

Tuesday 9/14/71

SPEECH
9/16/71
6:30 p. m.

4:10 Jimmy Johnson's office called to ask if there might be anything they can do re your speech at the **USITA Public Relations Seminar** on Thursday (9/16) which will begin at 6:30 p. m.

Will be at the Key Bridge Marriott.

In the event we have to reach you, they advise we can check with the Maitre'd -- Josef

525-9200

MEETING

9/14/71

5 p. m.

Monday 9/13/71

4:25 Mr. Whitehead plans to meet with Brian and Michael at 5 o'clock on Tuesday (9/14) to discuss the USITA speech.

80 MAY 1971

Chron
Speech 9/16/71
USITA

Mr. Arthur Wood, Jr.
Director of Information
United States Independent Telephone Association
438 Pennsylvania Building
Washington, D. C. 20004

Dear Art:

Thank you for the invitation to speak at the **USITA** Public Relations Seminar. I would be delighted to be the speaker at the banquet, Thursday night, September 16.

As soon as I have a topic for the speech firmly set, Mrs. Smith of my Office will be in touch with you.

I look forward to the Seminar, and to seeing you soon.

Sincerely,



Clay T. Whitehead

cc: Mr. Whitehead
Mrs. Smith

Smith/Whitehead:jm 5/19/71



UNITED STATES
INDEPENDENT TELEPHONE ASSOCIATION
438 PENNSYLVANIA BUILDING, WASHINGTON, D. C., 20004

AREA CODE 202
783-5300

April 7, 1971

Dr. Clay T. Whitehead, Director
Office of Telecommunications Policy
1800 G Street, N. W. - Room 749
Washington, D. C. 20504

Dear Tom:

I just returned from our USITA Spring Board Meeting in Williamsburg to find the note from your secretary. This morning I called Eva Daughtery and was sorry to hear you are busy on the suggested dates. I do hope that your schedule will permit a lunch get together soon, and I will look forward to hearing from you.

A further word regarding the Public Relations Seminar. Apparently there had been some inquiry from your office regarding former participants. As I mentioned in my letter, it has been a traditional part of the meeting to have a luncheon with the FCC, with the Chairman and the various Commissioners attending. Last year Bernie Strassburg took an active part in the speaking program.

Melvin M. Tumin, Professor of Sociology and Anthropology at Princeton and Dr. William V. Haney, Professor of Business Administration at Northwestern University participated giving a picture of our society in a time of change. We have had a number of senators and congressmen take part in our program including Roman Hruska, "Scoop" Jackson, Gale McGee, Karl Mundt, Mac Mathias, Hale Boggs, Pat Jennings and Larry Hogan, as well as the REA Administrator and leaders from our industry.

We look forward to having you with us as part of the program and hope that you will be able to speak to the group on Tuesday, September 14. If for some reason you have a conflict on this particular day, we would try to change our program around that you might be with us sometime during the week.

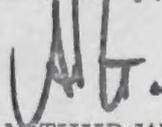
Dr. Clay T. Whitehead

- 2 -

April 7, 1971

We are putting together a brochure to go out to our membership and will be most grateful if you can let us know as soon as possible that we might send the necessary information to the printers.

Sincerely,

A handwritten signature in dark ink, appearing to read 'A.W.J.', with a stylized flourish above the letters.

ARTHUR WOOD, JR.
Director of Information

AW:ct

Tuesday 4/20/71

SPEECH
9/16/71
p. m.

11:50 Mr. Whitehead tentatively plans to accept
USITA's invitation to their Public Relations
Seminar in September.

Will probably be the speaker at the banquet
on Thursday (9/16).

cc: Linda
Brian

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

Date: April 20, 1971

Subject: **USITA Public Relations Seminar Speech**

To: Mr. Whitehead

Mr. Whitehead has been asked to speak for one hour to a group of 50 top telephone executives as part of the USITA Public Relations Seminar of one week. On the schedule that day are: in the morning, Dr. William V. Haney, Professor of Business Administration; at lunch, the FCC; then Mr. Whitehead, followed by Senator John L. McClellan (D. Ark).

Mr. Whitehead would speak to all 50 executives, and then would answer questions briefly. The theme for the afternoon is "Public Affairs - with an emphasis on the telephone business." Mr. Whitehead could however, speak on any topic he chose, and Mr. Wood, the USITA Director of Information, suggested he discuss the scope and functions of OTP.

Other possibilities for addressing the group are: a lunch speech on Monday, Sept. 13 (if you're not superstitious) or on Thursday, Sept. 16. Also a dinner speech at the banquet Thursday night the 16th (the only dinner planned). Friday the executives go to the Hill, to be briefed by two senators and a congressman, and to talk to other congressmen.

Mr. Wood suggested that the Tuesday afternoon slot would be the best, but said USITA would be glad to accommodate Mr. Whitehead any time. Dave Hall recommended accepting the invitation, and I agree - but I suggest that Mr. Whitehead speak on Thursday night. I feel this would be best for three reasons:

1. Being the sole speaker would highlight the importance of OTP
2. Speaking between the FCC and Senator McClellan would make Mr. Whitehead tend to be lost in the shuffle of regulation and legislation.
3. Speaking before the executives go to Congress could lead to some beneficial fall-out.

cc: Brian Lamb

Linda Smith

Tuesday 4/20/71

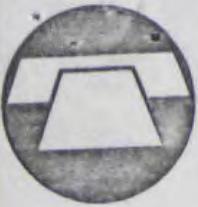
MEETING

12:10 I gave Linda your O.K. on the September 16th banquet speech for USITA Public Relations Seminar so she will be in touch with Arthur Wood on that.

However, Mr. Wood would like to meet with you -- along with Admiral Mett and Tom Howarth -- to discuss 'National Telephone Week' and present you with the 'hard hat' you received at Winter Park.

Shall I go ahead and schedule a luncheon in the near future?

(Previous correspondence attached.)



UNITED STATES
INDEPENDENT TELEPHONE ASSOCIATION
438 PENNSYLVANIA BUILDING, WASHINGTON, D. C., 20004

AREA CODE 202
783-5300

April 8, 1971

Miss Eva Daughtery
Secretary to Dr. Clay T. Whitehead
1800 G Street, N. W. - Room 749
Washington, D. C. 20006

Dear Eva:

I was glad to have a visit with you on the phone yesterday regarding the luncheon with Tom. I am sorry he is tied up and hope that we can get together in the near future.

If it would be more convenient for him, we would be happy to arrange a breakfast or perhaps a drink after work where we could visit about the items mentioned in my letter.

Many thanks for your cooperation.

Sincerely,

ARTHUR WOOD, JR.
Director of Information

AW:ct

*United States Independent
Telephone Association*

**EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF TELECOMMUNICATIONS POLICY**

WASHINGTON, D.C. 20504

March 15, 1971

OFFICE OF THE DIRECTOR

MEMORANDUM TO BRIAN LAMB

Tom Howarth called today. He is a new man at USITA taking over Congressional and Government Agency liaison as first deputy to Adm Mott. He asked for a chance to have lunch with Tom this Wednesday to discuss with him participating in a seminar this fall on public relations for Independent Telephone Companies generally; he wants to present Tom with a "hard hat" which accompanies his "honorary lineman" certificate; and he wants generally to talk about public relations matters involving USITA.

After consultation with Tom, I returned Howarth's call and suggested his visit be sometime next week after you had come aboard. I gave him your name and suggested he call you next Monday. He said he would.

SD

Steve Doyle

cc: Mr. Whitehead

USITA - United States Independent Telephone Association

DRAFT

MJMcCruden:lmc

9/14/71

I am pleased to be here with you tonight and honored to participate in your program this week. It is somewhat coincidental, but no less significant that you are here in Washington at a time when most of this country's business, industry, and labor leaders are looking to this city and to this Administration to assess what the next moves will be in the current period of economic reformation. For although all of us here tonight are certainly aware of the history of Government activity in the regulation of the telephone industry, the events of the last month cause intense interest in the role which Government plays in the management of the economy and, through its decisions, in the management of the industries so vital to the well-being of the Nation and its economy.

Tonight I would like to talk with you about both the general role of Government in the regulation of the communications industry and, more particularly, to tell you something about my Office and what I see as some of the more important aspects of this regulation. Although I feel at home among many friends tonight, there are probably many of you unfamiliar with my Office, and therefore I would like to tell you something about OTP.

The Office of Telecommunications Policy was created by the President in his first reorganization plan of 1970. ^(A) Not quite a year ago, we began the work of defining and implementing new policies to provide for the increasing complexity of the telephone industry and the other industries which compose the communication segment of our economy. The Office was established to provide an independent, objective, and comprehensive policy and planning capability for the executive branch of Government. Our responsibility to the President covers both broadcasting and carrier communications in the commercial sector, as well as the management of the Federal Government's own vast communications systems and facilities. The rationale for our existence is based as much on the need to coordinate all of the various opinions and interests in communications which exist within the many ^{different} executive branch agencies, as on the need to create an ^{agency} ~~office~~ ~~group~~ whose principal interest is planning for communication policies. It is only in this way that the Administration can develop policies not biased by the ~~several more narrow viewpoints of the separate agencies.~~ ^{overall communications} ~~statutory responsibilities~~ which other agencies have. ~~To them,~~ ^{different} their primary statutory responsibilities may affect their view^s as to the appropriateness of a particular ^{communications} policy. And this is as it should be. For OTP, ^{however,} ~~communications~~ policy ^{is} ~~can be~~ developed from a national point of view by weighing the competing concerns of ^{Federal} ~~other~~ agencies and by ~~making judgments based on an independent assessment of the~~ ^{of industry.} needs of the public. We work very closely with all of the other

Government agencies, for we are charged with the responsibility to develop policies which consider their needs and perspectives.

We talk freely and frequently with the Congress ^{d. do FCC} and the ~~FCC~~ since it is their responsibility to enact ^{the laws} and administer the ^{regulations} ~~laws~~ by which ^{affecting} ~~the Government regulates~~ the communication industries. We work with them both in the study of the critical issues which confront us, and also to formally present the views of the Administration when appropriate.

Having said all of this, you are certain to wonder about the nature of the policies which we are developing and the philosophy with which this Administration and this Office view Government regulation of the communication industry. ^{We start by recognizing} ~~There is no doubt~~ that communication is one of the most crucial elements of society. We believe that the ^{public to am} industry is ~~a critical juncture; for the industry is presently~~ faced with a series of ^{critical issues that must be resolved soon} ~~issues~~, the resolution of ^{which} ~~which~~ may alter the basic assumptions underlying not only the operation of the industry, but also the Government regulation of the industry. The problem is not so much that many critical problems exist, but rather that we in Government have not provided for the orderly and expedient resolution of the problems. To develop policies which provide for ^{this kind of} resolution ~~in this~~ ~~matter~~ is our first priority.

Our philosophical intent is to change the structure of Government regulation so that in the future, to the ^{a significant} ~~largest~~ extent, ~~possible~~, Government regulation provides a framework within which industry may

operate independently. We believe that, in general, the detailed and somewhat cumbersome regulatory environment which the Government has constructed has proven incapable of responding adequately to the changing communications world in which we find ourselves. New policies should provide a framework ^{which would allow} ~~of guidelines within which~~ industry ^{to} ~~can~~ make its own judgments, letting the traditional free enterprise market forces dictate individual operating decisions ^{as much as possible.} We also need to develop Government policies which provide more flexibility in accommodating the products and services which result from technological developments.

While it would be more convenient to think only in terms of the long-term guidelines and policies, the present structure of Government regulatory involvement requires our Office to spend a great deal of time trying to promote the most appropriate decisions by the FCC and the Congress. While individual decisions are rarely comprehensive, it is only through coherently connected decisions that a policy can be ^{realized} ~~implemented~~ ~~manifested~~. We, like others, ^{lack} ~~find it impossible to have~~ the omniscience to make perfect short-term policy decisions. That is why it is so important to create structures which allow the industry to make its own short-term decisions in as many cases as possible. Short of that, ^{govt} ~~we~~ can only try to make ^{do more detailed, shorter-run} ~~these~~ decisions ^{a longer policy framework.} ~~based on objectives which are~~ consistent with ^{long term goals} ~~long term goals~~. ^{This accounts for} Thus, our emphasis on the longer-term perspective, which includes identifying specific objectives, investigating alternative

Example?

methods of achieving the objectives and analyzing the costs and benefits to society -- all of this helps us to comment on shorter term

issues ^{based on a} within a context ~~consistent with our~~ ^{of} broader goals. ~~B~~

~~This kind of approach has not been necessary because up to the present time~~ ^{because until recently} we have had a relatively ^{small} ~~few~~ number of clearly

defined industry structures and 3 or 4 principal types of service.

Within these well defined areas, we have had a great deal of ~~change,~~ ^{technical} ~~advance,~~

but it has been primarily associated with improving the type or level of service. The type of ^{technological & economic} ~~change~~ we are now experiencing ^{however,} has resulted

in a great deal of overlap among the types of service offered and the industry structures as we historically have known them. ^C ~~We think~~

that new and more flexible definitions may be needed to ~~adequately~~ ^{deal with}

~~describe~~ the ~~new~~ types of firms and industries which are developing

to ~~provide~~ these new ~~types of~~ service. ³ It is important that we consider

these new definitions and ~~types of~~ service ³ not only from the Government's point of view in setting policy but also from the perspective of business

and industry, for you may well have to rethink your traditional roles and develop new methods of behavior and operation in providing these new services in a new regulatory environment.

I hope that within your industry you continue programs such as the one you are attending this week. One of the reasons we find ourselves in regulatory dilemmas is that we are not fully aware of the possible

consequences of our decisions. If we can promote a continuing dialogue and an honest self-examination and consideration of the position of others, we can and will be able to understand the potential consequences of our decisions not just from our own perspective, but from the perspectives of others. I hope you will continue to explore opportunities which expand your corporate activities and interests, and rather than ~~operating solely within~~ *hanging onto* the confines of a traditional regulated industry, seek new methods and modes of operation, new forms of service, new structures for your corporations and for your industry as a whole.

One thing which we see in almost every aspect of communications is the tremendous and constant change which is taking place within the industry. Communications today has one of the highest rates of technological development of any industry, and technological development that is readily transferred to useful benefits for society. If we tend to think only of our own interests, our own industry, our own products and technologies, we cannot help but be reluctant to embrace the new developments of others. But if we view the communication industry as providing the fundamental service of man's communication with man and embrace all methods of achieving that goal, we will build better corporations and a better industry.

Part of the incentive for our thinking in these broad terms is the result of over-~~Government~~ ^{by govt,} regulation, of too strictly defining types of services, types of industry structure and methods of operation. We need new definitions, new structures, and new freedoms which will allow you and all others in the communication industry the incentive and the flexibility to operate in a high technology where over-regulation will only restrict the benefit to society.

In closing, I would like to leave you with one thought. The President and his appointed officials and your congressmen need the benefit of ^{of industry} ~~your~~ thinking and enthusiasm, if we are to shape a new environment in which the communication industry is to operate. I encourage you to make your thoughts known to me, to your elected representatives, and within your industry. We need to develop an atmosphere which has a healthy respect for our past experience, but nevertheless strives for innovative practices in Government regulation as well as innovation in technology. ^Q I hope that your coming to Washington is but the first step in promoting a thorough analysis by yourselves and your corporations of the relationship of Government regulation and industry operation. As men and women who are responsible for promoting a greater public understanding of your respective corporations and your industry, you play an extremely important role in explaining to the public what is going on and what changes are being made in the basic

structure of the industry and the nature of services offered. Unfortunately, the public does not always pay a great deal of attention to the communication field because it seems so technical, but I think we can all agree

it is important that they understand ~~the industry structure and the~~ *to better what communications can do.*

~~what it means and what it means to them.~~ *to them.*
~~impact of Government regulation on the public.~~ You must get across

to the public not only what your own company is doing but also what

the impact will be of ~~new industry structures~~ *its broadly* and new philosophies

of Government regulation.

Thank you.

(c) For example the recent decision by the FCC to authorize a new type of specialized carriers for data transmission and the potential availability of domestic satellite services will overlap and compete with existing common carrier and common user carrier systems which presently provide long-haul transmission services.

(A) Not quite a year ago, we began the work of designing new policies which would better provide for the increasing complexity of the telephone industry as well as other communication industries.

(B) For example, our recommendation last spring to the F.C.C. regarding new international facilities was developed within the context of ~~most~~ the much broader question of the whole international industry structure. Although these broader policy recommendations are just now nearing completion, the shorter-term decision ~~had to be~~ on international facilities ~~we~~ had to be made with these in mind.

↓ This kind of approach has not been necessary so far because until recently we —