



Payphones Newsletter

Welcome to the 27th edition of the monthly Payphones newsletter

September 2005



Message from Steven Grundy

Welcome to the September edition of the Payphones Newsletter.

The past month has been extremely busy for the Payphones team with multiple presentations to departments within Telstra advising of the latest initiatives being implemented by the team, and the advertising opportunities available via our Back of Booth and Side of Booth campaigns.

In an attempt to identify future revenue opportunities via the Payphone portfolio, the Payphones team established an initiatives group to meet once per fortnight. The aim of the group was to identify an idea, which may be applicable to the Payphone and to manage it through the "validation" process from initial idea, Financial and Operational review, and Australian compliance to final approval and implementation. The Initiatives group is managed internally within Payphones and comprises members from Telstra Legal, Marketing, Graduate Program and a representation from Plexicor Australia (Payphones Hardware Manufacture). The membership is changed on a regular basis and the results from this team are very encouraging, with several initiatives awaiting final approval for implementation.

During the course of the month, Payphones attended the inaugural Operations Business Performance Review (BPR) with IS. The BPR provides Payphones with the opportunity to review in detail the operational performance serviceability, and availability of Payphones, and also provides an opportunity for us to discuss any issues at the management level. As stated above, this was the inaugural BPR meeting, and is the result of ongoing negotiations between IS and Payphones to develop a forum whereby Operational and performance issues can be reviewed in a suitable forum. The meeting was a great success and we look forward to future meetings.

During the month of September, Payphones have undertaken the following:

- ✓ Achieved the Payphones serviceability KPI of greater than 95% for the entire month,
- ✓ Payphones Sales Team coordinated Sales meetings with our TB&G colleagues to target a Bundled Solution for the Caravan Park and Hotel markets,
- ✓ The Operations Team attended the inaugural Operations Business Performance Review,

- ✓ Appointed Miled Sawakid as the new Payphone Provisioning Manager for the Penrith region,
- ✓ Completed contract negotiations with Siemens for the provision of Customer Operated Payphones. It is expected this contract will be signed within the next 2-3 weeks,
- ✓ Commenced preliminary discussions for the production of a Web Phone Request for Proposal,
- ✓ Recruited new members into the Payphones Initiatives Team.

The Payphones Management Team is constantly seeking avenues to improve our business. Your suggestions are most welcome and appreciated.

Regards
Steven Grundy

What image are our payphones giving the public? How can you support Payphones?

Let's all take the time when we are at a phone to look at it through the customers' eyes. If you are not proud of the brand image at a site, phone 1802244 and report it.

Better diagnostics reduce cost

There is nothing so frustrating for a maintenance technician than to try and find an intermittent fault. For our business this means unnecessary truck rolls and extra costs. A good place to start is the repair process on the payphones main board.

The Payphones Technical support group developed a new main board test procedure in May this year. The procedure was implemented by our repairer, which resulted in a ten-fold decrease in no fault found for main boards returned for repair. (66 in May 05 to 6 in September 05).

The new repair process resulted in less truck rolls, hence less cost to our line of business.

New Phones at Claymore

CUSTOMER SERVICE HAS always, and will continue to be, the number one priority for the Access Solutions Payphones Group. We had a formal request from Pat Farmer the local Federal MP in charge of the Government Western Sydney portfolio to speed up the process of installing a third public phone in the Claymore area. The two public telephones present in Claymore were proving to be successful in relation to business for Telstra given the low mobile and home telephone ownership

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Channel Capabilities: new features, products....
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We installed 3 payphones - 1 at the Claymore Shopping Centre, 1 at Gould road and 1 at Eagle Vale. The phone was officially opened by Pat Farmer MP.



Good Buy and Good Luck

Julie Milne Leaves Telstra

Julie Milne left Telstra on 23th of September after 7 years of dedicated service to Telstra and our customers. We want to thank Julie for her efforts and wish her all the best in the future.



Julie Milne

From the Payphone Product and Regulatory Desk

Lifting Cap on 190XXX Premium Calls

In May '05 we launched the product initiative to lift the cap from \$2 to \$6. Telstra's network capped timed 190XXX calls from a payphone at \$2 per minute. This severely restricted the type of 190XXX numbers that could be accessed from a payphone and in the process, limited the possible revenue that could be generated.

Prior to that date 190 call usage showed similar, or even higher declines, than other payphone call types i.e. local and STD. This decline was arrested in May '05 and 190 usage now has a growth rate, compared to same months last year, of around 20%; a turn around of more than 40%.

TOP - 1900 call usage

No. of calls.

	2004	2005	% Change
Jan	17170	12953	-25%
Feb	12832	9799	-24%
Mar	12185	10086	-17%
Apr	11953	9864	-17%
May	11642	11120	-4%
June	10680	11917	12%
July	11582	13358	15%
Aug	11063	12773	15%
Sept	11145	13671	23%

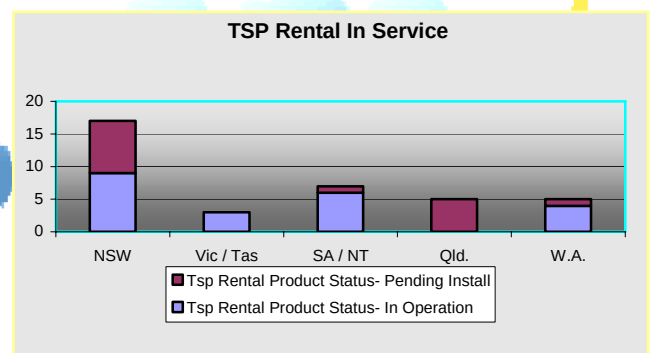
Wi Fi enabled Payphones

Payphone Wi Fi installations continue to grow. The latest Wi Fi enabled Payphone sites have been installed in Cairns and Harvey Bay - Both in Sunny Queensland.

Revenue returns from the currently installed sites are also showing promising results with almost a 500% increase in total usage since the same time last year.

The TSP Rental Product

This product continues to grow in customer demand. This is great news! New installations have occurred in most States. Many more sites have been earmarked for installation in the next month. Our goal is to achieve 50 installations Nationally by the end of 2005!



TSP rental in service graph

'A Blast From the Past'

This new segment will feature old - and not so old- stories from back issues of Payphones Services newsletters. This regular

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segment will bring back memories of past achievements, glories and misfortunes and feature some well-known characters, products and general highlights from our extensive and exciting history.

Our 3rd story is from the April 1995 newsletter under the title "Start your engines – Targa Tasmania sponsorship".

Once again, Payphone Services is sponsoring the 1969 Alfa Romeo 1750 GTV in Targa Tasmania motor vehicle event, 25-30 April.

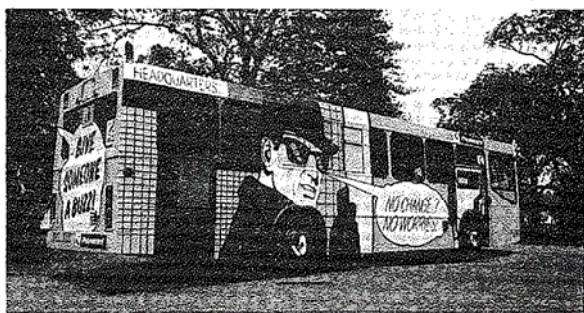
Two hundred and sixty entrants, from Australia, Japan, United Kingdom, Europe, New Zealand and the USA will compete in the event, considered by the Confederation of the most important competitions for motor vehicles in Australia.

The car will be clearly branded with the corporate logo and drivers will give-away stickers, erasers and other promotional items to the crowd during the event.

"Maybe we could think about entering at Bathurst next year!"

Did you Know?

In April 1995, Payphones Services launched a colourful advertising campaign, called "Give Someone a Buzz". The superbuses were in Sydney, Brisbane, Adelaide, and Perth with Melbourne having a supertram. The message was spread to all people who are out and about.



One of the Superbuses featuring the "Give Someone a Buzz" advertising message.

Diversity in Telstra

The Australian population has become increasingly diverse over the past few decades. Consequently it has become important for organisations to understand the benefits of harnessing diversity within their workforce. Telstra recognises that the benefits of embracing diversity are more than developing a strong social conscience but are also about ensuring a competitive advantage in the global marketplace. In other words, diversity is about "creating an environment/culture where a broad range of abilities, talents and perspectives are

valued and supported, geared towards strong business performance".

There are a number of dimensions associated with diversity. The less visible dimensions are those associated with personality and include such things as world view/perspective/belief and thinking styles. The next layers are internal characteristics and include individual differences such as gender, race, culture, age, religion, disability and sexual orientation. The temptation for many organisations is to create a culture of assimilation rather than diversification. By recognising and harnessing individual differences an organisation can build a more innovative, productive and committed workforce. This is the key to satisfying our customers and winning in this fiercely competitive market of telecommunications.

Employing People with Disabilities (PWD's)

Employing people with disabilities can:

- ✓ assist in employee morale and team development;
- ✓ assist in heightening management awareness of workplace practices and conditions for all employees; and
- ✓ increase customer and employee loyalty to the organisation.

Matching a job to the most appropriate person should be the number one priority for hiring. However, it is important to remember that sometimes the best person may have a disability whether visible or not.

Why employ people with a disability?

There are many advantages and these have been confirmed repeatedly in international studies, and recently in a significant study of Australian workplaces. Overall, employees with a disability rate better than other employees for reliability factors, with:

- ✓ lower levels of absenteeism;
- ✓ less sick leave; and
- ✓ the costs of absenteeism and sick leave at only 34 per cent of the cost incurred by their colleagues.

Employees with a disability rate better on average than their colleagues on workplace issues such as:

- ✓ fewer accidents at work and significantly lower recorded workers' compensation incidents of other employees;

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- ✓ an annual retention rate that is 72 per cent higher than people without a disability; and
- ✓ lower recruitment costs

Important Links

Payphones News:

<http://www.in.telstra.com.au/ism/payphonesgroup/news.asp>

Telstra vision, mission, strategic goal and priorities at:

<http://www.in.telstra.com.au/ism/visionandpriorities/index.asp>

Our Future

<http://www.in.telstra.com.au/asp01/ourfuture/>

David Moffatt's message

<http://www.in.telstra.com.au/ism/weeklyupdate/index.asp>

Big 4 Newsletter 7th Edition

<http://www.in.telstra.com.au/ism/customersalesandservice/big4newsletter.asp>



Payphones is looking forward to working through the challenges facing Consumer Sales and Service to meet the set objectives

What would you like to see in your Newsletter?

Please share your ideas with Vicky Mitrevska, phone: 02 8255 4965

I am
we are

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