



**NATIONAL ASSOCIATION of RADIOTELEPHONE SYSTEMS**

1225 CONNECTICUT AVENUE, N. W. / WASHINGTON, D. C. 20036

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October 5, 1971


Mr. Brian Lamb  
Assistant for Press  
and Congressional Affairs  
Office of Telecommunications Policy  
1800 G Street, N. W.  
Washington, D. C.

Dear Brian:

Just a short note to thank you for the cooperation we received from you and your staff in arranging for Mr. Whitehead's presentation at our luncheon on Friday, September 24. Your prior planning certainly paved the way for Mr. Whitehead's excellent "off the cuff" presentation.

I enjoyed meeting and talking with you, Brian, and hope we will have the opportunity to work together in the future.

Sincerely,

  
George M. Perrin  
Executive Secretary

GMP/pm

# SPECIAL SERVICE

9/22/71

Bruce,

Tom would like your comments on this speech today. It will be given Friday, 24 Sept to a luncheon at the National Association of Radiotelephone Systems (NARS). This is the national convention of what we generally refer to as the Radio Common Carriers.

J. Shawell

was this speech given today?



#2

DRAFT/JThornell/pm/20Sep71

(Acknowledgement of Introduction)

I would like to talk to you today about the communications business, but first I would like to tell you a short story,

[REDACTED]

"There was once a Senator who had a brilliant speech writer. This writer was atune to the issues of the day, he aligned with the Senator's thinking, and was [REDACTED] trusted by the Senator to prepare a speech that could be read without review. There was a small problem in that this writer was grossly underpaid and had been for some time. His constant request for a raise went unheeded, <sup>so</sup> and he decided to quit. As he was preparing his letter of resignation the Senator requested that he prepare a major address to be given two days hence. The writer prepared the speech and the Senator's aide delivered it to the Senator just as he approached the rostrum. The Senator, [REDACTED] [REDACTED], began to read the speech.

"Gentlemen,

I have performed detailed studies on all the major issues of the day. I have found solutions to all of our social and economic problems, as well as our international problems and would like to explain these solutions to you today ---."

He then turned the page and found nothing but a handwritten

note from his underpaid writer.

"I quit - you're on your own."

(Pause)

It was only a few years ago that commercial communicators like you provided services under some fairly simple constraints imposed by technology and economics, but these constraints were narrowly derived from capital cost of building a system, operational expenses and the performance that would sell to the users. I don't imply that the communications business was all that simple then, because it wasn't, but it was a heck of a lot more simple than today's operations. If I asked you why things have become so difficult, I'm sure the answers would be in terms of lack of frequency spectrum, excess demand, and innovations in technology, and too much regulation. These are real problems but they are the symptoms, not the source of difficulties. In the past 10 or 15 years our society has come to depend on communications services to an extent that communications has been accepted as a necessity and has been, in effect, absorbed



into the social system. I submit to you that the lack of recognition of this by communicators, regulators, and policy makers is a major source of today's difficulties.

Let's be a bit more specific and talk about how this problem affects land mobile radio services

It is obvious to even the casual observer that land mobile radio is approaching saturation and, as a result, will soon be reaching a point of diminishing returns as far as usefulness to society. Due to congestion in the allocated frequency bands, the effectivity and efficiency of the user is sometimes hindered rather than aided by communications. This hindrance is caused by a users' dependence on communications and its not being available on demand. Many feel that the solution to the congestion problem is simple -- allocate more frequency. I agree that more frequency spectrum should be made available to the mobile services and the FCC is taking care of this problem under Dockets 18261 and 18262, -- but what about the efficiency

in the use of this new spectrum? If we use the same methods and techniques for mobile radio services as in the past, the congestion will rapidly return and we will again be faced with a search for ~~new spectrum space~~ *more frequencies*. The frequency spectrum is one resource that is rigidly fixed so we must find ways to use it more effectively.

Technological and institutional innovations must come about if we are to have a truly useful and viable system of mobile services. New concepts for communications ~~facilities~~ for mobile services are being developed by industry. The cellular or grid systems offer some good possibilities for improving spectrum efficiency, but the simple approach of solving all problems through technical innovation is not the answer.

Before we attempt to solve the problem, we must identify it in the realm of the social system and the institutional structure of the communications service suppliers. To identify the problem in the social system, you don't ask "what" -- you ask "why?" Why are there more requirements for taxi radio services; why is the urban population growing; why do professional men need more paging facilities? There are endless questions such as these that can be asked and you might expect the composite of the answers to identify trends upon which



statisticians could build demand projections. Unfortunately, answers to questions in the social system are typically intangible and if we try to make hard facts out of intangible data on a small scale, we will end up with very little useful data on which we can make decisions.

Since there is not a clearly defined link between the social system and the communications service supplier through which he can get explicit kinds of data necessary to protect his business, it is necessary to establish policy that can act as a cohesive bond between the system and the service supplier to make sure that each drifts in the same direction and not opposite. A significant part of this bond must be the flexibility to react to supply and demand. Given flexible technology that can react, the focus is then on the institutional structure of the industry.

Presently, mobile communications services are provided to a multiplicity of users from an institutional structure that ranges from the corporate discipline of AT&T to the "free-for-all" in CB. Most of the elements of <sup>this</sup> ~~the~~ industry have <sup>grown up</sup> ~~evolved~~



in response to a single type of user, and the many communications facilities serving these users make up the total mobile communications facility in any geographic area. (That's just a different way of saying that you have divided up the pie.) To bring order of out chaos we have to view any geographic area as a system, and, if possible, devise flexible institutional arrangements that are sensitive to all requirements. Now don't jump to conclusions. I'm not advocating a single facility controlled and operated by a single institution as the <sup>only</sup> solution to the problem. However, to achieve the flexibility required to be responsive to the demands of the system, we must achieve a set of institutions that are so closely coordinated that the net effect is a singular reaction to a change in demand. Perhaps we should call this an "Uncommon Carrier System." The Uncommon carrier would be the total of several subsystems that had the positive effects of the single system, but did not destroy a lot of existing institutions.

sure that none of you is prepared to go out of business to achieve an altruistic goal of improved spectrum efficiency; likewise, police and fire departments are not going to relinquish spectrum required to provide their public service, but to continue along the same path as in the past is folly. There can and must, in effect, be an operational integration of all mobile systems serving a community such that increased spectral efficiency is achieved, or there is likely to be types of intervention at the state and federal level that none of us desire.

We have all seen projections for the future for land mobile radio services that predict improved business operations, more efficient police and safety operations, and an increasing market demand for both conventional and innovative services. You and I both know that these projections won't be realized easily, nor will they come quickly. There will, of course, be some short term improvements, but if we all dwell on the short term, the opportunity to guide the long term will slip through our fingers.



The determination of these long term objectives and the definition of the path to reach those objectives is what I consider to be the major role of the Office of Telecommunications Policy. I do not want to imply that we in OTP are not interested in the short term because we are, but our primary emphasis is on the broadly based long term.

Now the logical question is, "How can you remove yourself from the realities of the visible future and establish long term objectives that are meaningful?" There is, unfortunately, no pat answer to that question because there is no fixed procedure for making policy. If there were, there would be little need for OTP, and I would be out of a job. In the communications world where technology typically makes long term planning useless by providing improvements that were not planned, policy making is doubly difficult. The key, of course, is flexibility, both in technology and in institutions. Flexibility is the key word in our operation and I'm sure that it will become more important to you in the future. If you want to achieve this flexibility, broaden your view. For example, our view of mobile communications is all inclusive of the multitude

of commercial and government users on practically everything that moves on a national scale. Land mobile is only a part of the problem.

If ~~you~~ limit your view to a paging system, or taxi system, land mobile or even to a complete metropolitan system, independent of all other users of like or similar services, you tend to get a distorted view of what is happening. We fully intend to obtain a clear view of the grand scale before we segment the problem. That may sound like a back door approach because the whole is made up of the parts, but in this case where the whole is the limiting situation due to limited spectrum, you must start at the top and work down to get the clear picture.

Another valid reason for the grand scale approach is the ability to evaluate the sensitivity of the system to interrelated influences, such as the "wired city" concept, the "communications as a substitute for transportation" concept, and the most important influencing factor of all -- economics. Unless long term policy results in economically viable services to the public, private, and government users, it has been a useless exercise.



We do not intend to be trapped by the short term limitations of technology or by regulatory constraints, if they restrict the options available to pursue the long term objectives in mobile communications.

I guess I would summarize the total situation in communications during the 70's in one word -- that word being change. In the 70's we will see specialized carriers for terrestrial data distribution, we will see new carriers for satellite communications services, and, I suspect, we will see some major changes in mobile communications as well.

In a sense, the survival of your businesses depends on your ability to adapt to a changing system; a system changing in response to the needs of society, specifically a highly mobile society.

→ I think that mobile communications has been particularly vulnerable to the technology traps because most of the systems in operation serve a relatively small number of users.

~~Monday~~ 9/13/71

SPEECH  
9/24/71

- 9:25 Linda would like to know to whom assignment for the speech for the 24th of September should be made -- National Association of Radiotelephone Systems.
- 9:40 Mr. Whitehead said he would like the assignment to be made to Thornell -- but he should check with Bruce Owen --- re different carrier concepts.



September 3, 1971

MEMORANDUM

To: Mr. Whitehead  
From: Helen Hall

Subject: Invitation to Speak to the Annual Meeting of the  
National Association of Radiotelephone Systems  
(NARS)

Mr. George Perrin of NARS has called and written the attached letter inviting you to be the keynote speaker at their 12:30 luncheon on Friday, September 24th, at the Marriott Twin Bridges Hotel.

As you may know, NARS represents 67% of the radio common carriers (70,000 subscribers). Their industry has a 17% annual growth rate and revenue of more than \$24 million in 1970.

More than 450 people have registered for the convention. The only other speaker they have scheduled for the four-day 23rd Annual Convention is Dean Burch who will be their keynote speaker at the 12:30 luncheon the day before (Thursday).

The general topics at the convention will be the Federal Government's impact on their industry in particular and on the world of communication in general. Mr. Perrin indicated quite clearly over the phone that the choice of subject matter for your speech would be entirely your choice; but they like to use their annual convention as an opportunity to become familiar with other aspects of communications in general--current issues, problems, future developments, etc., and they would be most pleased to "hear whatever you had to say."

Recommendation: Capt. Raish, Brian, and I recommend that you accept the invitation. Even though OTP does not

have a particular message for them and there is some concern that we have already dipped into this area more than we should, their carte blanche invitation would allow you to use this as a forum to speak on whatever you wished to make our presence felt, to explain the President's interest in developing sound communication policy for the country, etc. It is also convenient and you will be in town and available.

(Mr. Perrin needs a decision by Tuesday afternoon, September 7th.)

cc:

DO Records

DO Chron

Reading file (ADM)

Brian Lamb



OFFICE OF TELECOMMUNICATIONS POLICY  
EXECUTIVE OFFICE OF THE PRESIDENT  
WASHINGTON, D.C. 20504

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OFFICE OF TELECOMMUNICATIONS POLICY  
WASHINGTON

Raish Dean - attitude  
do we have a message for  
them - in this area

98% an F.C.C. problem  
already dipped into this  
professional communicators  
not professionals otherwise

Explaining President's intent  
in developing sound policy  
for country.