pennsylvania and Delaware.

In 1930 it was necessary to form councils because of the significant growth of the organization. The members in Delaware had, in effect, already formed a council. Transportation between Philadelphia and Delaware was not so speedy, and many Diamond State Pioneers found it a problem to get to meetings. The obvious solution was to establish a group and meeting place closer to home. Their group became known far and wide as "The Club." There has long been a debate as to which Council was formed first. Of course "The Club" was formed long before any Council. At the Fall Party the Diamond State Club decided to become a Council. Delaware now has two Councils: The Diamond State and the Caesar Rodney.

A look at the history of this organization shows the Pioneers to be a serious-minded and changing organization, deeply rooted in the past but very much attuned to the future.

Though its founding purposes of fun and fellowship remain unchanged, Pioneering through the years has shifted its focus to meet the needs of the times.

The early '50s saw the Pioneers concentrate on service to members, largely through hobby and self-improvement programs. Pioneering continues to broaden the horizons of telephone people with training in everything from flower arranging and public speaking to photography and the art of clowning.

In 1958, Pioneers expanded the telephone business service tradition, reaching out beyond the telephone family to extend a helping hand in the communities where they lived and worked.

Active and retired Pioneers continue to work with the physically and mentally handicapped, the disadvantaged and homeless, the neglected - young and old, as well as ecological, social betterment, and civic projects of all kinds. Where they identify a community need, Pioneers try to do something about it.

Despite a growing trend away from employee fraternal organizations, such social concerns have attracted many non-Pioneers who, uncertain how they can serve and where, find the answer in Pioneering. Among them are Pioneer Partners (husbands and wives of Pioneers). They have brought new ideas as well as more hands to help Pioneers get things done.

Recently, in Delaware, the Pioneers are modifying toys for the mentally and physically challenged children at the Delaware Curative Workshop. They provided video communications terminals and teletalk boxes for training at the Sterck School for the hearing impaired. They wired (29,000 feet) the Newark Senior Center for communications services. They supply "Hug-A-Bears" for children in traumatic situations at the A.I. Institute. They provided communications wiring at the Ronald McDonald House. They paint 20 by 30 foot maps of the United States on playgrounds of area schools. Over 25 so far. They serve breakfast to the homeless, meet monthly to repair cassette book machines for the blind and even take time to 'Adopt-A-Highway' clean-up. These are just some examples of their ongoing contributions to Delaware.



# Always Test And Trials

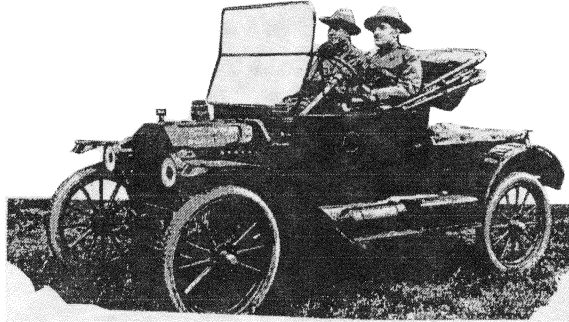
Many of the challenges faced through the years were man-made. Bell survived trial by conflict, meeting the demands of two World Wars, despite severely restricted resources. The booming growth periods that followed required continuous catch-up efforts to reduce the number of deferred orders.

In 1918, the company experienced the United State's first and only experiment in government-run telephones.

Initially feared as a wartime expedient that could become permanent policy, the takeover actually had beneficial effects on the business.

One year after nationalization the company regained its corporate independence. Bell Atlantic - Delaware found itself strengthened financially by rate increases expeditiously granted by the federal government and with a greatly enhanced capability for service.

Very importantly, the Bell System's overall performance during these conflicts gained it government recognition for operating a vital national resource.



Members of the 406<sup>th</sup> Telegraph Battalion During the First World War were Bell employees from Pennsylvania and Delaware.

The great Depression of the '30s abruptly halted the company's virtually uninterrupted record of growth. For the first time, station losses far exceed station gains. More than 6,000 sets were disconnected in 1932. A decrease of over 7%. The Annual Report of that year stated "the operations of the company were materially affected by the prevailing business conditions." A dividend of 8% was still paid out for the year.

But, while many other companies were forced to resort to wholesale layoffs, Bell Atlantic - Delaware was able to hold on to most of its trained work force, largely through stringent retrenchment, putting everyone on part-time to spread the work, and an all-out employee effort to gain new business.

Employees who could be spared were moved into sales. Many volunteered to sell on their own time.

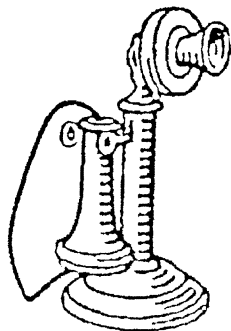
Continuous antitrust scrutiny by forces in government has long been a fact of life for Bell management. When lawyers and legislators have sought to cut off various arms of the Bell System, management has had to respond.

While each encounter produced some changes for of the System was consistently found to be in the public interest. An early instance of government-corporate compromise was the Kingsbury Commitment, signed by the Bell System in 1913.

In it, the Bell System volunteered to stop acquiring independent telephone companies and to allow independents interconnection with Bell facilities. That agreement did not put undue limits on Bell Atlantic - Delaware's growth.

The antitrust suit of 1949 ended with the 1956 Consent Decree. Hailed by the government as a "victory" because of the patent concessions required of Bell and also its exclusion from other fields other than

communication, the fact that Western Electric remained a part of the Bell System helped counterbalance the negatives.



Candlestick Telephone

The Justice Department's antitrust suit, filed in November 1974, again challenged Western Electric's relationship to the Bell System and the Bell System's structure in general.

This suit continued until 1984 when U.S. District Judge Harold Greene ruled that the telecommunications giant Bell System had to break up. The local telephone businesses were divided up into seven Regional Bell Operating Companies.

Our region, which took the name Bell Atlantic, serves New Jersey, Pennsylvania, Maryland, Virginia, West Virginia, Washington D.C., and Delaware.

These RBOCs or "Baby Bells" were given the local telephone monopoly, but were barred from entering

the long distance, manufacturing, and information services markets. The cellular market and other ventures outside the industry were open to them.

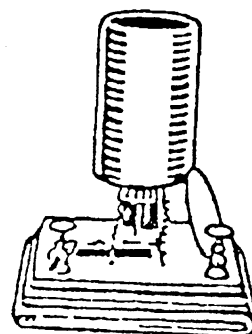
In the decade that followed deregulation, the pace of change in the industry sped up more rapidly than anticipated. The industry lost its monopolistic characteristics and became highly competitive.

One of the next changes was the Telecommunications Technology Investment Act of 1993. This fundamentally changed the regulatory requirements for Bell Atlantic – Delaware. The Governor considered this one of the most significant pieces of legislation enacted that year. This act allowed us to elect a new form of price regulation under which basic rate changes are determined by a set formula. This price regulation also provides us with market incentives to control costs and increase productivity. Under the act we agreed to invest at least a quarter of a billion dollars over five years to build a state-of-the-art, digital network in Delaware. We also agreed to make fiber optics available to 110 key public schools, medical facilities, and state government locations. In the first two years we have already invested \$128 million, and have fiber

available to 100 of these key facilities.

Next came the Telecommunications Act of 1996. This was the first major rewrite of the nation's communications laws in 62 years. It ultimately will replace regulation with competition as the governing force for the development and widespread use of telecommunications technology infrastructure.

This Act will in part undo the restrictions of the 1984 breakup of the Bell System that prohibited our entry into (with some restrictions) the long distance, wireless, video and information services, as well as to manufacture telecommunications equipment. At the same time the cable and long distance companies will be allowed to provide local voice and data services.



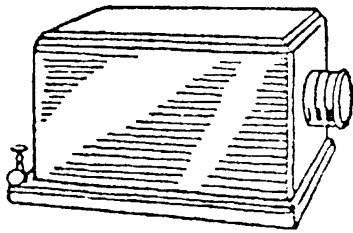
Telephone Exhibited at the Centennial in Philadelphia

This brief glimpse backward shows the variety and seriousness of some of the difficulties we have met and overcome.



# The Beginning That Never Ends

It was a Theodore N. Vail precept that if the Bell System remained a well-run business, it could afford to invest in experimentation that would lead to new discoveries. Those discoveries, in turn, could be afforded by the operating Bell companies if they, too, were well-managed businesses.



Desk Type Telephone  
Used In 1886

Bell Atlantic- Delaware has been such a company. To this day it continues to forge ahead, pioneering new ideas and reaping, as early as possible, the resulting service and cost benefits for its customers.

What has kept Bell Atlantic - Delaware on the technological frontier? Three factors are cited: management with a mental set conducive to innovation; an organization willing to risk unproven developments; and very importantly, elected officials who have allowed the earning that prudent investments in progress require.

It was the invention of the repeater - an amplifying device to boost voice signals - that made the spanning of increasingly greater distances by telephone possible. Repeaters were first used commercially in the Bell System on a toll line in 1904.

A special supplement to the February 15, 1915 edition of a Bell System employee publication - *The Telephone News* - heralded a technological milestone - the opening of transcontinental service with the completion of the first call between Philadelphia and San Francisco.

The striking of the Liberty Bell, clearly heard more than 3,000 miles distant, testified to the quality of transmission.

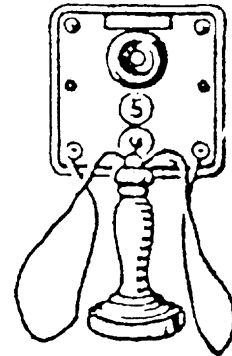
The Bell System also was experimenting with radio as a means of transmission. Research uncovers that the first application of carrier was made in 1918.

The creation of Bell Telephone Laboratories in 1925 as the research and development resource for Bell companies was, in later years, to trigger a string of technological firsts for Bell Atlantic- Delaware and provide the fast-growing company with improved

ways of working and serving its customers.

It was the addition of the dial to candlestick sets in the '20s that spawned a communications revolution.

Machine switching called "step-by-step", extended the magic of dial to smaller towns and cities across Delaware. The '40s and '50s saw the replacement of manual offices with succeeding generations of crossbar switchers.

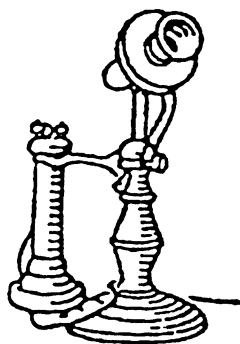


Wall Type Telephone  
Used In 1878

The decade of the Fifties saw the introduction of nationwide operator toll dialing, launched in 1951, and the logical next step forward, customer toll dialing, first introduced in 1953.

A big telephone jump across the Atlantic took place in 1966 when a Bell System executive made the first DDD call from Philadelphia to Geneva, Switzerland.

Delaware was moving forward on other technological fronts as well. In 1950, the Georgetown central office was cut over to Dial making us the first state in the nation to be 100% dial.



**Desk Type Telephone  
Used In 1895**

Our Accounting office, from 1958 through 1962, served as the proving ground for the use of large-scale computers for billing and maintaining customer records. The first Electronic Data Processing (EDP) bills were mailed to customers in 1960. Lessons learned paved the way for similar advances across the Bell System.

Our Comptrollers continued to set the pace for the System in computerizing all facets of the accounting job. Their most monumental undertaking has been the pioneering of Functional Accounting, an \$800-million System project to develop financial and product management information, essential in a competitive climate.

In the '60s, the most costly research and development project ever undertaken by

Bell Laboratories - electronic switching - began to bear fruit. Again Bell Atlantic - Delaware was early and single-minded in its commitment to this new technology that promised undreamed of service and expense savings possibilities.

The company launched its move into the electronic age in 1973 with the cutover of the first No. 1 Electronic Switching System (ESS) in the Wilmington office. Delaware marked an ESS milestone the next year when more than half of its customers will had electronic service.

And the electronic switching family continued to expand. The No. 1 ESS was joined by a No. 2 and No. 3 ESS, extending the benefits of electronic services to Delaware in increasingly smaller communities.

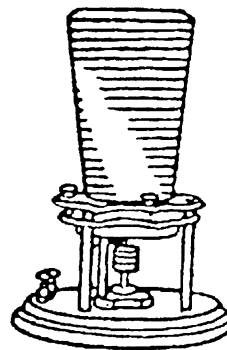
Since then, Delaware has achieved one of the Bell System's fastest phase-outs of electromechanical equipment, eliminating it completely with the Delmar "Remote Switching Module" cutover in 1986. We were the first state in the nation to be 100% electronic switching..

Also the Delaware portion of the switched network was tremendously strengthened by the installation of No. 4 ESS, a solid-state super

switcher with an hourly call processing capability of 550,000 calls. The company's first 4E installation took place in Wilmington in 1974 as a joint Bell-Long Lines operations.

Operator service, too, has been revolutionized by electronic technology. The pioneer Traffic Service Position (TSPS) office opened in Wilmington in the summer of 1971. It made calls that required operator service dialable by customers, and replaced the switchboards of yesteryear with the push button operator consoles of tomorrow.

They have streamlined the handling of operator-assisted calls and made possible the centralization of operator services in fewer, more efficient locations.



**The Telephone of 1876**

Recent years have witnessed an explosion of innovation, everything from a cornucopian array of newly developed products and services for home and business and exciting new possibilities in switching and

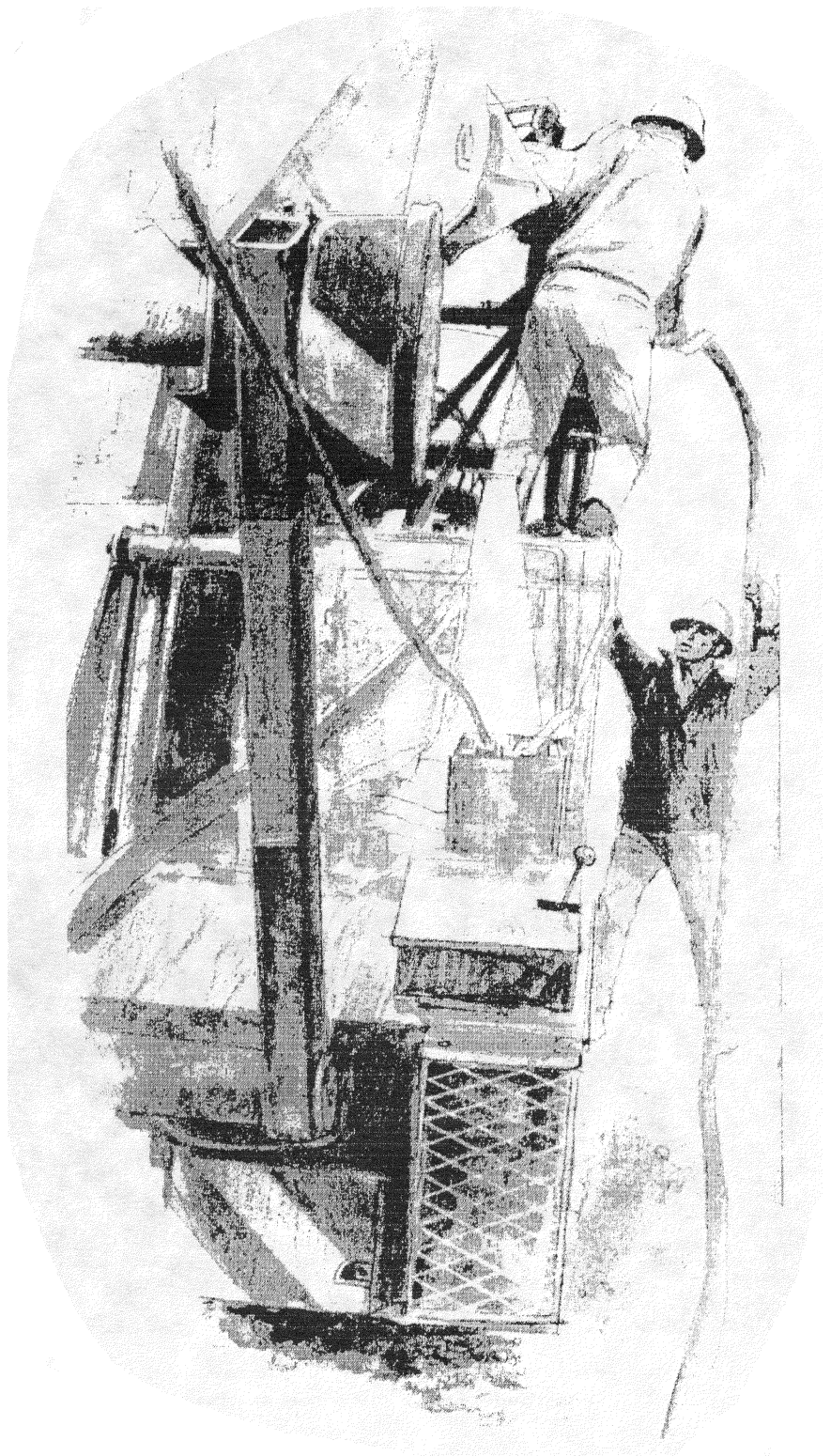
transmission, to multiplying computer-assisted systems to enable Bell Atlantic - Delaware to better serve its customers and to hold down the skyrocketing costs of providing that service.

The deployment of digital switching and fiber optic technology are powerful agents of change in the advancement of information and communications technology. They also provide a versatile foundation for the state's evolving business needs and are essential to attract and retain such communications-intensive companies such as insurance and banking, biotechnology, and advanced materials.

Combining digital switching, fiber optics, and computer technology, Bell Atlantic can link almost every home and institution into a single world-wide web of computer and telecommunications users. Customers can send electronic mail and high speed data from a main frame, a PC or a laptop. Bell Atlantic-Delaware's new and better delivery channels are creating a myriad of exciting and practical new applications. These include distance learning, through which a growing number of Delaware schools and colleges concurrently beam interactive instruction to multiple classrooms and telecommuting, which allows Delawareans to work out of

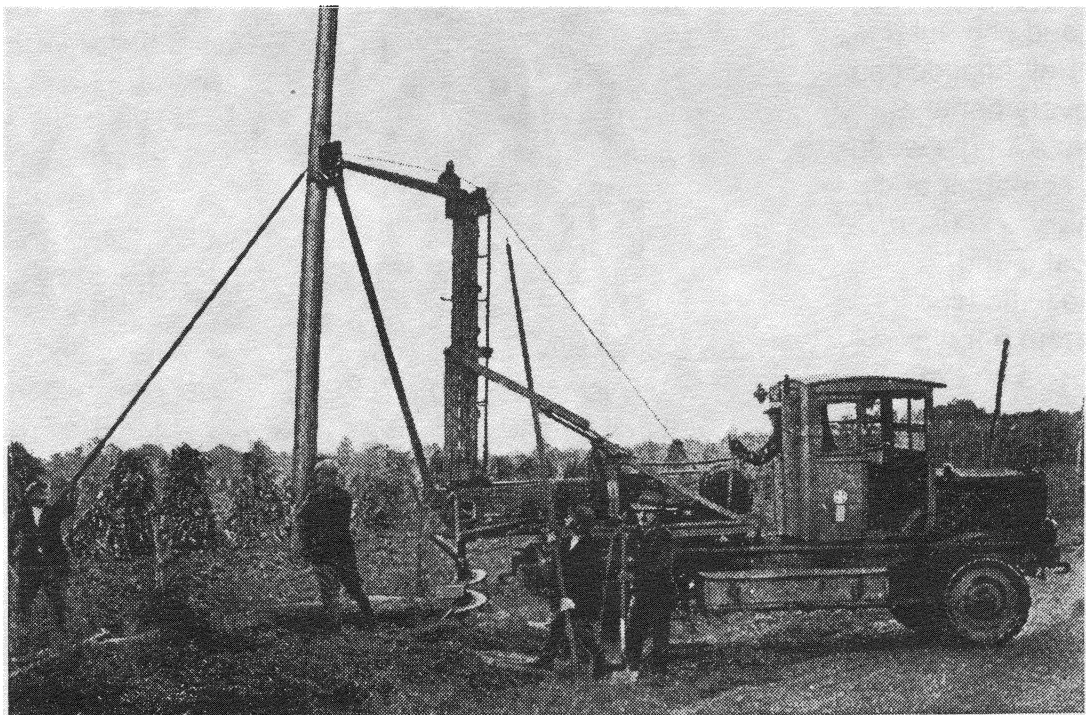
their own homes while reducing traffic congestion. We are committed to marrying global technology with the needs of Delaware homes and businesses. We can lead Delaware into the exciting new age of telecommunications.

Bell Atlantic - Delaware seers of the future are confident that the company will continue to harness the potential of technology and to make it work for the benefit of customers and the people who serve them.





**Rural type of telephone line construction on the Milford Cedar Creek Road.**



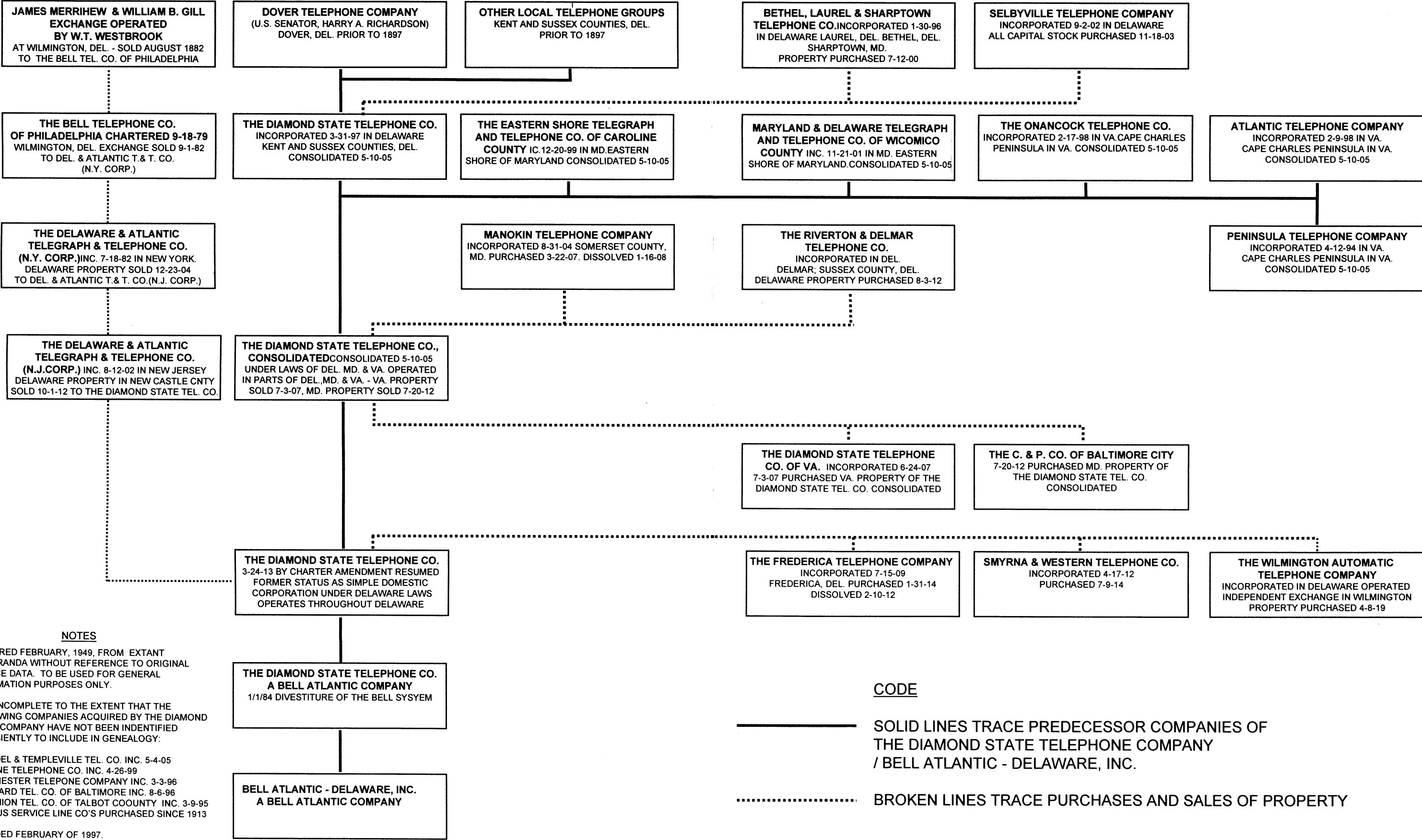
**Machinery is playing a more important role in the telephone business each year. Here we have a machine that not only digs holes in fifteen minutes, but also assists in placing the pole in the hole, thereby saving time and man-power.**

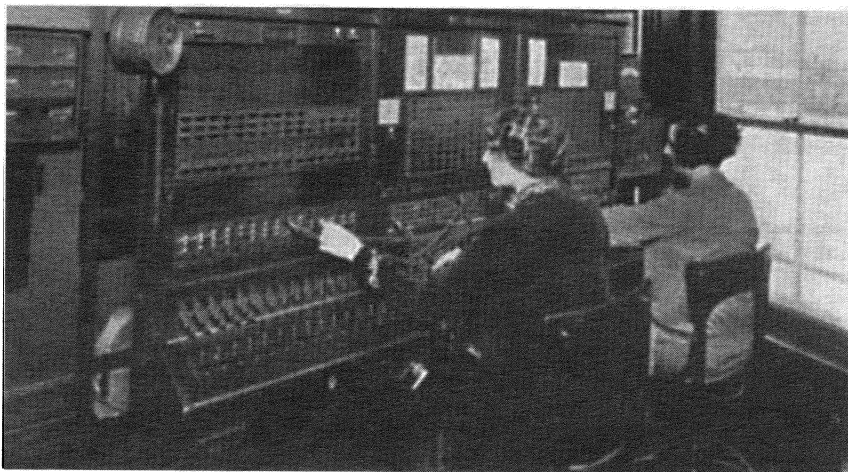




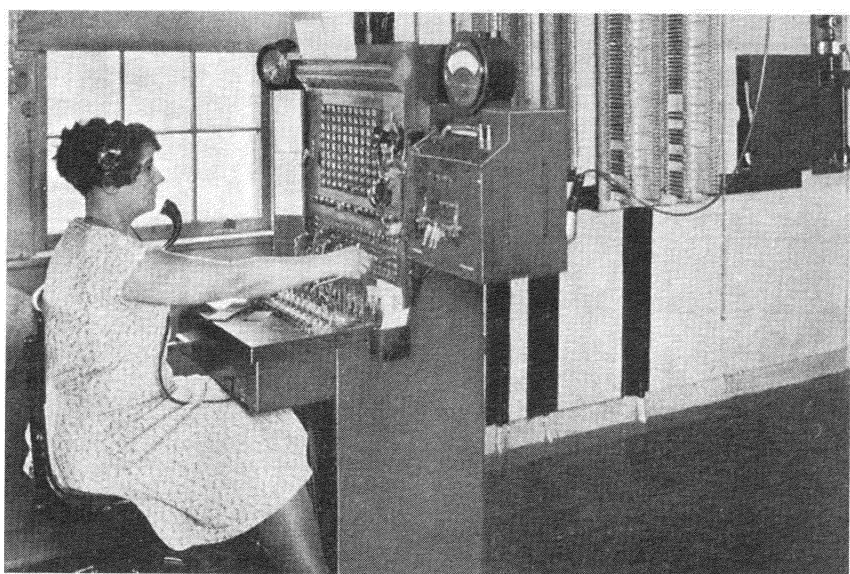
**Switchman Robert Castor of Wilmington is representative of the many skilled men who maintain constant vigilance to prevent service troubles in central office equipment.**

# GENEALOGY OF THE DIAMOND STATE TELEPHONE COMPANY / BELL ATLANTIC - DELAWARE, INC.

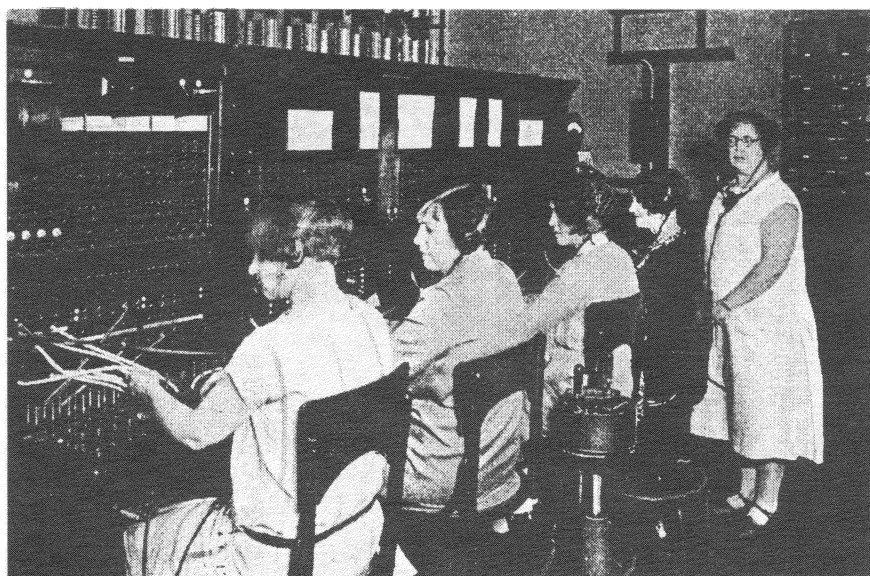




**The New Castle Central Office, connecting 400 telephones.**



**At Hockessin, all central office equipment—switchboard, terminal frame, testing and other apparatus—is in one room. This office handles 530 local telephone messages daily.**



**At the Milford Central Office, the operators complete connections on 2800 local telephone calls and also handle 135 out-of-town calls daily.**



# Committed To Consideration For People

It has been said that Alexander Graham Bell created the telephone and Theodore N. Vail created the telephone business.

Certainly the personality and personnel policies of Vail helped to build the telephone company's reputation as "a good place to work."

Reported one biographer, "Mr. Vail required courtesy and efficiency of Bell employees, in return he provided for their comfort and happiness. These matters lay very close to his heart."

Bell Atlantic - Delaware, one of the System's oldest associated companies, lived up to Vail's dual goals: organization and humanity.

The record shows that workers were treated fairly. As early as the '20s, Bell wages were generally competitive.

Working conditions improved steadily. A Systemwide pension plan was inaugurated in 1913, more than two decades before Social Security.

Improvements are still being made to keep the plan in good register with the plans of other industries.

Concern for the security of employees' families also was

built into the 1913 plan with the provision of disability and death benefits.

The opportunity to strengthen that security came on May 1, 1928, when an Employees' Life Insurance Plan was offered. Over the years, increasing provision has been made to protect telephone people and their families against the escalating cost of health and medical care.

A number of company sponsored thrift plans with automatic deductions were introduced over the years. They ranged from subscription to Liberty Loan Bonds during World War I and the purchase of company stock on favorable terms first offered in 1921, to systematic deposits to employee-designated banks or savings plans.

NO JOB IS SO IMPORTANT  
AND NO SERVICE IS SO URGENT-  
THAT WE CANNOT TAKE TIME  
TO PERFORM OUR WORK SAFELY.

Today's corporate concern about employee safety is rooted in the very beginnings of the business when wires were run across rooftops and from high poles.

Accounts say that accidents were "frequent and severe."

Bell's early training of employees in First Aid proved its value many times over.

With automobiles multiplying, the company created the "Hundred Thousand Mile Club" in 1938. Employees have to log the required decade of accident-free driving required to belong. This tradition continues today.

In the 1922 Annual Report, President Leonard H. Kinnard said it was a "fixed policy" to afford employees the "opportunity to acquire full knowledge of all conditions and affairs of the company."

Current President and C.E.O. Joshua W. Martin, III today upholds that pledge. Major two-way communications programs have been launched, giving

employees not only the opportunity to learn about every aspect of the business, but to feed back their solutions to problems.

President Martin meets weekly with employees.

In the early days, corporate communication was largely one-way, via a company publication - *The Telephone*



News, first issued on August 11, 1905.

It was in 1952 that a formal Employee Suggestion Plan was established to pay employees to share beneficial ideas.

As early as 1919, Bell had a form of employee representation. The 1925 Annual Report stated that "joint conferences between elected employee representatives and management were marked by a frank and full interchange of thoughts and concern."

Even after the passage of the Wagner Act in 1935, Bell's labor relations remained fairly placid. The company had cushioned the employee impact of the great Depression of the '30s by part-timing employees to minimize layoffs. Because of careful force planning that made Bell a model for industry, its reputation for job security also weathered the continuing upheavals of technological change.

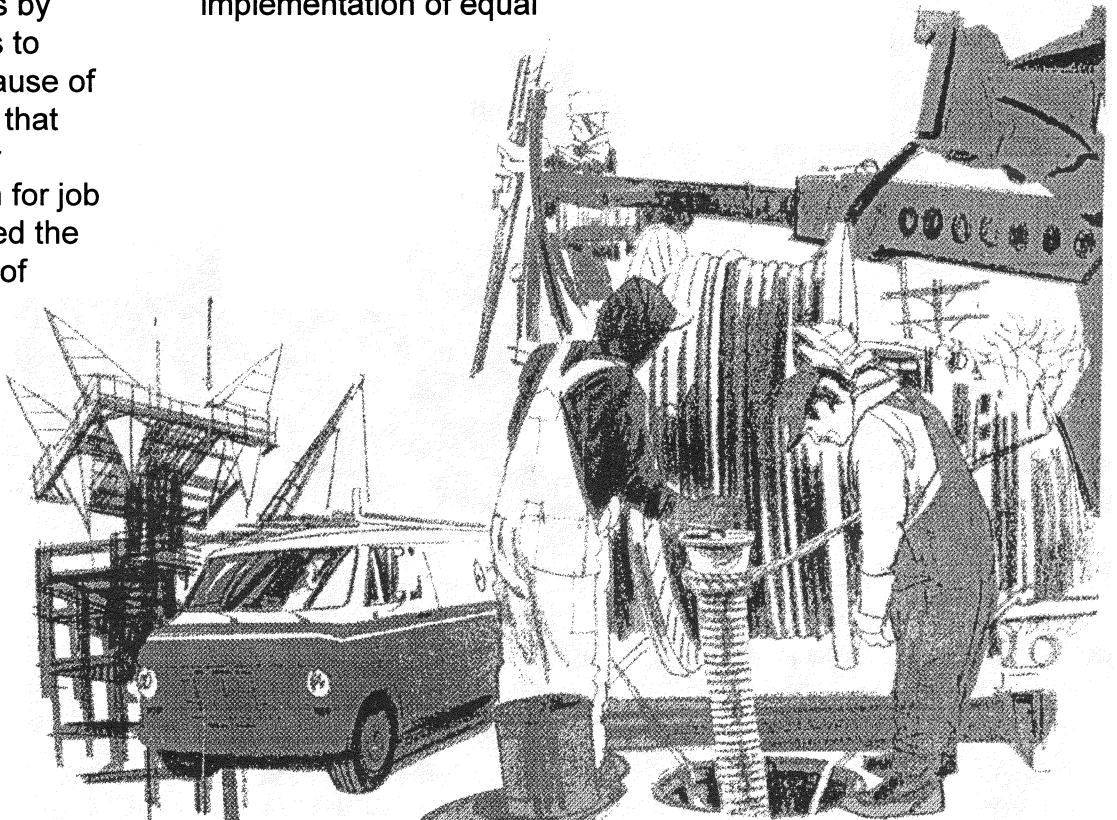
The company's first formal agreement with a union was signed in 1939.

Affirmative Action initiatives such as hiring the handicapped, thought to be a recent development in corporate policy, was practiced almost a century ago when blind persons were employed as night operators because they could hear signal changes on drop-type switchboards. Such innovative hiring procedures caused word to get around that a land of opportunity was waiting at the new telephone company. Bell is communicating a similar message today.

As a participant in the 1963 Plan for Progress agreement, it committed itself to the promotion and implementation of equal

employment opportunity. The sex and race makeup of the company's work force today testifies to the integrity of that commitment.

As the company plans for the future, President Martin has made response to and respect for the individual employee a major consideration. The goal is to create a work environment where employees are treated as individuals, where their voices and ideas are heard and acted upon, and where their contributions are recognized.



# A 100-Year Presence In Delaware

No account of Bell Atlantic - Delaware's century-long operations would be complete without describing the company as a presence in Delaware, providing its citizens with a vital public service, contributing to the economic well-being of the state, striving always to be an involved citizen of the community.

Bell's management since the early 1900s has recognized the economic value of good public relations, not defining it narrowly as promotion of the company, but encompassing the wide spectrum of relations between the corporation and the public.

Providing superior service at acceptable rates has always been the company's basic means of maintaining cordial relations with customers. Nonetheless, Bell has, over the years, undertaken a variety of initiatives to increase public understanding of the business.

Theodore Vail sounded the keynote for corporate candor when he said, "If we don't tell the truth about ourselves, someone else will."

Bell Atlantic - Delaware has heeded Vail's advice, using every means available to tell

the company's story, from press releases, films, videos, lectures and displays to an aggressive program in schools and colleges and other person-to-person programs dating back many years.

The company's 1928 Annual Report, for instance, carried a personal invitation from President Leonard H. Kinnard for shareowners to inspect, at their convenience, any Bell Atlantic - Delaware offices or exchange buildings. That open door policy was broadened to include the general public in 1937 as the company launched its Open House program. A well-attended and appreciated event in local communities.

Bell's long-standing corporate involvement in the community and its encouragement of voluntary community service by its employees are not surprising considering that the business sprang from an invention that was rooted in the concept of service to people and had grown out of Alexander Graham Bell's lifelong concern for the deaf.

Bell was a man whose sympathies extended in many directions, sometimes moving far ahead of his time. In 1904, when his black

assistant was refused hotel accommodations, Bell organized a public protest against discrimination.

In 1952, this kind of action response to social problems prompted the company's employees to form local community relations teams - volunteers who to this day identify local community needs and marshal Bell Atlantic - Delaware manpower and resources to help satisfy them.

Telephone company employees who distinguish themselves in community service are appropriately honored. For a time after 1961, Bell presented the Good Neighbor Award to men and women nominated by their fellow employees and selected by local civic leaders for their outstanding volunteer activities. Today employees are recognized through Bell Atlantic's "Spirit of Excellence" program.

The highest form of service to people - acts of heroism that result in the saving of a human life - have earned some of our employees the System's Theodore N. Vail bronze medal. Others have received silver Vail awards for nationally noteworthy acts of public service. After a devastating snowstorm in 1935 the whole company

received a silver Vail award for their outstanding efforts.

Bell Atlantic - Delaware's recognition that it has a major stake in the prosperity and growth of the territory it serves came very early.

In the years that followed, Bell became increasingly involved in the development of local communities, and with the growth of each area, the company prospered. Community development activities picked up momentum in the '50s, focusing on attracting new industry into Delaware.

Right into the present, this activity warrants a significant commitment of the company's talent and resources, including President Joshua W. Martin who is a life trustee of Goldey Beacom College, a trustee of the Delaware Public Policy Institute and Wilmington Friends School, and serves on the Delaware State University Board of Visitors. He is a former board chairman of United Way of Delaware. Martin currently serves on the Board of Directors of Bell Atlantic-Delaware, PNC Bank-Delaware and the Diamond State Port Corp. He also is currently leading a land use task force "Choices for Delaware."

Over the years Bell has sought to stay attuned to

what a changing world expects of us and, equally important, to make the world aware of what we are doing to meet those expectations.

In a recently released Image Survey by the Delaware State Chamber of Commerce, Bell Atlantic had the highest awareness (99%) and favorability (93%) of any company included in the survey – an exceptional round of applause for the manner in which the citizens of Delaware are being served.

The strength of Bell Atlantic can be found in its people. They remain our greatest strength and our greatest competitive asset. This is never more apparent than during emergency conditions, like snowstorms, when our people have trudged many miles through snow to serve customers. No matter the conditions, you will find our people on the job, keeping our telecommunications network functioning smoothly.

Our employees live and work here in Delaware. Our almost 1000 employees can be found coaching little league teams, singing in church choirs, leading civic associations, serving on PTAs and volunteering in groups ranging from the Arthritis Foundation to the Salvation Army to the Emily Bissell Hospital. Our employees care about the

communities where they work and live.

Bell Atlantic – Delaware is the entity to which Delaware government and business leaders look to develop the statewide telecommunications network, link our schools to the Information Superhighway, help implement a statewide school technology system, and install and maintain an infrastructure to facilitate economic development.

A fitting conclusion to our first 100 years as a corporate citizen of Delaware is in an observation by Philip C. Staples, Bell Atlantic - Delaware's chief executive during the post-Depression and the World War II years. Said Staples, "The past is fine, if we do not spend too much time thinking about it. Tomorrow is the thing!" Bell Atlantic - Delaware enters its second century with a broadened mission. It is no longer a telephone company but a telecommunications company that can move any kind of information, anytime, anywhere. Delaware can continue to look to Bell Atlantic - Delaware for quality service at reasonable cost, and beyond that, support in its effort to maintain a strong economy, a decent order in society, the conservation of resources, and an environment that enhances the quality of life.

# The Next Hundred

Bell Atlantic - Delaware's first hundred years offer a history of challenges met, only to be replaced by new challenges.

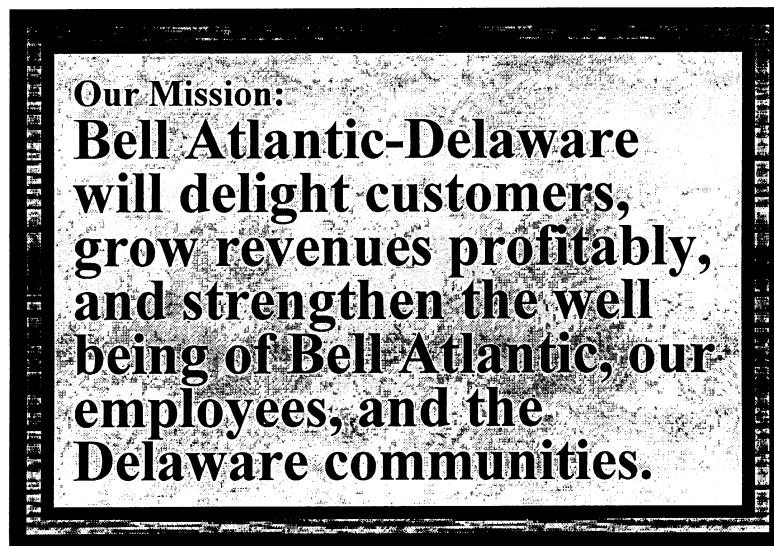
While the company marks a milestone, a hundred years of new beginnings, it faces a turning point more crucial than any in its history, one that will determine its course, and the course of the telecommunications industry, in the decades to come.

The next wave of telecommunications change is starting to swell over Delaware, promoted by the enactment of the Telecommunications Act of 1996. This federal legislation recognizes the new telecommunications environment and creates the public policy framework for the Information Age. The act streamlines regulation by eliminating a wide range of

outdated, artificial rules that have prevented firms in the telecommunications market from offering services to consumers. It opens all communications markets – video, long distance, and local telephone – on a fair and equal basis, while protecting universal service

potential to offer state-of-the-art services at costs Delawareans can afford.

We look forward to entering businesses that have been the province of others, just as we expect others to enter our traditional businesses. We are eager to compete and confident that we can compete successfully.



Our history has been characterized by concern, not just for service, but for our customers, our employees, our stockholders, and our communities and this won't change.

Our mission, adopted in 1993, provides the direction to keep us on track in the future.

The people of Bell Atlantic are excited about the possibilities under this new telecommunications environment. We are enthusiastic about our

Carrying our reputation for being a just, a thriving and a caring business through our second hundred years will be a fitting challenge for telephone people today and a tribute to the pioneers who built this company with those qualities in mind.

# Voices Along the Line

**1897**

Diamond State Telephone incorporated by a special act of the General Assembly. Consolidating with many other telephone companies in Kent and Sussex counties in Delaware.

**1898**

Capital Stock was authorized in the amount of \$100,000.

**1899**

\$50,000 in bonds were authorized - 5% - redeemable after 5 years and due in 20 years.

**1900**

2,010 shares of stock were authorized in payment for 3,991 shares of Eastern Shore Telephone & Telegraph Company of Caroline County, MD.

**1901**

Capital stock increased to \$250,000.

**1902**

**1903**

Bonds were issued in the amount of \$300,000 - 5% - payable July 1, 1943 - redeemable any time after July 1, 1913. Called July 1, 1913

**1904**

**1905**

♦Net earnings for the year were \$17,855.79. ♦Stations in service were 3,457, with a net gain of 1,000 for the year. ♦4,040 shares of stock were sold, at par, to the Bell Telephone Company of Pennsylvania.

**1906**

♦Stations in service increased to 4,746 for a net gain of 1,289. ♦Balance to surplus was \$18,124.04. ♦Expenses included \$4,097.61 for messenger service.

**1907**

♦The station gain was 821 for the year. ♦Balance to surplus increased to \$25,685.35. ♦Cost per station gained during the year was \$130.30. ♦Sale of properties, rights, privileges in the counties of Accomac and Northampton, Virginia, to the Diamond State Telephone Company of Virginia, for \$79,500 for full stock of said Diamond State Telephone Company of Virginia.

**1908**

♦This year showed a loss in stations of 647 due to "sub-licensee" contracts. ♦Net earnings showed a loss of (\$49,315.01). ♦Total stations are now at 4,677. ♦The number of Directors were changed from 10 to 5.

**1909**

♦A small net gain in stations of 224 were realized. ♦Net earnings were a loss (\$584.69). ♦The Town of Onancock, Accomac County, Virginia, was dropped as an auxiliary principal office.

# Voices Along the Line

**1910**

♦Total net earnings rise to \$40,410.80. ♦The net gain for exchange stations was 684, increasing the total in service to 5,186. ♦Vehicles show up in the assets for the first time: "Tools and Vehicles" \$2,506.65.

**1911**

♦The net gain for exchange stations was 642. ♦The net profits were a loss of (\$17,214.) ♦Total assets are now at \$1,393,989.75.

**1912**

♦Total stations in service are 13,536. ♦Sale of property, rights, and privileges in Maryland to the Chesapeake and Potomac Company of Baltimore City - for \$515,580.88. ♦Purchased the Delaware and Atlantic Telegraph and Telephone Company in Delaware for \$1,271,530. ♦Purchased the Riverton and Delmar Telephone Company in Delaware for \$2,500.

**1914**

♦The number of stations increased to 14,706. ♦Surplus earnings were \$341,547.63. ♦Acquired all the physical property of the Smyrna and Western Telephone Company for \$2,500.

**1913**

♦Central offices now number 22, with 315 employees and 41,900 miles of wire. ♦The number of owned stations is 14,102. ♦The number of Directors is increased from 5 to 7. ♦The company changed from a consolidated corporation to a simple corporation and increased the capital stock to \$2,500,000.

**1915**

♦Surplus earnings increase to \$64,261.29. ♦Gross earnings now exceed \$500,000. ♦The number of owned stations are now 15,810. ♦Employment swells to 444 employees.

**1916**

♦The balance to surplus was \$69,901.59. ♦The number of owned stations was 17,751, with 51,099 miles of wire in service. ♦Employees were paid a special bonus equal to about 3 weeks pay. This was because of unusual conditions obtaining in the matter of living cost.

**1917**

♦Employees now number 476. ♦Under the plan of employees' pension disability, benefits and death benefits, there was paid out from the fund \$7,114.04. ♦Owned stations now number 19,033.

**1918**

♦The burden of war conditions continue to be very great upon the property and organization of our company. 27 employees are enrolled in the military and naval services. ♦On July 16, the Federal Government assumed control of all telephone and telegraph systems throughout the United States and put them under control of the Postmaster General.

**1919**

♦The Federal Government kept control until July 31. ♦The number of owned stations increased to 22,131 and employees numbered 466.

**1920**

♦There are now 64,896 miles of wire in service. ♦The number of owned stations increased to 22,879.

**1921**

♦Total assets exceed 4 million dollars for the first time.

**1922**

♦Our balance to Corporate Surplus after dividends is \$52,565.40.

# Voices Along the Line

**1923**

♦Capital Stock now amounted to \$2,000,000. ♦Total gross income was \$285,719.

**1924**

♦The balance to corporate surplus for the year was \$100,887. ♦Net Telephone revenues were \$432,586.

**1925**

♦At no time in the history of our company has the amount of service disarrangement been at such a relatively low volume. Constantly, throughout the state, maintenance employees - test men and "trouble shooters" - are searching by day and by night for rust, dirt, moisture, friction, excessive wear, electrolysis, faulty adjustment and similar ills of so complicated and delicately adjusted an equipment.

**1927**

♦On October 12, ground was broken for the new building at Ninth and Tatnall Streets in Wilmington. Including the cost of the land and inside and outside telephone equipment, the new project will cost about \$1,750,000. It is modern in every way.

**1926**

♦There has been a general speeding up of the entire service to out-of-town points. Calls previously requiring two operators are now being handled with one, using what is termed a "combined line and recording" basis.

**1928**

♦A net increase of 1,565 telephones in service was due in large part to the concerted effort of the entire personnel, regardless of departments, whose undertaking to develop a wider use of the telephone, met with notable results.

**1929**

♦The Annual Report contained a personal invitation for stockholders to visit any of the company's offices or buildings. Each was issued a pass good until December 31.

**1930**

♦Out-of-town service improved again. The average elapsed time after placing an out-of-town call, until conversation starts (or report given) was reduced from an average of two and one-half minutes to one and one-half minutes. ♦A new dial system was also introduced this year.

**1932**

♦During 1932, telephones in service decreased 7%, and the volume of calls, both local and toll decreased because of prevailing business conditions. ♦No general lay-off was resorted to; rather a carefully planned reduction of working hours throughout the organization.

**1931**

♦Teletypewriter exchanges, providing an inter-communication system for the typewritten word was deployed. The first teletypewriter directory was issued on December 7.

**1933**

♦Hard times continued and entirely by reason of necessary spreading of work, in order to bring about reasonable balance of organization and work load, every one in the company was on a shortened week basis with compensation adjusted accordingly.

**1934**

♦The business turns around with the first gains since 1931. ♦Night operator in Dover, Margaret Beauchamp Grant, is awarded the National Vail Award Medal for acts of Public Service.

**1935**

♦An ice and snow storm devastates telephone operations in January with the biggest emergency our organization ever faced. Permanent repairs were not completed until early May. Employees responded with great will, resourcefulness and persistence.

# Voices Along the Line

**1936**

♦General Business continued to improve and all employees are returned to working five days a week. ♦By April the pre-depression peak of telephone development was again reached.

**1937**

♦During 1937, we made extensive use of a new rubber-insulated wire, designed to be installed underground without conduit, at the rate of four miles in an hour. ♦A new central office was installed in Newport.

**1938**

♦Approximately 24 miles of storm-proof cable were placed in service in Sussex County, replacing open wire lines. ♦Four new dial offices were added in Millsboro, Selbyville, Smyrna, and Rodney.

**1940**

♦Coastal-Harbor radio-telephone service started with a transmitter at Delaware City and a receiver at Bay View Beach. Service was then extended to ships along the Atlantic Coast, the upper Chesapeake Bay, and the Delaware River and Bay.

**1939**

♦Customers get a rate reduction from \$3.35/ month to \$3.25. The total savings to the public is estimated at \$35,000. ♦The Lewes, Rehoboth and Milton Central offices were converted from manual to dial.

**1941**

♦The pressure of War-Time telephone traffic continues with some delays. ♦The single and sizable difficulty in meeting the demand is produced by the scarcity of base metals and materials to manufacture telephone apparatus. These same materials are at a premium in the war industry.

**1942**

♦Extraordinary pressures of war conditions push service demands to new highs. ♦Steps were taken to protect our telephone plant with a full complement of roof watchers, free fighters and first-aid groups. We were completely schooled, equipped and alerted.

**1943**

♦The Second Year of war has a significant effect on service. ♦New installations were limited by government to those essential for war purposes. Over 2500 others were left waiting for service.

**1945**

♦On VJ day the waiting list for telephone service in Delaware numbers 5,440. ♦This year was crowded with more complications, more obstacles to furnishing an acceptable public service, than in any previous year. An ambitious \$5,500,000 postwar construction program will address these problems.

**1944**

♦Requests for service pending now were over 4800. The company is planning projects to meet those demands when the barriers to materials come down. ♦We will welcome back the over 100 employees now serving in the armed services.

**1946**

♦Great progress was made in extending our plant back into the country. 86% now have access to secure telephone service. ♦Of 111 men and women who entered the armed services, 107 survived, and 102 returned to work with the company. Counting new hires 49% of the men in your company were veterans of World War II.

**1947**

♦The demand for service continues to explode. Customers desire to upgrade to two party or private line service. ♦376 vessels and 5 aircraft are now registered with our Coastal Harbor Service.

**1948**

♦Demands for telephone service increase and expenses increased faster than revenues. The Company petitioned the Wilmington Board of Public Utility Commissioners for a rate increase. ♦A new dial central office was added in Delaware City and Middletown replacing the magneto equipment.



# Voices Along the Line

**1949**

♦The first television station in Wilmington was placed into service picking up their signal over our microwave radio link to Philadelphia. ♦64% of our 386,000 miles of telephone wire is now underground.

**1950**

♦Of the 8,528,000 toll and long distance calls made by our customers, 97% were put through while the customer stayed on the line. ♦The Georgetown office was cut over to dial service making us the first state in the nation to be 100% dial operated.

**1951**

♦The demand for service continues. In 1940 4 out of 10 households had telephone service. In 1951 the number is 8 out of 10. ♦A major addition is added to the 9th and Tatnall Street building in Wilmington. The Wilmington Toll Board was enlarged to handle the tremendous increase in out-of-town calls. ♦A new 200 pair cable across the new Delaware Memorial Bridge replaced two submarine cables.

**1953**

♦During the year six employees retired and the total number of pensioners increased to sixty three. ♦We observed the 25th Anniversary of the 100,000 mile club honoring employees with 10 or more years of driving without an accident. ♦The first year of a new employee suggestion plan yielded 283 suggestions from vocational employees.

**1954**

♦Wilmington four-digit dialing was expanded to a two letters and five digits as part of a nationwide calling plan. Under the plan Wilmington will be known as Olympia and Wyman, Taylor for Delaware City, Cedar in Hockessin, Sycamore in Holly Oak, Edicott in Newark and East in New Castle. ♦Joseph J. Hogan receives a Vail Award for helping to save a ship and its crew.

**1952**

♦A major project completed during the year was the cutover of two large private branch exchanges in the Wilmington and Newark Offices of E. I. duPont de Nemours and Company. This included a 32 position switchboard in Wilmington and 11 positions in the new Louviers Building.

**1955**

♦Over 3,000 color telephones were placed into service. ♦New services were introduced such as the speakerphone and the answering-recorder. ♦Trials of facsimile (FAX) service and slow scan television over telephone lines were undertaken.

**1956**

♦A new multistory building (Pennrose) at 3900 Washington Street was opened and housed a new 20 position switchboard, and a modern switching office. ♦69 customer vehicles were connected to our mobile telephone service. ♦Many customers made payments at our Drive through window at 3900.

**1958**

♦A new slogan, "Your Neighbors, Enlarging Your World Through Service and Science," was introduced. ♦To keep trouble causing moisture out of telephone cables we deployed a program to pump dry air into the cables. ♦A new "test center" was opened at the Pennrose building. ♦Special sales programs included the "Kitchen Telephone Month," "Sell-a-Phone," the "Bedroom Telephone Month," and the "Christmas Gift Plan" to help stimulate growth during the 1957-58 recession.

**1957**

♦An amazing new two-man line construction truck called the TELSTA Electric Lift was placed in service. It safely lifts a man and his tools aloft to do their work in a quick, workman-like manner. ♦Over 88% of all out-of-town calls can now be dialed without an operator.

**1959**

♦In April the 200,000th telephone was installed in Delaware. ♦A new "Mark Sense" method of recording toll calls using cards and graphite pencils was introduced. Machines then read these cards to prepare bills. ♦Our engineers are now using a "computer" to do complex computations and microfilm is replacing many paper records. Market trials of the "Princess Telephone" are encouraging.

**1960**

♦The "Bellboy" paging service was introduced in Wilmington. ♦A new Data-Phone service was expanded to convert electric impulses from machines into tones so machines can "talk" with each other. It is estimated that someday machines will do more "talking" than people. ♦The BellChime ringer and Home Interphone services were introduced. ♦The "Telephone Pioneers of America" celebrate 50 years of service to our communities.

**1961**

♦A new "All Number Calling" plan, replacing the two letters plus numbers had begun to accommodate continued growth. ♦Almost 45% of all customers are now renting an extension telephone. ♦A new system to help balance the work load by using colored lights to guide Service Representatives on arranging installation dates was introduced.

# Voices Along the Line

**1962**

♦78% of all customers now employ individual line service. ♦High speed punched paper tape transmission terminals were introduced permitting transmission of 1,000 words each minute. ♦46,000 persons attended some 750 lectures by employee speakers. 9,000 visitors were guests in our offices, and 186,000 people viewed pictures from our film library.

**1966**

♦ Automatic Number Identification equipment was installed in Hartly, Milford and Frederica to relieve 4,000 customers of the need to tell the operator their number when dialing directly. ♦ A new Call-A-Matic, six button touch-tone key set storing up to 500 numbers is introduced.

**1967**

♦We install a new "Fire and Ambulance Call Board" in Sussex County so a control operator can activate sirens at the appropriate fire company. ♦Gov. Terry talks via telephone to President Johnson to celebrate the installation of the 100 millionth telephone in the U.S. ♦The latest Data Observing and Testing Center was installed in Wilmington. The first in the nation.

**1971**

♦Our annual report included a 33 1/2 RPM record with a message from President Cashel. ♦Pioneer Donald Shaffer crafted a stuffed talking dog to help teach children with speech impediments. ♦Wilmington District Manager Dudley Conners was captain of the U.S. Field Hockey team at the Pan American Games in Columbia. ♦Work started on a \$5 million addition to our 901 Tatnall St. building. Also introduced were the new TSPS or Traffic Service Position System that allows operators to abandon the old switchboards for these new computer controlled desk-like consoles.

**1963**

♦The entire fleet of vehicles are now equipped with seat belts. ♦84% of all households in Delaware now have at least one telephone. ♦A "Good Neighbor Award" was established and the first winner was Switchman Herbert Von Gorres, Jr. from Georgetown. ♦A new Tuition Aid Plan is introduced for employees.

**1965**

♦Complete bills for our 151,000 customers are now prepared by computer. ♦Touch-tone service was introduced in Dover, and is now enjoyed statewide by 800 customers. ♦Delaware has the first flat rate mobile service in the nation. ♦Our first digital transmission facility "T-Carrier" is deployed converting voice signals to data pulses and back to original speech sounds. This expanded the capacity of carry 24 conversations over a single pair of wires.

**1968**

♦A new "Single Payment Option" was introduced to eliminate monthly rental changes for the Princess, Trimline and Bell Chimes. ♦"Information" was changed to "Directory Assistance" because the public had been taking the old phrase too literally. ♦Public school students are using our telephone network to hook up to a teaching computer in New York. Each unit includes a Cathode Ray Tube, a Teletype and a Touch-Tone telephone to help complete lessons under the computer's guidance.

**1970**

♦Two out of three homes now enjoy the convenience of more than one telephone. ♦Our vehicles get a new look with a white top, gray-green bottom and safety reflective ochre and blue stripes. ♦911 Emergency Service starts in Kent County. ♦Dial Tone was available to all customers within 3 seconds 99% of the time.

**1972**

♦Traditional "male" and "female" jobs disappeared as women chose to work as switchmen, and men as operators and service representatives. 26 in all by years end. ♦Over 250,000 miles of new wire was installed during the year. ♦Personal directories were introduced to help control the growing calls to Directory Assistance, now at 34,000 calls each day. ♦353 toll and long distance operators assisted with 19,000 calls a day. ♦911 service comes to Sussex and New Castle Counties.

**1964**

♦Our Educational Television Network came to Delaware Schools. Starting with 3 schools in Wilmington and expanding to over 170 schools using microwave and coaxial cable. Delaware is the first state to have a statewide closed circuit system. ♦ A tax savings from the Federal Revenue Act of 1964 was used to expand the local calling areas in all 29 exchanges.

**1969**

♦A new coaxial cable was installed that can handle 32,400 simultaneous conversations, driving down the cost of long distance service. ♦Our company helped launch a statewide literacy project linking two large computers at the University of Delaware to teletypes in secondary schools throughout the state. ♦ Delaware becomes the first state to have statewide direct-distance dialing.

**1973**

♦Delaware's first ESS or Electronic Switching System was placed into service, replacing an old electro-mechanical system with a modern computer controlled system. ♦Measured by earnings, 1973 was only a fair year as the decline in our rate of return continued. ♦432,033 telephones are now in service.

# Voices Along the Line

## 1974

♦The Justice Department filed an anti-trust suit against the Bell System. ♦ESS offices were cutover in Angola and Wrangle Hill. ♦Our construction program hit an all time high of \$42 million. ♦167 of our 1900 employees were promoted to positions of increased responsibility.

## 1975

♦Our switching capability was improved with the addition of a new ESS machine in Newark. ESS gives customers Customer calling services such as speed dialing, 3 way calling, and call forwarding. ♦Growth for the year was pretty flat. ♦The Touch-A-Matic 16 telephone, which automatically dials numbers at the touch of a button, was introduced. ♦ACD or Automatic Call Distribution was introduced for use out of the #1 ESS offices.

## 1976

♦Over 35% of our lines are now being served by electronic switching offices. ♦A new D4 Channel Bank is deployed that connects 48 voice signals for transmission over one pair of wires. ♦Plans to control directory assistance calls include 3 free calls/month and \$.20 for each additional call. ♦The Dimension PBX is introduced along with a new series of Design Line Telephones.

## 1978

♦Phone Center Stores are now open in Wilmington, Dover and Georgetown and "Pick-up Points" are established at company buildings throughout the state. Customers who have jacks can pick up their telephones and plug them in themselves. ♦Dupont's "Ducom" network linking 140 locations in the U.S. and Canada was placed into service. A two year project.

## 1980

♦70% of all new connection orders are now placed in our Phone Center Stores. A new store was opened in Newark. ♦A new Computerized Directory Assistance System cut worktime by 16%. ♦Work began on our portion of the Fiber Optic Link from Washington to Boston. ♦Holly Oak is converted to ESS. ♦Record-high interest rates and persistent inflation had a serious impact on our growth which slipped to the lowest level since 1976.

## 1981

♦Measured local service was introduced as a equitable choice in controlling charges. ♦Numerous new products were introduced: "Touch-it-matic S" for Residence Customers, Design Line Telephones, and Horizon systems to name a few. ♦The Hockessin, Marshallton, and Rehoboth offices are converted to ESS. ♦A new approach to managing the business was introduced. The Lines of Business (LOB) concept looks at each segment as a profit center.

## 1977

♦Delaware's first "Phone Center Store" opened in Wilmington. ♦Computer technology and miniaturization of electronic components are helping to revolutionize the hundreds of systems we use day to day, saving time, space, manpower, increasing efficiency. ♦Universal service has essentially been achieved with 99% of our households having telephones. ♦2.4 million calls are handled on each business day.

## 1979

♦Telephones installed hit a milestone and pushed past the half-million mark in Delaware. ♦ESS units were added in Dover and Milford. And T.S.P.S. which speeds calling of person-to-person collect, and miscellaneous calls. ♦The Automated Repair Service Bureau, using a computer to automatically test lines, is introduced. ♦Fiber Optic "LightGuide" cable systems transmitting communication through tiny glass fibers is introduced.

## 1982

♦The eight year old anti-trust suit ends with a modified final judgment that breaks up the Bell System. ♦Diamond State Telephone will be aligned with neighboring states into one of the seven new regional companies. ♦The Delaware Service Territory is included in a new Local Access and Transport Area (LATA) that includes Philadelphia & Vicinity as a discrete region for our company to operate. ♦Our first SLC96-Subscriber Loop Carrier System was deployed in Selbyville. This allows 96 subscribers to be served over just eight wires. ♦The first "non-bell" switching machine, a Northern Telecom DMS-10 Digital System, was installed in Middletown and Millsboro. ♦"Calling Card" service was introduced to enable customers to place billed calls without operator assistance.

# Voices Along the Line

## 1983

♦At the final moment of the final day of 1983 the break-up and re-alignment of a remarkable 107 year old American Institution, known as the Bell System, took place. "The future starts today," was our rallying cry. ♦On July 25, our region adopted it's new name "Bell Atlantic." ♦Approximately 550 employees were transferred to AT&T or Bell Atlantic. ♦We established a program called "We Can Help" to help customers through this transition period. ♦A record breaking centrex sale was made to the University of Delaware.

## 1984

♦A remarkable year, where we weathered the biggest, most complex - and certainly the most emotional - reorganization in American corporate history. The effects of the break-up - especially the passing of one stop shopping for telephone service - were keenly felt by our customers. ♦Careful force management reduced our payroll by more than 50 people without resorting to layoffs. ♦Equal Assess was introduced giving customers the choice of their long distance carrier with easy dialing. ♦Employees were encouraged to be involved in how the company was run by participating as members of Interdepartmental Problem Solving Teams. ♦A #4 ESS switch was cutover in Wilmington to handle all tandem switched traffic within our LATA.

## 1985

♦We experienced the strongest growth since the late 1970's. ♦Two new submarine cables were placed under the Rehoboth Canal and the Christina River. ♦The number of employees per 10,000 Access lines, as well as expenses per access line, were 21.5% below the industry average. ♦Delaware becomes the first state in the nation to have 911 service deployed state wide.

## 1987

♦Another snow emergency is declared in Delaware as 20 inches of snow falls. Some employees walk up to 5 miles to work; one arrives at work on a tractor. ♦Guardian service is introduced to provide "one call" maintenance for residential service. ♦CLASS calling service premier in Delaware. ♦We install one of the largest Fiber Networks in the country for DuPont. ♦Signature Service is introduced. "We put our name on the line for you." ♦The year ends with the largest access line growth in the company's history. ♦Our company funded "Choices," a program that helps high school students across the state focus on continuing their education.

## 1986

♦"Homecoming 96" saw the return of 118 toll/local operators who were assigned to AT&T at divestiture. ♦In this year we became the first in the country to serve every customer with computerized switching. ♦We also became the first state where all customers would use easy dialing to place calls through the carrier of their choice. ♦We also completed a Fiber Optic Ring around Wilmington for our largest customers. ♦Competition in nearly every profitable phase of our business is becoming a reality.

## 1988

♦911 "Enhanced" service is delivered to the citizens of Delaware. This service automatically identifies the calling number and routes the call to the local dispatch emergency center. ♦A new "No Smoking" policy is introduced making our company locations smoke free. ♦The company joins the Quality Revolution by conducting "Quality Education System" for managers. ♦Customer Service levels reached new highs, with improvements in 10 of 11 areas measured. ♦The amount of Fiber Optic cable deployed increased by 27%.

# Voices Along the Line

## 1989

♦Identa Ring service, providing different ringing signals, is introduced. ♦This year was one of sound growth and high performance. ♦The Business and Residence Service Center led Bell Atlantic in sales, outpacing their objective by 33%. ♦A second backbone network of optical fiber cable was deployed from Seaford to Wilmington. ♦The first CEU or Controlled Environmental Vault was installed underground. ♦Access Lines in service exceed 400,000. ♦Our Choices program reaches 7,500 ninth grade students with a critical message of the importance of completing their education.

## 1990

♦DST has 26.1 employees/10,000 access lines. The lowest in Bell Atlantic and the country. ♦Over 8,000 ninth grade students heard our Choices program encouraging them to stay in school. ♦Employees win the Governor's Outstanding Volunteer Award for their work with troubled teens.

## 1991

♦By year's end all employees had completed initial quality training and "Corrective Action Teams" numbered over 15. ♦The concept of "Best Cost," defined as the cost necessary to meet customer requirements - no more and no less- was introduced. ♦Two of our trucks and one trailer were destroyed in a fire. ♦The Dover Customer Service Bureau was merged into the Wilmington Bureau. ♦The "Choices" program for high school drop-out prevention is in its fifth year and received the "Superstars in Education Award" from the State Chamber of Commerce. ♦Six employees received the "Bell Atlantic Spirit of Excellence Award" for their efforts in service restoral during a storm. ♦Caller ID makes its debut in April.

## 1992

♦The Dover and Wilmington Customer Service Bureaus consolidate into 3900 Washington Street. ♦Employees/10,000 access lines now at 21.5. ♦Wilmington technician Paul Jacobs saves a baby sitting in a baby seat on top a moving car. ♦Cashless coin phones are trialed in Dover.

## 1993

The Delaware Telecommunications Investment Act of 1993 became effective and detariffed Competitive Services in exchange for price caps on Basic Telephone and Directory Services. The company also committed to invest a minimum of \$250 million in Delaware's Network over the next 5 years. Company employees now number 980.

## 1994

♦Winter storms were a significant challenge. Milford was hit the hardest. Employees were borrowed from Pennsylvania to help clear the devastation. ♦Home garaging for technicians gets underway. ♦The Performance Lab for employee training opens in New Castle. ♦11,000 miles of fiber optic cable is placed.

## 1995

♦Distance Learning is installed in 10 locations in the state.

## 1996

♦The Blizzard of 96 brings the State to a standstill. One employee walks from Claymont to Wilmington to help meet customer needs. Telecommuting is a big hit with many firms during the blizzard.

## 1997

♦We receive a "Partners In Education" from Governor Carver for our help and financial backing of "Net Day" wiring schools for the Internet. ♦Our merger with NYNEX moves forward. ♦The Newark Central Office is changed to digital. Delaware becomes the 2nd State in the Nation to be all digital.

# This Anniversary Booklet

Anniversaries are a little like the roadside stops that offer scenic vistas; they're an enjoyable opportunity to stop and put things in perspective, to celebrate the beauty of your journey, and to refresh yourself for the trip ahead. During this, our 100th anniversary year, we intended to do just that. This anniversary booklet, like our business before us, was developed by building on the ideas and contributions of those who served before me.

With this special anniversary booklet, we've put our first century before us, from the first bold step on March 31, 1897, to the great strides we make today. And the view is stirring because from the beginning right through today, the spirit of the people who made us - and keep us what we are - is everywhere.

It's a spirit of confidence. The people who founded this company gave up the security of their trades and professions to cast their fate with a little understood talking machine and an uncertain enterprise. And though they differed in many respects, they were alike in the confidence they had and in the patience and courage they drew on to get us off the ground.

The confidence they had then is reflected in the confidence our customers today have in us. Few industries enjoy it, but then few industries have kept their founders' spirit alive from generation to generation the way we have. That's because our ideals haven't changed, nor has the nature of the challenges we face day-to-day and year-to-year.

That's really the message of this anniversary booklet. Through it we can see the work and the workers who brought us through this century of challenge, rewarded with virtually uninterrupted progress. It's a history of people, thousands of very different people who are alike in one respect: their concern for service.

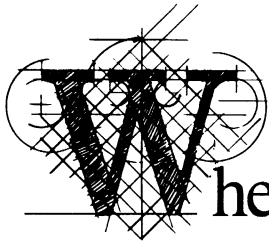
Everyday Bell Atlantic - Delaware people handle over 80,000 requests for service. When one imagines the opportunities such contacts with so many individuals offer for irritation, mishandling and breakdown, it is remarkable how little actually occurs. This unique aggregation of human beings and custom made software and hardware, deployed throughout Delaware, performs a service now taken for granted.

It is my hope that this booklet will stimulate reflection of your own experiences. For me, as I look back over the last 30 years of my career, I marvel at the tremendous contributions that the men and women of our company make to the quality of life here in Delaware.

I am proud to be one of them!

A handwritten signature in black ink, reading "Eric Boutin". The signature is fluid and cursive, with a large, stylized "B" and "T".

Manager – Customer, Community, Employee Relations



When one door closes, another opens.  
But we so often look so long and so regretfully  
upon the closed door that we do not see the one  
which has been opened for us.

*Alexander Graham Bell*

Seal of Service



Symbol of Value



**Diamond State Telephone**



**The Diamond State Telephone Company**



*your neighbors enlarging your world  
through service and science*