

\$3,900,000 DIAL PHONE PROJECT HERE REVEALED

Dials to Be In Use Here In 2 Years

San Jose will have dial telephone service in 1948 as result of a \$3,900,000 expansion project which will convert all telephones in San Jose and Santa Clara to the dial system.

R. E. Hambrook, vice president and general manager of Pacific Telephone and Telegraph Co., revealed plans for the dial installation at a "Family Night" program last night attended by more than 1000 telephone employees on the Peninsula in Scottish Rite Temple. W. E. Williams, San Jose district manager, was host.

Hambrook estimated that during

1946 alone expenditures for new construction in Peninsula towns and cities, including San Jose, would be \$2,000,000. A total of more than \$90,000,000 will be included in the over-all expansion program of the company on the Pacific Coast.

BUYING SITE

In San Jose area Hambrook stated that while plans for the new system had not yet been fully completed, the company is negotiating to purchase a lot at Almaden Ave. and W. San Fernando St. and plans to construct a large new building to house the dial central office apparatus. Similar dial projects have been announced for Redwood City and South San Francisco.

Williams said that installation of the dial system would not affect employment of approximately 550 telephone operators now on the local payroll.

"These employees will be absorbed in our expanding toll service and operations in nearby communities if they are not absorbed locally," he said.

Williams added that accelerated growth of San Jose has been much larger than the company anticipated and this growth has taxed equipment and operations.

"We are taking steps to meet this situation just as rapidly as possible," he explained.

TO SPEND \$400,000,000

Hambrook at the program last night pointed out that during the next five years \$400,000,000 would be expended by the company through its Pacific Coast territory for new construction and to extend and improve its services to the public.

He said that adequate earnings were essential to attract the necessary amounts of new capital needed from investors to accomplish these objectives.

"Our company has not profited from the war," Hambrook stated.

"Last year, for example, a year of peak revenue, the return on invested capital in our business was only 5.87 percent. As stated in our annual report, earnings that are adequate are in the public interest, because earnings that are

less than adequate necessarily jeopardize the efficiency and the scope of the service."

Hambrook also complimented local employees on their progress in completing orders for telephones as rapidly as new facilities became available.

During the program a demonstration of wartime developments in communications was given.

Local employees participating in the program were Bernetta Fischer, Marjory Steele, Dorothy Doughty, Doloras Maciel, Betty Post, Betty Potter, Mary Shoemaker, Audrey Anselmo, Rachael Bayley, Dorothy Husted, George Graham, Gilbert Parkin, James O. Thompson, John S. O'Connell, John I. McEwan, Mary Schultze, Otto Muehum, Betty Trouth, Harry Shaw and Art Quinn.

In purchase of the site for the new dial building, firms of Cooper-Challen and A. Grayson Dix are representing the seller, Mr. and Mrs. Joe Gulla, and James A. Clayton Co. is representing the Telephone Co. Dimensions of the lot are 256x116 ft. SPC



AN ENTHUSIASTIC AUDIENCE of 1000 telephone people, their families and friends saw the San Jose Family Night program. Here is half the crowd.