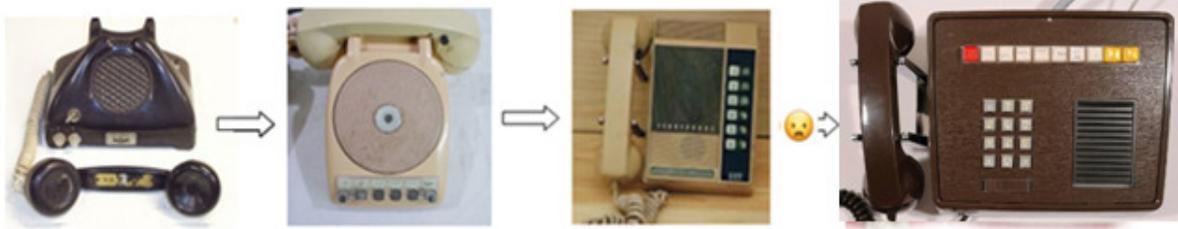


# *The Terryphone Story*

*From Dream to Retirement*



*by Elizabeth C. Terry and H.M. Eaton*

with

Contributions and Perspectives by  
the Terry Boys: Kent Jr., Richard, & Charlie

© 2022



THE TERRYPHONE STORY  
FROM DREAM TO RETIREMENT

THE TERRYPHONE STORY  
FROM DREAM TO RETIREMENT

Elizabeth C. Terry - 1997

*“This has been assembled so that you and your children  
and your children’s children will know that the  
American Dream is never dead.*

*Just provide a product or service that is beneficial to  
people; have enthusiasm and more enthusiasm; and  
lastly have persistence, persistence and more  
persistence!” Kent J. Terry*



THE TERRYPHONE STORY  
FROM DREAM TO RETIREMENT

# THE TERRYPHONE STORY

## FROM DREAM TO RETIREMENT



<i>Forward by Charlie Terry, November - 2022</i> .....	7
<i>Preface by Elizabeth Crane Terry – XMAS 1997</i> .....	8
<i>The Early Years - by Elizabeth Crane Terry – January, 1991</i> .....	9
<i>From Dream to Nightmare by Mac Eaton – December 28, 1987</i> .....	14
<i>Terry-Phone Goes Public!</i> .....	27
<i>Terryphone Stock Headlines</i> .....	28
<i>Our First Dividend Checks</i> .....	29
<i>Memories from the Terry Boys</i> .....	30
<i>Memories from Former Employees</i> .....	33
<i>Letter from the Chairman of Woolworth, Inc.</i> .....	35
<i>Testimonials</i> .....	36
<i>Brochure (1954) - “A Modern Miracle in Inter-Communications“</i> .....	37
<i>ITT Terryphone Ad – Can You Find Charlie?</i> .....	41
<i>Michigan Bell Fears Terryphone</i> .....	42
<i>KJT Bests AT&amp;T</i> .....	42
<i>Kent Terry Accolades in PCA for Fighting Ma Bell</i> .....	43
<i>Patriot News, May 18, 1979</i> .....	44
<i>New Employee Welcome to ITT Terryphone</i> .....	46
<i>Freedom of Information Act Filing</i> .....	47
<i>Web Mentions and Articles</i> .....	47
<i>Terryphone Patents</i> .....	48
<i>Legal Actions</i> .....	49
<i>Investigation of Conglomerate Corporations: Hearings Before Congress</i> .....	50
<i>Photo Library</i> .....	51
<i>From RCA Dealer to Public Company CEO</i> .....	55
<i>Sales Training Held in Our Neighbor’s Barn</i> .....	56
<i>Correspondence with The Telephone Collectors Library</i> .....	58
<i>Terryphone Community Communications</i> .....	59
<i>Parks Terry–Created the first phone company in Waterville, NY – 1896</i> .....	60
<i>Telephones Must Be In Our DNA!</i> .....	61

THE TERRYPHONE STORY  
FROM DREAM TO RETIREMENT

# THE TERRYPHONE STORY

## FROM DREAM TO RETIREMENT

### *Forward by Charlie Terry, November - 2022*

First off, Mom did all the hard work on this history. Mac Eaton wrote the later years section. I've added pictures, but my mission has been to get it online for subsequent generations so it will not all be forgotten. It breaks my heart to no longer come across an installation at an office, factory or big box outlet store.

Terryphone is a great American and free-enterprise business story. Mom, wanting to preserve it for us and our kids, toiled many hours compiling three copies of the history. I started with her compilation and added to it with what I could find on the internet as well as my, Jay's and Richard's memories. Also included are some memories of Terryphone employees who wrote online about their experiences, their dedication and appreciation of the career opportunities they experienced at Terryphone.

#### For the Uninitiated, Why Write This Story?

Terryphone is an inspiring entrepreneurial business story. It has everything including: a rags-to-riches American dream, high respect for sales 😊, and of course, the difficult terrain of building a business amidst vulture capitalists, company politics (Jim Rapagna & Jim Flynn & Jack Gross), a big company acquisition, and then ITT's total lack of understanding of the core values of Terryphone... certainly stupidity from the Terry family perspective!

But do realize, as painful as some of it was, Mom and Dad had the last laugh:

- Pop retired at 50 a millionaire and within a few years, ITT's stock doubled.
- Terryphone had the highest R.O.I. of any ITT acquisition.
- And out there somewhere, companies are still using Terryphones.

My one main takeaway is how tough Dad and Mom were in confronting all the challenges of building a business and those who dared to threaten their dream.

What follows is a history of Terryphone written by Mom and Mac Eaton. I made some edits, inserted photographs, added stories from the extended Terryphone family, and embedded some Terry family comments. The edits and ideas keep coming and have turned this sprint into a marathon. 😊

But most importantly, I wanted to preserve this American business success story for our kids, grandkids and great-grandkids in a sharable electronic format.

# THE TERRYPHONE STORY

## FROM DREAM TO RETIREMENT

### *Preface by Elizabeth Crane Terry – XMAS 1997*

Long after Terryphone merged with ITT (1964) and then later disbanded (1987), the magic of the Terryphone company was still alive. In 1991, Wally Wallace, in Tampa, Florida put out a call for all Terryphone Alumni to come to a reunion. I was asked but was unable to go.

[CWT: Because *Mom was surprising Charlie at his 40<sup>th</sup> birthday party.*]

I wrote about the beginnings: starting our own business and creating Terryphone. In 1987, Mac Eaton, our dearest friend, Assistant to the President and Treasurer of Terryphone wrote: "The Terryphone Story – From Dream to Nightmare". It is well done.

There are two items about Terryphone that Mac Omitted<sup>1</sup>:

- Kent Terry beat Bell Telephone (AT&T) in court and was able to lease lines for Terryphone Systems (see KJT Bests AT&T).
- Bell of Michigan issued a competition memo on Terryphone for their sales team. "Michigan Bell Fears Terryphone".

I have enclosed an index of this and other items showing the growth of Terryphone (First public stock offering etc).

The next section: Thoughts and Ideas are full of motivating ideas from Kent Terry. They show his exceptionally creative mind.

I assembled a few things about Kent Terry's Life so that younger people who never knew him would get an idea of what a truly remarkable man he was. The influence Kent Terry had on young people is exemplified by Dick Guinand's letter (see KJT's Last Days).

This has been assembled so that you and your children and your children's children will know that the American Dream is never dead. Just provide a product or service that is beneficial to people; have enthusiasm and more enthusiasm; and lastly have persistence, persistence and more persistence!

---

<sup>1</sup> CWT: I have inserted commentary and photos noted by: CWT.

## THE TERRYPHONE STORY FROM DREAM TO RETIREMENT

### *The Early Years - by Elizabeth Crane Terry – January, 1991*

For many years Kent did not know he was a super salesman. He worked for RCA for 16 years, starting in 1930 picking up scrap for \$ 15.96 a week. During World War II, he was production manager of the proximity fuse.

*[CWT: The fuse was a secret innovation that set the bomb off when it was close to the ground, allowing safer releases from much higher elevations.]*

In 1945 he was transferred to NYC, with New England as his territory, selling sound equipment to distributors. He was the top producer in the region, but they complained about his expenses. They promised a commission basis plan soon (he got a \$107 raise a year – then \$4,995). After a year nothing happened. He said ENOUGH.

November 1946 we went to Harrisburg with 2 boys (Jay 4 & Richard 8 months). Kent became a dealer for RCA Sound Equipment. We had only \$3,000 capital and worked out of our home in Carlisle. I kept the books, etc. I remember when we hired our first employee, George Ely for \$40 a week. How were we ever going to make enough to pay him? Prior to that, when Kent sold a Public Address System, he would then hire one or two guys to help him install it. His logo was:

***“Kent J. Terry, See the Man with Sound Experience”.***

After a year, Kent opened an office in Harrisburg. About 6 months later he asked me to come work in the office. His secretary (@\$25 week) didn't know how to balance a check book. We worked six days a week. Our only holidays were Thanksgiving and



Christmas. On New Years and the 4th of July, we took inventory.



I worked 4 years (with time out for the birth of our 3rd son, Charlie). One day Kent asked me if I wanted to continue as his office manager, OR be his wife. I wanted a happy marriage so I went home.

## THE TERRYPHONE STORY FROM DREAM TO RETIREMENT

Kent, with permission of his RCA distributor, Raymond Rosen of Philadelphia, took



on DuKane's Intercom Systems (RCA's were poor.) DuKane wanted Kent to be a distributor for all their Sound Equipment. But Kent was loyal to RCA, up until when Raymond Rosen opened an office in Harrisburg and competed with Kent. Kent, as a dealer with only a 40% discount, could not compete when Rosen's distributor discount was 60%.

Kent took on DuKane's whole line and thought architects and others wouldn't do business with him because he no longer represented RCA. He found they did business with Kent J. Terry and whatever equipment he recommended! A great boon to his spirits!



Kent always discovered a customer's need and tried to fill it. (He didn't just sell equipment.) One day in 1949 (I think), Gables Hardware Store (retail and wholesale with many old buildings behind the store for storage etc.) asked Kent to bid on a communication system. They could never find anyone with such a scattered layout.

[CWT: *Gables was a multi-floor, multi-building property.*]

Using a current intercom implementation would require master intercoms at each key location and floor. Each master unit had tubes etc, was very expensive, and difficult to service.

[CWT: *The more master units, the more wires in the cable, the thicker the cable meant higher wire cost, higher installation cost and future maintenance costs. Tubes, for gen Y, are like light bulbs, hot and served the same purpose as today's tiny transistors!*]

Bill Lehr was our technical man then. Kent suggested to Bill: "How about one control unit (amplifier) and phones with buttons to turn the phone into a paging microphone? With condensers, resistors etc, couldn't you modify a standard amplifier, and put buttons on phones?"

## THE TERRYPHONE STORY FROM DREAM TO RETIREMENT

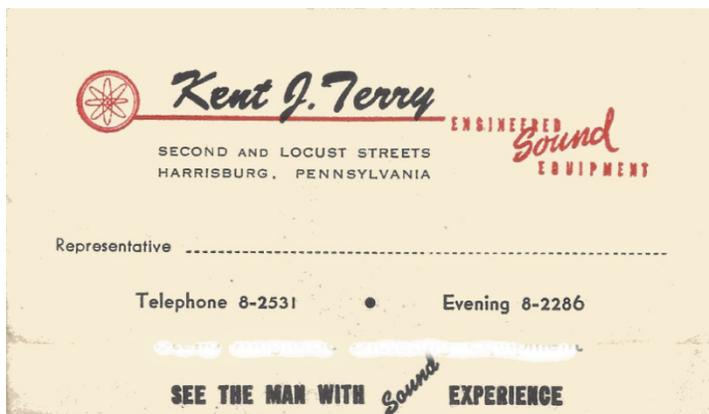
[CWT: Speaking while pushing the button on the handset would direct your voice to loudspeakers placed throughout the building(s) so wherever the person was you wanted to speak with, they would hear:

*“John Smith, pick up Terryphone, line one.”*

*Once the person picked up the closest Terryphone, the person paging, would release the button, which then made the conversation private.*

*NOTE the “free” branding of the name “Terryphone” – in every page, at every customer site, for every employee and visitor to hear! Freaking marketing genius!]*

Kent made a bid that was about 1/2 price the others bid and got the job.



THEN Bill Lehr worked out the technical details. They had crude metal boxes made with small speakers inside and a hook for the phone. Kent got a phone manufacturer to drill a hole and put a button in each phone. Needless to say, it was successful.

[CWT: Note Evening phone # on card!]

Bill suggested the name of “Terryphone”. A NYC Dukane salesman, who Kent had met, was leasing DuKane Intercoms in NYC. This gave Kent the idea of leasing.

Kent created a 3 year lease non-cancellable contract with an automatic renewal for another 3 years, unless notified (illegal today). Two months’ rent was due at the signing of the contract.

Then Kent based all costs on the monthly rental. So many months for salesman’s commission, and so much for service. He supplied all the material but installers were paid a one-time flat rate for each phone, outside speaker and control unit.

[CWT: The equipment was paid for after less than one year’s rent, resulting in all profit after that. But not many banks understood leasing in the 60’s.]

## THE TERRYPHONE STORY

### FROM DREAM TO RETIREMENT

Kent found that Bell Tel oversold equipment to many customers. Since Bell was a public utility, their rates were public. Kent got them and studied them, also got pictures of them. Kent reasoned a salesman could go into an office, look at the switchboard and know (with a few questions about # of lines) exactly how much the customer was paying.

With a simpler Bell system plus a Terryphone, they would have better communications at less cost. This approach made the job of selling Terryphone so much easier.

Kent would say: *“Let Bell handle the outside calls and Terryphone the inside calls. You won’t have to put customers or anyone on HOLD”.*



We handed out little “HOLD” Buttons labeled: “LOSE” as a leave-behind sales item.

From this, Kent went on to develop a sales training course, and taught it to the sales force.

*[CWT: Dad valuing sales training, created a dedicated off-site sales training facility in a refurbished cattle barn near our Mechanicsburg home. I remember him practicing with the training flip charts! ]*

Kent spent little on advertising, but created the 30 day free trial. Over 90% stayed in. Now when you lease you, need lots of capital. Banks back then never understood leasing. (Bell & IBM were the only ones leasing then.) So Kent went begging to the banks almost weekly; not because business was bad but because it was GOOD. He never missed a payroll.



As time went on, to focus on Terryphone, we stopped selling records, radios, TVs (with towers), built in hi-fi equipment, public address systems, and lastly we sold all our contracts for the various schools’ sound systems.

In 1954 with Jim Rapagna on board for a year, Kent Incorporated the company as: Terryphone, Inc. This is how we started.

## THE TERRYPHONE STORY

### FROM DREAM TO RETIREMENT

In 1964, ITT bought Terryphone. Terryphone was the smallest company they had ever acquired, but it made more per invested dollar than any other acquisition!

Geneen once said that Terryphone, dollar for dollar, was the most profitable acquisition ITT had ever made.

In the period from 1964 to 1981 Terryphone gave back to ITT more than \$50,000,000!



*Above is from ITT's "Report from 1965 Annual Meeting of Stockholders". Dad was making sure the CEO, Harold Geneen, knew who Kent Terry was! This is one of two pictures of Dad in the annual report!*

## THE TERRYPHONE STORY

### FROM DREAM TO RETIREMENT

#### *From Dream to Nightmare by Mac Eaton – December 28, 1987*

The Terryphone system sprang from the imaginative mind of Kent J. Terry. You could say that Kent was destined to develop what was, in its time, the finest internal communications system in the world and would still be, if aggressively supported, be a salable product.



Kent Terry was born June 18, 1911 in Utica New York, the fifth child of Parks and Blanche Terry. His father, Parks, started the first telephone company in Waterville, New York, and operated it for a number of years. The Terry family all showed that they inherited some of the best tendencies of their mother and father. The oldest son, Willard, became an officer of a large sand and gravel operation in

Schenectady, New York. The second son, Horace, ultimately became one of the largest Pontiac dealers in the United States, in Little Rock, Arkansas, of all places. Only one of the boys, Parks, Jr., didn't make his mark in life; he was killed in an automobile accident when he was 42 years old. The only girl, Hortense (Horty), worked for RCA as an Executive Secretary for many years.

Kent graduated from Lake Placid High School in 1930 and went to the Philadelphia area, where Horty was already working for RCA and got a job at RCA. He worked for RCA for the next 5 years in a number of different capacities, many of which required him to utilize salesmanship. Stricken with an unrequited love affair in 1935, he left RCA for California where, among other things, he worked as a used car salesman.

[CWT: When he ran out of money, he would go work for a local used car dealer, make some commissions and then move on! ]

In 1936 he returned to RCA where he ran an outstanding suggestion program for the RCA plant in Camden.

He married Betty Lewis on January 4, 1941 and in 1942 left RCA to work for Goodall Rubber for two years.

## THE TERRYPHONE STORY

### FROM DREAM TO RETIREMENT

He came back to RCA in 1944 and left them again in November 1946 shortly after the war ended, to become an RCA dealer in Carlisle, PA, selling RCA sound and intercom systems, 16 millimeter sound projectors and other similar RCA products.

[CWT: “sound projector” vs. “movie projector”- since movies now had sound and were no longer “silent movies”!]

In the summer of 1947 he moved his office to the old YMCA building at 100 Market Street in Harrisburg. He took on other systems, particularly the Dukane School Sound Systems, but was not satisfied with any of the products then available to business people who wanted their own intercom system. At that time, all that was available were “squawk boxes” or dial telephone systems. The squawk box gave you no privacy, and unless it was an expensive all master type system, was not truly a complete internal communication system.

The dial telephone system was hard to use because often times you couldn’t find the person you wanted to talk to. Furthermore, the private communications industry at that time had a very poor reputation for maintenance support of its systems.

Many private communication systems were sold by RCA distributors and other major electric company distributors who sold many other product lines. If you wanted an intercom system and you called the RCA distributor, he would send out a sales representative with a catalog who would look up intercom in the index, turn to the appropriate pages and show you pictures in the catalog and tell you how much the system cost. If you bought the system and you needed service, frequently when you called for service, it was the same service department that also had to service refrigerators, radios, washers, dryers and other home appliances. They generally were not very responsive.

By 1949 Kent had moved his business to the basement of the Hall Building in Harrisburg and had employed a technician, Bill Lehr, who had worked at the Mechanicsburg Naval Supply Depot during the war as an electronic technician.

Gables Hardware, a large wholesale and retail hardware store in the Harrisburg area, wanted an internal communications system. They were operating in several multi—story buildings. They had three or four key employees, who were difficult to locate and they asked for proposals.

## THE TERRYPHONE STORY FROM DREAM TO RETIREMENT

They already had received bids from Executone and Dukane when Kent came on the scene. Kent had been talking to Bill Lehr about his dissatisfaction with the intercom systems then available and had suggested to Bill a combination of the squawk box and the dial telephone system. One in which you communicated by telephone, but instead of dialing someone, you paged them through the telephone handset. That way you only got the person you wanted but your conversation was then carried on privately on the telephone.



Bill had put together a prototype system and Kent quoted both an RCA squawk box type intercom and his idea for what came to be known as the Terryphone. They were interested in the Terryphone idea, and Kent proposed to them that he would build a system for them for \$5,000. If they liked it, they would keep it and pay for it. If they didn't like it, they didn't have to pay him anything. This was the first of the Terryphone "trial" installations.



Needing a name for this system, Bill Lehr proposed Terryphone. Kent installed the system and let Gables work with it, but made them promise not to show it to anyone else until they had made their decision. Gables bought the Terryphone system and they liked it so well that they still had it eleven years later when I came to Harrisburg as Kent's assistant.

This was the first of the Terryphone systems and it was followed thereafter over a period of five years by 12 more systems. Kent continued to sell Dukane School systems and Dukane and RCA Squawk Boxes.



When the right application presented itself, Kent would propose a Terryphone system. There was more and more interest in the Terryphone concept, but after Bill Lehr left, Kent was hard pressed to supervise assembly of custom built Terryphone systems and at the same time go out and try and generate enough business to meet his payroll. His wife, Betty, handled the office and kept the books.

## THE TERRYPHONE STORY

### FROM DREAM TO RETIREMENT

When Kent was still at RCA in 1934 he had hired Jim Rapagna as a secretary, not knowing that Jim was a nephew of George Buzelli, Kent's boss. Early on, Jim demonstrated that his area of expertise lay in production and oddly enough, accounting.



Needing someone to work with him to develop the Terryphone concept, handle production and the office, and allow Betty to take care of their children, Kent began trying to convince Jim to come with him in 1951 or 1952.

In early 1954, Ed First, Senior Partner of one of the largest law firms in Harrisburg, who was handling Kent's legal work, told Kent that he, another local attorney, and the sales manager of Sutliff Chevrolet would like to put some money in Terryphone. Kent contacted Jim, told him he had someone willing to put up some money and once again tried to persuade him to leave RCA and help him with Terryphone.

Kent's timing was good. Jim had just recently been divorced and he was upset with RCA, believing that he had been unfairly passed over for a promotion. He left RCA and came to Harrisburg to help get Terryphone started.

By this time, Kent had moved his offices from the basement of the Hall Building to a house at 6th and Lucknow Streets in an industrial area in Harrisburg. Jim, actually for a brief period of time, lived in the house in one of the bedrooms and really did "paint" some of the Terryphone equipment in the sink. *A story, which is often told, but probably just as often disbelieved!*

Kent and Jim went to see Ed First and his associates and found that they really expected to get control of Terryphone if they put money up. Kent was not willing to do this and told Jim that he'd rather have the two of them try it on their own. So on June 30, 1954, Terryphone, Inc. was incorporated with Kent handling sales and Jim handling production and the office.

The next few years were years of struggle. The company was underfinanced and many times meeting payroll on Friday depended on Kent's ability to get a system installed and persuading a local bank to finance it.

## THE TERRYPHONE STORY

### FROM DREAM TO RETIREMENT

Early on, Kent had struck on the rental concept as a way of overcoming the poor reputation of the intercom industry as a whole. He would point out to prospects that they didn't have to make any capital investment, they merely paid rent for the system as they used it and if Terryphone failed to provide the service, they promised the customer could stop paying rent.

Simultaneously, the "trial installation" idea, begun with the Gables Hardware installation in 1949, was expanded and ultimately more than 90% of all Terryphone orders were obtained on the trial installation plan.

One challenge that Kent had to overcome was that many ideal clients' facilities were in multiple locations. So for Terryphone to be the ideal internal communications system for clients with multiple locations, such as office and factory, must be connected via Terryphone's 5 to 9 conductor cables. At this time in history, Ma Bell and the electric utilities owned all of the telephone poles and wires. And since Bell Telephone was selling intercoms that they could connect remote buildings via a "leased line". Bell had an unfair market advantage.

***But Kent had a solution! His installation men would string Terryphone wire on the telephone poles across town to connect the buildings!***

As one could imagine, when Bell linemen would discover "foreign" wire on their poles, they would be cut it and then Terryphone would get a maintenance call! Then another midnight installation would happen!

This worked well enough to survive in the early days but it was not necessarily a scalable strategy for the long-term! Not one to ever give up on anything; Kent went to court arguing that as a utility, AT&T had to offer leased lines to independent telephone companies.

Leveraging the Carter Phone<sup>2</sup> decision, Kent challenged and won the right to demand from AT&T leased line connections for his customers. This landmark decision is referenced in the court cases that ultimately led to the breakup of AT&T and the Bell companies. This win prompted Bell of Michigan to issue warnings to other Bells<sup>3</sup>.

---

<sup>2</sup> See Carter Phone decision <https://en.wikipedia.org/wiki/Carterfone>

<sup>3</sup> Bell of Michigan issued details of Terryphone (see Michigan Bell Fears Terryphone)

## THE TERRYPHONE STORY

### FROM DREAM TO RETIREMENT

Although Kent was an outstanding salesman, he was a poor sales manager. He was too impatient and couldn't understand why everybody couldn't sell Terryphone as easily as he did. So he began looking for a sales manager. At church, he had met Jim Flynn, then District Manager for National Cash Register for the central Pennsylvania area.

Kent ate, slept and breathed Terryphone. He thought it was the greatest idea to come along in many years. He was so enthused about it that he persuaded Flynn to ride with him on calls so he could show him how easy it was to sell Terryphone.

At that time, Jim Flynn had been with NCR for 15 years. Every year his district had exceeded quota and every year it seemed they cut his territory, thus making him hire more sales people and otherwise make it more difficult for him to operate and succeed. By the summer of 1957, Flynn was fed up to the point where he decided to cast his lot with Kent Terry and Jim Rapagna and see what he could do to build a sales organization for Terryphone.

Flynn brought with him from NCR, Mickey Ruth, a good detail man and an



excellent sales trainer. Terryphone began to open more branches; Flynn succeeded in getting some experienced sales representatives from some of the office supply firms such as Burroughs. They were fortunate to get Stan Rejniak and Bob Camac, who ultimately became National Sales Manager and Regional Sales Manager, respectively.

Early in 1959, one of the local stock brokers undertook an intrastate sale on a "Best Efforts" basis and sold \$90,000 worth of Terryphone stock which helped support the growth which Flynn was making happen. Kent had worked with a number of banks in the area and had gotten them to agree to finance individual rental agreements in their areas, more on the basis of the customer's credit than Terryphone's. [CWT: this was unheard of at the time, but now is standard!]

Growth was rapid. There were 13 Terryphone systems installed on June 30, 1954 when the company incorporated, and by the fall of 1959, Terryphone had sales offices in Pittsburgh, Philadelphia, North Jersey, New York, Allentown, Baltimore,

## THE TERRYPHONE STORY FROM DREAM TO RETIREMENT

Cincinnati, Cleveland, Washington D.C., Dayton, Albany, Chicago, St. Louis, Roanoke, Columbus and the eastern shore of Maryland.

Kent had gotten to know Dick Buck and Joe Patrick, brokers and investment bankers in New York who became interested in Terryphone and its potential. They put together a private placement for \$500,000 late in 1959 which enabled Terryphone to obtain a bank line of credit and ultimately to consider going public.

In 1957, the company moved to half of a new building at 3805 Paxton Street. In 1960, they split the office out and moved it into rented quarters at 4309 Carlisle Pike in the West Shore. The factory then took up all the space on Paxton Street.

In September, 1960, Kent Terry, Jim Flynn, Jim Rapagna and I met in Jim Rapagna's office at the factory and laid out a business plan for the next few years. It was an ambitious plan. The ground work was being laid for the public sale of a large amount of stock by Buck and Patrick through an underwriting group headed by Stroud and Co. in Philadelphia. More offices were opened, more sales people hired, more factory workers hired and sales increased, but expenses increased even more.



Unknown to Kent and Jim Rapagna, Jim Flynn was having marital problems and had lost confidence in his ability. He failed to control the sales force and to make sure that they earned their draws. In order to rapidly expand the sales force, Flynn had changed the compensation plan from straight commission, (which it was until March 1960), to a draw against commission. Furthermore, he had reclassified the sales representatives as employees and promised to make many of them managers when he was made President!



## THE TERRYPHONE STORY

### FROM DREAM TO RETIREMENT

Prior to that, they had been considered independent contractors. In a matter of months, there were 135 salesmen on board in 27 cities. What had been a very profitable operation on a smaller basis was rapidly becoming a loser.

#### **Terryphone went public on Tuesday, April 24, 1962.**

The issue was sold out at \$7.00 per share.



Only two days later on Thursday, the stock market had its largest drop since the crash of October, 1929. Jim Rapagna had suffered what appeared to be a heart attack and was recuperating at home... and brooding over what he felt was an unfair division of the company back in 1954. He got 25% and Kent kept 75%.

At Jim Rapagna and Jim Flynn's insistence, early in 1962, the company had hired a financial Vice President, Mel Rieser, who was beginning to put in place controls and budgets. However, with Jim Rapagna recuperating at home, Mel Rieser then tried to take over the company! Kent fought him and in turn, tried to take over total control of the company and a hell of a rhubarb occurred!

At the same time, the Philadelphia Bank, which had set up a \$5,000,000 line of credit for the company late in 1960, called its loan, which then totaled about \$2.5 million dollars.

Although Rieser had a "sweetheart" deal nearly closed with Walter Heller Company for financing, Kent & Jack Gross, one of the directors, persuaded Commercial Credit to provide financing. An emergency meeting of the Board of Directors was called and Kent lost the battle because Rieser told the directors that unless he and Rapagna were given control of the company, Commercial Credit, who had just agreed to provide financing, would back out of the deal!

Kent was made Chairman of the Board and Rapagna was made President and Chief Executive Officer. Flynn was still ineffectual and as a result, he was fired in June, 1962.



## THE TERRYPHONE STORY

### FROM DREAM TO RETIREMENT

Jim Rapagna and Mel Rieser then hired a new Vice President of Sales from outside the industry. By the fall of 1962, Rapagna and Rieser were at odds and another power struggle took place. Another emergency meeting of the Board was called.

Although I had supported Kent in his struggle, I now took Jim Rapagna's side and cautioned him to be sure and talk to Commercial Credit to make sure they wouldn't call the credit line as Rieser had threatened.

Much to my surprise, Jim told me that Rieser had **never** talked to Commercial Credit and had lied to the Directors when he told them that if they made Kent President, Commercial Credit would call the loan.

### [CWT: OMG... and we called him Uncle Jimmy ☹ ]

Rieser was fired and we continued with our reorganization.



After firing Flynn in June, we had cut the draws of the sales people to levels more in line with their actual sales performance and as a result, inside of two weeks instead of having 135 sales people we had about 40.

Major cuts were made at the plant and at the office, but it still took a year to return the company to profitability and two years to get back with the banks. We obtained a new line of credit in 1963 from Dauphin Deposit Bank, the largest bank in Harrisburg, and paid off Commercial Credit.

Kent continued to be active as Chairman of the Board and was very helpful and supportive in getting the sales organization turned around and growing again. We fired the Vice President of Sales that Rapagna and Rieser had hired early in 1962 and rehired Stan Rejniak as Vice President of Sales. He had left in 1961 because of disagreements with Rieser.

Terryphone continued to grow, although more slowly, but profitably. The stock, which had fallen to a low of less than one dollar per share, gradually regained some ground. But it was obvious to Kent and the other Directors that it would take a long time before it would ever reach \$7.00 a share, the amount the outside stockholders had paid for it in April, 1962.

## THE TERRYPHONE STORY

### FROM DREAM TO RETIREMENT

Furthermore, if Terryphone was to be able to continue to grow, all of its earnings would have to be put back into growth, leaving none available for dividends to stockholders. As a result, the Board of Directors, led by Kent Terry, began looking for a large company that might be interested in acquiring Terryphone.

Several major companies expressed interest and negotiations were under way with two. In May of 1964, Terryphone was approached by representatives of ITT. The discussions with ITT were fruitful and culminated in the acquisition of Terryphone by ITT, effective October 1, 1964.

The new company, a wholly-owned subsidiary of ITT, was known as ITT Terryphone Corporation and now with ITT's backing, major growth was targeted and achieved.

At the time Terryphone was acquired by ITT, Terryphone had a little over 3,000 rental customers and monthly rental income of approximately \$300,000 or \$3.6 million/year.



ITT had acquired Terryphone because of the belief of its then Executive Vice President, Ted Westfall, of what is now known as “interconnection” which was going to happen and in fact, could possibly be made to happen... and ITT would be a major beneficiary and thus strategically should have a national sales/service organization in place when interconnection did happen.

[CWT: “interconnection” would allow others to sell telephone systems and connect to Bell’s systems and also legitimately use their telephone poles!]

Terryphone’s growth from 1964 to 1972 was phenomenal, both in sales and profits. In 1972, as a result of the Carterphone case, a case which ITT had privately supported, interconnection came into being. However, Ted Westfall was out of favor at ITT headquarters and the people running the telecommunications group decided to set up a new company to handle interconnection.

## THE TERRYPHONE STORY

### FROM DREAM TO RETIREMENT

ITT asked Terryphone to help the new company get started and we did by setting up sales and service offices in Boston, Philadelphia, Miami, Atlanta, Cleveland, Houston, Dallas, Los Angeles and San Francisco, among others.

A year later, in 1973, we turned these offices over to the ITT interconnect subsidiary, ITT Communications Equipment and Systems Division.

[CWT: During the summer of 1972, I worked at one of these interconnect companies installing Terryphones! I tried to be incognito, but it didn't take them long to figure out my connection to Terryphone! 😊 ]

We continued aggressively selling Terryphone and began selling telephone systems as well. Growth in revenues and profits continued. But little did we know that this was the beginning of the end.

A crucial part of the original Terryphone idea had been to convince customers not to use their outside telephone for internal communications because, at the time, more than 40% of all business nationally was done by phone. The phone system should always be kept free for customer calls.

A separate, internal communication system, or the "two phone" concept, together with the trial rental program and the rental concept itself, were the three foundations upon which Terryphone had been built.

Despite this, Terryphone sales people were going back to Terryphone customers to sell them telephone systems and to persuade them that they shouldn't have two phone systems (one for internal calls and one for outside calls), but should combine them into one unit: The Terryphone Multi-Function System. AND, that they shouldn't pay rent for their phone systems, but should buy them.

*A dial on Dad's Terryphone! 😊*



Meanwhile, the ITT interconnect operation was continuing to lose larger and larger amounts of money. Originally headquartered in New York, as part of Geneen's strategy to overcome the Fed's objections to ITT's acquisition of Hartford Insurance, he promised to move business to Hartford, not take the

## THE TERRYPHONE STORY

### FROM DREAM TO RETIREMENT

business out of Hartford, and the interconnect was the first of these businesses to be moved.

It lost even more money in Hartford than it had in New York and, as a result, in 1980 it was consolidated with another losing ITT Telecom operation in Des Plaines, Illinois, the Business Communications Division (ITT BCD) and the Hartford Offices closed. Now ITT had two major losers and only one real winner: Terryphone! By 1981 Terryphone sales were more than \$60,000,000 per year and its after tax profits were in excess of \$3,000,000.

In 1981, the seeds of destruction were planted when Terryphone went into the interconnect business and in 1973, flowered. ITT Telecom group management decided to shut the BCD Des Plaines operations down and combine everything in Harrisburg which was done in 1982. At that time, the ITT BCD/CESD operation was losing about \$10,000,000 while Terryphone was making nearly \$6,000,000 a year. Despite the economies which we were able to achieve by this consolidation, we still couldn't overcome that big a burden.

As a result, ITT now had nothing but losing operations in the interconnect business. A number of different ideas were tried. Jim Rapagna retired in 1982 and ITT brought in a new president from outside the industry. Group management was changed several times, all to no avail. The handwriting on the wall could be seen in 1983 and even more clearly read in 1984.

Early in 1985 Terryphone, now known as ITT Business Communications Corp., began selling off its smaller sales offices and the customers in those offices. A decision had been made to keep direct sales offices only in 25 major cities such as New York, Chicago, Miami, Los Angeles, etc. The other 42 sales offices and their thousands of customers were sold. Early in 1986 a decision was made to sell the remaining 25 sales offices. Beset by tremendous losses in its telecommunications central office switching division, ITT (formerly known as International Telephone and Telegraph!) had decided to get out of the telephone business entirely.

As a result, ITT reached an agreement with CGE, the largest French telecommunications company, to set up a joint venture to which ITT would transfer all of its telecommunications operations worldwide in return for a 35% interest in the new joint venture. CGE would own 60% and two of the smaller European telecommunications administrations ITT would own the remaining 5%.

## THE TERRYPHONE STORY FROM DREAM TO RETIREMENT

This agreement became effective January 1, 1987 and by August, 1987, ITT Business Communications Corporation had sold off the last of its direct sales offices and the customer base, including less than the 1,000 remaining Terryphone customers.

***The Terryphone story had ended!***

I took early retirement from ITT in September, 1984 and moved to Florida and began working on a part-time basis with one of Terryphone's three franchise dealers, Marcom Telecommunications, Inc.

Marcom bought the remaining ITT customer base in Jacksonville and Miami, Florida, effective August 10, 1987, at which time there were only about 30 Terryphone customers remaining in Miami and 10 in Jacksonville.

***The dream died because the people, who took it away from Kent, didn't understand it and still don't understand it; but what Terryphone did between 1962 and 1981 was proof that Kent was right!***



***Mom and Dad Celebrating ITT's Stock Doubling  
and Being Able to Retire at Age 50!***

# THE TERRYPHONE STORY

## FROM DREAM TO RETIREMENT

### *Terry-Phone Goes Public!*

#### SECURITIES AND EXCHANGE COMMISSION

# NEWS DIGEST

A brief summary of financial proposals filed with and actions by the S.E.C.

(In ordering full text of Releases from Publications Unit, cite number)



Washington 25, D.C.

FOR RELEASE February 24, 1961

## TERRYPHONE FILES FOR OFFERING AND SECONDARY.

Terryphone Corporation.

4409 Carlisle Pike, Camp Hill, Pa., today filed a registration statement (File 2-17633) with the SEC seeking registration of 200 000 shares of common stock, of which 80,000 shares are to be offered for public sale by the company and 120,000 shares, being outstanding stock, by the present holders thereof. Stroud & Company and Warren W. York & Company head the list of underwriters. The public offering price and underwriting terms are to be supplied by amendment.



The company manufactures, leases, sells and services a line of internal communications systems consisting of various combinations of telephone and paging components, for use in business and industry. Its equipment is known as the "Terryphone System," The net proceeds from the company's sale of additional stock will be added to working capital to finance business expansion.

In addition to certain indebtedness, the company has outstanding 723,210 common shares, of which Kent J. Terry, president, owns 198,800 shares (27.49%) and management officials as a group 451,050 shares (62.4%).

The prospectus lists 21 selling stockholders, including 5,500 shares to be sold by Terry 10 000 shares each by James V. Rapagna and James L. Flynn, Jr., officers, 20,000 shares by Jack and Harold Gross as joint tenants (Jack Gross is a director), and 22,000 by Richard J. Buck & Co., of which Richard J. Buck, a director of the company, is a partner. Richard J. Buck & Co. owns of record 154,000 shares, of which 34,000 shares are owned beneficially by it and 10,000 shares are owned beneficially by Buck.

THE TERRYPHONE STORY  
FROM DREAM TO RETIREMENT

Terryphone Stock Headlines

'COMPLETE COVERAGE TO MISSISSIPPI'

The Evening News, Harrisburg, Pa., Monday, Dec. 4, 1961 — 11

**Terryphone Growth Cited,  
More of Same Envisioned**

THE WALL STREET TICKER

Week of Monday, Oct

Over-The-Counter Firms That Promise Profit Upswing

**Terryphone Breaks Records;  
New Products Are Still**

16—The Evening News, Harrisburg, Pa., Monday, Nov. 4, 1963

NET IN QUARTER UP 43 PCT.

**Record Income, Earnings  
Forecast for Terryphone**

**Over-the-Counter  
Weekly List**

Friday, February 14, 1964

The following bid and asked quotations are from the National Association of Securities Dealers, Inc., do not represent actual transactions. They are a guide to the range within which these securities could have been sold or bought (indicated as "bid" or "asked") on the last day of the market. This list is composed of a group of unlisted securities less widely held than those on the Over-the-Counter list.

	Bid	Asked
Still-Man Mfg	7 1/2	8 1/2
Strategic Mat	3 1/2	3 3/4
Straus Duparc	2 1/2	3 1/4
Strolee of Calif	5	5 1/2
Strouse Inc	1 1/2	1 3/4
Struthers Sel	6 1/2	7 1/2
Sup Mfg & Inst	3 1/2	4 1/2
Super Mkt Distr	3 1/2	4
Superpack Corp	4 1/2	5 1/2
Swift Homes	2 1/2	3 1/2
Swiss Chalet	4 1/2	5 1/2
<b>T</b>		
Tally Corp	20	22
Tassette Inc	2 1/2	3 1/2
Taylor Corp	3 1/2	4 1/2
Taylor Devices	4 1/2	5 1/2
Techno Pd	2 1/2	3 1/2
Technogr Pr El	1 1/2	2 1/2
Telecomp Corp	2 1/2	3 1/2
Teleflex Inc	13 1/2	14 1/2
Tensor Corp	4 1/2	5 1/2
Terryphone Cp	3 1/2	4 1/2
Texnm Oil	2 1/2	3 1/2
Texota Oil	3 1/2	4 1/2

11/16/70  
170  
**13,000 served  
by Terryphone**

ITT Terryphone, which last week dedicated a new headquarters and factory building at 300 E. Park Dr., has enjoyed phenomenal growth since the Terryphone system was designed by Kent J. Terry in 1949.

On June 30, 1954, Terry and James V. Rapagna incorporated a company known as Terry-Phone, Inc. Their first plant and offices were located in a two-story house at Sixth St. and Lucknow Ln., with only four employees and 13 rental customers.

By the fall of 1957, the company had branch sales forces in Philadelphia, Allentown, Northern New Jersey, New York and Pittsburgh. The rate of growth increased sharply and in the fall of 1959, it was necessary to move the offices and use all of the available space for production.

By 1964, Terryphone had over 3,000 customers and a nationwide sales and service organization. It became part of the International Telephone and Telegraph Corp. in Oct., 1964, with the same management running the company.

Today, ITT Terryphone serves over 13,000 customers with direct sales offices throughout the United States, Canada, and the United Kingdom, as well as through ITT affiliate companies in Mexico, Puerto Rico, Brazil and Spain.

THE TERRYPHONE STORY  
FROM DREAM TO RETIREMENT

Our First Dividend Checks



## THE TERRYPHONE STORY

### FROM DREAM TO RETIREMENT

#### *Memories from the Terry Boys*

*Kent J. Terry, Jr.*

*My first job was after school on Saturdays. I took the bus from Logan School at 2nd and Maclay streets to Dad's shop at 6th and Lucknow to work for \$1.00 a day! I helped clean up the shop and sort out nuts and bolts, and Amp crimp terminals along with everything that was thrown in a box after the Terry-Phone installers returned from the job sites.*

*The next year I got the largest raise of my life, to a \$1.00 an hour! I then worked in the factory building Terry-Phone components that made up the Terry-Phone Units. After that I got raises from time to time. But not as often as my bosses told me I was going to get one. My dad didn't want to have to owe any employee special favors because they were being nice to his son. Along the same line, I was invited to a cookout that one of the employees was having for everyone he worked with in the factory. Dad told me I couldn't go for the same reason.*

*Then one summer I got to work in the R&D department. We developed a series of Transistor Control Units that were made up of plug-in subassemblies. One of the subassemblies was a bridging unit that allowed Terry-Phone to work over only TWO wires! (Terry-Phone normally worked on 4 wires and a ground, 2 for speaker paging, 2 for talking plus 1 for each additional line).*

*Reducing it to only two wires was critical when having to lease lines from Bell Telephone to connect from one location to another. We used it to talk on the Terry-Phone from the plant at 6th and Lucknow in Harrisburg to across the Susquehanna River to the West Shore where the R&D department was on the Carlisle Pike in Mechanicsburg.*

*The two wire system was designed for car dealerships that had their used car lot a couple of blocks down the street from the dealership. We tested it successfully for over a year. Then sold the bridging unit to Sutliff Chevrolet connecting their dealership to their used car lot.*

*Ma Bell said that Terry-Phone couldn't do it because we couldn't put our Terry-Phone cabling on their telephone poles. Dad took Ma Bell to court and WON because Terry-Phone had a line in operation for over a year, and that set a precedent.*

## THE TERRYPHONE STORY

### FROM DREAM TO RETIREMENT

#### *Richard T. Terry*

*On a Sat, I went with dad to Lucknow Lane, and I was paid .75 to move cardboard boxes from one room to the trash.*

*Dad was meeting with one of his engineers, George Wockman at his home on a Saturday and dad took me with him. They worked a long time and Mrs. made a special lunch for us (imperial crab stuffed in a shell).*



*She noticed I was only eating bread and butter. "That's ok. I have a dessert I know you'll just love. Cheesecake". And I said, "Pass the bread and butter!"*

*When I was about 3 or 4 years old, I'd always ask people who came to our home if they had children, because I was always looking for kids to play with. One evening in my PJ's ready for bed, Dad was meeting with a banker of small stature, trying to get a loan, I was at the landing looking down at this small man and before Dad could stop me I said, "You're not big enough to have kids"*

*Needless to say, Dad didn't get the loan!*

[CWT: SO, now in any Terry household, when someone says: "Pass the bread and butter.", we know that they don't like the dinner!]

## THE TERRYPHONE STORY

### FROM DREAM TO RETIREMENT

*Charles W. Terry*

*In teaching us kids (and I'm sure in sales training) how to talk about Terryphone, we were NEVER allowed to use the word "intercom". Terryphone is an "internal communications system", not an intercom!*

*On Long Island, in my first job out of college, my employer was using a Bell phone dialing type intercom ... it gave me hives! Of course Terryphone would be a better solution since we were in three separate areas of a building and we all moved from office to office during the day.*

*I went to the president and told him to call Terryphone. They called the Long Island Terryphone office. The president asked me to sit in on the sales call! Good thing I did. The guy was not a great salesman to say the least and I couldn't stand it, so I picked up from his fumbling and finished the sales pitch with him sitting there dumbfounded. You should have seen the look on his face! We got Terryphone, but he got the commission.*

*In the summer of 1972, I tried to work anonymously at a Terryphone dealer in Providence, Rhode Island. I worked with the installation crew, but my last name gave away my connection! Needless to say, our installations were impeccable! (I was also shocked that the crew would pack the van for the day's work, leave the office and head straight to a diner for coffee, instead of to the day's first client!)*

*Every once in a while I see a Terryphone system still in use. It makes my day! 😊*

## THE TERRYPHONE STORY FROM DREAM TO RETIREMENT

### *Memories from Former Employees*

#### *Jim Stewart*



I stumbled upon Jim in a Google search because he mentioned Terryphone is his career background on his [web site](#). I reached out to him and his note below clearly shows that the Terryphone “family” still lives on. This is his 2/15/2003 response back to me.

*“I read the Terryphone stories (at Terryphone.com). It brings back so many memories. Of course, I was just a young man at the time and was totally unfamiliar with the corporate politics. The people were all just legendary figures to me at the time. The people I dealt with were Dave Donsbaugh, Bill Clark and John Dancannon.*

*Still, my experience was good. I hated to see what happened to Terryphone. We really could see the beginning of the end around 1979. That's when the EKS 701 system was introduced. As a technical guy, being paid per unit, I took a big pay cut.*

*I got my start with the Carbines. Tony and Eugene ran the Salt Lake Branch for many years. Eugene went to Beaumont, Texas for a while. I trained with Randy Wood and Al Loya. Randy was the service contractor in Minneapolis for some years, Al was in Newark, NJ and Kansas City as the service contractor. My Uncle, Art Carbine, was the service contractor in Washington, DC from 1981 to 1983. He stayed there and worked for the surviving company until just a year or so ago.*

*I was the service contractor in Buffalo, NY and Milwaukee, WI. I also worked for Ron Kurtz (LA) and Neal Bush (San Diego) for several weeks each year from 1978 through 1981. I lost the Buffalo contract when ITT CS took over after the strike was settled with the CWA in the February, 1984.*

*And I was the last employee at the Milwaukee office when they closed it down in the summer of 1985. That was a gut-wrenching experience. And it was especially troublesome as we had just completed the biggest 3100L installation for ITT at the time. (Simplicity Equipment in Port Washington). Simplicity was also my first Voicemail installation.*

## THE TERRYPHONE STORY

### FROM DREAM TO RETIREMENT

*Buffalo was interesting because there were so many big Terryphone systems. We had Great Lakes Color. A printing press that was huge. They printed all of the comic sections for the major newspapers all around the country. I remember not reading the comics for two years because every time I did it seemed that Great Lakes would call with a huge problem. At the time I was a one-man service organization. This was before cell phones and digital pagers. Great Lakes was located in Dunkirk, about an hour south of the Buffalo office.*

*We also had the AL TECH STEEL account in Dunkirk. Four huge manufacturing complexes that with four separate Terryphone systems. These systems were tied together and troubleshooting them was a nightmare.*

*Ah, such memories. Thanks for contacting me..... Jim”  
101 Wasatch Drive, Salt Lake City, UT 84112 800-866-5852*

At the bottom of Jim’s email:

*“Enjoy the experiences; don’t be in too big a hurry. Stay in the game, stay curious, understand that much of what you think you know about the world will be very different —and may not exist — in the not-too-distant future.”*

---

*Jacqueline B. Jolly*

1296 Northview Lane  
Rochester Hills, MI 48307  
Phone: (248)608-8067  
Email: [jj9464@aol.com](mailto:jj9464@aol.com) 2/24/2005

*“1979-1980 ITT Terryphone Corporation ▪ Sacramento, CA  
Sales Representative for telecommunications equipment company. Called on presidents and owners of local businesses and manufacturing plants.*

*Prepared written proposals detailing operational and Financial advantages of a customized ITT Terryphone system.*

*Worked with plant managers, office personnel and installation crews, tailoring systems to increase the productivity of businesses.*

§ Won 7 monthly “Top Producer” awards.

§ Landed largest single system in region “Rice Growers Association”1980. “

THE TERRYPHONE STORY  
FROM DREAM TO RETIREMENT

*Letter from the Chairman of Woolworth, Inc.*

ROBERT C. KIRKWOOD  
WOOLWORTH BUILDING  
NEW YORK 7, N. Y.

September 19, 1960

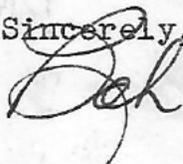
B.A. 7-1000

Dear Kent:

I have received the 1960 Annual Report, and hasten to offer you my sincere congratulations for the terrific accomplishment which you are able to report. Not only do you have a very remarkable showing of progress for the few years you have been in business, but the manner in which you have reported that progress in this fine report is excellent.

With best wishes for continued success, good health, and happiness,

Sincerely,



# THE TERRYPHONE STORY FROM DREAM TO RETIREMENT

## Testimonials

M. H. ZIMMERMAN  
W. A. BENDER  
A. P. PALLMAN  
H. K. BLOUGH  
E. S. FILBERT  
G. H. USNER

PHONE 6-7971

HARRISBURG WASTE PAPER COMPANY  
ESTABLISHED 1904  
PAPER MILL SUPPLIES

Rags · Scrap Iron · Metal · Cotton Cuttings

TENTH AND MULBERRY STREETS · BOX 541 · HARRISBURG, PENNSYLVANIA

April 27, 1954

Kent J. Terry, Engineered Sound Equipment  
Sixth and Lucknow Lane  
Harrisburg, Penna.

Dear Sir:

We find that since installing your Terry Phone, we have not only saved money but also a great deal of shoe leather. It has facilitated the entire operation of our plant, and has proven so satisfactory that we do not hesitate to recommend its use to anyone.

Yours very truly,

HARRISBURG WASTE PAPER COMPANY

*Herman Freedman*  
Herman Freedman

HF/eh

## United States Steel Homes, Inc.

Formerly Gunnison Homes, Inc.

UNITED STATES STEEL  CORPORATION SUBSIDIARY  
PLANT 2 · BOX 1107 · HARRISBURG, PA.  
PHONE HARRISBURG 7-4561

April 23, 1954

Kent J. Terry  
Engineered Sound Equipment  
Sixth and Lucknow Lane  
Harrisburg, Penna.

Dear Mr. Terry:

We are writing this letter to let you know that we are very well satisfied with the service your Terry-Phones give us.

Terry-Phones are quite a Time Saver and most important of all a Step Saver. It is very pleasing to know that we can contact any person in our vast plant within a matter of seconds with very little effort on the part of either party.

We know that you are always interested in hearing from Satisfied Customers so we are not hesitating to compliment you on your fine equipment.

Very truly yours,

U. S. STEEL HOMES, INC.

*J. J. Trageser*  
J. J. Trageser  
Plant Engineer

JJT:wcy

THE TERRYPHONE STORY  
FROM DREAM TO RETIREMENT

Brochure (1954) - "A Modern Miracle in Inter-Communications"

AVOID "BLOCKING OUT"  
YOUR CUSTOMERS' CALLS...



THIS IS WHAT HAPPENS WHEN THE EXTERNAL  
PHONE IS USED FOR INTERNAL CALLS

{ Terry-Phone } LEAVES YOUR TELEPHONE  
FREE

{ Terry-Phone }  
ENABLES YOU TO REACH  
YOUR PARTY IN ANY PART  
OF OFFICE, FACTORY, OR  
WAREHOUSE WITH JUST  
ONE CALL!



# THE TERRYPHONE STORY

## FROM DREAM TO RETIREMENT

### HERE IS HOW

## ( Terry-Phone )

### OPERATES....

IT'S SIMPLE...AND PRACTICAL



The operation of the Terry-Phone is very simple. Each phone in the circuit performs two functions:

1. It acts as a common talking telephone, and
2. When the button in the hand set is depressed your phone becomes a microphone and you page the party you want.

Each Terry-Phone station consists of a phone as described above, and a small speaker with a volume control.

In an actual operation, the person doing the paging lifts the phone off the hook, presses the button on the handset, speaks the name of the person whom he wishes to contact, then releases the button. The page is heard through all speakers. The person being paged hears this and goes to the nearest Terry-Phone and answers without depressing the button. The persons involved are then talking telephonically on a common talking circuit.

The utter simplicity of Terry-Phone lies in the fact that there is no confusing system of bells and buzzers. The name of the person you desire to speak to is called, and this results in no interruption of other employees' work to count bells or buzzers.



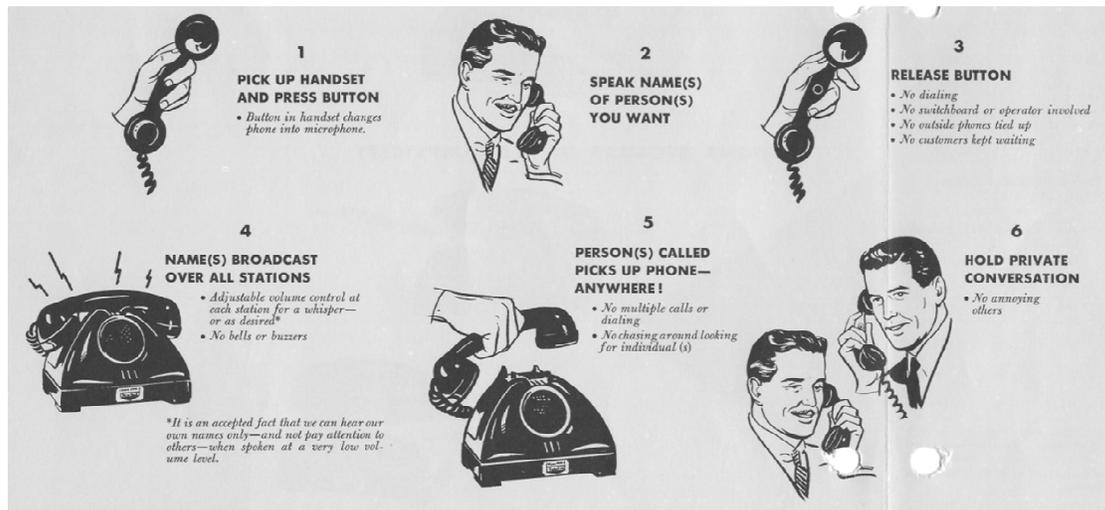
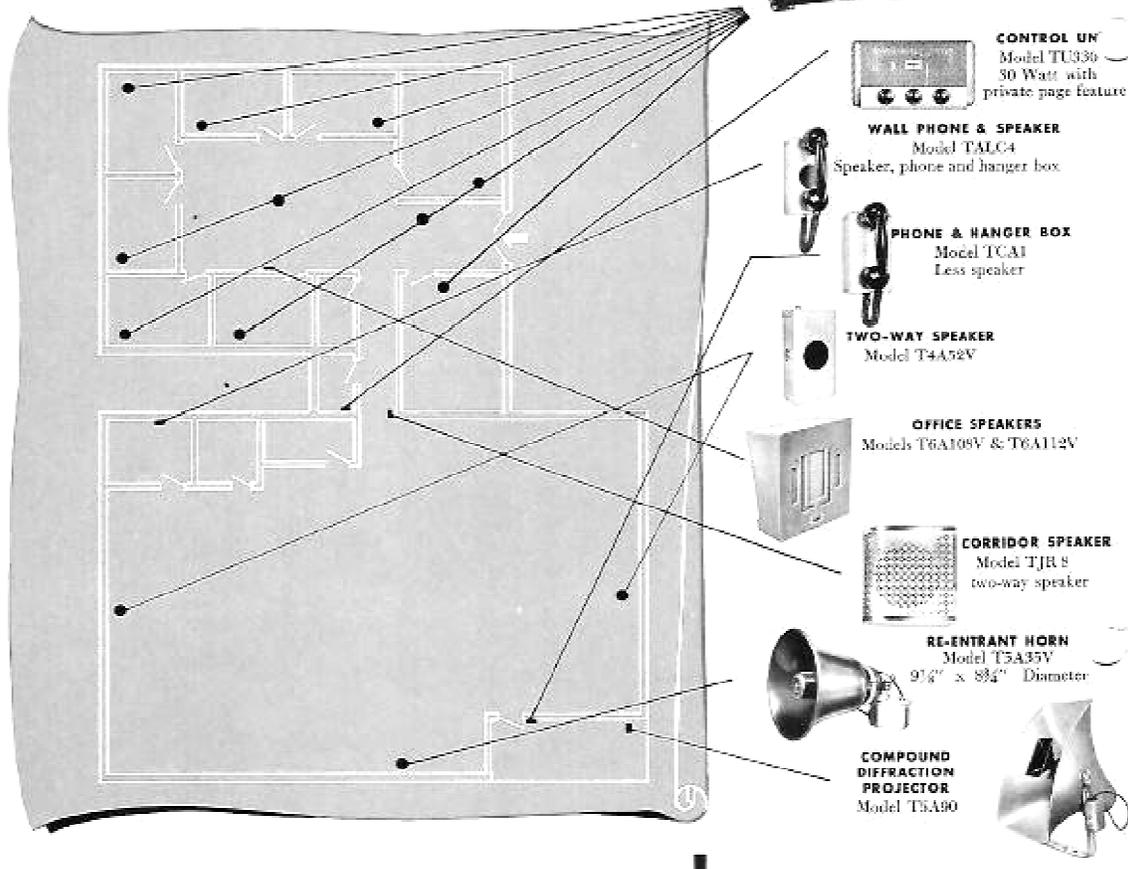
# THE TERRYPHONE STORY

## FROM DREAM TO RETIREMENT

*No Bells – No Buzzers – No Dials*

### TYPICAL TERRY-PHONE INSTALLATION

#### No bells—No buzzers—No dials



THE TERRYPHONE STORY  
FROM DREAM TO RETIREMENT

1. DO AS MANY COMPANIES HAVE DONE  
**HIRE A CONSULTANT**  
(COSTS ONLY \$150.00 PER DAY)

A TERRY-PHONE INSTALLATION WILL SAVE EACH OF YOUR KEY MEN A HALF HOUR EVERY DAY.



*OR...*

2. LINE UP YOUR KEY MEN . . . THEN  
**PAINT THEIR SHOE SOLES**  
AND SEE THEIR WASTE MOTION

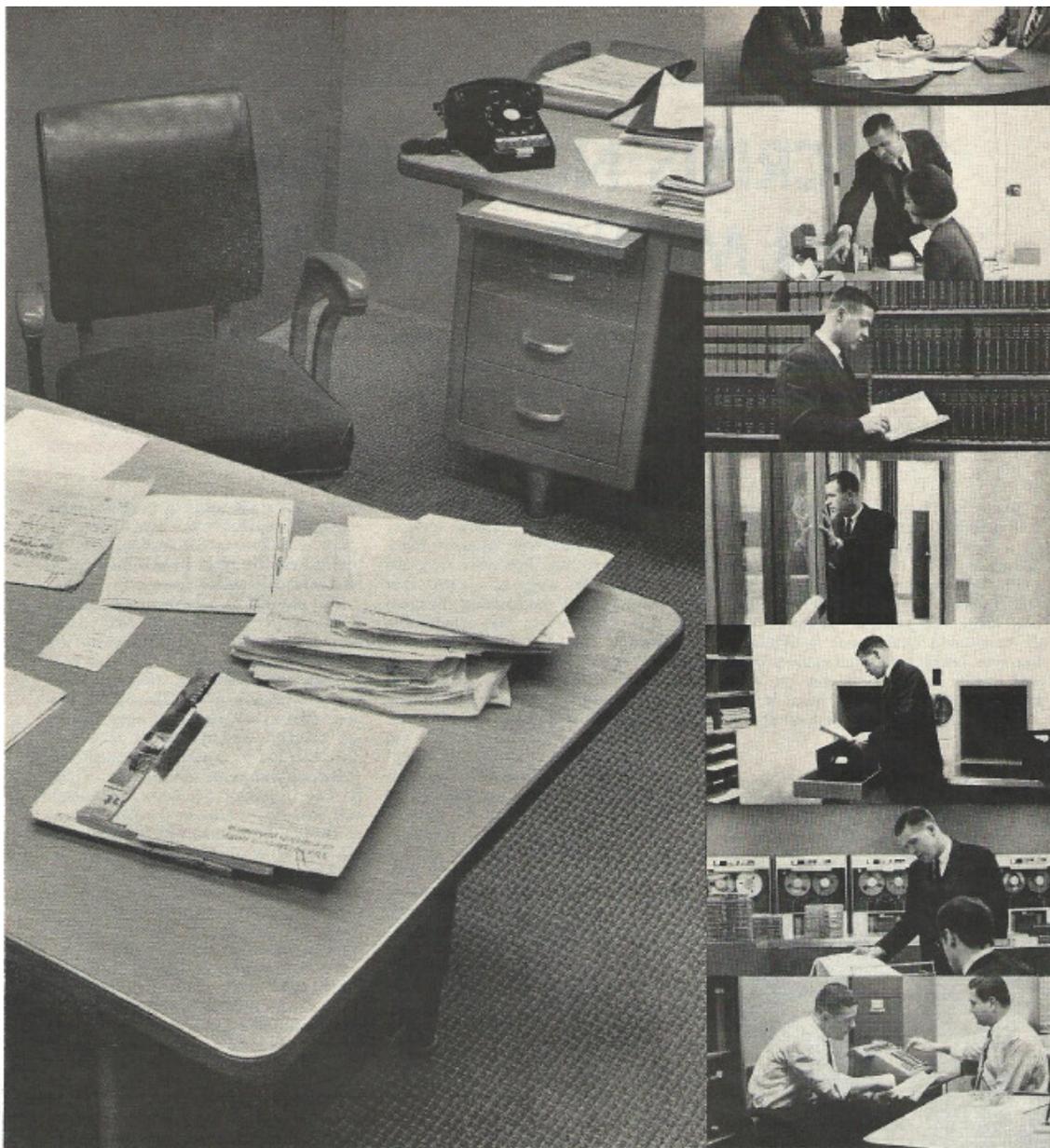


*OR...*

3. Just Install  
**Terryphone!**

# THE TERRYPHONE STORY FROM DREAM TO RETIREMENT

*ITT Terryphone Ad – Can You Find Charlie?  
Time Magazine - March 18, 1966*



## Can you find Charlie when he's not at his desk?

Every business has a Charlie. He's in a hundred different places daily.

Now a new communication service finds Charlie and every other member of your staff, anywhere, in an instant.

The name: ITT Terryphone.

This complete communication service is made up of a series of Terryphones similar to regular desk sets. Each has a built-in voice-locator system that quietly

tells people know they're wanted. Anyone can use it right from his desk.

Terryphones may also be used for in-house conference calls or strictly private conversations.

Over 4,000 companies of all sizes now use the ITT Terryphone service.

Helping people communicate is a vital part of ITT's business. Eighty nations use ITT-designed switching systems for

some 13 million telephone lines. Many thousands of route miles of ITT microwave and undersea cable systems span mountains, jungles and oceans.

Satellite communications, too, are a reality today, thanks in large part to ITT's research and development programs.

International Telephone and Telegraph Corporation, New York, N.Y.

# ITT

## THE TERRYPHONE STORY FROM DREAM TO RETIREMENT

### *Michigan Bell Fears Terryphone*

In March of 1960, Bell of Michigan heard Terryphone was opening an office in Detroit.

The Marketing Department put out a bulletin called “Sales Information Series”. It details Terryphone’s arrival and how aggressive they are. They also included “Terryphone Pros and Cons” and explained how Terryphone worked.

A Michigan Bell employee was so impressed by this write-up that he went to Terryphone and asked for a job. He brought the enclosed materials with him. Believe me; Kent added this to his salesmen’s ammunition for selling Terryphone. The man got the job!

*[CWT: Sales success often meant kicking out Bell’s intercom systems. But this was a problem with multi-location installations. How could they connect the Terryphones between separate buildings, perhaps miles apart? They couldn’t put up their own telephone poles!]*

### *KJT Bests AT&T*

Bell Telephone would not let Terryphone lease lines to connect departments of a business in a different location. (EX: Car Sales Organization with a Used Car Lot down the street.)

In 1959, Kent got a visit from a new inexperienced Bell Salesman. Kent gave him an order to provide a tie line from the Office in Camp Hill to the Factory in Harrisburg.

When Bell discovered that this had been done, they tried to cancel it. After going through their lawyers, but they all finally agreed a precedent had been set, since the bill had been paid. Bell then had to file a tariff, so others could buy this service.

Since Bell of Pennsylvania was a subsidiary of AT&T, it applied throughout the United States. In the Private Communications Association, Inc. bulletin, it tells of Kent Terry's winning battle and how much it meant to the Private Communication Industry.

*[CWT: Terryphone’s success fighting Bell Telephone over leased lines access was ultimately a landmark legal case that created havoc for the Bell companies nationwide. Think: Sprint and, MCI relied on this ruling to use Bell’s established infrastructure (poles, wires and switching infrastructure), all the while competing with Ma Bell! Cable companies could use the poles too! ]*

## THE TERRYPHONE STORY FROM DREAM TO RETIREMENT

### *Kent Terry Accolades in PCA for Fighting Ma Bell (from "PCA History" Booklet)*



#### TIE LINES – Publication of the Private Communications Association

“For the last forty years it has been impossible to secure “tie lines” to connect two dial telephone systems of one company at different locations because (as Bell put it) this would be furnishing the tools to our competitors to compete against them...

Lack of tie lines thwarted the expansion of the private dial telephone business and Bell picked up all these off-premise jobs and took out many private systems because subscribers expanded to other buildings, and could not get lines.

One charter member and manufacturer in Harrisburg, Pa., Kent Terry of Terry-phone asked for and obtained a tie line between his office and his plant. After the line was in service for a few months, Bell of Pennsylvania realized that the tie line should never have been furnished and sought to cancel it.

Kent Terry fought the removal of the tie line because a precedent had been set, since the bill had been paid. Lawyers for both sides fought this for some time, but Bell of Pennsylvania realized it was licked, filed a tariff which then permitted anyone to obtain the same service.

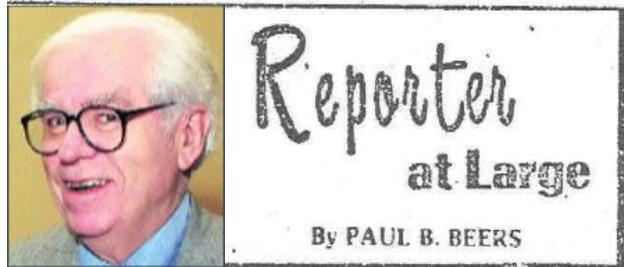
Since Bell of Pennsylvania was a subsidiary of AT&T, all other subsidiaries had to reluctantly follow suit. Many Bells needed a prod from PCA and even now offer resistance to furnishing tie lines or “voice channels” as they were listed.

Little do the boys selling telephone systems today realize the effort put forth by our Charter Member Kent Terry and the work of PCA to get these tariffs filed in other states.

It is worthwhile for you to read some statistics put out by Sound Merchandising of the increase in telephone system sales since Kent Terry tied the bulldog to each end of the tie line and caused Bell of Pennsylvania to file the tariffs for all.

## THE TERRYPHONE STORY FROM DREAM TO RETIREMENT

*Patriot News, May 18, 1979*



ITT Terryphone Corp. was founded 25 years ago in the basement of the Hall Building on N. Second St. Its first inside communications system replaced a squawk box at Gable's Appliance on S. Second St.

Today, a quarter of a century later, Terryphones – a Harrisburg invention - are going into the USSR, on oil rigs on the North Sea, on Norwegian fishing trawlers and Joe DiMaggio has a system in his restaurant. Johnny Cash and Willie Mays have them in their homes.

When the late Harper Spong of Dauphin Deposit granted the first of what would be \$6 million in loans, he admitted to Terryphone president, James V. Rapagna, that he wasn't quite sure why he could be so optimistic about a company with only two men and big ideas. Now Terryphone is international with 30 patents, 850 employees, 75 products, and gross revenues that are going from \$40 million to \$46 million.

Terryphone Corporation is one of the giants of the Harrisburg corporate community. Its headquarters is on 12 acres north of the Eisenhower cloverleaf in a picturesque hilly terrain, facing AMP Inc. and the Harrisburg Host – something of a golden triangle. Terryphone has 325 employees here, and in the past 15 years it has been part of ITT's conglomerate, grew and had profits swell by 20 percent annually.

ITT Chairman Harold S. Geneen once joked that Terryphone was his "smallest and best Acquisition."

Much of Terryphone's future growth, too, will be here. Eventually it will need more space to augment its 1970 building and that will be here. New products come out of Harrisburg, too, such as Terryphone's "optional hold" system that allows three parties to communicate, or its new SKS system with five outside lines and one intercom line.

The story starts back in 1943 when Kent J. Terry and Rapagna were clerks and expeditors at the RCA plants in Camden, N.J. They weren't engineers, nor electrical technicians, nor even college graduates, but they worked their way up in RCA. Terry became a super-salesman and eventually was assigned the Harrisburg RCA office. Rapagna became an RCA manufacturing superintendent and touch with Terry.

It was Terry who came up with the idea of an intercom system, and some of the technical difficulties were worked out by a fellow Harrisburger, Bill Lehr.

## THE TERRYPHONE STORY

### FROM DREAM TO RETIREMENT

Terry enticed Rapagna to come to Harrisburg. They both dropped out of RCA. They got some bank loans, installed a system at Gable's and had a youthful Ed First, then in his own law practice draw up incorporation papers. Terry sold; Rapagna stayed in the basement and built sets.

A blue-ribbon board of directors was created; Jack Horner of Harrisburg Steel, Joe Simpson, Morris Schwab, Jack Gross, Terry and Rapagna and their vice president, Jim Flynn. The name "Terryphone" was a natural. For one thing, as the partner still jokes, the name Rapagna doesn't fit any product but pasta.

Terry has been retired in Florida since 1961. Rapagna, who lives at Elizabethtown RD 2, is still going strong as president. He enjoys every minute, because it has been an exciting adventure.

When the Hall Building basement got too cramped, Terryphone purchased an old home on Lucknow Lane for a factory. In 1957 Terryphone was moved to Paxton Street, and it had only 56 employees, 13 of them salesmen. Among early customers were Bodwell, Holiday West, what is now Titus Cadillac, Harry Cramer Olds and L.B. Smith.

By 1959, Terryphone went into a public stock offering for \$450,000. It had 28 salesmen, 13 branches, and opened general offices on the Carlisle Pike. In 1964 it consolidated its expanded operation back to Paxton Street and then merged with ITT – ultimately growing to 77 American offices, six in Canada and one in London.

Terryphone began as a leasing business and it still retains ownership of much of its equipment. The result is it must maintain quality and have systems so reliable that they require less than two service visits a year. Furthermore, renewed accounts are vital, and Terryphone is in the 85 percent mark on this. Similarly, because its equipment is not obsolescent, Terryphone does a \$2 million annual salvage business in Harrisburg.

The solid-state technology has played a role in Terryphone's growth. So did a 1963 U.S.S. Supreme Court ruling opening up the interconnected telephone systems to competition. Interconnected equipment is now the biggest part of Terryphone's growth.

Management, assembling, development and sales all come out of Harrisburg. So do Terryphone people. Three of its vice presidents worked their way up: Bill Bowers, Mac Eaton and Dave Chappell.

In historical perspective, Terryphone has made up for that madcap West Shore genius, Daniel Drawbaugh, who devised a means of talking by wire across the Yellow Breeches 100 years ago, but knew nothing about patenting, manufacturing or marketing.

# THE TERRYPHONE STORY

## FROM DREAM TO RETIREMENT

### New Employee Welcome to ITT Terryphone

#### Welcome ITT Terryphone Corporation

We're glad that you have come to us in your search for employment. Since this employment will represent investment of your time and talents, as well as our investment of hiring and training, we'd like to help you evaluate ITT Terryphone as the next possible step in your career.

Many of the points covered here will also be covered in your interview. But, interviewers are human - and yours may overlook the one area most important to you. Please take a few minutes to read the following material, share it with your family, and remember to ask about anything that is unclear.

#### Past

In 1949, Mr. Kent J. Terry conceived the Terryphone concept to overcome the inadequacies of internal communications then available.

By June, 1954, pooling the sales abilities of Mr. Terry with the manufacturing and administrative expertise of Mr. James V. Rapagna, the company then known as Terry Phone, Inc. was formed.

The first "plant" was in a two-story house in Harrisburg, Pennsylvania. Four employees worked to serve thirteen rental customers.

Growth over the next ten years was such that the Company came to the attention of International Telephone and Telegraph Corporation. In October, 1964, Terry Phone elected to become a part of the ITT System, and the name change to ITT Terryphone Corporation became effective.

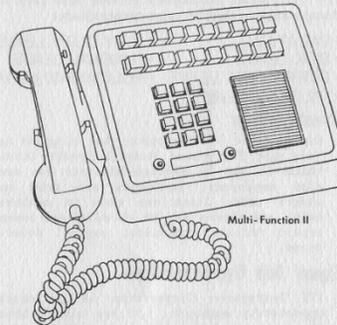
#### Present (largest in field)

Expansion continued and in April 1970 ITT Terryphone Corporation moved into its present home on an eleven acre tract located in an industrial complex on East Park Drive in Harrisburg.

Over 800 employees are part of the ITT Terryphone family located in 39 of the United States, three provinces in Canada, and three locations in the United Kingdom. We serve some 28,000 customers who rent, purchase, or already own their systems.

This is only possible through the dedicated work of our Communications Consultants who are trained to "customize" the system to meet the specific needs of our customers and by the timely and skilled work of our Service Contractors who install and maintain the systems.

In addition to the Terryphone Intercommunications System, our Branches also supply a full range of Multi-Function, Key Telephone and Electronic Telephone Switching Systems.



#### Terryphone Concept

No matter how sophisticated, a phone system is only as effective as its ability to locate the person you need.

An ordinary phone call reaches a particular subset. A Terryphone phone call reaches a particular person.

Reaching the person needed instead of his telephone means that no one need interrupt his work to silence a ringing telephone. It means no one need stay at his desk to wait for an important call when work may be waiting elsewhere. It means that visitors to a company can be located as quickly as regular personnel - even when the telephone attendant doesn't know whom they are visiting.

#### EXAMPLE: TO CALL

1. Lift handset
2. Depress locator button
3. Speak the name of the person you are calling

4. Release locator button
5. Converse privately as on any telephone

- TO ANSWER
1. Lift handset
  2. Converse privately as on any telephone

#### Terryphone Director Series III



#### Customer Benefits

The Terryphone System speeds up internal communications . . . saves time and steps . . . smooths customer service . . . and may provide the answer to communication roadblocks unique to the customer's business.

Our customers tell us that their key people can easily save half an hour a day by using the Terryphone System to communicate.

Besides saving manhours, a Terryphone System will help save on telephone costs by reducing the number of expensive callbacks and by reducing the amount of time spent on the telephone. Also, when internal calls are placed through a Terryphone System, the telephone will be free to originate or receive many more external calls without delay.

#### Relationship to ITT

ITT Terryphone Corporation is a part of the International Telephone and Telegraph System.

As such, Terryphone has available the expertise and manufacturing capabilities of the entire ITT System. With the parent company backing its subsidiaries, each shares the credit rating and assets of ITT. When a person joins ITT Terryphone he/she becomes a member of the ITT Family of some 400,000 workers in approximately 200 companies which operate in 80 countries throughout the world. This means BIG COMPANY BENEFITS for you and your family.

# THE TERRYPHONE STORY

## FROM DREAM TO RETIREMENT

### *Freedom of Information Act Filing*

Because Terryphone had an anti-trust suit against Bell Telephone, I filed a FOIA request to get details on the filing. It didn't produce anything interesting. Here is our government's useless response:

#### C. Terry's 2020 FOIA Filing (Freedom of Information Act)

Component/Office	Wireline Competition Bureau
Request Number	FCC-2020-000452
Is This A Consultation? (Y/N)	N
Days Allowed	20
Statute Citation(s)	
Type(s) of Information Withheld	
Case Citation(s)	
Initially Received	4/30/2020
Perfected	5/1/2020
Completed	6/1/2020
Days Tolloed	0
Track	Simple
Reason	Partial Grant/Partial Denial

### *Web Mentions and Articles*

#### BBC Archive - 1973: Tomorrow's World: Terryphone | Facebook

OnThisDay 1973: Inter-office communication was about to become as glamorous and sophisticated as a cocktail party.

#### Classic Rotary Phones Forum

Forum comments by [Harry Smith](#) and [HowardPgh](#) and [Paul-f](#)

I could not resist when I spotted this! I thought it was very unusual, appears to be a Connecticut phone like the TP-6A with a speaker instead of a dial. Can't wait to open it up!

#### ITT: The management of opportunity

**Google Scholar books.google.com Sobel R**

*Published 2000*

... The barons at Standard Elektrik Lorenz and Standard Telephones and Cables paid homage to headquarters, as did the knights at such units as **Terryphone**, Electro-Physics, and Bell & Gossett, and they still do, though Ge-nen has all but passed from the scene ...

#### Pittsburgh Biz Journal 1997 article

<https://www.bizjournals.com/pittsburgh/stories/1997/03/10/daily16.html>

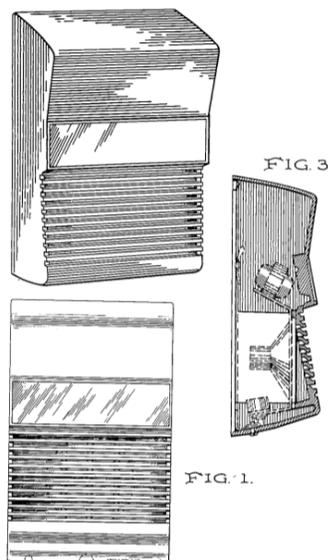
# THE TERRYPHONE STORY

## FROM DREAM TO RETIREMENT

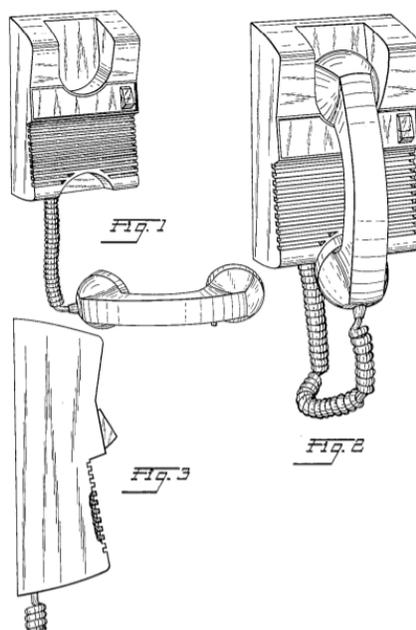
### *Terryphone Patents*

- [USD203186S](#) – Speaker for Telephone Systems
  - Filed 1964-07-09 • Granted 1965-12-14 • Published 1965-12-1
  - United States Patent 0 Des. 203,186 Patented Dec. 14, 1965 SPEAKER FOR TELEPHONE SYSTEMS George Bruce Kamp, Springfield, Pa., assignor, by mesne assignments, to ITT Terryphone Corporation, Harrisburg, Pa., a corporation of Delaware Filed July 9, 1964, Ser. No. 80,779
- [USD203595S](#) – Telephone
  - Filed 1964-07-09 • Granted 1966-02-01 • Published 1966-02-01
  - United States Patent 0 Des. 203,595 Patented Feb. 1, 1966 TELEPHONE George Bruce Kamp, Springfield, Pa., assignor, by mesne assignments, to ITT Terryphone Corporation, Harrisburg, Pa., a corporation of Delaware Filed July 9, 1964, Ser. No. 80,780
- [USD203596S](#) – Push button switch unit for telephone systems
  - Filed 1964-07-09 • Granted 1966-02-01 • Published 1966-02-01
  - United States Patent 0 Des. 203,596 Patented Feb. 1, 1966 PUSH BUTTON SWITCH UNIT FOR TELEPHONE SYSTEMS George Bruce Kamp, Springfield, Pa., assignor, by mesne assignments, to ITT Terryphone Corporation, Harrisburg, Pa., a corporation of Delaware Filed July 9, 1964, Ser. No. 80,781

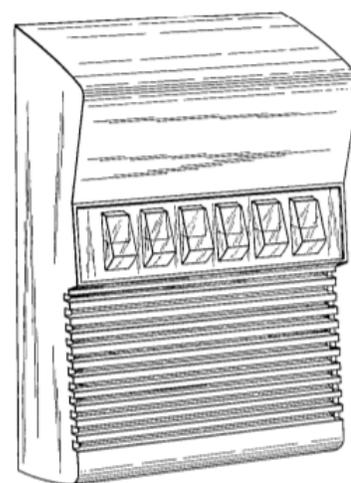
Speaker for Telephone System



Telephone



Push Button Switch Unit For Telephone Systems



# THE TERRYPHONE STORY

## FROM DREAM TO RETIREMENT

### *Legal Actions*

#### **Investigation of Conglomerate Corporations: Hearings Before**

United States. Congress. House. Committee on the Judiciary. Subcommittee No. 5 – 1970  
Transcript of Geneen testimony on next page.

#### FOUND INSIDE – PAGE 122

In this situation, **Terryphone** had gotten, quotes in the course of business from competitors of ITT Wire & Cable, and it had also gotten quotes from ITT Wire & Cable. Is that right ? (The document referred to appears at p. 504.) Mr. GENEEN.

#### **Federal Procedure: A Problem-solving Textual Analysis of ...**

1981

#### **FOUND INSIDE – PAGE 114**

3rd Circuit—Quaker State Dyeing & Finishing Co. v ITT **Terryphone** Corp. (1972, CA3 Pa) 461 F.2d 1140.  
5th Circuit—Frazier v Alabama Motor Club, Inc. (1965, CA5 Ga.) 349 F.2d 456. 6th Circuit—Brown v Kingsport Publishing Corp. (1971 ... Appeal: <https://www.leagle.com/decision/19721601461f2d114011387>

#### **Mills and Martin Korn \$**

Section News Jan/Feb 1980

*Published 1972*

INTRODUCTION easing or owning telephone equipment is unlike any other equipment acquisition faced by a law firm. The uniqueness of this decision is due to the great expense involved, to the fact that a law firm will not often need to select telephone facilities, and to ...

... Therefore, you should ask: legal economics Page 4. SKS-I Key Telephone System from ITT **Terryphone** Corporation \* How often in the past did my law firm move or rearrange communications equipment? " Will we have similar requirements next year ...

#### **North American Telephone Association, ITT Terryphone and Executone Akron (complainants) v. AT&T and Bell Operating Telephone Companies (defendants); EXTIM request by AT&T**

- **Full Title:** North American Telephone Association, ITT Terryphone and Executone - Akron (complainants) v. AT&T and Bell Operating Telephone Companies (defendants); EXTIM request by AT&T
- **Document Type(s):** Order
- **Bureau(s):** Managing Director, No Bureau

- **Document Dates Released On:** Apr 7, 1983
- **Adopted On:** Apr 5, 1983
- **Issued On:** Apr 7, 1983



<https://www.fcc.gov/document/north-american-telephone-association-itt-terryphone-and-executone>

## THE TERRYPHONE STORY

### FROM DREAM TO RETIREMENT

#### *Investigation of Conglomerate Corporations: Hearings Before Congress*

#### **United States. Congress. House. Committee on the Judiciary. Subcommittee No. 5 – 1970**

Mr. HARKINS. In this situation, Terryphone had gotten , quotes in the course of business from competitors of ITT Wire & Cable, and it had also got ten quotes from ITT Wire & Cable. Is that right ?

Mr. GENEEN. That is correct.

Mr. HARKINS. And then it made a purchase from a new low- priced supplier rather than their customary supplier and rather than from ITT's subsidiary?

Mr. GENEEN. Let me say, Mr. Harkins, I am sorry, I didn't follow the last statement.

Mr. HARKINS. Terryphone bought from the lowest priced supplier, Mohawk, I believe.

Mr. GENEEN. I assume they did.

Mr. HARKINS. That is what the document says. And they disregarded higher prices of the previous supplier and also the substantially higher prices of ITT Wire & Cable?

Mr. GENEEN. I presume they did.

Mr. HARKINS. Then they turned all this pricing information over to ITT's Wire & Cable subsidiary. Could ITT Wire & Cable have obtained these prices if it had not been dealing with Terryphone ?

Mr. GENEEN. Now, your question is did they turn the information over to ITT Wire & Cable ?

Mr. HARKINS. Yes.

Mr. GENEEN. It says here that they did.

Mr. HARKINS. My next question is, this kind of comparative pricing information would not have been available to ITT Wire & Cable in the absence of this dealing with another subsidiary within your organization, would it ?

Mr. GENEEN. I don't know. In many cases, when you sell, the customer will tell you whether you are competitive. He may or may not give you the figures. They will vary from purchasing agent to purchasing agent. I might add that in many cases, he will give you false figures, to try to encourage you to go lower than you should.

Mr. HARKINS. But the problem is trying to get the figures from a purchasing agent ?

Mr. GENEEN. Right. I think the key point-it isn't the key point, but again, if I may offer the thought, Mr. Harkins, it is interesting again that the division made its decision to buy at the lowest cost item as against buying from ITT.

Mr. HARKINS. If ITT Wire & Cable's subsidiary's price had been equal to Mohawk, which one would Terryphone have selected ?

Mr. GENEEN. Again, I can't actually say, because in general, things aren't exactly equal . They can be equal on price, but they have also got to be equal on quality, utility, performance, reliability in the future. I didn't check this point, but my guess would be that this is not a product that ITT Wire & Cable is a substantial producer of.

Mr. HARKINS. But they bid on it.

Mr. GENEEN. They were requested to bid, obviously. And my only comment is that it is probably not a field that they would be going after, if they are not a substantial producer, and I doubt if they would be interested or trying to get this particular business.

Mr. HARKINS. What would your position be, as chairman of ITT? If ITT Wire & Cable's product was in all respects equal to Mohawk, 123 what would your position be as far as the purchase by Terryphone?

Mr. GENEEN. Well, I think that my position would be very simple. Under those conditions , I would not try to exert any influence on the purchasing agent of that division, but how he would make his own mind up, I don't know.

Mr. HARKINS. Would you be surprised if he bought from somebody else?

Mr. GENEEN. Well, if they were equal in every respect, and you are talking about quality, delivery, reputation, everything, I guess I would have to say it wouldn't make much difference which one he bought from.

Mr. HARKINS. But would you expect him to buy it from the ITT subsidiary?

Mr. GENEEN. No, I wouldn't. I would say it wouldn't make any difference.

Mr. HARKINS. Wouldn't the ITT subsidiary at that point have an advantage over the outside supplier?

Mr. GENEEN. He might. Being frank about it, he might, but we would not be issuing any instructions, but again I go back to the original comment I made, Mr. Harkins, that the total amount of business operating within our system is pretty minimal from the stand point of the size of the markets which these organizations are carrying on.

Mr. HARKINS. But all these managers are interested in increasing the size of their business .

Mr. GENEEN. Oh, yes, you have already posed a very theoretical comparison, in which you say everything is equal, quality, service, reputation, performance, and everything; this is, let me say, pretty equal.

Mr. HARKINS. That is pretty equal. It is not likely to happen? Mr. GENEEN. No.

Mr. HARKINS. So there would be variations ?

Mr. GENEEN. Generally, and my only comment was, you could hardly raise hell with the purchasing agent, whichever way he made his decision.

# THE TERRYPHONE STORY

## FROM DREAM TO RETIREMENT

### *Photo Library*

#### 4 Generations of Demonstration Kits



#### 3 Generations of Desk Phones



#### 2 Generations of Wall Phones



THE TERRYPHONE STORY  
FROM DREAM TO RETIREMENT

Inside a 1st Generation Desk Phone



Vintage Tube Control Unit



Combined Terryphone and Bell TouchTone Phone  
(NEVER EVER under KJT ☹)



# THE TERRYPHONE STORY

## FROM DREAM TO RETIREMENT

### Early Terryphone Demonstration Kit



### Paging Speakers for Offices and Factory Floors



### Terryphone System for Bowling Alleys



# THE TERRYPHONE STORY

## FROM DREAM TO RETIREMENT

### More Terryphones



### Inside an Early Desk Phone



# THE TERRYPHONE STORY

## FROM DREAM TO RETIREMENT

### *From RCA Dealer to Public Company CEO*

Reprinted from  
The Evening Sentinel  
of 19 Dec., 1946

### RCA Dealer Is New Resident Here

Kent J. Terry, representative-dealer in RCA sound equipment for a four-county area including Cumberland, moved here recently from Rye N. Y., and has purchased a house on Wood Lane, a mile east of town off the York Road.

Terry, who has been with RCA since 1930, first at the Camden plant and more recently at the New York regional sales office, has set up a room in his home for office, display and demonstration purposes, and maintains a full-time engineer. He deals in a wide range of sound equipment, exclusive of radio, for homes, schools, churches and industry. He is also a consultant on electronics in industry.

His territory embraces Cumberland, Dauphin, Perry and Lebanon counties. He and Mrs. Terry and their two young boys moved here last month from Rye.



**KENT J. TERRY**  
SOUND EQUIPMENT  
INDUSTRIAL & EDUCATIONAL

WIRE RECORDERS  
INTERCOMS

PROJECTORS  
FILMS

WOODLANE, CARLISLE, 1, PA.      TELEPHONE 839J

### THE COMMUNICATION LINE

SEPTEMBER 1



# Annual Report



1958-1959 (Fiscal)

**Terry-Phone, Inc.**

GENERAL OFFICE: 4401 154th AVE. RICE CREEK HILL, PA. - PHONE 36 2-4441  
FACTORY: 2805 FAXTON STREET, HARRISBURG, PA. - PHONE 20 4-2531

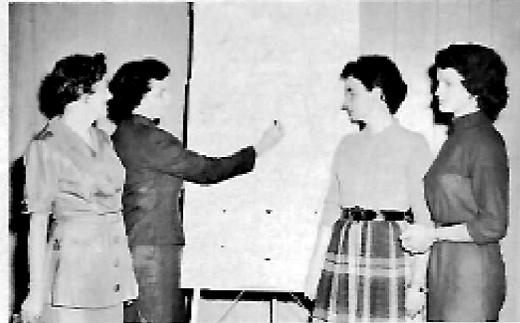
# THE TERRYPHONE STORY

## FROM DREAM TO RETIREMENT

### *Sales Training Held in Our Neighbor's Barn*



JOE REDMOND introduces the Branch Manager's Fact Book and Record Keeping System.



MRS. DUNLEVY, second from the left, of the Order Pricing Department, explains in detail the work necessary when an order is received at the General Office to MRS. PAYNE, Commission Department, left; MRS. BARKER and MRS. SHIERY, of Headquarters Sales.



KENT TERRY outlines potential increases in sales production to JIM FLYNN.

## CANDIDS



GEORGE WACHTMAN, left, Terryphone's Chief Engineer, and HARRY SOUKUP, Director of Service, listen to some

well-deserved credit for the work they performed in the design, development and production of the new Terryphone.

# THE TERRYPHONE STORY

## FROM DREAM TO RETIREMENT



**JIM FLYNN** and **JIM RAPAGNA** test the operation of a new demonstrator kit.



Hard-charging salesman, **BOB CAMAC**, with an obnoxious cigar in his hand, completely confuses a prospective customer, **MICKEY RUTH**, while **STAN REJNIAK**, Comac's heavy artillery, looks in on the demonstration of how we used to sell it.

## OF SALES MEETING



**JIM FLYNN** explains some executive responsibilities to President **KENT TERRY** (behind bars).



**JOHN R. BROWN, JR.**, Director of National Accounts, explains the operation of his department and outlines field and sales coordination with the National Accounts Department.

# THE TERRYPHONE STORY

## FROM DREAM TO RETIREMENT

### *Correspondence with The Telephone Collectors Library*

**From:** Paul F [[telephones@verizon.net](mailto:telephones@verizon.net)]

**Sent:** Saturday, April 25, 2020 8:02 PM

**To:** Charlie Terry

**Subject:** Re: Terryphone Story

Thanks, Charlie, Looking forward to reading it.

The TCI Library is here: <http://www.telephonecollectors.info/>

The TCI home page: <https://www.telephonecollectors.org/>

Samples of our journal: <https://www.telephonecollectors.org/JournalsSamples/samples.htm>

Here are some of the things we usually do to prepare documents for posting. Any that are easy to do when you scan would help us dramatically. No need to do them all. We're glad to get your family material in whatever form is convenient for you, and will find volunteers to do any additional processing needed at our end. I use Acrobat, which has a batch capability that handles many of the steps without operator intervention. When preparing files, we usually add the following to the pdf document properties:

- Title of the document
- Author - usually the company, such as Western Electric for BSPs. Can be individual and company.
- Keywords: Contributed to the TCI Library by Charles Terry.

Each page should get the following footer: TCI Library: [www.telephonecollectors.info](http://www.telephonecollectors.info)

Usually Arial, 10 point, red. For covers, 12 or 14 point may be better. For black covers, use white letters. Please scan at 300 dpi or higher and OCR if possible.

Some info on how we name files and more background is on the site here:

<https://www.telephonecollectors.info/index.php/introduction/please-contribute-files>

We've found it best to avoid spaces and most special characters in filenames.

Feel free to call to discuss any of this. And Thanks, Again, Paul

-----  
On 4/25/2020 3:40 PM, Charlie Terry wrote:

Great catching up today and mapping out a plan for preserving this history.

Below is a Dropbox link to the Terryphone history doc. ultimately I'll set up and fill a folder but wanted to get something to you now.

<https://www.dropbox.com/s/9gxrma8wuwmxqin/Terryphone%20Story%2BECT%20by%20CWT.docx?dl=0>

-----  
April, 2020 CWT Telephone Conversation with Paul Fassbender

- I will send him documents
- Terryphone URL I can continue to own and just point to his area
- Sent me instructions for document standards
- 2022 – Not sure I followed up in 2020.

---

<https://sundance-communications.com/forum/ubbthreads.php/topics/566185/1>

OK, I remember seeing these phones ( A LONG time ago) and we at one time were successful in interfacing to a phone system using a 600ohm input , and I'm thinking we may have used some type of pre-amp? But, I Can't remember for sure...So, I have a Customer that is still using the Terryphone system and I want to try and tap into it ( I'm thinking it probably needs a CO Port to be the interface) ? Any thoughts on his?

# THE TERRYPHONE STORY

## FROM DREAM TO RETIREMENT

### *Terryphone Community Communications*

July 11, 2011

Re: Terryphone help please

Wireless had written this in response to

<http://forums.cabling-design.com/telecomtech/Terryphone-help-please-5861-.htm>

That Terryphone amp is 70.7 volts. It probably has a 600 ohm input to be used by analog telephone circuitry.

Tap all your speakers at 1 watt and theoretically the amp will drive 100 speakers.

You can increase the volume at a given speaker by setting the tap at a higher wattage. If I remember correctly the tap settings are 1/2.5/10/Line

BTW, If one speaker is wayyyyyy louder than the others it's usually because the louder speaker is set at line (70v)voltage...it will draw everything the amp has to offer leaving nothing for the remaining speakers.

Terryphone was headquartered in Harrisburg PA. It was founded by Kent Terry.

The basic Terryphone system was a simple party line PA/Intercom and was used in car dealerships, factories, truck docks, etc. It was all diodes and relays to create multi-zone paging systems.

To use: Pick up the Terryphone handset, click the handset "locator" (SPST) button to page the overhead speakers and wait for your party to pick up on another Terryphone handset. "Joe, Pickup Terryphone Line 1".

Terryphone was purchased by ITT at some point. ITT incorporated the Terryphone system into their 1A2 multiline office telephone systems. That way the office user could page the plant/dock/warehouse from their desk phone and the basic Terryphones could be installed/used in places where you didn't want a multiline phone.



Terryphone discussion link:

<http://www.classicrotaryphones.com/forum/index.php?topic=15936.0>

---

**FOIA Request:** [FCC-2020-000452](https://www.foia.gov/foia/request/FCC-2020-000452)

**FOIA claims request was completed and submitted. I never received anything.**

<https://search.foia.gov/search?utf8=%E2%9C%93&m=true&affiliate=foia.gov&query=FCC-2020-000452>

THE TERRYPHONE STORY  
FROM DREAM TO RETIREMENT

*Parks Terry—Created the first phone company in Waterville, NY – 1896*

The Waterville Times - February 12, 1948



## Looking Back Through The Years

1896

A telegram published in the daily papers of Tuesday says: "Senator Coggeshall introduced a bill last evening authorizing the Board of Trustees of the village of Waterville to raise money by tax for the purpose of open air concerts. It gives the Board power to raise annually by tax money not to exceed \$200 for giving and supporting open air concerts in the village between May 15 and October 1 each year.

Parks Terry is canvassing the village to ascertain who will patronize a telephone system in this village by having an instrument put into their houses or places of business. He has secured permission of the village board to put up the necessary poles, etc., and we understand has already met with so much encouragement that he will go on with the preparations. The instruments will be of the most approved pattern and in all respects the system will be similar to that operated in large towns and cities.

THE TERRYPHONE STORY  
FROM DREAM TO RETIREMENT

*Telephones Must Be In Our DNA!*

*Chas Green, Son, Brainard & Co.*  
*Bankers,*

*Waterville, N.Y.* January 29th, 1908

To Whom it may Concern:-

I have known Mr. Parks A. Terry ever since he was a boy. He was brought up here and for several years past has been the manager of the telephone system of this place. Mr. Terry built up by his own efforts our local telephone system, and the success of it has been due entirely to his practical knowledge and general ability for such work. He has passed practically all his life in Waterville, and is recognized locally not only as being a thoroughly efficient telephone man, but also known as a leading citizen, thoroughly trustworthy and honest in all respects. We are very glad to recommend him to anyone who may need the services of a capable and efficient man in his line.

Very truly yours,

*C. G. Brainard*