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June 16, 1992

RECEIVED

JUN 16 1992

Ms. Donna R. Searcy
Secretary
Federal Communications Commission
1919 M Street, N.W.
Room 222
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re: Ex Parte Presentation,
Paging Network, Inc.,
ET Docket No. 92-100, PP-84

Dear Ms. Searcy:

Today, June 16, 1992 on behalf of Paging Network, Inc. ("PageNet"), I met with Charla Rath of Chairman Sikes' office to discuss issues relating to PageNet's above-referenced Pioneer's Preference Request.

Pursuant to Section 1.1206 of the Commission's Rules, 47 C.F.R. § 1.1206, two (2) copies of materials distributed in this meeting are attached hereto.

Should any questions arise in connection with this filing, kindly contact the undersigned directly. Thank you for your attention to this matter.

Respectfully submitted,

Judith St. Ledger-Roty / USS

Judith St. Ledger-Roty
Counsel for Paging Network,
Inc.

Enclosures

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List A B C D E

PAGING NETWORK, INC.

VOICENOWSM

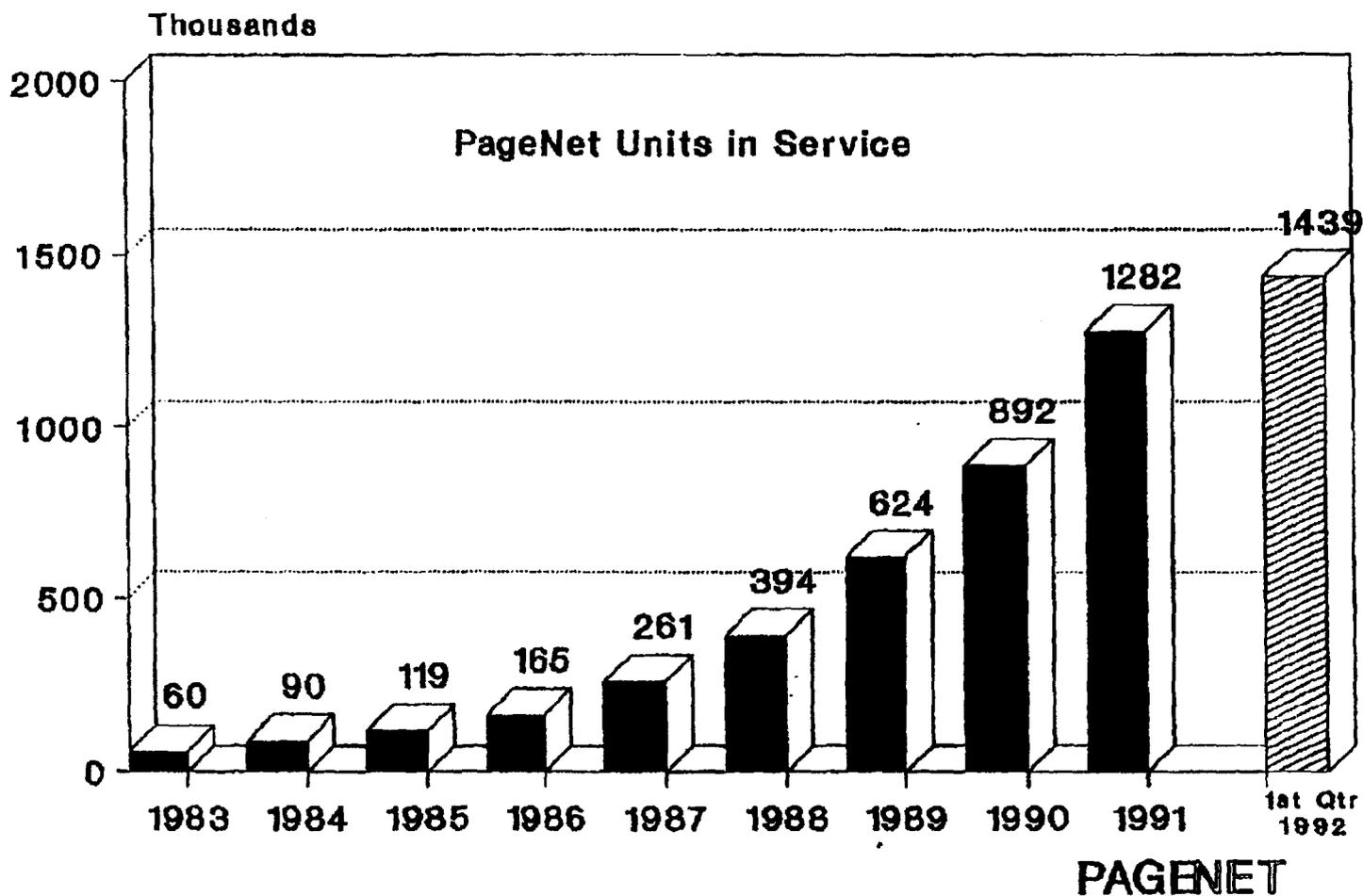
JUDITH ST. LEDGER-ROTY
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PageNet is the Leader in the Paging Industry

- ☒ Largest Subscriber Base**
- ☒ Fastest Growing**
- ☒ High Quality / Lowest Cost Provider**
- ☒ High Spectral Efficiencies**

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PageNet is the Fastest Growing Company in the Industry



PageNet's Growth Far Outstrips the Competition's

Units in Service Among Leading Paging Companies

	<u>October 1991</u>	<u>March 1988</u>
#1 PageNet	1,165,000*	290,000
#2 BellSouth	940,000	735,000
#3 Southwestern Bell	910,000	625,000
#4 PacTel Paging	550,000	310,000
#5 McCaw Cellular	325,000	165,000

Source: RCR March 1988 and October 1991

* PageNet at 1,438,983 as of March 31,1992

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PageNet is the Low Cost Provider

	<u>PageNet</u>	<u>Rest of Industry</u>
Average Monthly Revenue/Pager	\$ 12.04	\$ 15.41
Average Monthly Cost/Pager	7.44	11.06
Average Monthly Cash Flow/Pager	<u>\$ 4.60</u>	<u>\$ 4.35</u>
Cash Flow Margin	38.2%	28.2%

Source: 1991 (2nd Half) Paging Leadership Survey, KPMG Peat Marwick

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PageNet's VoiceNowSM Service is Consumer Driven

- **Exponential unmet demand for voice messaging services**

 - Lower cost alternative to other messaging systems**

 - Ease and Familiarity of use**

 - High information content**

- **Focus groups conducted for PageNet confirmed user demand for voice services**

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VoiceNowSM is Leading Edge Technology

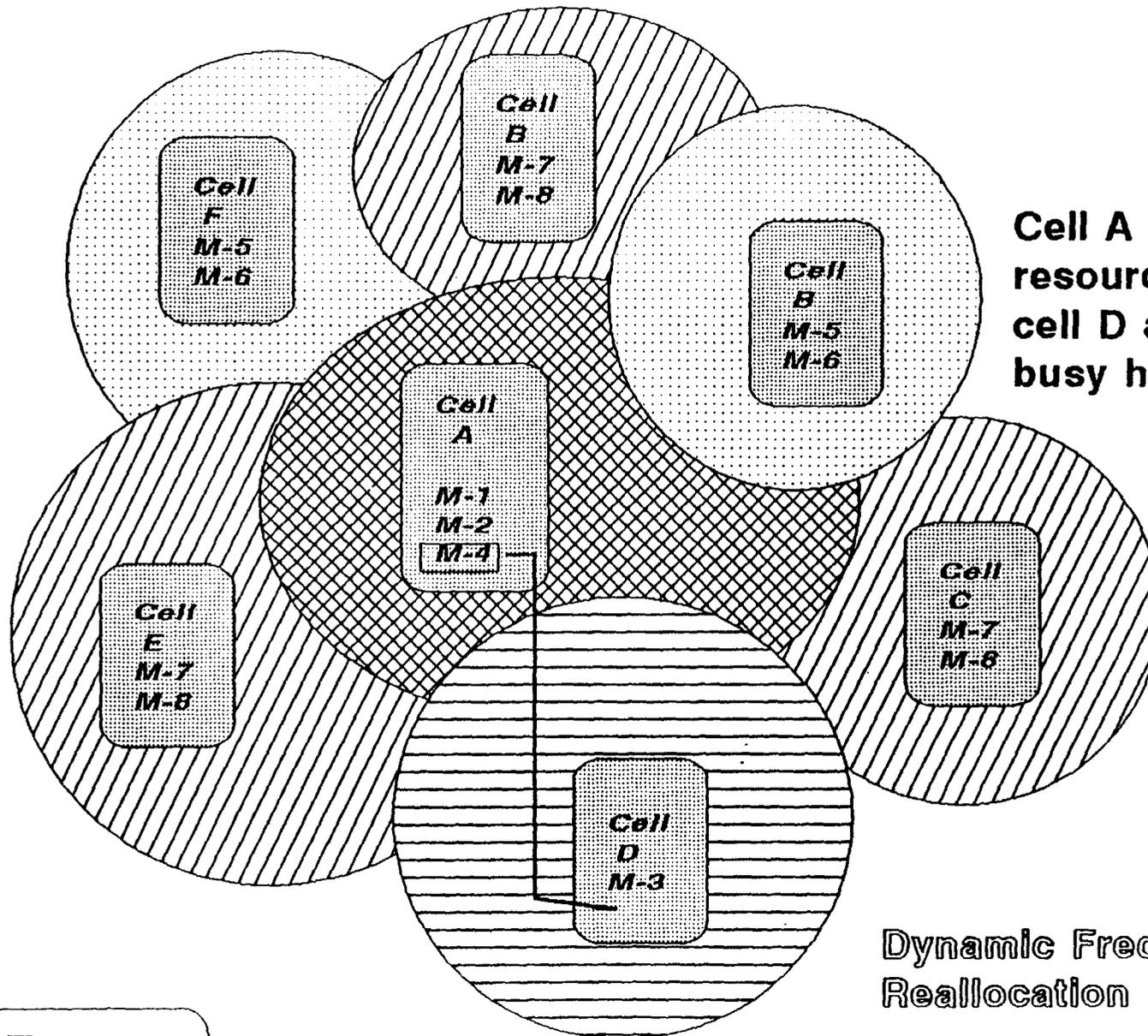
- **VoiceNowSM represents advances in paging which compare favorably to advances that cellular brought to two-way mobile services**
- **VoiceNowSM introduces a 22 fold increase in spectrum utilization, permitting PageNet to serve approximately 330,000 voice rather than 1500 voice subscribers**

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VoiceNowSM is Innovative

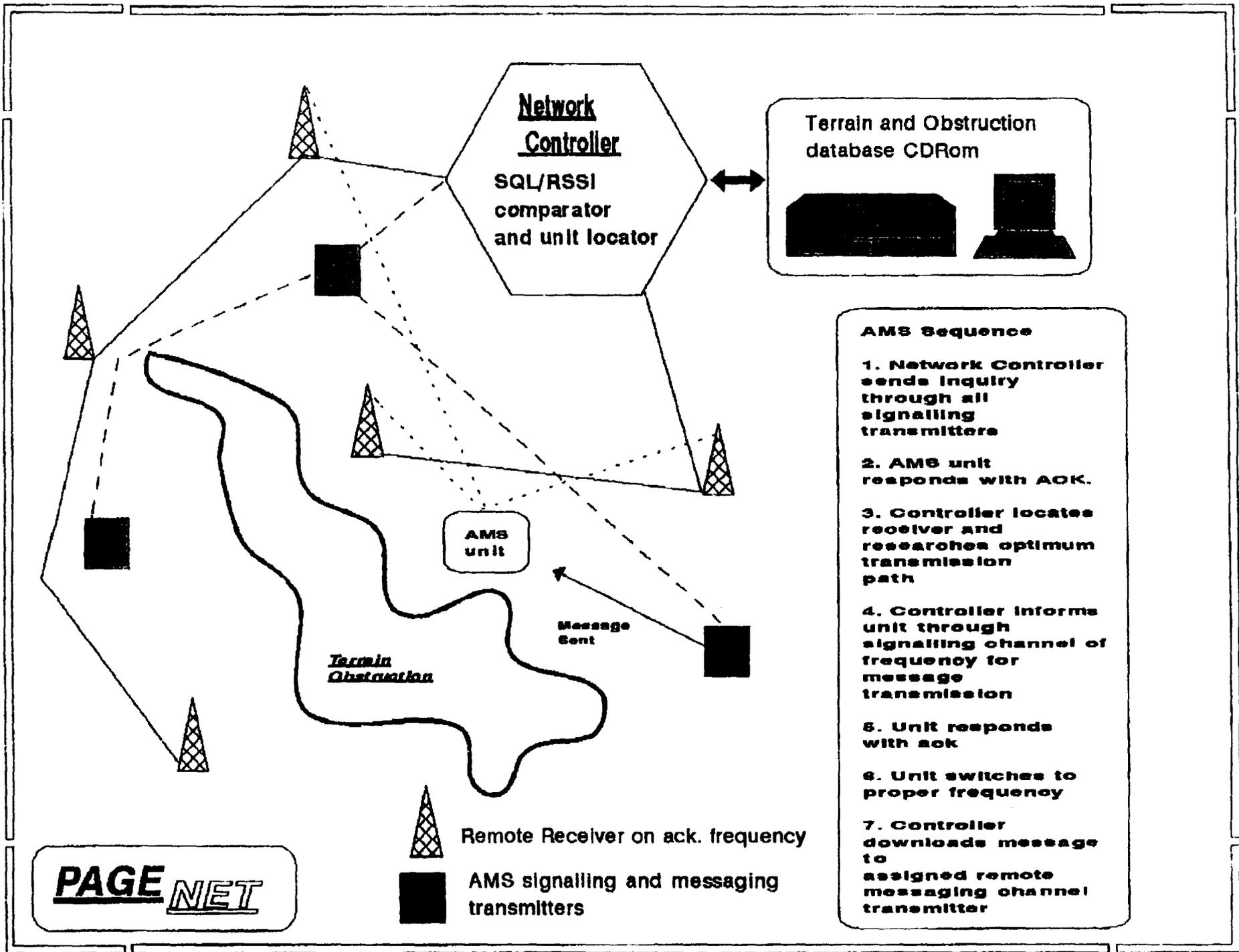
- **Cellular frequency reuse technology**
- **Dynamic frequency reallocation**
- **Digital modulation techniques**
- **Digital voice compression applied to paging service**
- **Acknowledgement receiver network**
- **Transmission based on predictive propagation modeling**

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Cell A "borrows" a resource from cell D according to busy hour loading

Dynamic Frequency Reallocation



Network Controller
SQL/RSSI comparator and unit locator

Terrain and Obstruction database CDRom

- AMS Sequence**
1. Network Controller sends inquiry through all signalling transmitters
 2. AMS unit responds with AOK.
 3. Controller locates receiver and researches optimum transmission path
 4. Controller informs unit through signalling channel of frequency for message transmission
 5. Unit responds with aok
 6. Unit switches to proper frequency
 7. Controller downloads message to assigned remote messaging channel transmitter

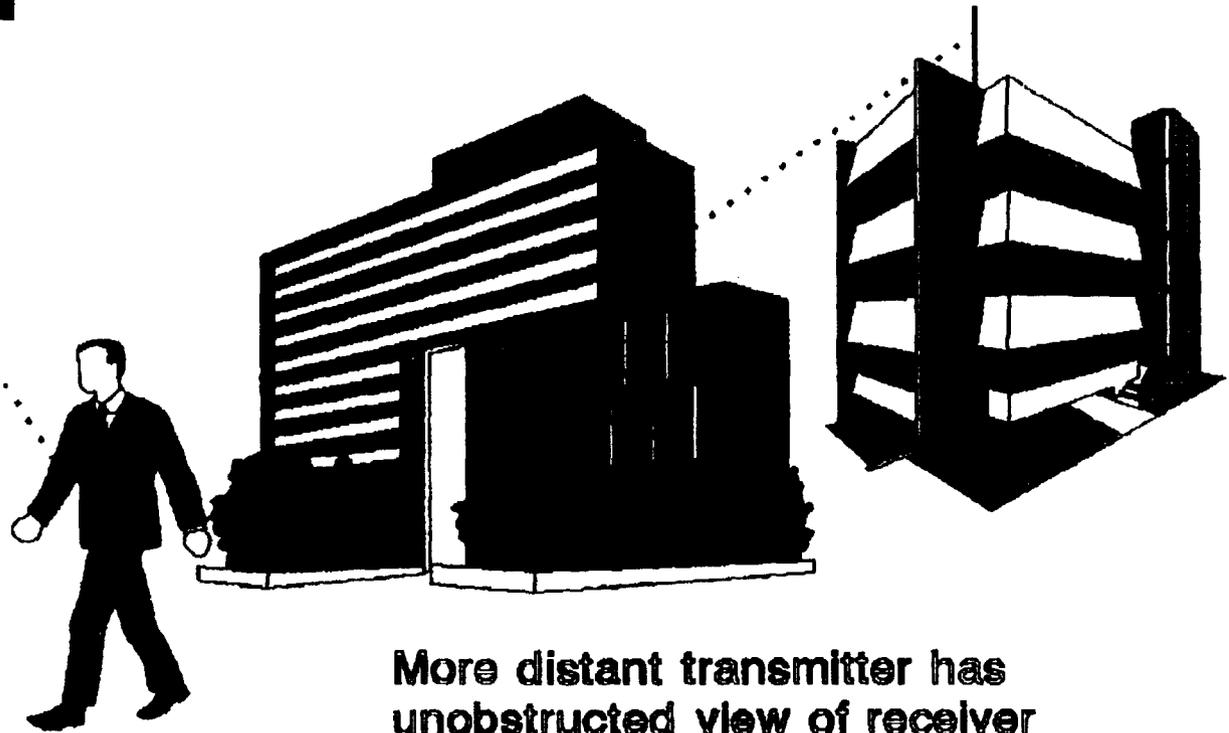
Remote Receiver on ack. frequency

AMS signaling and messaging transmitters

PAGE NET



Optimum message transmitter
not always the nearest to the
subscriber



More distant transmitter has
unobstructed view of receiver

VoiceNowSM Service Lowers Subscriber Costs

**Traditional Voice
Paging Services**

\$25 - \$30 per month

**VoiceNowSM
Advanced Messaging Service**

\$15 - \$20 per month

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PageNet is Entitled to a Pioneer's Preference

- **For demonstrating the technical feasibility of a spectrally efficient new or enhanced service:**
 1. **for which there is substantial unmet demand**
 2. **to be offered at prices subscribers are willing to pay**

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PageNet's VoiceNowSM Meets other Commission Criteria

- Improved spectral efficiency**
- Added functionality**
- New use of frequency**
- Higher speed modulation and data compression**
- Lower costs**

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