

## **Local telephone company continues to overcome all odds**

In 1909 - 33 years after Alexander Graham Bell made his first phone call - six local businessmen joined forces and built six miles of open wire leading to what was then the northwest area of Allentown. The new business was named Ironton Telephone Co.

The company's founders likely could not have envisioned that 92 years later this tiny enterprise would have digital subscriber lines capable of carrying telephone and internet access on one line and would use technology sophisticated enough to match much larger rivals.

For many years, in fact, the phone company's prospects looked precarious. In 1927, 18 years after the grand opening, the business was not the success that had been anticipated, and no one was sure it would survive, says 66-year-old William D. George II, Ironton Telephone Company's president.

But nurturing a vision of the future and overcoming long odds has always been part of the Ironton Telephone's history: For nearly a century, it has leapt tall obstacles like Superman bounding over skyscrapers. And George vows, it will continue to do so, even now as it is threatened again by much larger competitors.

In December, the Public Utilities Commission allowed long-distance carriers such as AT&T, which had provided only long distance, to provide local service. An act which had protected small phone companies from this kind of competition was nearing expiration when the PUC approved the transition of long-distance carriers into local service providers.

George says that in Southwestern Pennsylvania, AT&T already is moving into rural areas, constituting a threat so small telephone companies, and foresees the day when the Ironton Telephone Co. will have to compete with telecommunications giants. As a result, the local company has spent the last four years upgrading its service and technology. Most recently, it has partnered with Service Electric Cable Television to use the fiber-optic lines Service Electric is installing in Lehigh and Northampton counties.

"We can offer everything AT&T and Verizon can offer without the humungous overhead," says Craig Brady, Ironton's service manager. "Verizon's customer service headquarters is located in Virginia; it has no idea where Ironton is. Our customers can come talk to us face tot face."

The Ironton Telephone Co. has 5,000 Lines serving 4,600 customers.

This is not the first time the Ironton Telephone Co. has faced pressure from the Big Boys. By 1927, several of Ironton Phone Co.'s original partners had dropped out of the business, and it was rumored that the Bell Telephone Co. in Allentown would take over the faltering venture.

But no one expected the action taken by William "Butcher" George of Ballietsville, the current phone company president's grandfather who operated a slaughterhouse and several grocery stores and meat markets.

“ He needed to have good, economical phone service because he had to contact his stores several times a day to determine what fresh meat supplies were needed for the next day’s business,” George says.

Rumors abounded that his area of operation in Balliettsville would be transferred to the Slatington exchange. The butcher was appalled by the idea because if this occurred, he would be forced to pay a five- or ten-cent toll on every call to his markets in Allentown and Bethlehem.

Rather than pay the endless tolls, the butcher and a partner bought the company, but when the partner feared the effects of the looming depression, George bought him out and ran the phone company by himself, despite the risky situation.

Until the end of World War II, 150 customers utilized the Ironton Telephone Co. But just as business was gaining momentum, the area was hit on Jan. 1, 1948, by one of the worst ice storms in the Lehigh Valley. Telephone poles and wires collapsed under the weight of the ice. George’s foresight had caused him to purchase three miles of extra cable the year before, so when the storm struck, the new cable was installed, with the help of Bell Telephone.

In addition, six miles of insulated wire hung on fence posts from Mechanicsville through Ruchsville and Ironton, into Balliettsville and across the back roads to Schnecksville. Business Customers were given priority. Phone service was restored, but for the time, 30 businesses were forced to share a single telephone line.

More challenges arose when Bell Telephone told Ironton that it was phasing out the switchboards that serviced the “crank” phones used by Ironton’s customers. The butcher’s son, Allen, began transforming the lines to accommodate dial phones. The process was completed ahead of the schedule imposed by Bell. “ The rural area serviced by Ironton now was enjoying modern phone service, the same folks in the city,” George says.

The company’s current president has been behind much of the growth after that time.

“I joined the business when I was old enough to walk, assisting my grandmother, Hattie L. George, in the operation of stuffing bills and licking them shut,” George says, “She maintained the customer ledger by hand without so much as a ball-point pen. It was ink wells and steel points back then.”

George officially joined the business in 1956 at the age of 24, after graduating from Lehigh University. After his father, Allen, retired, he began the process of incorporating the business, which was completed upon the receipt of a letter from then Gov. George M. Leader in September 1958.

“Besides continuing to assist my grandmother with the preparation of customer bills, I began to look at the future of the company,” George says. “Since we had depended on the local Bell company in Allentown to provide switching of calls, I began to explore the feasibility of installing our own switch.”

Over the next four decades, George, who was served as COO, steered the business toward using increasingly sophisticated technology, always looking to upgrade services to Ironton’s customers. In 1972, Ironton reportedly was the first phone company in the country to use an analog electronic switching system. “We were at the forefront of the electronic era,” George says.

As new technology became available and growing number of customers moved into the area asking for modern services, such as call waiting, conference calling and speed dialing, the company also expanded physically, setting up three remote locations.

While George, who became company president in 1995, has spearheaded much of the company's progress, the operation of the phone company has been a family activity. Four of his brothers and sisters currently are involved. Allen M. George Jr., 59 serves as corporate vice president and director of operations. Patricia L. Stewart, 57, is secretary-treasurer and business office manager. Carolyn M. George, 46, is customer service representative. Rose M. Beck, 56, is a receptionist and customer service representative. Four other siblings are not involved in the operation of the business.

"Since each of us works or functions in a different area of the business, we don't step on each other's toes very often," George says. "But the ultimate decisions always have fallen at my feet, from the purchase of a reel of wire or cable to the decision to build our new 20,000 square-foot, two story office and garage building.

"When families work together, they should function as a team, but one member should make the ultimate decisions," George says.

Succession planning is an important issue being discussed by the family; no one wants to see "Butcher" George's venture leave the family. George has three step-sons in their 30s, with the youngest working for the business in outdoor maintenance.

"There is no 'next generation' in the wings being readied to take over the company," George says. "None of my nephews or nieces have worked for me in the business. They do their own thing, from professional football to farming to medical assistant.

"I hope, with a family as large as ours, that some family member will be around for many, many years. My youngest sibling, after all is only 46."

While succession planning is underway, George says the "r" word - retirement - is not in his immediate future. So internally, the company will continue to function much the same as it always has for the time being.

Where the company is headed technologically remains to be seen.

"We are keeping the crystal ball open," Brady says. "We want to be on the leading edge without being on the fleeting edge. We don't want to latch on to things that won't have long-lasting impact."

To those who would predict the demise of small, family-owned phone companies, George has this retort: "The story [of the Ironton Telephone Co.] is a long way from being finished."

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