

Hurononia Financial Forum

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Cellular service comes to Huronia

by David Muir

Hurononia has joined the ranks of the well-connected.

With the recent installation of cell sites in Penetanguishene, Huronia now has its cellular coverage complete.

Cellular telephone service is a mobile communication network that uses radio frequencies rather than telephone wires to transmit messages in small geographic areas called "cells". As callers move from one cell to the next, their transmissions are automatically transferred to the adjoining cell without interference or interruption.

Callers can use their portable or mobile phones to reach parties on the conventional telephone system. That's because cellular systems interconnect with both the local telephone system and the long distance network.

Cellular's roots go as far back as 1921, when the Detroit Police Department started using mobile car phones for communications. The popularity of this method of "keeping in touch" spread, and by the early 1980s, there were very few frequencies left. This wasn't surprising, as there were only about 15 to 25 channels available to service any one city of subscribers.

In 1960, AT&T developed low power transmitters covering small areas called "cells". Since they were only one to eight miles in radius, the same frequencies could be used several times within the same city.

One problem remained, however: how to "hand off" the signal as the vehicle crossed the cell boundary.

It wasn't until the 1970s, when computerized electronic switching technology came to the fore, that this could be done without interrupting the call.

In the United States, the first cellular service was started by a company called Ameritech in Chicago in 1983.

Canada's Department of Communications followed the lead of the Federal Communications Commission in the States. They too invited applications for cellular service from various companies. But unlike the FCC, some years earlier, the Department of Communications did not select the "winning" company by lottery. The applicant who showed the most promise and technical and business expertise was selected.

First, several local "wireline" telephone companies were granted licenses for metropolitan areas across Canada.

Then, because Cantel's application demonstrated country-wide capability,

Canadian ownership, and the opportunity for equity participation by local entrepreneurs, it was selected as the only

national cellular licensee. This means that it would compete against the cellular division of the local wireline company in each

market across Canada.

Cantel now operates networks that service 23 major metropolitan

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Pacesetter

Cantel President George Fierheller can use his portable cellular telephone to call any other telephone in the world. Cantel is the company selected by the federal Department of Communications to offer national cellular telephone service in Canada. Cantel currently operates its cellular telephone

network in 23 major centres across Canada and also sells a broad range of cellular telephones and related products, provides installation and service through 37 independently owned one-stop Cantel Service Centres. Photo courtesy: Cantel Inc.

Income protection and estate creation guide

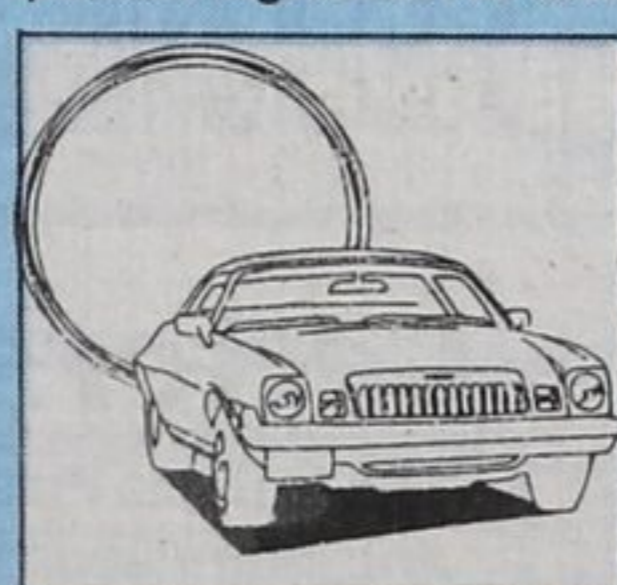
One of the cornerstones of a sound personal financial plan is life insurance. And equally important is disability insurance. What these two forms of insurance provide is income protection, in the event of disability, and estate creation in the event of premature death. See page 16

Software directory published by MITT

The Ontario Government has published a directory of the software industry in Ontario, Industry, Trade and Technology minister Monte Kwinter announced recently. The publication, entitled "The Software Industry: Profile and Directory", lists over 1,000 firms in this sector. See page 17

Car insurance changes coming

In February 1988, the government of Ontario passed legislation to create the Ontario



Automobile Insurance Board. This board will be responsible for overseeing private insurance companies as they set premium rates, increases, and decreases. See page 19

Big banks and embattled businesses

According to CFIB's submission to the

House of Commons finance committee on the question of value for money, small business owners across the country are clearly not satisfied with the bang they are receiving for the buck. When asked if the additional cost of services reflected a comparable increase in the amount or quality of services received, an overwhelming 85.2 per cent of respondents said it did not. See page 18

Home improvements to raise resale value

Homeowners hoping to increase the resale value of their homes will be further ahead by inexpensively upgrading their oil furnaces, rather than converting to gas or electricity, and using the money saved for other home improvements. Improvements could include

installation of a whirlpool, kitchen cabinets, bathroom fixtures or greenhouse window. The savings could also pave the walkway with decorative brick, pay for a paint job or replace old eavestroughs. See page 19

Brewery hopes for niche in industry

The beer brewing business is very different from most businesses at the startup stage. Whereas many ventures can purposely start small and plan to grow as demand increases, breweries can't. That's why startup costs are so high. The plan must foresee how big the company ever wants to get and the strategy must stick to that. A solid business plan is the key to survival, and ultimately, success. Part of that plan, of course, has to be the creation of a quality product. See page 14