

MORE IMPORTANT THAN ANY MATERIAL THING



MORE important than millions of telephones and millions of miles of wire is the fundamental policy of the Bell System. It is founded on a spirit of fair dealing with the public, with employees and with those who have invested their money in the business.

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“The fact that the responsibility for such a large part of the entire telephone service of the country rests solely upon this Company and its Associated Companies also imposes on the management an unusual obligation to the public to see to it that the service shall at all times be adequate, dependable and satisfactory to the user. Obviously, the only sound policy that will meet these obligations is to continue to furnish the best possible telephone service at the lowest

cost consistent with financial safety. This policy is bound to succeed in the long run and there is no justification for acting otherwise than for the long run. . . .

“Earnings must be sufficient to assure the best possible telephone service at all times and to assure the continued financial integrity of the business. Earnings that are less than adequate must result in telephone service that is something less than the best possible. . . . The margin of safety in earnings is only a small percentage of the rate charged for service, but that we may carry out our ideals and aims it is essential that this margin be kept adequate. . . . This is fundamental in the policy of the management.”

Quoted paragraphs from an address by Walter S. Gifford, president of the American Telephone and Telegraph Company, at Dallas, October 20, 1927.

BELL TELEPHONE SYSTEM

