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STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION

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At a hearing of the Public Service  
Commission, held in Jefferson City,  
Missouri, on the 20th day of  
October, . . . . . 1978.

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In the matter of the application )  
of CONTROL CENTER, INC., for a )  
Certificate of Convenience and )  
Necessity to operate a non- )  
interconnected paging service. )

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CASE NO. TA-79-66

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BEFORE:

THOMAS R. PARKER, Presiding,

HEARING EXAMINER.

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REPORTED BY:

Judi Johnston

*Missouri Public Service Commission*

APPEARANCES:

CHARLES J. FAIN, Attorney at Law,  
333 Madison,  
Jefferson City, Missouri 65101,

FOR: APPLICANT:  
CONTROL CENTER, INC.

RICHARD S. BROWNLEE, Attorney at Law,  
Hendren & Andrae,  
P. O. Box 1069,  
Jefferson City, Missouri 65102,

FOR: INTERVENOR:  
CENTRAL MOBILPHONE, INC.

W. R. ENGLAND III, Attorney at Law,  
Hammond Building,  
312 East Capitol Avenue,  
Jefferson City, Missouri 65101,

FOR: INTERVENOR:  
CAPITAL CITY TELEPHONE CO.

GARY DUFFY, Assistant General Counsel  
P. O. Box 360,  
Jefferson City, Missouri 65102,

FOR: STAFF OF THE MISSOURI PUBLIC  
SERVICE COMMISSION.

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1 BE IT REMEMBERED, at a hearing of the Public  
2 Service Commission, held at the time and place mentioned in  
3 the title page hereof, the following proceedings were had:

4 (Written Entries of Appearance Filed.)

5 EXAMINER PARKER: Let's go on the record.

6 The Commission has set for hearing this  
7 morning Case No. TA-79-66; in the matter of the application  
8 of Control Center, Inc., for a certificate of convenience  
9 and necessity to operate a non-interconnected paging service.

10 I assume you've made your written entries of  
11 appearance. If you have not done so, please do.

12 MR. FAIN: Your Honor, I'm doing that right  
13 now.

14 EXAMINER PARKER: The Bench will accept oral  
15 appearances at this time.

16 MS. LASKA: Treva J. Laska, appearing for  
17 the Staff of the Public Service Commission, P. O. Box 360,  
18 Jefferson City, Missouri.

19 MR. FAIN: Your Honor, I would rather not say  
20 at this time about the waiver of the reading of the transcript.  
21 I'll make a decision on it, though, before the close of the  
22 hearing.

23 Let the record show Fain & Fain, 333 Madison,  
24 appearing for the Applicant.

25 MR. BROWNLEE: Let the record show the entry

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1 of appearance of Richard Brownlee, Hendren and Andrae,  
2 Post Office Box 1069, Jefferson City, Missouri; appearing on  
3 behalf of Intervenor, Central Mobilphone, Inc.

4 MR. ENGLAND: Mr. Examiner, let the record  
5 reflect the appearance of W. R. England, Hammond Building,  
6 312 East Capitol Avenue, Jefferson City, Missouri 65101;  
7 appearing in behalf of Intervenor, Protestant, Capital City  
8 Telephone Company.

9 EXAMINER PARKER: Is there anything you wish  
10 to bring to the Commission's attention before we proceed?

11 MR. FAIN: If it please, Your Honor, I filed  
12 certain affidavits with the Commission in response and under  
13 the Commission's Rule 4 CSR 240-2.130 Paragraph 9, which,  
14 of course, is nothing more than a rule pertaining to the  
15 Administrative Procedures Act on the use of affidavits.  
16 That is controlled by Section 536.070 Paragraph 12 of the  
17 Revised Statutes of Missouri. That was a final amendment.  
18 It's not under the old code.

19 Now, as I read the law under the Administrative  
20 Procedures Act, the whole intent of the Act was to expedite  
21 these matters so that the public could be heard and get them  
22 on and off in as simple a manner as possible.

23 Now, under that Act, a party can file exhibits  
24 with the agency. Now, I think I did file the proper number  
25 of copies with the agency, and I took the precaution to have



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1     them stamped in. So, there has been a record made here in  
2     this Commission on the time when I filed those affidavits.  
3     Now, there was one affidavit which I was not able to get on  
4     that day. So, my remarks are not pertaining to it.

5             But, those other affidavits were filed in  
6     accordance with the Administrative Procedure Act. Now, the  
7     hassle here comes about, and I can understand these gentlemen  
8     having this point of view. The hassle here comes about that  
9     these were filed before I had any actual notice from them  
10    that they were Intervenorers. But, if you will read the  
11    statute, I think it's quite clear. It says that they will  
12    be filed on parties, or in a proper case, the agency.

13            Now, as you know, to comply with the  
14    Administrative Procedure Act, they must be filed a  
15    prerequisite number of days prior to the hearing or, of  
16    course, the statute becomes an empty gesture.

17            Now, if this Commission were to place anyone  
18    in the position that because they had to wait until they saw  
19    who all the Protestants were before they could comply with  
20    the Administrative Procedure Act, well, then, the Administrative  
21    Procedure Act won't have any effect.

22            So, in my opinion that if the attorney does  
23    not know or if the Applicant or whoever is filing the  
24    affidavits, does not know of any Protestants, he can file  
25    the affidavits upon the agency. Now, the agency's records

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1 are an open book. And I don't think anyone can say that they  
2 can sit back and not inspect the records if they are interested  
3 in the case, and especially if they are representing someone  
4 who wants to be a Protestant. So, that's what I did.

5 And I would ask that the affidavits that I  
6 have filed, and I believe the record will show that they were  
7 filed; they're in the case papers.

8 EXAMINER PARKER: October 6.

9 MR. FAIN: That they were filed on the 6th of  
10 October. I am going to ask that they be admitted in evidence.

11 Now, I think this would shorten the case  
12 quite a bit, and it would be really--it would be a favor to  
13 the Applicant's witnesses, because, naturally, they're all  
14 businessmen, they're busy, and professional men. It's very,  
15 very difficult to get them here.

16 But, these gentlemen, of course, having not  
17 filed their proper affidavits in rebuttal, would be effectively  
18 foreclosed from cross-examination. Now, of course, we can  
19 all read the law, but I would ask that they be admitted. I  
20 am not going to dwell on the matter. If there are any of  
21 those affidavits that are repugnant to these gentlemen, I  
22 would call those particular witnesses so they could be cross-  
23 examined. But, I think, under the Administrative Procedure  
24 Act, I have a right to have those affidavits admitted in  
25 evidence. But, as I say, I will make this statement on the

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1 record, if they are admitted and any of these gentlemen want  
2 to cross-examine any of those people who are on the affidavits,  
3 I will do my best to get them here.

4 EXAMINER PARKER: Any response?

5 MR. ENGLAND: Mr. Examiner, I, too, concur with  
6 Mr. Fain. I think if you read the statutes, it's obvious  
7 from the plain language that affidavits such as these need to  
8 be served on the parties. On the agency, in a proper  
9 case is included in parentheses, I noticed.

10 But, let me just state for the record, that  
11 timely intervention was filed on behalf of the Protestant,  
12 Capital City Telephone Company, and I think that the  
13 Applicant has a continuing obligation to inform the parties  
14 to the case of filings before this Commission. I do not feel  
15 it's the obligation of the parties or Protestants to continually  
16 check the case files to see what has been filed in a case and  
17 to notify themselves. It just so happens that I happen to be  
18 in Jefferson City. But, that type of obligation I think  
19 should not be imposed upon me and, particularly, upon someone  
20 who doesn't practice here on a regular basis.

21 The Commission's rules provide as well as for  
22 the filing of affidavits, before that they recognize the  
23 fundamental right to cross-examine witnesses. That's in the  
24 same rule that Mr. Fain cited, 4 CSR 240-2.130 Sub 1b. It  
25 also recognizes--or the Missouri Administrative Procedure

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1 Act also recognizes that right in Section 536.070.

2 I think the affidavits that are here are being  
3 filed to prove up a substantial element in this, and, that  
4 is, the proposed need for the service. Without the  
5 opportunity to cross-examine these people, I think I have  
6 been foreclosed from engaging in a fundamental right that is  
7 available to all parties in any kind of a contested case,  
8 be it administrative or civil or criminal for that matter.

9 As I stated before, I think the statute is  
10 clear. It requires an obligation on the part of the person  
11 filing the affidavits to notify those parties to the case,  
12 in this case, the Protestants, who have timely filed their  
13 applications to intervene.

14 EXAMINER PARKER: I think the first thing we  
15 need to do if we're to offer the exhibits is to have them  
16 marked. Are the only exhibits we have in the case papers?

17 MR. FAIN: Well,--

18 MR. BROWNLEE: As a matter of fact, on behalf  
19 of Protestant, Central Mobilphone, I have never been served  
20 with them. The only one I think I've seen Mr. England  
21 brought by, and it was, I think, Mr. Boyce's, and it is, if  
22 anything, a conclusion. It says: I need service. It  
23 doesn't afford any reason why. There's no testimony in terms  
24 of service failures on the people that have proper service  
25 and proper authorization to provide the service in Jefferson

1 City. It's just basically a cursory conclusion to prove  
2 public need, which that's one of the major issues here today.  
3 There's, obviously, no way we could cross-examine.

4 Judge Fain asked us to file opposing testimony.  
5 What kind of opposing testimony could we have filed? A  
6 statement from Mr. Troth saying that, no, they don't need the  
7 need? That's unhelpful and it's absurd. I can't see any  
8 meaning of those or any substantive value that those  
9 affidavits provide.

10 I also agree with Mr. England. We did file  
11 timely intervention. It was done ten days prior. Mr. Fain  
12 knows that, he's practiced law longer than we have, knows  
13 that when you have attorneys representing parties, you serve  
14 and have a continuing duty to serve your documents on the  
15 attorneys of record.

16 I will object and ask that on any of those, I  
17 want to have those witnesses that he intends to file an  
18 affidavit on, I want to have them here for cross-examination.

19 MR. FAIN: My only response to both of these  
20 remarks is that the statements that have been made negatives  
21 the Administrative Procedure Act. And, of course, we're going  
22 to act under the basic law, which is the Administrative  
23 Procedures Act, and it takes precedence over any rule that  
24 this Commission might make.

25 Now, the other thing is that I said--I made a

1 statement on the record that I would have any of these  
2 witnesses here if they wanted to cross-examine. But, I think  
3 it expedites if I can get these affidavits in, and it will  
4 expedite the matter.

5 Now, as to any propriety insofar as my actions  
6 are concerned, the rules and the law are very clear on that:  
7 That until an attorney is notified of an interest of another  
8 attorney, he has no responsibility to go around and inquire  
9 about who might be wanting to intervene and who might want  
10 papers. That's why these are all public records. The law  
11 is a logical--

12 MR. BROWNLEE: We filed our interventions  
13 with Judge Fain. I didn't send them just alone to the  
14 Commission. I know my intervention was served personally on  
15 Mr. Fain.

16 MR. ENGLAND: I think the record will reflect--

17 MR. FAIN: Yes. It came in the mail. It came  
18 after I served the affidavits. But, notwithstanding that, I'll  
19 simply make a tender of the affidavits. I ask that they be  
20 admitted in evidence. I have had them marked, Your Honor.

21 EXAMINER PARKER: The Reporter has no record  
22 of that.

23 MR. FAIN: Your Honor, I would like for these  
24 to be marked out of turn, because I have numbered all these  
25 exhibits. So, I would like this one to be shown as Exhibit 10.



1 EXAMINER PARKER: The Reporter will so mark it.

2 (AT THIS TIME APPLICANT'S EXHIBIT NO. 10 WAS  
3 MARKED BY THE REPORTER FOR THE PURPOSE OF IDENTIFICATION.)

4 MR. FAIN: I'll offer in evidence Applicant's  
5 Exhibit 10, Your Honor, at this time.

6 EXAMINER PARKER: Any objection?

7 MR. BROWNLEE: First of all, of course, we  
8 haven't been served with copies, so it would really be  
9 impossible for me to object,--

10 MR. FAIN: They're up here.

11 MR. BROWNLEE: --even to make any--normally,  
12 I think, when you introduce evidence, you always pass it  
13 around so the other attorneys can get a chance to examine it  
14 and possibly--

15 MR. ENGLAND: If they're the same affidavits  
16 that I am aware of, yes, there is an objection, a very strong  
17 one. It's for the reasons I've previously stated.

18 EXAMINER PARKER: Do you concur in that  
19 objection, Mr. Brownlee?

20 MR. BROWNLEE: Yes.

21 EXAMINER PARKER: Objection sustained.

22 MR. BROWNLEE: Is this the one affidavit that  
23 was the same--

24 MR. FAIN: No. I'll get the others if you want  
25 them. I don't see any necessity of serving it in view of the



1 ruling.

2 EXAMINER PARKER: In light of the fact that  
3 I have never heard a beeper case before, I would appreciate  
4 it if you would make a short opening statement to clarify  
5 what the issues are here.

6 MR. FAIN: Yes, I think that would be proper.

7 I want to make this opening statement simply  
8 for the benefit of the Examiner and, of course, the Staff.  
9 This is old hat to the Staff. But, we have many new  
10 Commissioners on the Commission who have not been confronted  
11 with these issues of radio common carriers. I think it might  
12 be worthwhile to give a brief opening statement. I will make  
13 it as brief as possible.

14 The Applicant takes no position at this time  
15 on Case No. TO-77-80. But, this matter has been wrestled  
16 with by the Staff and the Commission for many years, as to  
17 whether or not this paging service was under the jurisdiction  
18 of the Public Service Commission. So, this finally  
19 culminated in the Commission's Staff initiating a case, and,  
20 that is, Case No. TO-77-80. I will ask that the Examiner  
21 take administrative notice of the Order in that case.

22 EXAMINER PARKER: Administrative notice will  
23 be so taken.

24 MR. FAIN: I believe that case is still on  
25 appeal; is it not?

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1 MR. BROWNLEE: It's pending before the Circuit  
2 Court, Judge Riley. We've already filed briefs, had oral  
3 argument, and we are awaiting a decision.

4 MR. FAIN: Of course, in the event that that  
5 matter were to be reversed, then, there would be no regulation  
6 of these radio common carriers. But, of course, I am assuming  
7 that it will be the duty and responsibility of the Staff and  
8 the people who--not the Intervenor in that case, but  
9 certainly the Staff to try to sustain the Commission, and  
10 take it up on appeal. And, so, we are faced with the  
11 possibility of this going for many, many years until it is  
12 finally determined: Whether or not this Commission has any  
13 jurisdiction in these matters.

14 So, I think that it places anyone who is in  
15 this business in the position of, they probably could not  
16 survive while they sit around and wait to see what the courts  
17 do with this question.

18 Very well. So, I think that insofar as this  
19 Staff of this Commission is concerned, that they must uphold  
20 that Order, and that they must prevail upon the Commission to  
21 regulate these radio common carriers, just as others have  
22 been regulated that come under the jurisdiction of the  
23 Commission.

24 Now, I think, it also presents the problem of  
25 the Commission not allowing any delay, which is a natural

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1     thing. If something is on appeal, it is very easy to say:  
2     Let's not decide these matters; let's wait and see what the  
3     courts say about it. Now, that would place Applicant in  
4     a very bad situation. And, also, they not having been a  
5     party to that lawsuit, and some of these Intervenors were  
6     parties, it would place them in the very difficult position  
7     of not having any control over their destiny, but their  
8     destiny might be controlled by the Intervenors.

9             So, I do emphasize for the Examiner that, as  
10    this matter develops here today, you should think in terms  
11    of expediting this matter and hearing it, getting out an Order  
12    as quickly and logically as possible, just as you would in  
13    any other case, as if that case was not pending on appeal.  
14    So, I do want to stress that point with you.

15            Now, under the Order of the Commission, the  
16    Commission recognized that they were continuing to assert  
17    jurisdiction over radio common carriers that are engaged in  
18    the paging business. And in the final concluding paragraph  
19    of that Order, I think, they made a very significant state-  
20    ment. And having written a few of these, I don't think they  
21    meant it to be idle words. I think they meant to tell the  
22    industry something, because that's the way the Commission  
23    speaks. It only speaks through its Orders. And, so, they  
24    said in No. 3 that all persons, partnerships, and corporations  
25    providing or intending--it's not only providing, but who

1 might intend--to provide radio paging service with signals  
2 originating within the State of Missouri and not presently  
3 holding authority from this Commission shall file proper  
4 application with this Commission to obtain a certificate of  
5 public convenience and necessity before providing such  
6 service. The Order is a very, I think, a very fine piece of  
7 work. And it sets out very clearly the tests that must be  
8 met by an Applicant: The Applicant must show that he is  
9 qualified, that he has the financial ability to offer and  
10 sustain service to the public; that there is a public need  
11 and that it is in the public interest that the application  
12 be granted for a certificate of public convenience and  
13 necessity.

14 Now, the other point that the Order touches  
15 on, and I think it is very clear in the past decisions of this  
16 Commission, is that the radio common carrier regulation is,  
17 if anything, very similar or identical with that of other  
18 transportation common carriers, such as, your Missouri buses  
19 and truck lines. In other words, I think, if the Examiner  
20 will study this question, and I emphasize that I want you to,  
21 that you will find that this is not and has not been treated  
22 by this Commission and the law as one of a legal regulated  
23 monopoly in this state; rather it is regulated competition.  
24 I think in hearing this evidence today, it's important for  
25 the Examiner to be aware that you are hearing a case not

1 based upon a regulated monopoly, such as, we have in the  
2 telephone industry or in the electric and gas businesses, but  
3 you are hearing a case of regulated competition.

4 So, now, we come down with that little bit of  
5 background on the legal proposition before us to the Applicant.  
6 Control Center, Inc. is a Missouri corporation, and it is  
7 owned entirely by Mr. Don Krattli and his wife. Mr. Krattli  
8 sits here on my left.

9 MR. BROWNLEE: Your Honor, if I could just  
10 interrupt a minute--

11 MR. FAIN: You can interrupt at the proper  
12 time. I was asked to give a short opening statement, and  
13 that's what I'm trying to do.

14 MR. BROWNLEE: Mr. Krattli can testify to the  
15 corporate background and stuff. Weren't you interested in  
16 what paging is about?

17 EXAMINER PARKER: I was more interested just  
18 in what you considered the issues.

19 MR. FAIN: All right. The issues in the case  
20 are whether or not there is a public need for this one-way  
21 paging business that is before the Commission. And, of course,  
22 under this case, I think, that we also must be able to show  
23 that the Applicant is properly qualified from the standpoint  
24 of having equipment and the technical know-how, and from the  
25 standpoint of being financially responsible.

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1                   Now, as to this ethereal term, what is in the  
2 public interest, I think the case did touch upon that, and  
3 I think that there might be other things rather than public  
4 need involved in that term "public interest." So, we will be  
5 putting on evidence in regard to what is in the public  
6 interest in this matter.

7                   So, those will be the issues that will be  
8 developed in the case. And I think that--all else I would  
9 have to say is that Control Center, Inc., is a Missouri  
10 corporation, and it is the Applicant in this case. There is  
11 no one else that is the Applicant. And it is seeking a  
12 certificate from the Commission to become a radio common  
13 carrier under the jurisdiction of the Commission, as it has  
14 been voiced in this case.

15                  EXAMINER PARKER: Anything else? Any desire--

16                  MR. ENGLAND: I would like to reserve any  
17 opening statement until the time immediately preceding the  
18 appearance of my witnesses, if I could, please?

19                  EXAMINER PARKER: Very good.

20                  MR. BROWNLEE: Your Honor, I would like to  
21 also, but I think Judge Fain made a good analogy: This is  
22 similar to a motor carrier case, which I think raises one  
23 other essential issue that he omitted and, that is, we are  
24 also here to consider the harm that this proposed service may  
25 bring to those who are already existing and authorized to



1 provide the service in the field. Thank you.

2 EXAMINER PARKER: Call your first witness.

3 MR. FAIN: I call Mr. Krattli.

4 (Witness sworn.)

5 MR. FAIN: Your Honor, may we go off the  
6 record?

7 EXAMINER PARKER: Let's go off the record.

8 (Discussion off the record.)

9 (AT THIS TIME APPLICANT'S EXHIBIT NOS. 1 TO 8  
10 WERE MARKED BY THE REPORTER FOR THE PURPOSE OF IDENTIFICATION.)

11 EXAMINER PARKER: Let's go back on the record.

12 Let the record reflect the fact that  
13 Applicant's Exhibits 1 through 8 have been marked for  
14 identification while we were off the record.

15 APPLICANT'S EVIDENCE

16 D O N K R A T T L I, called as a

17 witness in behalf of the

18 APPLICANT, being duly sworn,

19 testified as follows:

20 DIRECT EXAMINATION BY MR. FAIN:

21 Q Your name is Mr. Don Krattli?

22 A Yes, sir.

23 Q You are the President of Control Center, Inc.,  
24 are you not?

25 A Yes, sir.



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1 Q You and your wife are the owners of that  
2 Missouri corporation; is that correct?

3 A Yes, sir.

4 Q For all practical purposes, this is a family-  
5 owned corporation, and you are carrying on the business, so  
6 when we talk about Control Center, Inc., we're talking about  
7 Don Krattli; right?

8 A Yes, sir.

9 Q Okay. Mr. Krattli, you put in this application  
10 for a certificate of convenience and necessity before the  
11 Commission to become a radio common carrier under their  
12 jurisdiction, did you not?

13 A Yes, sir.

14 Q In your application, you ask for an area that  
15 would extend 30 miles from Jefferson City, did you not?

16 A Yes, sir.

17 Q And after discussing this matter, have you  
18 concluded, and did you ask me to request that the application  
19 be amended in that regard?

20 A Yes, sir.

21 Q So that you are voluntarily seeking to amend  
22 the application so that rather than a 30-mile radius, you  
23 are seeking a radius of 15 miles; is that correct?

24 A Yes, sir.

25 Q We won't need to get into the why and wherefore

1 of that at this time.

2 MR. FAIN: Your Honor, I would like to ask  
3 that the application be corrected by interlineation.

4 EXAMINER PARKER: All right.

5 MR. FAIN: Page 1, paragraph one of the  
6 application--I'm sorry, Page 1, paragraph two, the third line  
7 of paragraph two, where the words read, "and the area within  
8 a thirty (30) mile radius of Jefferson City," we would like  
9 that stricken, and we will insert, "and the area within a  
10 15 mile radius of Jefferson City,..."

11 EXAMINER PARKER: Since the amendment is  
12 restrictive, it will be accepted.

13 MR. FAIN: I don't know if that will help any  
14 of these Protestants or not, but we hope that it will.

15 BY MR. FAIN:

16 Q Mr. Krattli, will you state what business  
17 you are in now?

18 A We are in the burglar alarm central station  
19 business, the answering service and the paging service.

20 Q All right, sir. Will you explain just what  
21 those three businesses are?

22 A Sonitrol of Jefferson City is the burglar  
23 alarm service. It's a sound detection burglar alarm with a  
24 24-hour, seven-day-a-week service. The answering service is  
25 the telephone answering service, which is an agent for Mid-

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1 Missouri Emergency Service, the paging service.

2 Q All right. Now, will you explain what equip-  
3 ment is necessary for each of these businesses?

4 A The burglar alarm--well, for all of the  
5 businesses we use a lot of telephone lines. We have over 400  
6 telephone lines running into our office now. We have another  
7 25 on order. Most of the equipment is electronic equipment.  
8 The burglar alarms, we use small microphones in the customer's  
9 business. The sounds are relayed over the leased telephone  
10 lines to our office to a monitor, and our people monitor the  
11 customer's premises for a burglary and entry and whatever.

12 The answering service is merely an extension  
13 of the customer's telephone in our office. We answer his  
14 phone when we're instructed and do whatever with the message,  
15 whatever the customer instructs us to do.

16 An awful lot of our telephone answering  
17 service subscribers have the pagers. When we take the message  
18 over his phone, with the pager the message is delivered to  
19 the customer over the pager.

20 Q So that we can get this properly before the  
21 Examiner at the outset, now, the burglar alarm business and  
22 the answering service is in no way regulated by the Missouri  
23 Public Service Commission; isn't that true?

24 A Correct.

25 Q However, isn't it a fair statement to say that

1 because of the equipment and so on, that the businesses are  
2 interrelated?

3 A Definitely.

4 Q But, insofar as this application, we're just  
5 trying this on the question of the paging service, and we're  
6 not seeking that the Commission in any way take jurisdiction  
7 or in any way have anything to do with the burglar alarm  
8 business or the answering business?

9 A Correct.

10 Q Now, where do you conduct these three  
11 businesses?

12 A 227 East Capitol, Jefferson City, Missouri.

13 Q All right, sir. Is that business--is that  
14 building owned by you and your wife?

15 A Yes, sir.

16 Q There you have offices that house not only the  
17 administrative offices but what equipment?

18 A All of our burglar alarm equipment, answering  
19 service equipment, and paging equipment.

20 Q Now, what other equipment is necessary in order  
21 that the paging service be carried out?

22 A What equipment?

23 Q Yes, sir.

24 A We have a leased telephone line from our office  
25 to our tower on South Ridge Drive. We have the tower, the

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1 radio transmitter, and the antenna.

2 Q So, will you describe, in the paging business--  
3 let us assume that I have one of your pagers. Will you  
4 describe for the Examiner just what happens if someone is  
5 wanting to get in touch with me?

6 A The call comes into our office over any  
7 number of phones, depending on who you're trying to reach.  
8 The individual in our office takes the message. The message  
9 is logged. Mr. Fain would be assigned a pager number. Our  
10 operator would enter--would punch three digits on a keyboard,  
11 and the signal would be sent out over the telephone line to  
12 the radio at the tower and out the antenna. This signal is  
13 sent, a talk light comes on the indicator, and the voice  
14 message is sent out following the tones: Mr. Fain, call your  
15 office. Mr. Fain, whatever the message would be.

16 Q So, actually, it's in the fact that it is  
17 sent out over the tower that we get into the radio field, do  
18 we not?

19 A Yes, sir.

20 Q Because it is not a wire message, such as,  
21 a telephone message?

22 A Right.

23 Q And because of this, not only are we involved  
24 with the Public Service Commission, but also with the Federal  
25 Communications Commission; is that correct?

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1           A     Yes, sir.

2           Q     The Federal Communications Commission also  
3 regulates this field, does it not?

4           A     Yes, sir.

5           Q     If one is a radio common carrier, in order to  
6 carry on this business, you must also get a certificate from  
7 the Federal Communications Commission, do you not?

8           A     Yes, sir.

9           Q     Does the Federal Communications Commission  
10 require one seeking a certificate to have a certificate or  
11 at least an application pending before the Missouri Public  
12 Service Commission?

13          A     Yes, sir.

14          Q     So, if one wants to get into this business  
15 of a radio common carrier, you have to proceed in a dual  
16 fashion, do you not, before the Missouri Public Service and  
17 the Federal Communications Commission?

18          A     Yes, sir.

19          Q     But, in view of the fact that the FCC will not  
20 tender a certificate to a person until approval of the  
21 Missouri Public Service Commission, in effect, the Missouri  
22 Public Service Commission controls entry into this field; isn't  
23 that--

24               MR. BROWNLEE: Your Honor, I'm going to object  
25 to the total leading nature of this testimony. Mr. Fain's

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1       testifying and the witness is responding: Yes, sir.

2               MR. FAIN: Well, this is mere preliminary.

3               MR. BROWNLEE: Well, I don't think it's mere  
4 preliminary at all. It's essential to this application. The FCC  
5 involvement is essential to this, and I would ask that the  
6 witness testify on direct examination. I do have an  
7 objection pending.

8               EXAMINER PARKER: All right. The objection  
9 is sustained. Let's try not to lead quite so much.

10              MR. FAIN: All right.

11 BY MR. FAIN:

12              Q     Will you, in view of the fact that that was  
13 sustained, the last question, will you tell the Commission  
14 whether or not the FCC will grant a certificate without any  
15 action by the Missouri Public Service Commission?

16              A     It's my understanding that the Public Service  
17 Commission has to issue a certificate before the FCC license  
18 will be granted.

19              Q     Will you state very briefly, just give us a  
20 thumbnail sketch of your background, Mr. Krattli?

21              A     I have 16 years' experience with service  
22 organizations. Nine years of that was with Addressograph,  
23 Multigraph, office machines. I had, probably, a year of  
24 training in Cleveland, Ohio on mini-computer repair,  
25 electronics, that type of thing. I've developed a 500-acre



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1 subdivision, hired a builder, contractors, that type of  
2 thing; developed the subdivision, and it's gone. I own 18  
3 rental units in Jefferson City, rental property, and the  
4 business uptown.

5 Q Now, how did you get interested in this  
6 particular business?

7 A While I was developing the subdivision, which  
8 took about two years, the biggest problem that we had was  
9 communications with contacting real estate people, the  
10 builders, the subcontractors. I carried a pager, had a  
11 mobile phone, and it was a constant problem with answering  
12 services and pagers on everyone that you tried to contact in  
13 the Jefferson City area. The mobile phone that I had was  
14 with Capital Radar Security. They had the answering service  
15 and the paging service. And I went to them to see how, why  
16 it worked, that type of thing, if something could be done to  
17 improve it and so on. Consequently, I ended up buying the  
18 business.

19 Q So, you bought the business from whom?

20 A From Capital Radar Security.

21 Q And that was a gentleman by the name of Mr.  
22 Peters, was it not?

23 A Bill Peters, Bill Dall, and John Grant.

24 Q All right, sir. Now, essentially, are you  
25 carrying on the business as it was under Mr. Peters?

1           A     No, sir.

2           Q     Will you tell what differences there are?

3           A     We formed the new corporation, Control Center,  
4     Inc., which is doing business as Sonitrol of Jefferson City,  
5     Answer Jefferson City, which is the agent for Mid-Missouri  
6     Emergency Association. We have made a number of changes in  
7     the business, in that we have gone into a personalized  
8     answering service and paging service. And, therefore, we  
9     feel that's the reason our business has grown tremendously  
10    in the last 18 months that I've owned the business.

11          Q     Will you explain to the Examiner what you  
12    mean by the personalized service that you're giving?

13          A     We're--it's a 24-hour service. There are so  
14    many little things involved in the answering service, paging  
15    service and burglar alarms that require immediate attention.  
16    If a burglar alarm has a problem, it needs to be taken care  
17    of now, not three days from now. If an answering service  
18    subscriber has a problemn, maybe it's an incorrect telephone  
19    number, maybe it's a problem with an employee, maybe he needs  
20    his service taken care of differently, one of our people is  
21    always available, on call to talk to the subscriber and  
22    correct his problem.

23                The paging service, any time someone has a  
24    battery that is down, a paging problem, if it's three o'clock  
25    in the morning and one of their little pagers is bad, there's

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1 somebody that's available to take care of his problem then.

2 Q Under your agency agreement, must you provide  
3 and maintain the pagers?

4 A Yes, sir.

5 Q So, you bought the business, and you  
6 incorporated. I'll ask you to state what that is, please?

7 A It's a Certificate of Incorporation for  
8 Control Center, Inc.

9 MR. FAIN: It's already been marked, Your  
10 Honor.

11 BY MR. FAIN:

12 Q That is the Certificate of Incorporation and  
13 the Articles of Incorporation of the Applicant; is it not?

14 A Yes, sir.

15 Q Will you state to the Examiner about how many  
16 people you were serving when you took over the business?

17 A Pagers, answering service?

18 Q Yes, sir.

19 A When we purchased the business there were 129  
20 burglar alarms, 106 answering services, and 71 pagers.

21 Q All right, sir. Now, state to the Commission,  
22 if you can, how each of those particular businesses has grown  
23 if it has?

24 A The burglar alarms have grown to 184. The  
25 answering service is 143, and the pagers are 145.

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1 MR. ENGLAND: Excuse me a second. I don't  
2 think I want to object right now, but I want to make it  
3 apparent that the existing operations of this company are,  
4 at least as far as this Protestant is concerned, open to  
5 question. If it should turn out that the existing operations  
6 are illegal, I think they would be irrelevant as to showing  
7 any sort of ability to provide the service, need or anything  
8 of that nature. So, my objection may be later down the road,  
9 but I want to alert everyone to that fact right now.

10 MR. BROWNLEE: Also, just as a matter of--  
11 since we've got a little break here, I don't mind hearing  
12 about the paging business, but the testimony involved with  
13 the answering service and radar security, I really am not  
14 sure it has any bearing on this; and, in fact, may be mislead-  
15 ing, because I note from the financial documents that were  
16 supplied, he intermixes all sorts of figures involving  
17 answering service and radar service included within the  
18 single financial statement, which of course I will, later on,  
19 want to make an objection to.

20 MR. FAIN: Why don't you wait and make them  
21 then. We'll save a lot of time.

22 MR. BROWNLEE: The testimony here I think  
23 should be limited to paging. Thank you.

24 EXAMINER PARKER: Is that an objection?

25 MR. BROWNLEE: Yes, I would object and ask

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1 that the testimony regarding the other business activities  
2 be stricken.

3 EXAMINER PARKER: Overruled.

4 MR. FAIN: Well, I don't think there was a  
5 question before the witness, was there?

6 MR. ENGLAND: No, I tried to time it so you  
7 were at a break.

8 BY MR. FAIN:

9 Q But, as I understand what is going on here in  
10 this colloquy, they have asserted that they're going to make  
11 certain objections, and in essence, the Presiding Officer has  
12 overruled that to the extent that he will hear testimony in  
13 regard to the burglar alarm and the answering part of the  
14 business. That's where we are.

15 MR. BROWNLEE: Is that a correct interpretation  
16 of your ruling?

17 EXAMINER PARKER: You said that this was  
18 irrelevant. I'm not sure it's totally irrelevant. I overruled  
19 it on that basis.

20 MR. BROWNLEE: Thank you.

21 BY MR. FAIN:

22 Q I hand you what has been marked Applicant's  
23 Exhibit 2, and I will ask you to describe what that is?

24 A It's the income statement for Control Center,  
25 Inc., for the period of 10/1/77 through 9/30/78.

1 Q Now, does that have both a profit and loss  
2 statement and a balance sheet attached to it?

3 A Yes, sir. It does.

4 Q Did we have this brought right up-to-date so that  
5 the Commission will have the latest figures?

6 A Yes, sir.

7 Q So, actually, this should be substituted for  
8 any exhibit that was filed, I'm not sure it was, but if there  
9 was an earlier balance sheet, this should be substituted,  
10 should it not?

11 A Yes, sir.

12 Q All right. Now, does that show the total  
13 assets of Control Center, Inc.?

14 A Yes, sir.

15 Q Does it show the total liabilities?

16 A Yes, sir.

17 Q Does it also show the total sales for the  
18 business of Control Center, Inc. and the total expenses?

19 A Yes, sir.

20 Q Now, up to this point, you, not being regulated,  
21 you have kept the books of all three businesses; they've  
22 been thrown together,--

23 A Combined.

24 Q --have they not? There was no necessity up  
25 to now to keep them separately, was there?

1                   A     No, sir.

2                   Q     You've heard the objection that has been made.  
3     Would there have been any conceivable way at this time to  
4     have separated your financial statement amongst the three  
5     businesses?

6                   A     Not at this time.

7                   Q     Has it been explained to you that in the  
8     event you come under the Commission, that you will have to  
9     keep separate books on just the paging business?

10                  A     Yes, sir. It has been discussed in detail  
11     and can be done.

12                  Q     Have you also been told that this will be  
13     subject to close scrutiny and advice from the Staff of the  
14     Commission?

15                  A     Yes, sir.

16                  Q     Explain to the Examiner how you would go about  
17     setting up your books, so that at any time you could show  
18     the separateness of the three businesses.

19                  A     We would begin with legal advice, advice from  
20     the Public Service Commission, advice from the tax accountant  
21     and we would have to take each of our individual expenses,  
22     the monthly rent would have to be prorated for the amount  
23     that is used to house paging equipment and the paging service.  
24     The labor for each of our operators would have to be determined;  
25     the time spent on the paging service versus the time spent



1 on the answering service and the burglar alarms, and the same  
2 would have to be done with all the other expenses that are  
3 incurred in the business.

4 Q Are you prepared to set the books up in the  
5 way that the Staff would provide in that regard?

6 A Yes, sir.

7 Q And keep it according to the System of  
8 Accounts?

9 A Yes, sir.

10 Q Actually, this isn't anything unusual in the  
11 utility business, is it?

12 A It's my understanding that--

13 MR. ENGLAND: I object to that question. I  
14 don't think there is any foundation for the witness to answer  
15 that. He is unregulated. He is coming here to apply to be  
16 regulated. I don't see what basis he has to know what goes  
17 on in the utility business. He's just starting.

18 EXAMINER PARKER: Do you want to rephrase  
19 the question?

20 MR. FAIN: No, I don't. I think it's common  
21 knowledge that many utilities are involved in nonregulated  
22 business, and they set their books up in precisely the way  
23 he has described.

24 MR. BROWNLEE: You mean, with the regulated  
25 portion commingled with the unregulated portion? That's your

1 understanding of how utilities keep--

2 MR. FAIN: No, sir. I am talking about if he  
3 comes under the Commission. That's what he described.

4 EXAMINER PARKER: Objection overruled.

5 BY MR. FAIN:

6 Q Is it not true that this is nothing unusual,  
7 and many utilities who also have nonregulated business are  
8 doing precisely the thing that you have described?

9 MR. ENGLAND: Objection. Leading.

10 EXAMINER PARKER: Sustained.

11 BY MR. FAIN:

12 Q Well, I think the financial statement speaks  
13 for itself. Is there anything in particular that you would  
14 want to explain to the Commission about the financial state-  
15 ment?

16 A Well, the income statement has a net profit  
17 of \$24,000 for the past year through September 30 of 1978.  
18 There's a \$26,000 write-off for depreciation, a \$4,000 write-  
19 off for amortization and miscellaneous expenses in there.  
20 What do you have in mind?

21 Q I don't have anything else in mind. I'm sure  
22 that these gentlemen will, but let's just reserve that for  
23 the time when they might want to ask you about it. I thought  
24 there might be something that you would want to explain.

25 I hand you what has been marked as Exhibit 3,

1 and I will ask you to state to the Examiner what that is.

2 A It is our current FCC license for the paging  
3 for Mid-Missouri Emergency Association.

4 Q All right, sir. Was that the license that  
5 Mid-Missouri Emergency Association was operating on when you  
6 bought out the agency?

7 A Yes, sir, April 1, 1977.

8 Q Now, I will ask you to very briefly state to  
9 the Commission what Exhibit 4 is.

10 A It's a membership application. Anyone that  
11 desires a pager, comes into our office to pick it up, they  
12 complete the application. It is signed. It states that  
13 there is a \$20.00 per month membership fee, that all normal  
14 wear and tear on the pager will be taken care of by Mid-  
15 Missouri Emergency Association. If the pager is lost,  
16 destroyed in any manner, the member will pay for that repair.

17 Q All right, sir. I will hand you what has  
18 been marked as Exhibit 5. Just state very briefly to the  
19 Presiding Officer what that is.

20 A It is the agency, Mid-Missouri Emergency  
21 agency agreement with Answer Jefferson City for the dispatching.

22 Q This prescribes what cost to the members on  
23 paging?

24 A Yes, sir. The cost on the agency is the cost  
25 per member, described on the dispatching agreement, is \$25 per

1 month per pager. We have lowered that on most of our pagers  
2 to \$20.00 per month per pager.

3 Q Well, do I understand you to say that these  
4 people are getting this service cheaper now than they were  
5 in earlier years when Mr. Peters had this business?

6 A Yes, sir, according to the agency agreement.

7 Q What prompted you, if anything, to make  
8 inquiry about coming before the Commission? Just tell the  
9 Commission a little bit about the history of what has happened  
10 in this situation?

11 A When I bought the business on April 1 of 1977,  
12 I was told that as far as the paging service is concerned,  
13 everything was in proper order. There's your FCC license on  
14 the wall. You have no problems. It's set up, ready to go.  
15 We--I didn't go into it any further. I can see now I should  
16 have. We went on with our paging. Subscribers kept walking  
17 into the office. Pagers kept going out, and we were growing  
18 at a fair rate. In May of 1978, an attorney from the Public  
19 Service Commission walked into our office to determine whether  
20 or not the Public Service Commission did or did not regulate  
21 an association. After a few phone calls, I came up to the  
22 Public Service Commission, talked with the attorney, and  
23 sought legal advice as to the Mid-Missouri Emergency Association.  
24 It was then that I first became aware that we were limited to  
25 a growth of 150 pagers. This is really our big thing with

1 having a certificate and an FCC license is so we can grow  
2 above 150 pagers and continue, for our whole business to  
3 continue to grow.

4 Q In other words, you're saying that under that  
5 citizens'band license, they were limited to 150--

6 A Yes, sir.

7 Q --pagers; is that correct?

8 A Yes, sir.

9 Q Now, what does that do to your business  
10 potential?

11 A That's as far we can grow with paging. We're  
12 up to 145 pagers now, which is it. If the paging service  
13 cannot grow, the answering service doesn't grow.

14 Q All right. After you discussed this matter  
15 with the Staff of the Commission and the attorney, what did  
16 you do then, if anything?

17 A We went--first off, we went back through the  
18 Mid-Missouri Emergency Association to determine how it was  
19 set up, to determine everything was in order as it should have  
20 been, and found several areas that had not been kept up-to-  
21 date over the past year, year and half or whatever. These  
22 were brought up-to-date, to the best of my knowledge. It  
23 was determined at that time that in order for my business to  
24 continue to grow, the license would have to be changed to  
25 allow us to grow beyond 150 pagers. We determined that the

1 radio common carrier license was the thing to obtain in order  
2 for us to grow and be able to compete in Jefferson City.

3 Q Did you have anything to do with the setting  
4 up of the Mid-Missouri Emergency Association?

5 A No, sir, nothing whatsoever.

6 Q Was that set up by attorneys and a group of  
7 people here in Jefferson City and Columbia?

8 A It's my understanding that the Association was  
9 set up by Mayor Hyder, Mr. Bartlett and Mr. McHenry. Accord-  
10 ing to previous--according to forms that we have obtained,  
11 the Mid-Missouri Association--Mid-Missouri Emergency  
12 Association has a contract for dispatching with Answer  
13 Jeff City, very similar to the contract that Central Mobilphone  
14 had with Answer Jeff City prior to 1974. The contract is  
15 almost word for word.

16 Q Well, explain what you mean by that. That's  
17 one of the Protestants in this case, is it not?

18 A Yes, sir.

19 Q What was going on back in those days?

20 A Prior to 1974, Answer Jefferson City did the  
21 dispatching for the--the pager dispatching for Central  
22 Missouri Mobilphone. At that time, there were disagreements  
23 of some type or another, and the dispatching agreement was  
24 terminated. Then is when the Mid-Missouri Emergency  
25 Association was formed by local attorneys. A license was

1 granted by the FCC, and it came on down the road.

2 Q But, actually, Mr. Peters, as the agent,  
3 was acting for this Protestant in doing exactly the same  
4 business that you are doing; is that correct?

5 MR. BROWNLEE: Your Honor, before the witness  
6 has an opportunity to answer, there is one essential  
7 difference that I think Mr. Fain should be made aware of.

8 MR. FAIN: Wait a minute. You can point that  
9 out--

10 MR. BROWNLEE: He's making an untrue, leading,  
11 untrue question. Number one--

12 MR. FAIN: I object to that. He can put his  
13 case on. He can't put on evidence by these kind of statements.  
14 He can object to my question, but he should reserve any  
15 disposition of evidence until his witness is on the stand.  
16 I think it will shorten matters a great deal if we don't get  
17 into these colloquies on the evidence amongst the attorneys.  
18 I'm not doing that because of Mr. Brownlee--I don't want to  
19 keep him from doing that. I just think it would be a more  
20 orderly way and it would be more advantageous timewise if we  
21 follow the rules.

22 EXAMINER PARKER: Can you do something about  
23 it on the cross, what is bothering you?

24 MR. BROWNLEE: Yes.  
25



1 BY MR. FAIN:

2 Q You may answer. The question that I asked  
3 you pertained to how it was operated when the Protestant  
4 had hired Mr. Peters to do this. Can you explain how it was  
5 operated then?

6 A Prior to Mid-Missouri Emergency Association?

7 Q Yes.

8 A It's my understanding that Answer Jefferson  
9 City was the agent that did the dispatching for Central  
10 Missouri Mobilphone, using the same basic papers and contracts  
11 that we have for Mid-Missouri Emergency Association at this  
12 time.

13 Q That provided for a division of 50/50 of the  
14 charges that were made to the customer; right?

15 A Yes, sir. Answer Jefferson City received 50  
16 percent of the revenue and Central Missouri Mobilphone  
17 received 50 percent.

18 Q What happened to that when Mid-Missouri  
19 Emergency Association was created insofar as this Protestant  
20 is concerned? Did they lose that 50 percent of the business?

21 A Did Answer Jefferson City lose it?

22 Q No. Did the Protestant, Central Missouri?

23 A I'm really not certain what happened.

24 Q Well, I believe, you stated that the contract  
25 agreement was terminated?

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1                   A     Yes, sir.

2                   Q     That provided for a payment of 50 percent,  
3     did it not,--

4                   A     Yes, sir.

5                   Q     --to Central Mobilphone?

6                   A     Uh-huh.

7                   Q     So, essentially, then, Mid-Missouri Emergency  
8     came into the picture, did it not?

9                   MR. ENGLAND:  Objection.  Leading.

10                  EXAMINER PARKER:  Sustained.  The witness said  
11     he didn't know.

12                  MR. FAIN:  All right.

13     BY MR. FAIN:

14                  Q     Well, now, after these questions came up about  
15     just where you stood with the way the business was operating,  
16     what advice, if any, were you given?

17                  A     Well, as I stated previously, we went back  
18     through the paper work of the Mid-Missouri Emergency Association  
19     to determine how it was set up, that it was set up properly,  
20     and so on and so forth.  The advice we were given next was  
21     to come to the Public Service Commission for a certificate  
22     and to the FCC for an RCC license.

23                  Q     And that is why you are here; is that correct?

24                  A     Yes, sir.

25                  Q     Have you been advised that this entire area is

1 a gray area, where it's very difficult to determine just what  
2 the status of Mid-Missouri Emergency Association is?

3 MR. ENGLAND: Objection. Hearsay.

4 MR. BROWNLEE: That would be hearsay.

5 MR. ENGLAND: I think we're interested in  
6 what this witness knows, not what he has been advised.

7 MR. BROWNLEE: It's invading the province  
8 of the Commission in what might be a hazy area. I'm not  
9 sure even what that question means.

10 MR. FAIN: It's very hazy.

11 MR. BROWNLEE: That may be your legal opinion.

12 EXAMINER PARKER: I don't think it's worth  
13 anything, but I will let the witness answer.

14 WITNESS KRATTLI: Yes, it's my understanding  
15 there are gray areas in the Association.

16 BY MR. FAIN:

17 Q Okay. Now, tell the Commission, if you can,  
18 what you have learned about the potential of the business in  
19 this area?

20 A The paging--well, our burglar alarm service  
21 has grown 40 percent in the last year; the answering service,  
22 approximately, 40 percent; the paging service in the last 18  
23 months has grown 105 percent. The records of past Public  
24 Service hearings up here have indicated that the paging  
25 service nationwide--

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1 MR. BROWNLEE: I'm going to object to this,  
2 Your Honor. First of all, can I voir dire the witness a  
3 minute? May I leave, for purposes of making an objection?

4 MR. FAIN: Let's hear what the objection is.

5 EXAMINER PARKER: Let's go off the record.

6 (Discussion off the record.)

7 EXAMINER PARKER: Let's go back on the record.

8 MR. BROWNLEE: I'm going to object, Your Honor  
9 in that this witness is testifying as to certain things  
10 or proceedings that have gone on before this Commission  
11 in terms of apparently national statistics or needs for  
12 paging service. And I would like to voir dire the witness  
13 in terms of his personal knowledge as to what did go on  
14 before the Commission and whether, in fact, that evidence  
15 was admitted into the record, because I was present at those  
16 hearings.

17 EXAMINER PARKER: We'll be in recess for five  
18 minutes.

19 WHEREUPON, a recess was taken.  
20  
21  
22  
23  
24  
25

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1                   PURSUANT to the recess, the hearing of this  
2 case was resumed, and the following proceedings were had:

3                   EXAMINER PARKER: Let's go back on the record.

4                   You can do your voir dire, Mr. Brownlee, but  
5 I don't want cross-examination.

6                   MR. BROWNLEE: All right.

7 BY MR. BROWNLEE:

8                   Q     Mr. Krattli, you, I believe, were asked by  
9 Mr. Fain as to your knowledge of some previous hearings  
10 before this Commission, where I think he was leading to your  
11 knowledge of certain statistical information that was intro-  
12 duced at that hearing. Were you present at any of those  
13 hearings, Mr. Krattli?

14                  A     No, sir.

15                  Q     Do you know, in fact, whether those exhibits  
16 that I believe you probably have marked as Exhibits 6 and 7,  
17 whether they were in fact introduced at that hearing?

18                  A     No, sir. I was--

19                  Q     You don't know whether they were introduced.  
20 Then, you wouldn't know, would you, whether, in fact, they  
21 were accepted by the Commission?

22                  A     No, sir.

23                  Q     Did you have any personal knowledge as to the  
24 preparation of either Document 6 or 7?

25                  A     What is Document 6 and 7? No, sir.

1           Q     You didn't prepare any of the background  
2 statistics that had anything to do with either of these  
3 documents?

4           A     No, sir.

5           MR. BROWNLEE: Thank you. I have nothing  
6 further.

7           MR. FAIN: Is that it?

8           MR. BROWNLEE: For the present.

9           MR. FAIN: Okay.

10       BY MR. FAIN:

11           Q     We were talking about the growth of the paging  
12 business, Mr. Krattli. Tell the Presiding Officer whether  
13 or not, you being in this business, you have made it a point  
14 to look into that, into the growth of the business potential?

15           A     Naturally, I--

16           MR. ENGLAND: Excuse me. Objection. It's  
17 been asked and answered. I believe he gave testimony as to  
18 the growth in his own business.

19           MR. FAIN: I'm talking about now. I'm talking  
20 about on a larger scope than just right here.

21           EXAMINER PARKER: What was your question?

22           MR. FAIN: I asked him if he has studied that  
23 subject.

24           EXAMINER PARKER: And you objected?

25           MR. ENGLAND: I thought he was asking about

1 his own personal knowledge, which I think is correct, as to  
2 the growth in the paging service that he now offers; and he's  
3 already given the answer. I said it had been asked and  
4 answered. It's repetitious.

5 MR. FAIN: That was not the object of the  
6 question. I'm sorry if it came across that way. He's  
7 already testified to 105 percent growth.

8 EXAMINER PARKER: Ask the question again and  
9 see what happens.

10 BY MR. FAIN:

11 Q What I asked you was, being in this business,  
12 whether or not you have made it a point to study the trends  
13 and the potential in the paging business?

14 A Certainly. The paging business nationwide  
15 over the past--

16 MR. BROWNLEE: I'm going to object to this,  
17 Your Honor. This witness is in no way qualified to testify  
18 as to the growth of the paging business nationwide. That is  
19 an area of extreme expert knowledge based upon statistical  
20 studies and analysis. Now, I have no objection to him  
21 testifying to what it's grown here in Jefferson City to his  
22 personal knowledge, just as Mr. England made his statement to  
23 But, anything further, I'm going to object to as clearly  
24 being outside of the knowledge and expertise of this witness,  
25 as he presently has been qualified, and as he testified he's



1       been in the business 18 months in Jefferson City, Missouri.

2                   EXAMINER PARKER: Do you have any foundation,  
3       Mr. Fain?

4                   MR. FAIN: Of course. Any man who is in  
5       business today, Your Honor, and doesn't study the trends in  
6       his industry, whether he be in the legal profession, in the  
7       medical profession or in the paging business, won't last long  
8       in the business. For someone to come in here and say that  
9       one who is an Applicant and is in this business cannot give  
10      his ideas on the trends and what he has learned that is going  
11      on in the business, I just can't conceive of this objection  
12      having been made. But, it has been made, and I say that this  
13      man can clearly give his opinions based upon his study. Now,  
14      they can examine him on what he studied and so on. But, he  
15      is clearly in his right in giving his opinion.

16                  EXAMINER PARKER: The objection will be over-  
17      ruled, and you can test his knowledge on cross-examination.

18      BY MR. FAIN:

19                  Q       Okay. Now, he said that you could answer that  
20      question as to whether or not you have, in this business, made  
21      such a study and looked at the business potential.

22                  A       Naturally, since I own the business, it's a  
23      family-owned business, we're interested in it growing. It's  
24      something that you look into. Not only with the paging  
25      business, but the burglar alarms, the answering service and

1 so on. In the past five years the paging business, in  
2 particular, has mushroomed; it's just grown just like our  
3 business has in Jefferson City. And the forecasts that are  
4 in the trade magazines and so on forecast for it to continue  
5 to keep growing at a rate of 20-30 percent per year nationwide.

6 MR. ENGLAND: Now, I'm going to object to  
7 that answer as hearsay. He clearly qualified it as such by  
8 saying what a magazine told him.

9 MR. FAIN: Of course, an opinion is always  
10 hearsay, Your Honor.

11 EXAMINER PARKER: It will go to its weight.  
12 Overruled.

13 BY MR. FAIN:

14 Q You may go ahead. Maybe you have finished.

15 A I don't know how much I can say.

16 MR. BROWNLEE: Your Honor, I'm going to object  
17 to the narration here. If we could have a question--

18 EXAMINER PARKER: All right. Would you give  
19 your question.

20 BY MR. FAIN:

21 Q Let's get right down to specifics. Now,  
22 I hand you what has been marked Applicant's Exhibits  
23 6 and 7. Let's look at both of them so that maybe we  
24 can cut through some of this and save a little time.  
25 Just state--First of all, tell the Presiding Officer  
where you got them, and then state what they are.

1           A     This is the radio common carrier paging growth.  
2 from the years 1966 through 1975. In the year 1966 there  
3 were 11,000 paging units nationwide. In 1975 there were  
4 283,000 paging units.

5           MR. BROWNLEE: Your Honor, just again, and  
6 I think on my voir dire a minute ago, this witness testified  
7 he had no basis, no statistical analysis, he had prepared  
8 none of this that is background for these documents. He  
9 didn't answer Mr. Fain's question as to where he got them,  
10 and he has been reading off these documents into the record.  
11 Now, this is a statistical analysis that under the rule  
12 require showing a background of where the information was  
13 obtained, and the background to come up with the statistical  
14 conclusions.

15           MR. FAIN: Mr. Brownlee, first he has to  
16 explain what it is. That's what he is doing now.

17           MR. BROWNLEE: The documents speak for them-  
18 selves, what they are. They are two things to show the growth  
19 of paging, two studies from an unknown source with an unknown  
20 background.

21           MR. FAIN: Mr. Brownlee, do you want to become  
22 my witness? Let him answer for me, and then let your witnesses  
23 answer for you.

24           EXAMINER PARKER: I assume that was an  
25 objection.

1 MR. BROWNLEE: Yes, it is. I object to any  
2 further testimony until he explains what these are first,  
3 and then they can be offered into evidence.

4 EXAMINER PARKER: Would you explain what they  
5 are?

6 WITNESS KRATTLI: These are past history and  
7 forecasts of pager--the number of pagers nationwide. I  
8 obtained them from Mr. Fain. And it's my understanding that  
9 they come from records at the Public Service Commission.  
10 Now, whether or not they were submitted, I do not know.

11 MR. BROWNLEE: I will stand on my objection,  
12 Your Honor.

13 BY MR. FAIN:

14 Q In other words, this is merely--these are--  
15 these are graphs that were prepared and presented to the  
16 Public Service Commission, were they not?

17 A Yes, sir. These graphs--

18 EXAMINER PARKER: Wait a minute. We've  
19 already been through that one.

20 MR. FAIN: Well, strike it then, Your Honor.  
21 I will withdraw that question.

22 EXAMINER PARKER: All right.

23 BY MR. FAIN:

24 Q Now, tell me whether or not, in your opinion  
25 do you agree with the forecasts for the growth of your business?

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1           A     Yes, sir. The growth of our business in the  
2 past 18 months has gone far past the growth that they  
3 forecast on these charts and in the trade magazines.

4           Q     In other words, what you're saying-- and that's  
5 why these are tendered, Your Honor-- these were forecasts  
6 made, but the potential, the growth in your business has  
7 even been greater than that that was shown; isn't that true?

8           A     Certainly.

9           MR. FAIN: And that's the only reason they're  
10 being offered, Your Honor, and they are offered for that  
11 purpose.

12           EXAMINER PARKER: Mr. Krattli, where did these  
13 exhibits come from? I think you said--I don't remember your  
14 answer.

15           WITNESS KRATTLI: They were attached to cases  
16 before the Public Service Commission in the paging regulation  
17 cases last year.

18           MR. FAIN: Yes, Your Honor. I obtained those  
19 and--

20           EXAMINER PARKER: I didn't ask a question.  
21 I just wanted you to proceed.

22           MR. FAIN: I thought maybe you were wanting  
23 me to--I'm sorry.

24           MR. ENGLAND: I hate to interrupt, but, Mr.  
25 Fain, did you make an offer into evidence of these exhibits;

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1 or are you going to reserve that until the end of your direct  
2 testimony?

3 MR. FAIN: I think I will reserve it until  
4 that time.

5 But, I made it clear, and maybe so that there  
6 won't be any question, I'll do it right here at this point  
7 in the record, so when it's read, it can be understood. These  
8 exhibits, Your Honor, are not being offered for the purpose  
9 that maybe it might have sounded when I first started, that  
10 they're binding upon the Commission in some way. All that  
11 we're using these for is to show, according to his own  
12 records and his studies, that his--the growth in his business  
13 has far exceeded what the trends that were made in that--in  
14 those studies. That's all it's being offered for, and that's  
15 the purpose of them. That is both as to--those are marked,  
16 Your Honor, both as to our Exhibits 6 and 7.

17 BY MR. FAIN:

18 Q Now, I hand you what has been marked  
19 Applicant's Exhibit 8. Will you explain to the Commission  
20 what that is?

21 A This is a map of the Jefferson City area with  
22 a circle of our 15-mile paging radius. We don't--can I--

23 Q Sure. Go ahead.

24 A This entire thing here now, we bought the  
25 business, and we don't want to change our paging operation.



1 We don't want to change the method that we're using, our  
2 range, our tower, our antenna, nothing. We simply want the  
3 opportunity to grow with, for the paging service to grow  
4 along with the rest of our business. If the paging service  
5 is limited to the 150 pagers that it is now, the rest of our  
6 business can't grow. We don't want to go after our competitor's  
7 business. We simply wanted the opportunity to be in the  
8 market and be competitive and grow. And this map right here  
9 simply has a circle on it of a 15-mile radius of Jefferson  
10 City, which is what our current paging service covers.

11 Q Does that pretty well show the extent of your  
12 equipment to reach out now?

13 A Yes, sir.

14 Q So, actually, you would not want to try to  
15 service anything beyond what your equipment can sustain;  
16 isn't that true?

17 A Very true. Right now we have a range of 15  
18 miles of Jefferson City. There are times when you can obtain  
19 a page out some further if you're up on a hill, but we want to  
20 provide a local paging service for the Jefferson City area.

21 Q Now, is it your purpose, if this is granted,  
22 to seek any customers beyond this 15-mile limit?

23 A No, sir. Again, we want to provide a local  
24 paging service and answering service and burglar alarm  
25 service for the Jefferson City area.



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1                   Q     Is it your intention if this is granted, to  
2 attempt in any way to interfere or try to get customers in  
3 the Columbia area?

4                   A     No, sir. We own the business here in Jefferson  
5 City, and this is what we want to build and develop.

6                   Q     In fact, are you interested at all in the  
7 customers of any of these Protestants?

8                   A     No, sir.

9                   Q     Why are you not?

10                  A     We have enough people wanting our service.  
11 We do not solicit. We do not advertise. We have enough  
12 people just walking in the office wanting our service, because  
13 we provide a good service, a personal service. All we want  
14 to do is to continue to provide that service and grow.

15                  Q     Now, are these people walking in now served  
16 by these Protestants?

17                  A     No, sir. Occasionally, there's one of their  
18 subscribers that comes to us. Occasionally, we will lose a  
19 subscriber to one of our competitors, but that's business.

20                  Q     But, in the main, is this potential that you're  
21 talking about made up of these people's customers?

22                  A     No, sir.

23                  Q     Do you feel that based upon the studies that  
24 you've made that there's plenty of room for your radio common  
25 carrier along with these other gentlemen's businesses who are

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1 already operating in the area?

2 A Based upon our past experience, over the past  
3 18 months, the way the business has grown, there's plenty of  
4 room in Jefferson City for all of us. Now, something else I  
5 would like in here. If--There are only two of us in Jefferson  
6 City that have the paging service and answering service  
7 combination. There are several other--there's another paging  
8 service. There's another answering service alone, but the  
9 two belong together and work together. If we cannot obtain  
10 a license to increase our paging, we're held where we're  
11 currently at, and there is no competition in Jefferson City  
12 in the paging and answering service together.

13 Q Now, if you are denied this license, what will  
14 that do insofar as the burglar alarm business, which you're  
15 carrying on, if you can't continue in the paging business?

16 A It's a service organization. And there is  
17 no way that there's enough profit in the burglar alarm  
18 central station, in the answering service, or in the paging  
19 service for any one of them to operate independently. So,  
20 the burglar alarm service will definitely suffer if the  
21 answering service suffers and if the paging service is not  
22 allowed to grow. It's no different than our competitor who  
23 has the paging service and the answering service and the  
24 mobile phone service. We have the paging service, the answer-  
25 ing service, and the burglar alarm service. It works

1 extremely well. During the day, the public is up; the  
2 answering service is busy; the paging service is busy. The  
3 majority of the burglar alarms are turned off, because the  
4 people are in their businesses. There's very little activity.  
5 Every evening, the public goes to bed. The burglar alarms  
6 are turned on. The paging and the answering service slows  
7 down. And you can--

8 Q Go ahead.

9 A You can utilize your labor 24 hours a day.

10 Q Must you to operate any one of these businesses  
11 have employees on the job around the clock on a 24-hour basis?

12 A Certainly.

13 MR. ENGLAND: Objection. Leading.

14 EXAMINER PARKER: Sustained.

15 MR. FAIN: Was it sustained, Your Honor?

16 EXAMINER PARKER: Yes, sir.

17 BY MR. FAIN:

18 Q Just state to the Commission whether or not  
19 it's necessary to have employees on a 24-hour basis in any  
20 one of these three businesses?

21 MR. ENGLAND: Same objection, same question.

22 MR. FAIN: It's not leading, if I may observe,  
23 Your Honor. I just asked him to state whether or not. That  
24 is clearly--

25 EXAMINER PARKER: Let the witness answer.

1                   WITNESS KRATTLI: Well, I just stated, that  
2 with the answering service, the paging service and the burglar  
3 alarms, it's a 24-hour service. And, naturally, someone is  
4 required to be in the office 24 hours a day to operate the  
5 three services.

6 BY MR. FAIN:

7                   Q     What would happen to any one of these businesses  
8 if the revenue were cut out, but you had to keep people still  
9 on a 24-hour basis?

10                  A     You couldn't afford to do it. There's not  
11 enough profit in any one of them that you can afford to buy  
12 the labor, the rent, the utilities and so on, on a 24-hour  
13 basis on either one of the separate businesses.

14                  Q     Now, I would like for you to--

15                  MR. FAIN: And, Your Honor, I want to make a  
16 statement on this: In regard to the alarm business, it's  
17 not regulated. We don't propose to put in a list of the  
18 customers he serves for the very reason that this is of a  
19 confidential nature, and it is something that people who are  
20 always looking for potential victims, they are very much  
21 interested in who is served and who is not served by burglar  
22 alarms. So, we did not propose to put that list in. But,  
23 I do want to question him about the method of operation of  
24 that business, so that it will be completely understandable  
25 to the Commission.

1 MR. ENGLAND: May I make a relevancy objection  
2 before he begins?

3 EXAMINER PARKER: I would think it is pretty  
4 irrelevant, but I won't go so far as to say it's totally  
5 irrelevant. So, I will allow it, but I don't want to spend  
6 all day on it.

7 MR. FAIN: Just a very brief statement.

8 BY MR. FAIN:

9 Q Go ahead.

10 A Basically, the burglar alarms, again, the  
11 little microphones are located out in the customer's home,  
12 place of business or whatever. The sounds are picked up by the  
13 microphones, transported to our office over leased, burglar alarm  
14 loops, telephone lines; and our people in the burglar alarm  
15 central station, answering service, monitor the alarms.  
16 Any time there is an intrusion, an entry, any malfunction of  
17 the alarm or anything, the police are dispatched. But, it  
18 requires someone's full attention 24 hours a day, seven days  
19 a week.

20 Q Now, in running these businesses, how many  
21 telephone lines do you have coming into your place of business?

22 A There's currently 400 lines. We have another  
23 125 on order.

24 Q Can you tell the Commission about how much  
25 revenue you pay over--monthly to this Intervenor, Capital

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1 City Telephone Company?

2 A My monthly telephone bill is normally around  
3 \$400.00. Now, this does not include any of the burglar alarm  
4 loop line charges, which are paid by each one of our 184  
5 subscribers.

6 Q Considering that, what would the total be?

7 A The burglar alarm loops are charged by the  
8 quarter mile and vary anywhere from \$2.50 per subscriber up  
9 to \$30.00, \$35.00 and \$40.00 per subscriber. So, my estimate  
10 would be probably another \$300.00 to \$400.00.

11 Q Now, if you were not carrying on this burglar  
12 alarm business, would that revenue be forthcoming to Capital  
13 City Telephone Company?

14 A No, sir. It wouldn't. The entire thing would  
15 be discontinued.

16 Q Now, let me ask you this: At one time Capital  
17 City Telephone Company was in the answering business, wasn't  
18 it?

19 A Yes, sir. It's my understanding they were,  
20 and that business was purchased from Capital City Telephone  
21 Company by Capital Radar Security.

22 Q They sold it out to your predecessor that you  
23 bought it from; isn't that right?

24 A Yes, sir.

25 MR. FAIN: Your Honor, I will offer in evidence

1 Applicant's Exhibits 1 through 8. I think I made an offer  
2 on the affidavit.

3 MR. ENGLAND: Could I request that you reserve  
4 ruling on those exhibits until we have had an opportunity to  
5 cross-examine?

6 MR. FAIN: Sure. I'll agree to that, Your  
7 Honor.

8 EXAMINER PARKER: All right. Is that the end  
9 of your direct?

10 MR. FAIN: That's the end of the direct on this  
11 witness.

12 EXAMINER PARKER: Let's go off the record.

13 (Discussion off the record.)

14 EXAMINER PARKER: Let's go back on the record.  
15 Ask your questions.

16 MS. LASKA: Well, I thought he wanted to wait  
17 for all of the cross-examination until--

18 EXAMINER PARKER: No. You can go ahead. If  
19 they have no objection, you can go ahead.

20 MS. LASKA: Mine do have a good deal of  
21 explanation, so even though there are only two questions,--

22 EXAMINER PARKER: Do you want to wait until  
23 after lunch?

24 MS. LASKA: Yes.

25 EXAMINER PARKER: We'll be in recess until



1       one o'clock.

2                   WHEREUPON, the noon recess was taken.

3                   \_\_\_\_\_  
4                   PURSUANT to the noon recess, the hearing of  
5       this case was resumed, and the following proceedings were had:

6                   EXAMINER PARKER: Let's go back on the record.

7                   WITNESS DON KRATTLI RESUMED THE STAND

8       CROSS-EXAMINATION BY MS. LASKA:

9                   Q     Good afternoon, Mr. Krattli.

10                   I would like to ask you a couple of brief  
11       questions before I leave you to the zealous Intervenors.  
12       These two questions are for clarification, and anything you  
13       want to add to these questions, please feel free to do so.  
14       You mentioned that Answer Jefferson City is the agent for  
15       Mid-Missouri Emergency Services. Could you clarify this  
16       relationship; what do you mean when you say that?

17                   A.     It's my understanding, the way it was set up  
18       in 1974 by Mayor Hyder and Mr. Bartlett and Motorola Radio  
19       Corporation that Answer Jefferson City owns the paging  
20       equipment and does the dispatching of the paging for Mid-  
21       Missouri Emergency Association. Mid-Missouri Emergency  
22       Association is the license Association. The FCC license is  
23       issued to the Association. And the Association owns the  
24       paging radio. Does that--

25                   Q     Yes. Could you further answer the question,

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1 because of your purpose--well, first of all, do you use the  
2 same tower, then, for this service as for the other paging  
3 service?

4 A As our competitors?

5 Q No. For the Mid-Missouri Emergency Association,  
6 you work off the same tower for that service as well as for  
7 the other business in paging?

8 A There is only one paging business, Mid-Missouri  
9 Emergency Association.

10 MR. FAIN: Your Honor, for clarification I  
11 might state that, I realize this is a very technical subject,  
12 and the answering service and the burglar alarm service  
13 really doesn't use a radio frequency. So, that's just a  
14 telephone system. It's telephone lines.

15 MS. LASKA: That's the answer I was trying to  
16 get, I think. Would you like for him to say it?

17 EXAMINER PARKER: It would be nice.

18 BY MS. LASKA:

19 Q Would you please answer, then? I'm trying to  
20 show the difference between--

21 A Okay. The answering service is simply a  
22 telephone answering service using regular telephones. The  
23 paging service is the radio--or Mid-Missouri Emergency  
24 Association is the paging service that uses the radio tower  
25 and paging equipment.

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1           Q     Because of your purpose in this paging, as you  
2     stated before, to give personalized service and serving the  
3     public interest, will there be any problem with your  
4     dependency on the Mid-Missouri Emergency Services?

5           A     Yes, definitely, because we're limited. We  
6     can't grow any further than the current 150 pagers that we  
7     have, and, therefore, if you can't grow, your profit is kept  
8     down. You just can't come on up and continue to provide  
9     the service that the community needs or continue to make  
10    money. We're held--we're limited. And if the paging service  
11    is limited, the answering service is limited. Because the  
12    majority of your answering service subscribers have pagers to  
13    receive their messages that we have taken on the answering  
14    service.

15          Q     Perhaps I didn't formulate my question exactly  
16    right. What I'm trying to ascertain here is if there were a  
17    failure of the Mid-Missouri Emergency Services as a business,  
18    is that also going to affect your paging service? As you  
19    said before, if the burglar alarm system failed, then, the  
20    rest--I'm sorry, if your paging system failed, the other  
21    businesses might fail. Now, do you see what I'm trying to  
22    clarify?

23          A     I think. What I'm saying is that the three  
24    businesses, the paging service, the answering service and the  
25    burglar alarms are necessary in order for it to be profitable

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1 to operate a 24-hour central station. Is that--

2 Q But, are you dependent also on the  
3 organization of the Mid-Missouri Emergency Services continuing?

4 A Yes. Well, we're depending on the paging  
5 service continuing. This is why we are here today, to receive  
6 permission for a certificate for our radio common carrier  
7 license, which would continue our paging service; and Mid-  
8 Missouri Emergency would be disbanded.

9 MR. FAIN: If the Commission please, I think  
10 there is a basic mismeeting of the minds here, and I think  
11 it's probably my fault, Your Honor. This young lady, and I  
12 think it's a very intelligent question, is wondering about  
13 where Mid-Missouri Emergency Association will fit into this  
14 picture in the future; and Mr. Krattli is not grasping what  
15 she is asking at all. They're not together in what she's  
16 thinking. Now, evidently, we didn't make it clear that Mid-  
17 Missouri Emergency Association will have nothing to do with  
18 any of this if this license is granted. I don't know--  
19 evidently, I didn't make it clear in my direct presentation.

20 MS. LASKA: All right.

21 BY MS. LASKA:

22 Q What I was trying to find out is if their FCC  
23 approval was denied, would that affect your business adversely?

24 A (Witness nods head.)

25 Q He says, yes.

1 EXAMINER PARKER: Let the record reflect the  
2 witness nodded his head yes.

3 WITNESS KRATTLI: What did he say?

4 MS. LASKA: Let the record reflect that the  
5 witness nodded his head, yes.

6 Thank you.

7 EXAMINER PARKER: Have you gentlemen agreed on  
8 an order of cross-examination?

9 MR. BROWNLEE: Yes.

10 CROSS-EXAMINATION BY MR. BROWNLEE:

11 Q Mr. Krattli, what is the name of the Applicant  
12 in the hearing today for this certificate?

13 A Control Center, Incorporated.

14 Q That is a Missouri corporation, is it not?

15 A Yes, sir.

16 Q You were incorporated on March 15, 1977; is  
17 that not true?

18 A Yes, sir.

19 Q Now, Mr. Krattli, it's my understanding that  
20 the person providing or I should say the entity providing the  
21 service is Answer Jefferson City; is that not correct?

22 A Yes, sir.

23 Q What is the relationship of Answer Jefferson  
24 City to your Control Center, Inc.?

25 A Control Center, Inc. is the corporation,

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1 doing business as Sonitrol Jefferson City and Answer  
2 Jefferson City.

3 Q You have filed a fictitious name, have you  
4 not?

5 A Yes, sir.

6 Q Is that in evidence here at the Commission  
7 today?

8 A I don't know if it is or not.

9 Q All right. So, you're doing business, the  
10 paging business, as Answer Jeff City, are you not?

11 A Yes, sir.

12 Q And that's the fictitious name you're operating  
13 under?

14 A Yes, sir.

15 EXAMINER PARKER: Excuse me, Mr. Brownlee.  
16 You're rolling pretty quick for the Reporter, okay?

17 MR. BROWNLEE: Okay. Does that clarify some  
18 of the questions on the relationship between those organizations?

19 BY MR. BROWNLEE:

20 Q When was the fictitious name filed?

21 A April 1 or thereabouts when the business was  
22 begun, April 1 of 1977. I don't know the exact date.

23 Q All right. Now, are you asking, then, that  
24 the authority be granted to Answer Jeff City or Control  
25 Center, Inc.?

1           A     Control Center, Incorporated which is the  
2 corporation.

3           Q     Now, is Answer Jefferson City currently  
4 advertising or soliciting business at all for paging?

5           A     No, sir. The only advertising that we would  
6 -- and it's not advertising -- is Answer Jeff City, agent  
7 for Mid-Missouri Emergency Association, which I understand  
8 when the Association was set up in '74, this is the way it's  
9 supposed to be done. And about all we do with that is on  
10 our business cards and the labels on the pagers in case they  
11 are lost.

12          Q     So, Answer Jeff City is not advertising; is  
13 that correct, for paging service?

14          A     Yes.

15          Q     Where?

16          A     That is correct, they are not advertising.

17          Q     Mr. Krattli, I am going to hand you, and I  
18 will not mark this as an exhibit, a multi-page document  
19 called the phone book, which is the current telephone book  
20 for Jefferson City, Missouri.

21               MR. FAIN: We'll agree to that, and it won't  
22 have to be entered.

23               MR. BROWNLEE: Fine.

24 BY MR. BROWNLEE:

25          Q     If you will direct your attention to telephones,



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1 and it says, does it not, a large, quarter-page advertisement--  
2 Who is the person advertising here?

3 A Answer Jefferson City.

4 Q And that is your fictitious name; right?

5 A Yes, sir.

6 Q Now, is there any mention here of Mid-Missouri  
7 Emergency Association?

8 A No, sir.

9 Q And Mid-Missouri Emergency Association is the  
10 licensee; is it not?

11 A Yes, sir.

12 Q So, you have been providing paging service  
13 under your name when you didn't have a license; right? Isn't  
14 that what the advertisement shows?

15 A Yes.

16 Q Now,--

17 A May I make a comment?

18 Q Your attorney can help you with that.

19 MR. FAIN: Surely he can clarify any answer  
20 that he gives.

21 EXAMINER PARKER: You can take care of it on  
22 redirect.

23 BY MR. BROWNLEE:

24 Q Now, during Ms. Laska's questioning, you said  
25 that if this authority would be granted, Mid-Missouri

1 Emergency Association would be terminated; is that correct?

2 A Yes, sir.

3 Q So, you're speaking for Mid-Missouri  
4 Emergency Association, are you not?

5 A Yes, sir.

6 Q And you have testified that we are limited in  
7 terms of 150 pagers; are you not?

8 A (No response.)

9 Q So, you're here speaking for licensee, Mid-  
10 Missouri Emergency Association?

11 A In effect, yes.

12 Q We've had testimony regarding this new filing  
13 at the FCC, and I believe your application stated you made a  
14 concurrent filing. When was that done?

15 MR. FAIN: Pardon me, Your Honor. I don't  
16 believe I made that statement.

17 MR. BROWNLEE: It's in the application.

18 MR. FAIN: It's being worked on, but it hasn't  
19 been, as yet, filed. That work has not been completed, Mr.  
20 Brownlee, if that's what you're wondering about. We are  
21 working on it, but it hasn't been formally filed. If that's  
22 in there--

23 BY MR. BROWNLEE:

24 Q Then, it would not be correct, as your  
25 application stated, that Applicant is seeking authority from

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1 the Federal Communications Commission for radio common  
2 carrier authority?

3 MR. FAIN: Your Honor, I think that is a play  
4 on words. I want to make a statement, an admission here  
5 about the matter. We are working concurrently on this and  
6 the application for FCC. We are doing the work, as attorneys,  
7 for Control Center, Inc. It hasn't been filed yet, but we  
8 are working on it. It's a very voluminous application, and  
9 the work has simply not been completed. But, we have been  
10 hired and retained by our client to file before the FCC and  
11 the PSC. But, it hasn't been formally filed yet. We're  
12 working on it.

13 MR. BROWNLEE: I was mistaken.

14 BY MR. BROWNLEE:

15 Q Did you realize that the application said that  
16 it was being filed simultaneous with the one filed with the  
17 Missouri Commission?

18 A I didn't recall that it was stated that way,  
19 no, sir.

20 Q What license are you going to be filing for  
21 with the FCC, Mr. Krattli?

22 A Radio common carrier.

23 Q Under what part of the rules of the Federal  
24 Communications Commission?

25 A I don't know. I'm not qualified--

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1 MR. FAIN: I object to that. It calls for  
2 a legal conclusion.

3 EXAMINER PARKER: Overruled.

4 BY MR. BROWNLEE:

5 Q You say you're not familiar with the FCC  
6 rules, then?

7 A I have read the FCC rules and regulations.

8 Q All of them?

9 A Not the entire booklet, no, sir.

10 Q Which ones have you read that you would be  
11 interested in in terms of this application?

12 A The rules that Mr. Fain has given me to read  
13 and the rules that I studied before we began this, but I am  
14 not familiar with numbers or anything particular with it.  
15 That's why I've hired a legal counsel.

16 Q So, you don't know what frequency is available  
17 is that correct?

18 A In the 450 range.

19 Q So, that's the range you will be selecting,  
20 450?

21 A Yes, sir.

22 Q Are you familiar with the service capabilities  
23 of the 450 range?

24 A Yes, sir. They're basically the same that  
25 we now have in the 462 that we're on. All we're

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1 wanting to do is get out of the Class A frequency that we are  
2 now in.

3 Q That's Part 95, is it not?

4 A I believe so.

5 Q What frequency--what section do you want to  
6 go into?

7 A Again, I can't answer.

8 Q You want to become a radio common carrier  
9 just like Central Mobilphone; is that not correct?

10 A Yes, sir.

11 Q That's your desire,--

12 A Yes, sir.

13 Q --to change from the Part 95--

14 A Again--

15 Q --Class A citizens. That's the one you want  
16 to get out of?

17 A Okay. Right.

18 Q Do you know whether the change will require  
19 any additional equipment changes from what you have right  
20 now?

21 A Yes, sir. We will have to change the  
22 crystals in all of our pagers and in our radio to receive  
23 and transmit--

24 Q That's assuming the Federal Communication  
25 Commission finds the need and grants you the new frequency?

1           A     Yes, sir.

2           Q     I would like to direct, if I can, a couple of  
3 questions to some of the exhibits that you filed. Do you  
4 have those there, Mr. Krattli? It might be helpful, and--

5           A     No, sir.

6           Q     --I won't need to jump up.

7           MR. FAIN: I can feed them to him.

8 BY MR. BROWNLEE:

9           Q     Why don't we start with Exhibit 5. Would you,  
10 again, describe what this document purports to be, Mr.  
11 Krattli?

12          A     It's the agency agreement for dispatching  
13 for Answer Jeff City, being the agent for Mid-Missouri  
14 Emergency Association.

15          Q     Now, I will ask you, if you will point out to  
16 me where Answer Jefferson City appears on this document?

17          A     Capital Radar Security--

18          Q     Sir, the Applicant here today is not Capital  
19 Radar Security, are they?

20          A     No, sir.

21          Q     Where is your agency agreement for dispatching  
22 for your corporation which is Mid-Missouri Emergency  
23 Association?

24          A     It's my understanding, when I purchased the  
25 business in April, that all of this was transferable; and to

1 my knowledge, there is no agency agreement that I have signed  
2 as Control Center.

3 Q Nor that Mid-Missouri Emergency Association  
4 has signed; right?

5 A No, sir. As I understand it, this was all  
6 transferable. And, again, this is the reason we're here  
7 today, to correct--

8 Q You do not have, as your corporation, the  
9 Applicant today does not have an agency agreement for dis-  
10 patching with licensee, then, do you?

11 MR. FAIN: I object to that for the reason  
12 it calls for a legal conclusion, and the agreement speaks  
13 for itself in that regard, Your Honor. It is assignable,  
14 and it states right in it that it is assignable, both as  
15 to the responsibility and as to the advantages. And this  
16 man is an assignee. But, those are legal terms, and I don't  
17 think he should be asked about that, the legal terms. But,  
18 it states it right in the document.

19 MR. BROWNLEE: Your Honor, I asked him if he  
20 had an agreement, and, if so, is it going to be placed in  
21 evidence. That was my question.

22 EXAMINER PARKER: I will let the witness  
23 answer.

24 WITNESS KRATTLI: Not to my knowledge, I do  
25 not have.



1 BY MR. BROWNLEE:

2 Q Thank you.

3 Mr. Krattli, since you are speaking for Mid-  
4 Missouri Emergency Association, I assume you are familiar  
5 somewhat with the organization of that group, are you not?

6 A Somewhat, yes, not what I should be.

7 Q Mr. Krattli, I'm going to hand you what is  
8 the application made by Mid-Missouri Emergency Association  
9 with the Federal Communications Commission. Attached  
10 thereto is Exhibit A, which is made a part thereof, which is  
11 the agency agreement for dispatching. I would like for you  
12 to compare the two: Number one, the exhibits you've intro-  
13 duced today, and, number two, the one that was attached to  
14 the FCC application; and explain to me why they are different?

15 MR. FAIN: Now, Your Honor, evidently, there's  
16 going to be quite a bit of this sort of thing. I would like  
17 to make my objection now and state the reason for it, and  
18 then let it be a continuing objection to these matters, and  
19 if I may state them now.

20 EXAMINER PARKER: Very good.

21 MR. FAIN: Now, the Applicant is going to  
22 object to any of the questions pertaining to the granting of  
23 a license by the Federal Communications Commission for the  
24 reason that the Federal Communications Commission is the  
25 licensor and not the Public Service Commission. As to

1 whether or not the FCC operated within the ambit of its  
2 authority and within the ambits of its statutes and rules  
3 is not for this Commission to determine, in other words,  
4 insofar as the licensing. Now, we don't want to keep anything  
5 from these people, but they know all this, and this is just  
6 burdening the record. So, what we're saying is, that pertain-  
7 ing to the FCC licensing procedure, now, they can file a  
8 complaint against Mid-Missouri Emergency Association with  
9 the proper federal agency, but the federal agency, in making  
10 such a license under the citizens band range, has preempted  
11 the field; and this Commission has held in a very, very  
12 outstanding case, and it was sustained in the federal court,  
13 it went all the way up, that when the federal agency acts  
14 in a matter, then, it preempts the field. And that was so  
15 in the licensing of the nuclear power plant over here. This  
16 Commission took evidence on it notwithstanding the objections  
17 were made, and the court pointed out to them that there had  
18 been a preemption of the field. Now, if there is an absence,  
19 you might make some inquiries, but where the FCC, as a  
20 federal agency, has spoken, the court pointed out to the  
21 Commission that it has preempted the field, and the  
22 Commission has nothing to do with that. Now, the proper  
23 agency for the hearing of a complaint--and let's get right  
24 down to it, Your Honor, because this will save a lot of time.  
25 The proper agency to hear a complaint as to whether or not

1 Mid-Missouri Emergency Association was acting within its  
2 license and whether it was properly licensed is not this  
3 Commission. It is the Federal Communications Commission.  
4 And the door is open to that agency for them to file a  
5 complaint. This Commission has no authority to make a find-  
6 ing of fact or a conclusion in regard to that license insofar  
7 as what the FCC did. And if you do this, it's going to be  
8 wrong. Now, I don't say that maybe you're curious about it,  
9 but the whole point is that this is completely irrelevant  
10 when the federal agency has occupied the field. And, so,  
11 now we are going to get into the thing that, I know that these  
12 gentlemen have been thinking all along, they're going to  
13 muddy the waters a lot about that the Mid-Missouri Emergency  
14 Association should never have taken its business away from  
15 this Intervenor and should have been granted a license by the  
16 Federal Communications Commission. But, the fact is and the  
17 law is that the FCC did it, and it's its business, and we  
18 don't have any control over it. I'm talking about this state  
19 agency. And all of this that we're going to muddy up the  
20 waters is not going to help us one iota, because it's all  
21 going to be stricken from the record.

22 EXAMINER PARKER: So, the basis of your  
23 objection, in short, is that it's irrelevant?

24 MR. FAIN: No, sir. It's not. It might be  
25 irrelevant, but the fact is that it is not legally admissible

1     Something might be relevant, but it's not legally admissible,  
2     because the federal agency has occupied the field.

3                 EXAMINER PARKER: Any response?

4                 MR. BROWNLEE: First of all, the preemption  
5     doctrine is naturally an essential part of this, because of  
6     course we're relying upon a license that will be granted--or  
7     possibly granted, a frequency granted by the FCC. But, the  
8     balance of Applicant's case, as I've heard it so far, is that  
9     he has based his past history and operating his financial  
10    all on conceivably illegal or improper operations under  
11    the Part 95 of the Federal Communications Act, which  
12    is the area in which Mid-Missouri Emergency Association was  
13    licensed in the first place. If it is held that they have  
14    been operating improperly, which is in the jurisdiction of  
15    this Commission, it's nothing that is preempted by the FCC  
16    in that area, then, the area, the questions of FCC that we're  
17    probably going to get into here in terms of how they have  
18    been operating, are relevant and are germane to this proceed-  
19    ing. I would further point out that I asked him merely to  
20    comment why there was a difference in the two documents. That  
21    was my question if I am not mistaken.

22                EXAMINER PARKER: As the objections come up,  
23    I will address it. It's my initial reaction to overrule the  
24    objection. However, I have another alternative available to  
25    me. I will withhold ruling on the objection until the Report

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1 and Order on this evidence.

2 MR. BROWNLEE: Thank you.

3 BY MR. BROWNLEE:

4 Q Mr. Krattli, if I can, again, ask you, would  
5 you please point out to me why those two documents are  
6 different?

7 A There's considerable difference in the two  
8 documents all the way through.

9 Q I recognize that, sir. I asked you why the  
10 agency agreement that was attached to the application for  
11 license would be different than the one you have introduced  
12 here today?

13 A I don't know.

14 Q Okay. Thank you. Now,--

15 MR. FAIN: Your Honor, so there won't be any  
16 misunderstanding, mine is a continuing objection--

17 EXAMINER PARKER: Yes, sir. That is granted.

18 MR. FAIN: --to any of these matters pertain-  
19 ing to what the FCC did or did not do. The Mid-Missouri  
20 Emergency Association is not before this Commission in a  
21 complaint case at all. None has ever been filed. It could  
22 have been filed--one could have been filed before the  
23 Commission. It's never been filed, hasn't been filed before  
24 the FCC. Both doors are open if they want to hear a complaint  
25 case. But, I think it simply muddies the waters in an

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1 application case.

2 EXAMINER PARKER: The continuing objection is  
3 granted.

4 BY MR. BROWNLEE:

5 Q Mr. Krattli, you have Exhibit 5 before you,  
6 do you not, sir?

7 A Yes, sir.

8 Q If you will direct your attention to paragraph  
9 five, that deals with the billing and the financial arrange-  
10 ments between you and Mid-Missouri Association; is that  
11 correct?

12 A Yes, sir.

13 Q I should say between Capital Radar Security  
14 and Mid-Missouri Emergency Association; right?

15 A (Witness nods head.)

16 Q Now, that provides that licensee shall pay a  
17 minimum of \$2,000 per month; is that correct?

18 A Yes, sir.

19 Q And for each and every other pager above 80,  
20 licensee shall be billed \$25.00 per month; is that correct?

21 A Yes, sir.

22 Q Mr. Krattli, how are your bills handled? Who  
23 do you send your bills to? Mid-Missouri Emergency Association?

24 A As we stated before, when I purchased the  
25 business, April 1, I knew nothing about this. This came up

1 when the PSC attorney entered our office in May. And I went  
2 to Fain & Fain for this. Currently, our billing, paging and  
3 answering service billing is done on one statement.

4 Q To whom?

5 A To whom?

6 Q Who do you send your bill to?

7 A To our subscribers.

8 Q Individual members; right?

9 A Yes.

10 Q Individual members of the public that  
11 subscribe to you?

12 A Yes, sir.

13 Q So, you don't send a bill to the Mid-Missouri  
14 Emergency Association; correct?

15 A No, sir.

16 Q You do not send a bill to the licensee?

17 A No, sir.

18 Q Now, Mr. Krattli, in response to Mr. Fain's  
19 earlier questions regarding this agency agreement, I believe  
20 you stated on direct examination that this was, essentially,  
21 similar to that that Central Mobilphone, Inc., had with  
22 Answer Jefferson City; is that correct?

23 A Similar, yes, sir.

24 Q Now, at the time, I believe, I made an  
25 objection, and I would like to follow up a little bit on that



1 comment. There is some essential difference between Mid-  
2 Missouri Emergency Association and Central Mobilphone, Inc.;  
3 is there not, sir?

4 A Yes, sir.

5 Q One of those essential differences is that  
6 Mid-Missouri Emergency Association is licensed under a Class  
7 A license or Part 95; is it not?

8 A Yes, sir.

9 Q Is it not true that Central Mobilphone, Inc.,  
10 is licensed under Part 21 as a radio common carrier?

11 A Yes, sir.

12 Q Now, sir, are you familiar or aware as to  
13 whether a Part 95 or a Class A can provide service to the  
14 public in general?

15 A I am not familiar. I assume that we can,  
16 again, since it was set up by the attorneys in '74 and the  
17 license is on the wall.

18 Q So, you assume that they can provide it under  
19 the Part 95?

20 A (Witness nods head.)

21 Q Do you have any doubt that a Part 21, RCC  
22 license, can provide service to the public in general?

23 A No, sir.

24 Q You have no doubt about that, because that's  
25 the direction you're headed, is it not?

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1           A     Yes, sir.

2           Q     Now, Mr. Krattli, again, I am directing these  
3     questions to you as both Control Center, Inc., and as Mid-  
4     Missouri Emergency Association. I believe if you have  
5     Exhibit No. 4, I would like for you to get that before you.  
6     Do you have it, sir?

7           A     No, sir.

8                     (Discussion off the record.)

9     BY MR. BROWNLEE:

10           Q     Do you have Exhibit 4 before you, Mr. Krattli?

11           A     Yes, sir.

12           Q     Again, what is that, if you will, refresh my  
13     memory?

14           A     That's the membership agreement that each of  
15     our paging subscribers signs when a pager is taken out.

16           Q     All right. Is that an essential requirement  
17     if they become a member of Mid-Missouri Emergency Association?

18           A     Yes, sir, by signing this.

19           Q     You do that in every case; correct?

20           A     We--yes. There are times in the past that we  
21     cannot find some of the contracts that these people did or  
22     did not sign.

23           Q     Are these available to anyone that would want  
24     to come in? I mean, if I want to come in and get a pager from  
25     you, could I do that?

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1 A Yes.

2 Q As long as I pay your rate; right?

3 A Yes, within reason, yes. Basically, yes.

4 Q I mean, if you didn't have any personal  
5 dislike for me, I could come in and subscribe to your service?

6 A Yes.

7 Q Without revealing your customers' names, Mr.  
8 Krattli, why don't you tell me some of the types of businesses  
9 that your customers are involved in?

10 A Okay. We have a number of doctors, real estate  
11 people, plumbing people, air-conditioning people, right on  
12 down the line. There's people in all--

13 Q All walks of life; right?

14 A Business people.

15 Q They're normally connected with business  
16 functions; correct?

17 A Business and emergency. I believe, somewhere  
18 in this paper, the license allows us to operate for business,  
19 emergency and business, I think, is what it says.

20 Q But, there's no common business interest in  
21 terms of the members of this organization, is there?

22 A Not in the entire group of members. The  
23 doctors would have a common interest, the real estate people.

24 Q Let me ask you in that light--

25 MR. FAIN: Your Honor, I assume mine is a

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1 continuing objection in this regard,--

2 EXAMINER PARKER: Yes, it is.

3 MR. FAIN: --to the membership organization  
4 before the FCC?

5 EXAMINER PARKER: Yes, it is.

6 BY MR. BROWNLEE:

7 Q In that light, Mr. Krattli, and you've stated  
8 that your members all sign the document, do you have a bid  
9 or a pager rental on behalf of Answer Jefferson City with  
10 the State Office of Administration, State of Missouri?

11 A Yes, sir.

12 Q You're telling me that the State of Missouri,  
13 Office of Administration is a member of your organization?

14 A I'm told by the previous owners that they--  
15 someone with the State of Missouri did sign a membership  
16 agreement for those 19 pagers.

17 Q Do you have anybody, for example, in the City  
18 of Jefferson or Cole County? Is Cole County a member of your  
19 organization?

20 A The Cole County Health Department.

21 Q Cole County Health Department.

22 A It's a nurse for the Cole County Health  
23 Department.

24 Q But, Cole County is paying for it; correct?

25 A Yes.

1           Q     Who signed the invitation or your membership  
2 agreement for Cole County? Do you know that? Is that done  
3 by one of the County judges per chance?

4           A     It wasn't, I don't believe, it was a County  
5 judge. It is signed. It's down in our office. I didn't  
6 bring any of that information along. I didn't know it was  
7 coming up. But, there is one there and it is signed.

8           Q     In essence, the service is available to anyone  
9 right?

10          A     Basically, yes.

11               MR. FAIN: Pardon me. Your Honor, may I  
12 make an objection at this point? I object to any and all of  
13 these questions going into the internal affairs of Mid-  
14 Missouri Emergency Association and for this reason: That it  
15 is completely irrelevant in an application case. Now,  
16 except -- and I have told Mr. Krattli that -- the Commission  
17 will be interested in his qualifications. And insofar as  
18 the way he's conducting his business, there might be some  
19 remote tie-up there. But, the whole point is that if they  
20 wanted to bring Mid-Missouri Emergency Association before  
21 this Commission and determine whether or not it should have  
22 a license from you, well, then, they should file a complaint.  
23 Now, what we're going to do is attempt to try a complaint  
24 case in an application case. Mr. Krattli has already said,  
25 he knows nothing about how this was first set up. But, the

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1 whole point here is, that they did approach the Staff of  
2 this Commission. The Staff made a cursory investigation--

3 MS. LASKA: I'm going to object.

4 MR. BROWNLEE: I'm going to object to this  
5 too. This is so far outside of the record, it's just--

6 MR. FAIN: Strike that. I want this objection  
7 to be very clear to the Commission.

8 EXAMINER PARKER: Is the objection to the  
9 relevancy of his testimony?

10 MR. FAIN: If we're going to go into whether  
11 Mid-Missouri Emergency Association should be an Applicant  
12 before the Public Service Commission, I think it's completely  
13 irrelevant. Now, they can go into how this man--whether he's  
14 honest and whether he's crooked and that sort of thing if  
15 that's the purpose of it. But, just going on a fishing  
16 expedition to embarrass the members of the Association and  
17 all this kind of nonsense, it has no bearing on this question.

18 EXAMINER PARKER: I just assumed, and I will  
19 ask Mr. Brownlee, if the purpose of his questioning was to  
20 determine the Applicant's ability to comply with the rules  
21 and regulations of the Commission?

22 MR. BROWNLEE: It surely is, and it will be very  
23 similar, the same set of rules under which he has been operating.

24 MR. FAIN: But, Your Honor, you see, this  
25 Applicant is not Mid-Missouri Emergency Association. And

1 that is why it is not relevant in this case. This Applicant  
2 is Mr. Don Krattli, Control Center, Inc., and he can ask him  
3 about anything that he may have done. But, in going into  
4 all this about whether the members should have set up an  
5 association and all that, that's water over the dam and has  
6 absolutely nothing to do with this application.

7 EXAMINER PARKER: Any response?

8 MR. BROWNLEE: Yes, Your Honor, and Mr. England  
9 has something. As a matter of fact, I am not accusing Mr.  
10 Krattli personally of being dishonest, and I don't think I  
11 have conveyed that at all.

12 MR. FAIN: I think that would be a proper  
13 interpretation.

14 MR. BROWNLEE: I have pointed out through  
15 their whole advertisement in the local phone book that  
16 Answer Jeff City, which is his fictitious name, is holding  
17 themselves out to provide paging to the public in general,  
18 which is an illegal activity under the rules of this Commission.

19 MR. FAIN: Under the agency agreement, he has  
20 authority to do all those things.

21 EXAMINER PARKER: I'm going to let the line of  
22 questioning proceed. Objection overruled.

23 BY MR. BROWNLEE:

24 Q Now, Mr. Krattli, during your direct examination,  
25 you also, I believe, were asked to sponsor, and did so,



1 Exhibit Nos. 6 and 7. Do you have those, sir? Do you have  
2 those before you now?

3 A Yes, sir.

4 Q In regard to those exhibits, Mr. Krattli,  
5 you were asked a number of general questions as to studies  
6 you had made. Do you recall that line of questioning?

7 A Yes, sir.

8 Q Would you describe to me what type of studies  
9 you made?

10 A As I stated then, the studies, so to speak,  
11 are these forms and trade magazines and our experience with  
12 our paging growth here in Jefferson City.

13 Q So, you made no independent study?

14 A No, sir.

15 Q Directing your attention to Exhibit Nos. 6 and  
16 7, would you tell me who the authors of those exhibits are?

17 A No. 1 is--I can't read it--Radiotelephone Systems.  
18 It's "GROWTH IN RADIO COMMON CARRIER SUBSCRIBER UNITS."

19 Q That's who wrote the article or prepared the  
20 exhibit?

21 A Evidently.

22 Q Now, that really is what the exhibit describes,  
23 is it not?

24 A Yes.

25 Q But, the author is--you can't tell who wrote

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1 it from Exhibit No. 6, can you?

2 A No, sir.

3 Q And you have no personal knowledge, do you?

4 A No, sir.

5 Q Do you know who compiled the statistical  
6 background that that exhibit reflects?

7 A No, sir. It--

8 Q That will be fine. Do you know or not?

9 A No, sir.

10 MR. FAIN: Your Honor,--

11 BY MR. BROWNLEE:

12 Q Where did you get that exhibit, Mr. Krattli?

13 MR. FAIN: This is an administrative hearing,  
14 I would remind everyone. Now, he can't be put in the position  
15 of having to say yes or no. He can explain these answers.  
16 I think he ought to have an opportunity.

17 EXAMINER PARKER: You can certainly take care  
18 of that on redirect.

19 MR. FAIN: Well, not only is it on redirect,  
20 Your Honor, but on cross-examination. The Commission has  
21 long practiced that a man can say yes or no, and he can  
22 explain his answers.

23 EXAMINER PARKER: Explain your answer, Mr.  
24 Krattli.

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1 BY MR. BROWNLEE:

2 Q I invite you to explain. That was a question  
3 on who compiled the statistics, the names.

4 A Yes. These documents were attached to the  
5 intervention of the radio common carrier thing that was  
6 before the Public Service Commission last year.

7 Q Now, Mr. Krattli, I was present at the hearing  
8 and represented all except one of the radio common carriers  
9 at those proceedings. And, quite frankly, your memory is  
10 quite a bit different than mine.

11 A I wasn't--

12 Q Who told you they were attached?

13 A I wasn't present. When I received the  
14 documents, they were attached to the documents.

15 Q All right.

16 A And in the documents, it is stated, there was  
17 mention of this type of information attached to the rear of  
18 the document, and I don't remember the case or the names or  
19 anything of that nature.

20 Q So, you haven't searched the records?

21 A No, sir.

22 Q You don't know whether these were admitted or  
23 not. You don't know who wrote them, do you?

24 A No, sir.

25 Q You do not know who compiled them, do you?

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1 A No, sir.

2 Q Do you know when they were published?

3 A The dates they have on here? I don't--

4 Q So, they're not made by you, are they not?

5 A No, sir.

6 Q Nor were they made under your supervision?

7 A No, sir.

8 Q Have you made any independent forecast on your  
9 own in terms of paging growth? This is your own?

10 A On our own growth?

11 Q Right.

12 A In Jefferson City?

13 Q Right.

14 A As I stated before, in the past 18 months--is  
15 this what you're asking? We have grown 105 percent. I see  
16 no reason, with the inquiries that we have down here, why we  
17 can't continue to grow at the rate of 25, 30, 35 percent per  
18 year.

19 Q But that's--go ahead.

20 A And continue that growth. The paging inquiries  
21 that we are getting down there for the pagers are just out-  
22 standing.

23 Q People are just rolling in off the streets; is  
24 that what you're telling me?

25 A They're not just rolling in off the streets,

1 but we're having a lot of inquiries. We have not ordered or  
2 put out any more pagers since I became aware of this  
3 situation in June when the Public Service Commission attorney  
4 came to our office. We put out some pagers, but we've had  
5 some pagers come in. We've stayed at our 145 or 143 or what-  
6 ever. And we have had additional inquiries for pagers that  
7 we have turned down.

8 MR. FAIN: Your Honor, I note that the first  
9 of our public witnesses has appeared. I wonder, would this  
10 be an opportune point, Mr. Brownlee, for us to excuse Mr.  
11 Krattli and let these public witnesses be heard?

12 MR. BROWNLEE: Well, with respect to the  
13 public, I really feel I could limit my questions here in a  
14 very brief, quick way in terms of my examination. I think as  
15 long as we are trying to keep some continuity to the cross-  
16 examination, I would, with respect to the members of the  
17 public, would like to continue along.

18 EXAMINER PARKER: Would this just be a few  
19 more minutes?

20 MR. BROWNLEE: Yes, really.

21 MR. FAIN: Of course, we have Mr. England.  
22 Will he be willing to--

23 MR. ENGLAND: I would be willing to defer my  
24 cross-examination.

25 MR. FAIN: Thank you.

1 BY MR. BROWNLEE:

2 Q So, it's just your opinion that this growth  
3 is going to go on forever in Jefferson City?

4 A My opinion on our past experience from the  
5 past 18 months.

6 Q And that has gone from, how many was it when  
7 you took it over, Mr. Krattli?

8 A There were 71 units in service, I believe.

9 Q And now you have 100 and--

10 A One hundred forty-five, forty-six, in that  
11 neighborhood.

12 Q Do you have any concept of what would be a  
13 market saturation on paging?

14 A No. I really don't think that the market will  
15 ever be totally saturated on paging, because of the new  
16 developments in the paging units.

17 Q That's, again, your opinion, though, is it not,  
18 sir?

19 A From reading trade magazines and so on and  
20 so forth, yes. There's no research or--

21 Q You've made no personal studies in terms of  
22 Jefferson City, Missouri?

23 A No, sir.

24 Q Okay. If I could, Mr. Krattli, and, again,  
25 I realize Judge Fain has had a continuing objection in this

1 area, you testified on direct examination that there were  
2 areas in the Mid-Missouri Emergency Association that you  
3 didn't feel were up-to-date. Would you describe to me what  
4 you meant by that?

5 A Basically, the question similar to what you  
6 have been asking me--

7 Q You mean, that you may have been operating  
8 illegally?

9 A Not necessarily operating illegally, no.

10 MR. FAIN: Your Honor, I don't think that's  
11 proper.

12 MR. BROWNLEE: This is cross-examination.

13 WITNESS KRATTLI: I have been told that--

14 MR. FAIN: May I have that remark stricken  
15 from the record, please?

16 EXAMINER PARKER: Take that out.

17 MR. BROWNLEE: Let me rephrase it.

18 BY MR. BROWNLEE:

19 Q That you may have been operating contrary to  
20 FCC rule?

21 MR. FAIN: I object to that, Your Honor.

22 EXAMINER PARKER: Overruled.

23 WITNESS KRATTLI: That we may have not been  
24 operating as the Association was set up originally; in that  
25 there could be gray areas between what is determined business



1 and what is determined emergency, that type of arrangement.  
2 Now, I know that some of the book work had not been done as  
3 it should have been before I purchased the business up there  
4 and so on. And, again--

5 MR. FAIN: Go ahead.

6 WITNESS KRATTLI: --my basic reason for being  
7 up here is to bring it out in the open and, basically, I  
8 want to grow. I want the opportunity to grow. If the  
9 opportunity doesn't exist in Jefferson City, but I would like  
10 to try it, and we have grown. We're up as far as we can  
11 grow with the paging.

12 BY MR. BROWNLEE:

13 Q I think that's a commendable desire, and I  
14 know that's the American way. But, of course, if you would  
15 have been growing in an area where you were maybe operating  
16 contrary to certain license provisions, would that have any  
17 bearing on your thoughts of growth?

18 MR. FAIN: I object to that for the reason  
19 it's argumentative.

20 EXAMINER PARKER: Overruled.

21 MR. FAIN: It also poses a hypothetical  
22 that has not been put in evidence, Your Honor. Now, is he  
23 going to put such evidence in?

24 EXAMINER PARKER: Are you going to put such  
25 evidence in?

1 MR. BROWNLEE: It's based upon an assumption  
2 that is based some of the past testimony that the witness  
3 has testified to.

4 MR. FAIN: No, it is not.

5 EXAMINER PARKER: Are you going to put in any  
6 evidence to support this?

7 MR. BROWNLEE: Yes, sure, absolutely.

8 EXAMINER PARKER: Objection overruled.

9 MR. FAIN: I want the Reporter to note that  
10 this was subject to being stricken at the proper time if the  
11 hypothetical evidence, which he has assumed, is not put in  
12 evidence.

13 MR. ENGLAND: That's not the Examiner's  
14 order. He has not--

15 MR. FAIN: I just want a note made at this  
16 point in the record, so that we can find it easily.

17 MR. ENGLAND: Clarify for me what your ruling  
18 was. I don't believe you said anything would be stricken,  
19 and I don't think--

20 EXAMINER PARKER: Mr. Brownlee said he would  
21 introduce evidence to this effect at a future time, and as a  
22 professional attorney, I assume he will.

23 MR. ENGLAND: I mean, will this be stricken if  
24 something at a later date doesn't meet up--

25 MR. FAIN: That's the law, Your Honor. If he

1 doesn't prove up his hypothetical, all of this will be  
2 stricken.

3 MR. ENGLAND: I beg to differ, but I will let  
4 it go.

5 MR. BROWNLEE: I beg to differ, too, but I  
6 will--if Mr. Fain wants to have something in the record,  
7 that's fine.

8 May I continue?

9 EXAMINER PARKER: Yes.

10 BY MR. BROWNLEE:

11 Q Since you're speaking for Mid-Missouri  
12 Emergency Association, are you familiar with the permissible  
13 communication under a Part 95 license?

14 A I've read--

15 Q You've read it?

16 A I've read and--

17 Q Are you familiar that one of the permissible  
18 communications is for members if the licensee is an  
19 unincorporated association, provided the communications  
20 relate to the business of the association; are you familiar  
21 with that?

22 A Again, I've read it, but that's been the  
23 extent of it.

24 Q Are you familiar with one of the prohibited  
25 communications of a Part 95 license that says you are not

1 allowed to carry on communications for hire? Are you  
2 familiar with that under a Part 95 license?

3 A Again, same answer. I've read it, but we are  
4 not--

5 Q You're making money off this, are you not,  
6 sir?

7 A Answer Jefferson City is, yes.

8 Q Right. And that's the fictitious name under  
9 you?

10 A Uh-huh.

11 Q The licensee--

12 A It's my--the licensee is Mid-Missouri  
13 Emergency Association, and it's my understanding that the  
14 Association was formed as a nonprofit association.

15 Q Unincorporated association?

16 A Unincorporated and nonprofit association is  
17 my understanding as to how it was formed originally. And,  
18 again, since I purchased the business in '77, we went back,  
19 and I don't know how it was handled then. And I have gone--  
20 since June, I've sought legal advice, and we're attempting to  
21 correct any errors, omissions or whatever.

22 MR. BROWNLEE: Your Honor, at this time I am  
23 going to pass or tender this witness off the stand, so, I  
24 believe, we can have some public witnesses. But, at this  
25 time, I would like to renew my objection to Applicant's

1 Exhibits 6 and 7 on the basis that there is no proper  
2 foundation, and under the rules of evidence before this  
3 Commission, it is clearly inadmissible, as the compilation  
4 of figures, the survey was made obviously not under this  
5 man's supervision. He has no knowledge as to the compilation,  
6 figures, authors, how they were compiled; and on that basis  
7 I believe they are inadmissible.

8 EXAMINER PARKER: I will withhold ruling on  
9 that for awhile.

10 Thank you, Mr. Krattli.

11 (Witness excused.)

12 \_\_\_\_\_  
13 EXAMINER PARKER: Judge Fain, how many  
14 witnesses do we have here? Just one at this time?

15 MR. FAIN: May we go off the record for a  
16 minute?

17 EXAMINER PARKER: Let's go off the record.

18 WHEREUPON, a recess was taken.  
19 \_\_\_\_\_  
20  
21  
22  
23  
24  
25

1  
2 PURSUANT to the recess, the hearing of this  
3 case was resumed, and the following proceedings were had:

4 EXAMINER PARKER: Let's go back on the  
5 record.

6 MR. FAIN: Mr. Kaufman.

7 (The witness was duly sworn.)

8 MR. DUFFY: Let the record reflect the  
9 appearance of Gary W. Duffy, Assistant General Counsel,  
10 who will be representing the Staff in the further proceedings.

11 J A C K D. K A U F M A N, called as  
12 a witness in behalf of the APPLICANT,  
13 CONTROL CENTER, INC., being first duly  
14 sworn, testified as follows:

15 DIRECT EXAMINATION BY MR. FAIN:

16 Q Your name is Jack Kaufman?

17 A Yes, it is.

18 Q Where do you live?

19 A Out on Henwick Lane, less than 2 miles from  
20 the city limits.

21 Q All right, sir. How long have you lived  
22 here in Cole County?

23 A About 16-17 years.

24 Q All right, sir. What has been your  
25 business of recent years?

A Well drilling.

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1                   Q     Would you just give the Commission a  
2     thumbnail sketch of how your business operates, especially,  
3     pertaining to where your customers are located and how you  
4     get in contact with them and so on?

5                   A     All of my business is done by telephone.  
6     I have no office, no public place that people can come to  
7     my business. People call and want a well, or we're also  
8     in the pump business. People who need service work, people  
9     with turkey farms, motels, all types of businesses, all types  
10    of residences, it all comes by phone, 24-hour phone calls.  
11    At my residence, I have a 4-party telephone. I can't possibly  
12    run my business on a 4-party line. I've tried for over a  
13    year to get a private phone from the telephone company.  
14    It seems impossible to do.

15                         In return, when the people call me, it  
16    may take 2 to 4 to 5 calls or more before I can contact  
17    those people and make arrangements to go out and look at the  
18    property that they want the well drilled on. So, basically,  
19    all my business is done through communications.

20                   Q     All right, sir. So, then, tell them how  
21    the pager fits into that picture, and about your daily  
22    activities?

23                   A     I have a pager that I carry myself.  
24    My pump personnel have a pager. When I'm out--I can't possibly  
25    stay in an office all day, and since we have no office or



1 office personnel, we have no way, and even if we did, on a  
2 4-party line, our business would probably be reduced two-thirds  
3 of what it is now. And I've certainly tried to get the  
4 telephone company to give me--I've told them that I am  
5 running a business, and I operate that business from my  
6 home. I couldn't operate without a pager. I couldn't operate  
7 my business at its present amount that we do, I couldn't do  
8 it.

9 Q All right, sir. Now, do you have a crew  
10 that works in the field on repairs and the replacement of  
11 pumps--

12 A Yes, sir.

13 Q --in these emergency situations?

14 A Yes, I do.

15 Q Now, what happens to these residents and  
16 these businesses from the standpoint of health and their  
17 welfare if these pumps cannot be replaced, if they can't be  
18 put back in so they can have water?

19 A Well, water doesn't seem like an important  
20 factor when you are just sitting talking about it, but if  
21 your water is shut off in your home for 45 minutes in the  
22 morning, you're trying to shave, brush your teeth, make  
23 your coffee, I'm very impatient. Since your bathroom facilities  
24 and everything is hooked up on water, it is a damned important  
25 item.

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1 MR. ENGLAND: Excuse me a second.

2 This has nothing to do with the hearing, but we have a  
3 stenograph machine that is running away.

4 EXAMINER PARKER: Off the record.

5 Back on the record.

6 BY MR. FAIN:

7 Q All right, sir. Now, do you use any of the  
8 other facilities of Mr. Krattli's business down there?

9 A Yes, I do.

10 Q Would you just tell the Commission how that  
11 works out?

12 MR. ENGLAND: Could I make an objection as  
13 to the relevancy at this time as to the other operations of  
14 Mr. Krattli, the answering service and the alarm service  
15 and whatever. I think we are only here to talk about the  
16 paging service.

17 EXAMINER PARKER: Overruled.

18 BY MR. FAIN:

19 Q Go ahead. That means you can go ahead.

20 A It really does pertain to pagers. I pick  
21 up my calls at least once or twice a day. When I went--

22 Since I have more than one pager, I try  
23 to make a point of, since some of my men work around heavy  
24 machinery, with loud motors, they have been known to miss  
25 as many as 5 calls a day. If they're on a backhoe or a

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1       trencher with that engine running, they can't possibly hear  
2       that pager beeping. So, I try to pick up my--they put a  
3       slip on each call. I go through the slips and usually every  
4       evening I will go over these with the men to make certain  
5       that they got every call, including myself, so that if we  
6       didn't make that call, that I can make it that evening or  
7       whenever I can contact these people. So, I do a lot of that  
8       at a desk, which is there in the office of the answering  
9       service and a phone which is there. I do a lot of my calling,  
10      you know, to people that I haven't been able to do throughout  
11      the rest of the day.

12                   Q       Now, are those facilities there in that  
13      office made available to all the members, Mr. Kaufman?

14                   A       Yes, it is.

15                   Q       Now, do you have any comments that might  
16      be helpful to the Commission as to whether or not you are  
17      satisfied with the services you are now obtaining from a  
18      technical point of view?

19                   A       I'm very much satisfied. Before I took  
20      this that I have with the answering service, I approached the  
21      telephone company, and I had--my business phone is 635-4444.  
22      At one time, I had this phone. I talked to the telephone  
23      company about some type of communications system that I could  
24      operate my business through. I went into quite a bit of  
25      detail with them. I even went to the office. As I could

1 see it then and as I see it more so now, there's no way that  
2 they could give me the type of service that I get there.

3 Q When you say "there," where do you mean  
4 "there"? At the telephone office?

5 A No. At the answering service that I now  
6 have, the pager and what I have. For one thing, they separate  
7 the calls. If a telephone call comes in, they take the time  
8 to decide whether the person wants a new well, which usually  
9 goes to me. If it's a pump problem, I may never hear about  
10 it. It goes out on the pump people's pager. I just--I don't  
11 think that the service could be replaced, basically, not by  
12 someone who is handling, you know--I've checked into  
13 several and I'm well-satisfied with the service that I get.

14 Q Mr. Kaufman, you understand that  
15 Mr. Krattli's corporation, Control Center, Inc., and this  
16 may be cleared up a little bit by some research that  
17 Mr. Brownlee can put in; it's probably the same as Answer  
18 Jeff City. But, at this stage, you think in terms of Krattli,  
19 Control Center, Inc. and Answer Jefferson City as Mr. Krattli,  
20 don't you?

21 MR. BROWNLEE: I'm going to object to the  
22 question as being leading. That can be asked as a question.

23 EXAMINER PARKER: Sustained.

24 BY MR. FAIN:

25 Q Do you deal directly with Mr. Krattli?

A Yes, I do.

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1 MR. BROWNLEE: That objection was sustained,  
2 was it not?

3 EXAMINER PARKER: Yes. Sustained.

4 MR. BROWNLEE: Okay. Thank you.

5 MR. FAIN: But, not as to the last one.

6 EXAMINER PARKER: To the leading question,  
7 that was sustained.

8 MR. FAIN: No. I asked him if he was  
9 dealing directly with Mr. Krattli, and he said, "Yes."

10 EXAMINER PARKER: That's fine.

11 MR. FAIN: Okay.

12 BY MR. FAIN:

13 Q Have you talked with Mr. Krattli about this  
14 application, why he's here before the PSC?

15 A Only shortly. I'm really not knowledgeable  
16 about it. I really don't know Mr. Krattli, only through  
17 my business associations with him. I don't know whether  
18 he's married, where he lives. I never met him before I  
19 went there to apply. I'm not concerned really. I'm concerned  
20 with the service that I get there and what it does for my  
21 business. And I think they will tell you that I've talked  
22 to other business people who have a need for this service,  
23 and I have directed them there because of the service that  
24 I get and--

25 Q All right, sir.

1                   A        -- how it helped my business. It has made  
2 my business grow, triple or more.

3                   Q        In the event that this Commission allows  
4 Mr. Krattli's business to go forward as a radio common carrier,  
5 is it your intention to continue the service, the paging  
6 service and the answering service just as you have been using  
7 it in the past?

8                   A        To continue the same?

9                   Q        Yes, sir. In other words, will you be  
10 using, or are you in need of his services in the future if  
11 this Commission puts him under as a radio common carrier?

12                  A        Absolutely.

13                  Q        Now, I don't know how knowledgeable you are  
14 about this, but did you sign a membership, or are you a member  
15 of this Mid-Missouri Emergency Association?

16                  A        Yes, I am.

17                  Q        If Mr. Krattli is allowed to conduct the  
18 business under a license from the PSC, and the FCC, do you  
19 fellows intend to continue that membership organization in  
20 the future?

21                  A        I really don't know. I can't answer that.  
22 I am sorry.

23                           MR. FAIN: Okay. Now, I think that  
24 Mr. Kaufman--let's go off the record a minute.

25                           EXAMINER PARKER: Let's go off the record.

(Discussion off the record.)

EXAMINER PARKER: Back on the record.

MR. FAIN: I will tender him for cross-examination.

MR. DUFFY: No questions.

CROSS-EXAMINATION BY MR. BROWNLEE:

Q Mr. Kaufman, do you have a date when the service was initiated by Mr. Krattli's business organization?

A You mean, when they started?

Q Yes--no. Do you have a date when your service was initiated with them?

A Well, not really. I would say approximately 2 years ago.

Q 1976? Would that be the year?

A Possibly. I would say approximately 2 years ago. I'm sorry, I can't give you an exact date.

Q How did you find out about that business?

A Well, I, at first, had taken the answering service, because at that time I was a small company. In fact, I only employed one other person. It was during the years of the recession of '74 and '75. And I was in considerable debt. I had to go out and run the machinery by myself. So, I needed some way, since I wasn't married, and I had no one to take the calls during the day, and as I have mentioned, the phone is the only way I have of doing business. So,



1 I had to have some way of someone to take those calls during  
2 the day so that I could come in at night and call those  
3 people who had called during the day. And that's the way  
4 I operated through 2 years. I had the answering service  
5 before I had the pager.

6 Q You described now the use of the answering  
7 service to you. I asked you, when was your paging service,  
8 sir? If you can direct your attention--

9 A Two years ago.

10 Q And the paging service was what, an adjunct  
11 of your association with the answering service; right?

12 A Yes.

13 Q Did they actively solicit you to provide  
14 this pager to you?

15 A No. I don't recall that they did. I  
16 saw some of the insurance people that have those, and I  
17 think I casually mentioned it to Don one day: Do you have  
18 this type of service, or where can I get it? I felt that  
19 this would be good in my business. And he said: Yes, we  
20 can provide it for you.

21 Q You know Don, don't you? You're on a  
22 first-name basis?

23 A Yes. Only that, though.

24 Q You were not solicited to take this service?

25 A No, I wasn't.

1 Q You just found out about it through your  
2 relationship with the answering service?

3 A Yes.

4 Q Have you talked with any other people in  
5 Jefferson City as to whether anyone else provides this service?

6 A Yes, I have.

7 Q Who have you talked to?

8 A Well, I had talked to the telephone company,  
9 like I mentioned,--

10 Q Right.

11 A --before, and I tried to explain to them.  
12 Each person I think in their own business has to try to  
13 solve the problems of that business. But, no other answering  
14 services or anyone.

15 Q We're here today, not on answering services,  
16 Mr. Kaufman; this is paging alone. Are you aware of that  
17 or not?

18 A Yes, sir.

19 Q And you realize that even if this paging  
20 certificate would not be granted, Mr. Krattli could operate  
21 his answering service just like he wants to; do you understand  
22 that?

23 A Yes.

24 Q You're here now just for paging today;  
25 right?

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1 A Yes.

2 Q Have you talked to any other paging  
3 companies here in Jefferson City?

4 A No, I haven't.

5 Q You don't know what other service is  
6 available?

7 A Not really.

8 Q Now, you are a member of the organization,  
9 are you not?

10 A Yes, I am.

11 Q What is the name of that organization?

12 A Mid-Missouri Emergency Association.

13 Q When was it formulated?

14 A I really don't know.

15 Q Well, have you ever seen the license that  
16 they're operating under?

17 A No, I haven't.

18 Q Are you familiar with the license that they  
19 are operating under?

20 A No, I am not.

21 Q Are you familiar with the license that they're  
22 operating under?

23 A No, I am not.

24 Q Do you know what part of the FCC regulations  
25 they're operating under?

1 A No, I don't.

2 Q Where is your office, the Mid-Missouri  
3 Emergency Association Office, Mr. Kaufman?

4 A I assume it's on Capitol, 209 or whatever  
5 it is, Capitol.

6 Q Why do you assume that?

7 A Well, that's where my--I pick up my calls.

8 Q Okay. Is that the office, where Mr. Krattli  
9 has the answering service?

10 A Yes, it is.

11 Q Where are the books kept, do you know, of the  
12 organization?

13 A No, I don't. I have no--I have nothing  
14 to do with the business.

15 Q I guess you don't know who the president  
16 or directors are?

17 A No.

18 Q You don't know who the treasurer is that  
19 writes the checks?

20 A No. I've been notified of meetings, but  
21 I belong to many associations, and I don't have time to  
22 attend any.

23 Q Have you examined Exhibit No. 4, Mr. Kaufman?  
24 I'll try to get you, or Gary will give you a copy. Sir,  
25 I am handing you a two-page document, which has been marked

1 as Applicant's Exhibit No. 4, and ask if you can identify  
2 that?

3 A Well, this may be what I--I know I signed  
4 two pieces of paper when I became a member, and this probably  
5 is it. I couldn't tell you for certain that it is  
6 since it's been over 2 years ago, possible.

7 Q Do you know the business interests of any  
8 other members of the association?

9 A Yes, I do.

10 Q What would be some of those businesses,  
11 Mr. Kaufman?

12 A Well, there's one person associated with  
13 the bank, who I think I referred there; that he possibly  
14 needed a pager. But, no, I'm not really familiar with too  
15 many people.

16 Q So, you don't really know, not only what the  
17 other members businesses are, what is the business of the  
18 association, Mr. Kaufman?

19 A Well, I really don't know, except to the  
20 extent of what services are provided to me. I don't know that.

21 Q You went to them just as a member of the  
22 Public, did you not?

23 A Yes, I did.

24 Q Who sends you the bill for the service,  
25 the paging service?

1                   A     Answer Jeff City.

2                   Q     Answer Jeff City? Where does that bill  
3 come from?

4                   A     I really don't know since the bookkeeper  
5 takes care of it. I usually get it out of the post office,  
6 but, I'm sorry, I don't write the checks.

7                   Q     Who do you consider that is providing the  
8 paging service to you?

9                   A     Well, I consider it's--I consider it's Don  
10 or the company, or corporation or whatever it is. I don't  
11 know.

12                  Q     Answer Jefferson City probably?

13                  A     Yes.

14                  Q     I believe, you haven't really checked out  
15 who else could possibly provide the service in Jefferson  
16 City, except for the telephone company?

17                  A     That's right.

18                         MR. BROWNLEE: Thank you so much. I  
19 appreciate it.

20                         WITNESS KAUFMAN: You are welcome.

21                         MR. FAIN: Just a minute, Mr. Kaufman.  
22 Mr. England may have some.

23                         MR. ENGLAND: Yes. I do. It's not very  
24 much, Mr. Kaufman.  
25

1 CROSS-EXAMINATION BY MR. ENGLAND:

2 Q I represent the telephone company in this  
3 proceeding, and you mentioned that you had discussions with  
4 them?

5 A Yes, I have.

6 Q Was that concerning the availability of an  
7 answering service or of a paging service?

8 A It was a discussion of the availability of  
9 some type, and since I'm not in--I wasn't at that time in the  
10 telephone business or communications, which I am not now,  
11 my main interest was my business, the growth of my business,  
12 serving the customers. And, like you say, the good old  
13 American way of increasing your business and growing, which  
14 I have done. I explained to them, and I went to the main  
15 office to do it, of what my problem was and what I needed.  
16 And I couldn't--at the time I couldn't afford it. There was  
17 just no way.

18 Q Let me ask you this, Mr. Kaufman: Do you  
19 know when, approximately, the time frame was that you  
20 approached the telephone company with this request?

21 A Possibly three years ago.

22 Q This was before you were provided with  
23 paging service; is that correct?

24 A Yes, it was.

25 Q You have not received paging service from



1 anyone else other than the Applicant, Control Center,  
2 or Answer Jefferson City, have you?

3 A No, I haven't.

4 Q Mr. Kaufman, I have an affidavit that I  
5 believe you signed, and I would like to show it to you.  
6 It's been marked for purposes of identification as Applicant's  
7 Exhibit No. 10. Would you take a moment to look at that.  
8 I believe your signature appears on the second page?

9 A Yes.

10 Q Let me refer you to the second paragraph,  
11 the second sentence. That sentence, if you read along with  
12 me, says: "We have been subscribing to the service  
13 on a membership basis through Mid-Missouri Emergency Association;  
14 but we feel it would operate much more smoothly as a single  
15 business entity because none of us have the time or interest  
16 to keep a membership organization going." Is that correct?

17 A That's very much correct.

18 Q Did you draft that affidavit?

19 A I certainly did not.

20 Q But, you read it before you signed it?

21 A Probably not. I, probably, was--I doubt  
22 very much if I--I was told probably the reason, and I may  
23 have looked at it a little bit, but I doubt if I read it  
24 word for word.

25 Q Let me ask you this: You make the statement--

1 or the affidavit rather makes the statement, "...because  
2 none of us have the time or interest to keep a membership  
3 organization going." Would you describe for the record,  
4 please, the time and interest that you have donated or  
5 contributed to keeping this membership organization going?

6 A Like I mentioned before, I haven't. I  
7 have received notice of meetings. I--We don't have time  
8 to even take care of our personal affairs when you run a  
9 business.

10 MR. ENGLAND: That's it for me. Thank you.

11 EXAMINER PARKER: Anything further of this  
12 witness?

13 REDIRECT EXAMINATION BY MR. FAIN:

14 Q I just want to ask you this: You signed  
15 the affidavit up in my office, didn't you, Mr. Kaufman?

16 A Yes, I did.

17 Q We discussed it at that time, didn't we?

18 A Yes.

19 Q Sure we did. Did I tell you that it might  
20 be possible to avoid all this trouble of people coming down  
21 here if we could get these affidavits in; is that right?

22 A Yes, it is.

23 MR. FAIN: Okay.

24 EXAMINER PARKER: Thank you very much,  
25 Mr. Kaufman. The Commission appreciates your time to come

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1 up here and testify before them.

2 (Witness excused.)

3 MR. FAIN: Mr. Musser.

4 E D M U S S E R, called as a witness

5 in behalf of the APPLICANT, being first  
6 duly sworn, testified as follows:

7 DIRECT EXAMINATION BY MR. FAIN:

8 Q Your name is Mr. Musser?

9 A Yes.

10 Q You have a paging device operated out of  
11 Mr. Krattli's place of business, do you not?

12 A That's correct.

13 Q Now, in an effort to conserve time, I  
14 want to ask you to agree to what Mr. Kaufman said about,  
15 not his personal business, but in regard to those other  
16 matters, other than his own personal business; are you  
17 fairly well in agreement with what Mr. Kaufman stated here  
18 in answer to the questions?

19 A Yes.

20 Q Okay. Now, just tell the Commission whether  
21 or not you use this pager and how you use it?

22 A I am employed as the microwave engineer  
23 for Cable T.V. in Jefferson City. My job responsibilities  
24 are I maintain 7 microwave tower sites throughout Central  
25 Missouri: One being in Moberly, Slater, Fayette, Columbia,

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1 Fulton, and Montgomery County east of Fulton, as well as  
2 here in Jefferson City.

3 MR. BROWNLEE: Excuse me. Could you repeat  
4 those a little slower?

5 WITNESS MUSSER: Surely. I have a microwave  
6 sites in Moberly, one in Slater, one in Fayette, Columbia,  
7 one in Fulton, one in Montgomery County, as well as one  
8 here in Jefferson City. I, also, maintain two satellite  
9 earth stations; one in Moberly and one in Columbia. I am  
10 on 24-hour call. We provide St. Louis and Kansas City  
11 television signals to three cable systems: Moberly,  
12 Columbia and Jefferson City as well as the satellite stations  
13 via the earth stations. I am on call 24-hours a day, 7  
14 days a week, and I use the pager. It allows me to get  
15 away from the telephone in the evenings, on the weekends,  
16 and to have some time off. If I didn't have the paging  
17 service, I would have to have access to a telephone where  
18 I could call in every hour or every two hours.

19 BY MR. FAIN:

20 Q Now, you don't mean to imply that these  
21 stations have anything to do with receiving messages, but  
22 you have to be on call to make repairs when these go down;  
23 isn't that--

24 A That's correct, yes.

25 Q So, calls are made into your office that

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1 might be from any of these towns around, but the point is  
2 that they've got to get you fast, because you are the man  
3 that has to go take care of them?

4 A That's right. If there's a channel down  
5 or if there's an outage, I have to go to the site where the  
6 problem is and take corrective action.

7 Q All right, sir. Now, how would you handle  
8 it if you were not--if you didn't have this paging service,  
9 how would you keep in touch?

10 A I would have to, periodically, find a  
11 telephone and call in, and which it would be a hardship for  
12 me. I do a lot of camping, hunting, and fishing, and it's  
13 kind of hard when you're out in a boat to find a telephone  
14 and call in. With a pager, I can stay in touch with what's  
15 going on in the system.

16 Q All right, sir. Now, tell me whether or  
17 not the service that has been provided has been satisfactory?

18 A Yes, they have been satisfactory.

19 Q In the event that the Commission sees fit  
20 to grant this license and the FCC grants an RCC license  
21 so that Mr. Krattli can operate just like anyone else in this  
22 business, it is your intention to continue to use those  
23 services?

24 A Yes, it is.

25 Q Mr. Musser, I don't think that there are

1 any further questions.

2 MR. FAIN: I think that pretty well covers  
3 it in view of what he adopted from Mr. Kaufman. Go ahead.

4 CROSS-EXAMINATION BY MR. DUFFY:

5 Q Mr. Musser, you said that you use the  
6 paging service to allow you some freedom on the weekends to  
7 go camping, hunting and fishing. Are you aware that the  
8 Applicant here is seeking authority to provide paging service  
9 within 15 miles of Jefferson City? I ask you, do you go  
10 camping, hunting, and fishing more than 15 miles from Jefferson  
11 City, and is that going to make a difference as to whether  
12 you keep the pager and where you go on the weekends?

13 A No.

14 Q Well, give me some idea, are you going to  
15 camp, hunt, and fish withing 15 miles of Jefferson City?

16 A Well, normally, I do, yes.

17 Q So, the fact that they are restricting it  
18 to 15 miles isn't going to make any difference for you?

19 A No.

20 Q Did you apply for paging service at any  
21 other companies other than Control Center, Inc., or Answer  
22 Jefferson City?

23 A No.

24 Q Are you aware that any others exist?

25 A I am aware that there is one other service,

1 but I have no knowledge of the quality or what they provide.

2 Q Why did you pick this one?

3 A They came to us and wanted to lease tower  
4 space?

5 Q Who is "they"?

6 A The previous owner of the business.

7 Q Who was that?

8 A His name is Bill Peters. They came to us,  
9 and wanted to lease tower space for their antenna site,  
10 which we agreed to in exchange for 4 pagers. I have a pager  
11 as well as the manager, the chief technician on the Jefferson  
12 City System, and the man that is on call for the Jefferson  
13 City System. So, we have those 4 pagers.

14 Q Jefferson City Cable Television?

15 A Yes, right.

16 Q You say that they provided you 4 pagers  
17 in return for tower space. Did that make you members of this  
18 Mid-Missouri Emergency Association?

19 A Not to my knowledge.

20 MR. DUFFY: That's all I have.

21 EXAMINER PARKER: Anything further of this  
22 witness?

23 CROSS-EXAMINATION BY MR. BROWNLEE:

24 Q Mr. Musser, what was the rate that you were  
25 charged for those 4 pagers, do you know?



1                   A     As I said, we provide tower space for the  
2 antenna.

3                   Q     So, they're provided free?

4                   A     Yes.

5                   Q     And that was by Answer Jeff City?

6                   A     That was by Mid-Missouri Emergency  
7 Association, as the name on the licensee on the license.

8                   Q     Who actually is billing or who did you  
9 deal with?     It was Answer Jefferson City, wasn't it?

10                  A     I dealt with Bill Peters.

11                  Q     Okay. Where do you live, Mr. Musser?

12                  A     I live in Holts Summit.

13                  Q     Holts Summit. Do you get good quality  
14 service on the pager you have right now at Holts Summit?

15                  A     Yes.

16                  Q     You say that you have a need to be in  
17 other areas, for example, Moberly, Fayette, Columbia, Fulton,  
18 Montgomery City; is that not correct?

19                  A     Yes.

20                  Q     Do you need to get paged in those areas?

21                  A     Not necessarily.

22                  Q     But, it would be helpful, would it not?

23                  A     Yes.

24                  Q     In your camping and your recreational  
25 activities that you say are mostly limited to 15 miles of

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1 Jefferson City, would you like to be able to maybe go a little  
2 further than 15 miles outside of Jeff City to camp and fish?

3 A Oh, I do on occasion.

4 Q Well, if I told you that Mr. Troth in  
5 Central Mobilphone had authority within 50 miles of Jefferson  
6 City, if the beep was the same and the tone voice was the  
7 same, wouldn't that be more desirable for you?

8 A No.

9 Q It wouldn't be?

10 A Huh--uh.

11 Q Are you familiar with--you are, what, a  
12 microwave engineer?

13 A Yes.

14 Q What is your educational background?

15 A I attended New Mexico State University.  
16 I have a degree in Electronic Engineering Technology.

17 Q From that same university?

18 A Yes.

19 Q And, that's 4 years?

20 A No, it's 2 years.

21 Q Two years, okay. Do you know the difference  
22 between, for example, UHF quality and channels and VHF;  
23 are you familiar with that?

24 A I am familiar with the frequency bands, yes.

25 Q Is a VHF or UHF, high band frequency, the

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1 best that an RCC can have in terms of the available frequencies?

2 A Well, I am only familiar with the paging  
3 on the UHF band. I've never had anything to do with any  
4 other band. So, I couldn't answer.

5 Q That's paging which is what I am talking  
6 about. How many VHF or UHF bands are there?

7 A There's only one UHF band, ultra-high  
8 frequency band.

9 Q Under the paging channels, there are 6  
10 paging channels; is that not correct, under UHF?

11 A I don't know.

12 Q Do you know what frequency the current  
13 service you have, what they're operating under?

14 A I believe it's 461 megacycles.

15 Q Okay. You don't know its service capabilities,  
16 for example, as opposed to 158.7 megahertz?

17 A No.

18 Q You don't know which is best--

19 A No.

20 Q --in terms of distance?

21 A No, I don't.

22 Q Have you ever seen the license that's  
23 held by this group that your corporation is a member of?

24 A It's hanging on the wall at the tower  
25 site.

Q So, you've looked at it; right?

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1 A Yes.

2 Q And, you know it's under Part 95 of the FCC

3 A Yes.

4 Q Are you familiar with that operation?

5 A With part 595?

6 Q Yes.

7 A Vaguely. We, the cable system in Jefferson  
8 City, is licensed, our two-way radio is licensed under Part 95.

9 Q That's your own personal two-way radio;  
10 right?

11 A Yes.

12 Q And, that's used for your own business  
13 within your own particular business?

14 A That's right.

15 Q You don't provide service to the Public  
16 in general, do you, under your license?

17 A No.

18 Q Okay. Where are the books and records  
19 kept of Mid-Missouri Emergency Association, Mr. Musser,  
20 do you know?

21 A I don't have that knowledge.

22 Q You don't know who the officers or treasurer  
23 are or anybody like that?

24 A No.

25 Q Do you know if you signed the membership  
agreement?

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1 A I didn't personally sign it, no.

2 Q Do you know if one was signed by Mr. Peters?

3 A No, I don't.

4 Q Where do you receive bills from in terms  
5 of just your paging service?

6 A As I said before, we are not billed for the  
7 paging service. We provide antenna sites, tower space in  
8 exchange for pagers.

9 Q I am sorry. I thought that was the original.  
10 So, you are still getting free exchange paging for leasing  
11 tower space; right?

12 A Yes.

13 Q You raised this issue of the tower, and  
14 that's very interesting. Because I've got some photographs  
15 of your tower.

16 MR. BROWNLEE: I will ask if this can be  
17 marked as Protestant, Central Mobilphone, Exhibit 1.

18 EXAMINER PARKER: Let's make it A.

19 (AT THIS TIME, PROTESTANT, CENTRAL MOBILPHONE,  
20 EXHIBITS A AND B WERE MARKED BY THE REPORTER FOR THE PURPOSE OF  
21 IDENTIFICATION.)

22 MR. BROWNLEE: Your Honor, I didn't ever  
23 expect to be able to use these. I'm sorry, I'll get copies  
24 and supply them if I may have leave to do that.

25 MR. FAIN: Your Honor, it's all right with  
26 us if we will be supplied with a copy later.

1 BY MR. BROWNLEE:

2 Q Mr. Musser, I hand you what has been marked  
3 Protestant's, Central Mobilphone, Exhibit 1, and ask if you  
4 can identify that?

5 A That's the microwave tower.

6 EXAMINER PARKER: Excuse me. Is that 1  
7 or A?

8 MR. BROWNLEE: A, I am sorry.

9 WITNESS MUSSER: That's our microwave  
10 tower in Jefferson City.

11 BY MR. BROWNLEE:

12 Q I hand you what has been marked Protestant,  
13 Central Mobilphone, Exhibit B and ask if you can identify  
14 that also?

15 A That is the same tower.

16 Q Are those pictures, do they portray the  
17 tower as it currently exists?

18 A Yes.

19 Q Are they true and accurate?

20 A Uh-huh.

21 Q What is the top height of your tower; that  
22 is, from the base to where this top bowl is?

23 A 250 feet.

24 Q 250. You have with you Protestant's Exhibit  
25 A, and I will ask you to, if you will, make a mark with my

1 ink pen or your ink pen to show me where the paging antenna  
2 is located on that photograph?

3 A The paging antenna is not shown on this  
4 photograph.

5 Q It's not shown on that one?

6 A Huh-uh.

7 Q Are you sure? Let me qualify. Do you  
8 know what their paging antenna looks like?

9 A Yes.

10 Q Is it on this photograph?

11 A No.

12 Q Where is it located, normally?

13 A It's located on this leg right here.

14 Q Would you put a mark, sir, so we can have  
15 some frame of reference by what leg you are speaking of?

16 EXAMINER PARKER: Does somebody have an  
17 ink pen?

18 MR. BROWNLEE: Is that going to smear?

19 WITNESS MUSSER: No. I'd say right there.

20 BY MR. BROWNLEE:

21 Q Now, Mr. Musser, you have drawn in an  
22 ink drawing where you claim that the paging antenna is located;  
23 is that correct?

24 A Yes.

25 Q I'm going to draw your attention, again,



1 we're referring to Exhibit A, to this mast immediately to  
2 the left of the one you've drawn in. Do you know whose that  
3 is?

4 A That is ours.

5 Q That is yours?

6 A Yes.

7 Q In any event, the mast that you've drawn  
8 would start at a position of 250 feet above ground, would it  
9 not?

10 A Yes.

11 Q And it goes up additionally how far?

12 A About 8 feet.

13 Q So, we've got at least 258 feet above  
14 ground; right?

15 A Uh-huh.

16 Q Now, Mr. Musser, you said you have seen  
17 the license that Mid-Missouri Emergency Association has.  
18 Have you ever had a chance to examine it in terms of the  
19 restrictions as to tower height on it?

20 A No, I haven't.

21 Q Let me draw this to your attention. This  
22 is Exhibit 3 that Applicant introduced. See if you recognize  
23 that.

24 MR. FAIN: No, Your Honor, I want the record  
25 to show a continuing objection. He's going here, again, into

1 the requirement of the FCC, which is a matter for the FCC.  
2 Now, this clearly demonstrates what they are up to.

3 MR. BROWNLEE: Your Honor,--

4 MR. FAIN: What the FCC requires in terms  
5 of the technicalities of that sort of an antenna is entirely  
6 within the body of the FCC, and this Commission has absolutely  
7 no control over it. It's simply a waste of time.

8 EXAMINER PARKER: You have a continuing  
9 objection to this type of evidence, Judge Fain.

10 BY MR. BROWNLEE:

11 Q Have you had a chance to examine that  
12 license as Exhibit 3, Mr. Musser?

13 A Yes, sir.

14 Q If you will direct your attention to the  
15 height restrictions that are contained on their license,  
16 what do you see there?

17 A I see, overall height above ground at  
18 tip of antenna 200 feet.

19 Q Yet, you've testified the overall tip of  
20 their antenna is 258 feet; right?

21 A No, I testified that my antenna is 258  
22 feet.

23 Q Okay. We know their antenna at least starts  
24 at 250 feet, don't we?

25 A Yes.

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1 Q And that would be at least 50 feet beyond  
2 their license; right?

3 A As stated on the license.

4 Q Do you have any personal knowledge as to  
5 the instructions involved when that mast was put up, or antenna  
6 was put up in terms of where it would be located?

7 A Yes.

8 Q Who gave you those instructions?

9 A I guess, it was Mr. Krattli.

10 Q You guess it was Mr. Krattli?

11 A I think it was Mr. Krattli.

12 Q Do you recall what those instructions were?

13 A To put the antenna on top.

14 Q With that antenna on top, would that increase  
15 the service area of Mr. Krattli's or whoever, the Applicant's  
16 service?

17 A Would that increase it over what?

18 Q Distancewise, would it increase the service  
19 area by placing it on top rather than, let's say, 50 or 60  
20 feet lower?

21 A Yes.

22 Q And you are getting paging service from  
23 them today; right?

24 A That's correct.

25 Q And you are here speaking on behalf of your

1 company; is that correct?

2 A That's true.

3 Q And you have been authorized by that  
4 corporation to appear here?

5 A No, I haven't.

6 MR. BROWNLEE: I have no further questions.

7 EXAMINER PARKER: Anything further of the  
8 witness?

9 MR. ENGLAND: I have several questions.

10 CROSS-EXAMINATION BY MR. ENGLAND:

11 Q Mr. Musser, is that how you pronounce your  
12 last name?

13 A Yes.

14 Q If you were to leave the employ of the  
15 Cable T.V. Company tomorrow, you wouldn't be able to take the  
16 pager with you, would you?

17 A No.

18 Q It belongs to the company?

19 A Yes. Well, it belongs to the paging service.

20 Q I see. Who owns the pager?

21 A Mid-Missouri Emergency Association.

22 Q And who is that pager--

23 A I am sorry.

24 Q Who is that pager given to or leased to  
25 or whatever under the membership arrangement? You or the

1 Cable T.V. Company?

2 A The Cable Company.

3 Q Do you know if the Cable T.V. Company  
4 executed a membership agreement in the Mid-Missouri Emergency  
5 Association?

6 A No, I don't know if they did.

7 Q Have you, as an individual, sought paging  
8 service?

9 A I am sorry.

10 Q Have you as an individual sought paging  
11 service?

12 A No.

13 MR. ENGLAND: I have nothing further.  
14 Thank you.

15 EXAMINER PARKER: Anything further, Judge  
16 Fain?

17 MR. FAIN: No. I don't have anything  
18 further of this witness, Your Honor.

19 EXAMINER PARKER: Thank you very much.

20 (The witness was excused.)

21 MR. FAIN: We appreciate your coming.

22 EXAMINER PARKER: Do we have any more Public  
23 witnesses?

24 MR. FAIN: Oh, yes. We do, Your Honor.  
25 We're getting them here just as fast as we can.

*Missouri Public Service Commission*

1 Mr. Gardner.

2 EXAMINER PARKER: Mr. Gardner, were you  
3 sworn before--

4 MR. GARDNER: No.

5 EXAMINER PARKER: --or did you just recently  
6 come in?

7 MR. FAIN: He just came in, Your Honor.

8 (Witness sworn.)

9 P H I L I P L E E G A R D N E R, called as  
10 a witness in behalf of the APPLICANT, being  
11 first duly sworn, testified as follows:

12 DIRECT EXAMINATION BY MR. FAIN:

13 Q You are Mr. Philip Gardner, and you are  
14 in the real estate business, are you not, Phil?

15 A That's correct.

16 Q Where do you live?

17 A I live on Leslie Boulevard.

18 Q All right, sir. Now, I didn't notice just  
19 when you came in. Did you hear Mr. Kaufman's testimony?

20 A No, I didn't.

21 Q Did you hear Mr. Musser's?

22 A Just parts of it.

23 Q Okay. Well, of course, his is kind of  
24 technical, because he represents the Cable T.V. So, I  
25 won't ask you about that.

1 MR. BROWNLEE: He testified he wasn't  
2 here representing them. He wasn't authorized by the corporation,  
3 is my understanding.

4 MR. FAIN: You mean, Mr. Gardner?

5 MR. BROWNLEE: No, Mr. Kaufman said he  
6 wasn't authorized--

7 EXAMINER PARKER: Mr. Musser.

8 MR. BROWNLEE: Mr. Musser, I am sorry, yes.  
9 I just want to correct that.

10 MR. FAIN: He was here, Mr. Musser, as an  
11 employee of the Cable T.V.

12 MR. BROWNLEE: Not authorized to appear.

13 BY MR. FAIN:

14 Q Mr. Gardner, will you explain very briefly  
15 your business and how you use this paging device in your  
16 business?

17 A Okay. I have a real estate business here  
18 in the Jefferson City Area. All of my sales people have  
19 pagers that they carry with them at all times, the same as  
20 I do. There are so many times when I need to get in touch  
21 with them, they may have a key that another agency needs  
22 immediately, I need to get in touch with them. I may need  
23 them to come to the office to work with a client or a prospect.  
24 I may need them to go back to a house that they've shown.  
25 Somebody else may need the key or a lot of different reasons



1 for that. Whenever there is no one in the office, it's an  
2 opportunity for us to be able to get to our people that  
3 call in on ads or whatever their need might be, they call in.  
4 And then we're paged, and we can immediately get back to them.  
5 I would just about as soon give up one of my secretaries  
6 as give up my paging service.

7 Q All right. Well, that's a very good way  
8 of putting it.

9 I would say, then-- or would you agree with  
10 me that this paging service is essential to the efficient  
11 operation of your real estate business?

12 A It is in the professional way I want to  
13 run it, yes.

14 Q All right, sir. Now, you are aware, are  
15 you not, that Mr. Krattli is applying for a radio common  
16 carrier license from the PSC?

17 A Yes.

18 Q In the event that this is granted, and  
19 in the event that the FCC allows him to go that route, will  
20 you continue to need and use the services that Mr. Krattli  
21 has been providing?

22 A Yes.

23 Q Now, let me ask you, I don't know--well,  
24 maybe these fellows can ask you about that, the Mid-Missouri  
25 business.

1 Tell me, have you ever sought this service  
2 from anyone else?

3 A I have had service with others, yes.

4 Q Who was that with?

5 A With Central Mobilphone, I guess.

6 Q All right, sir. That's one of the Protestants  
7 here, is it not? They are in this case, aren't they?

8 MR. BROWNLEE: Do you know that?

9 WITNESS GARDNER: That they're in the case?

10 MR. BROWNLEE: Right.

11 WITNESS GARDNER: I'm not sure who all is  
12 involved.

13 BY MR. FAIN:

14 Q Just withdraw that. Dick says they are,  
15 so I guess we'll leave it at that.

16 Tell me why did you quit their service, if  
17 you did?

18 A Well, I really wasn't satisfied with all  
19 of the service. I was satisfied with most of it. And we  
20 had a problem, a discussion, that I wasn't satisfied with the  
21 way it was handled. So, since there was an alternative,  
22 I sought the alternative.

23 Q All right. Now, did anyone--did  
24 Mr. Krattli solicit you to leave them and come to him or anything  
25 of that sort?

1 A No.

2 Q This was something that you did on your  
3 own, because of this problem you had with them?

4 A That's correct.

5 Q Did it involve the type of service that  
6 they were giving you?

7 A It could have been a misunderstanding,  
8 but I felt like that I didn't get the hearing that I  
9 felt like I should have had in the situation.

10 Q So, it made it where you could go somewhere  
11 else. There was some competition in the field; right,--

12 A Yes.

13 Q --for you to get the service that you were  
14 seeking?

15 A That's correct.

16 MR. FAIN: All right. I believe that's  
17 all.

18 EXAMINER PARKER: Any questions? Mr. Duffy.

19 CROSS-EXAMINATION BY MR. DUFFY:

20 Q Mr. Gardner, can you describe, generally,  
21 the disagreement that you had with Central Mobilphone?  
22 Give us some idea why you left them?

23 A Well, it's not my intention to run down  
24 that service. Okay? That's not why I am here. As I said  
25 before, I had a choice, and so, without having further problems,

1 I felt like that in our system, I was glad I did have a choice  
2 and I took it.

3 I had two prospects within a week's time  
4 that told me that an operator had hung up on them, and I  
5 can't say that this is true. All I know is they were mad  
6 when they talked to my people about it. And, when I talked  
7 to them about it, I was assured that that didn't happen,  
8 and there is a possibility that it didn't. I don't know.  
9 But, I felt like twice within a week, that 2 different  
10 people not associated with each other, not even knowing each  
11 other, would not have told me the same lie. So, as I said,  
12 I'm not here to run down anybody else. I'm just here--  
13 as far as changing services, I'm glad I had an option, and  
14 I took it.

15 Q Do you ever show houses or real estate  
16 beyond 15 miles of Jefferson City?

17 A Yes, I do.

18 Q Will the fact that this paging service is  
19 proposing only to serve within 15 miles affect your continuing  
20 relationship with them?

21 A I'm satisfied enough with the service  
22 that I have received that the additional benefit that I gain  
23 from that, I've overlooked. It would be a real asset to me.  
24 Just like a week ago Saturday, I believe that's correct, I  
25 was in Columbia at the football game. I had a contact in a very

1 important situation. They tried to get ahold of me. Had they  
2 been able to reach me there, I could have handled the situation  
3 and had a lot smoother results than what I did have. But,  
4 it will be an asset to me if it would reach out further.

5 Q But, you're not going to terminate your  
6 relationship with them because it will only go 15 miles?

7 A That's correct.

8 MR. DUFFY: I don't have anything further.

9 CROSS-EXAMINATION BY MR. BROWNLEE:

10 Q Mr. Gardner, I'm representing Central  
11 Mobilphone, the one you were talking about?

12 A Yes.

13 Q Mr. Duffy asked some questions that I want  
14 to start off with. If you knew that a person had a high  
15 quality VHF or UHF service, paging service, who, for example,  
16 had authority within 50 miles of Jefferson City, don't you  
17 think that if the quality of beep or the tone voice was as good,  
18 that you would be, as a businessman, with this need that you  
19 have described, wouldn't you be smart to take it in an expanded  
20 area rather than the 15 miles maximum around Jefferson City?

21 A That would be true if it were not for the  
22 fact that I have to deal with my sales people. And when they  
23 are mad, I lose money.

24 Q This dispute that you have described over  
25 the two times in one week when an operator hung up, when did

1 that occur?

2 A I don't remember the exact time. As I  
3 stated, I wasn't here to run someone else down. So, I--

4 Q Let's try a year for starters. What year  
5 did that occur in?

6 A It probably would have been in '77, I would  
7 suppose.

8 Q Wouldn't it have been 1974?

9 A No.

10 Q You are sure of that?

11 A Yes.

12 Q The dispute that you had really involved  
13 the answering service, didn't it, where the operator at the  
14 answering service hung up, or allegedly hung up?

15 A Well, the answering service and the paging  
16 service are combined. Because of that, they did not page--  
17 they did not get the page printout to my sales people; and as  
18 a result, the prospect was upset. So, in that instance, we  
19 cannot separate the two.

20 Q Okay. Those two isolated reasons was just  
21 the reason you decided to change; right?

22 A That's correct.

23 Q Do you know Mr. Krattli?

24 A Pardon?

25 Q Do you know Mr. Krattli, personally?

1 A Yes, I do.

2 Q Did you know he was involved in this business?

3 A At that time?

4 Q Yes?

5 A I didn't know him other than just to speak  
6 to him at that time.

7 Q Did you try to discuss the problem you had  
8 with anyone from Central Mobilphone?

9 A Yes, we discussed it.

10 Q Do you know who you talked with?

11 A Yes.

12 Q Who was that?

13 A Bill.

14 Q Bill Troth? Bill Hall?

15 A Yes.

16 Q He didn't, as far as you are concerned,  
17 satisfy your complaint?

18 A Well, he said that he was sure that his  
19 operators didn't do that. And, as I said, I feel like Bill  
20 is a friend of mine,--

21 Q We understand.

22 A --and I don't intend to run him down,  
23 nor his service,--

24 Q Right.

25 A --because I appreciated the service I had  
with him. I had a problem behind me with my sales people,



1 and, so, I want to keep that straight.

2 Q So, you described really an insulated one-  
3 week instance is what your problem amounted to, did it not?

4 A As far as the decision, right.

5 Q Do you recall whether there was any price  
6 difference between the rates that Central Mobilphone was  
7 charging you, which was a tariff rate, as opposed to the  
8 service Mr. Krattli provided? Do you know if it was cheaper  
9 with Mr. Krattli?

10 A I can't remember. It wasn't that--I mean,  
11 it was not that much difference if there was any.

12 Q You can't remember or you don't know?

13 A I don't remember.

14 Q You don't remember.

15 Who is providing paging service to you--

16 A Pardon?

17 Q Who is providing paging service to you  
18 right now? What business organization?

19 A It's Central Missouri Emergency--

20 Q Central Missouri Emergency?

21 A Well, Mid-Missouri.

22 Q You are a member of that organization,  
23 are you not?

24 A That's correct.

25 Q What are your activities with that organization?

1 What do you do for the organization?

2 A I really do not have any activities, other  
3 than the fact of receiving their service and paying my dues.

4 Q Your dues?

5 A Well, paying my fees or whatever you want  
6 to call it.

7 Q Who do you pay your fees to? Who do you  
8 pay your bills to for your paging service?

9 A It would be the association.

10 Q Where do you send these? Do you get a bill  
11 from the Mid-Missouri Emergency Association?

12 A My secretary sends it.

13 Q You are sure of that?

14 A Yes.

15 Q You don't get a bill from Answer Jefferson  
16 City?

17 A Well, I'm not sure how it is broken down.

18 Q So, you don't know, then, do you?

19 A That's correct. All I know is that I pay  
20 my bills.

21 Q What you know is you get a pager and you  
22 pay somebody a certain amount per month?

23 A For my paging service and a certain amount  
24 per month for my answering service.

25 Q Are those separated?

1 MR. FAIN: Just a minute. Now, Your Honor,  
2 if this will shorten the matter, we will make an admission.  
3 I don't think it's an admission against interest, but it's an  
4 admission that Mr. Krattli does all the business. He's their  
5 agent, and he does the collecting, the billing, the whole  
6 smear; and there's no use in spending a lot of time. This is  
7 the gentleman who does all that. So, we concede that.

8 MR. BROWNLEE: Well, I think that--

9 EXAMINER PARKER: That's satisfactory.

10 MR. BROWNLEE: --that's an unnecessary  
11 concession. I think it's obvious, but I will accept it.

12 WITNESS GARDNER: All I'm interested in is  
13 paying the bottom line.

14 BY MR. BROWNLEE:

15 Q Right. I understand that. Why did you  
16 sign the membership agreement, Mr. Gardner?

17 A In order that I could have the benefits.

18 Q What benefits?

19 A The paging service.

20 Q And the answering service too or not?

21 Do you know?

22 A I'm not real sure as far as what all is  
23 involved with the answering service and that.

24 Q But, you utilize that also?

25 A Yes.

1 Q Have you ever seen the license that's been  
2 issued to the person providing paging service or group?

3 A No.

4 Q Who is the licensee?

5 A I'm not aware of the--

6 Q You just don't know.

7 MR. BROWNLEE: I have no further questions.

8 EXAMINER PARKER: Do you have any questions?

9 CROSS-EXAMINATION BY MR. ENGLAND:

10 Q How many pagers do you have, Mr. Gardner?

11 A We normally have 9.

12 Q What do you mean when you say "we normally  
13 have 9"?

14 A Right at this time one of my sales associates  
15 has gone into a different business in Fulton, and, so, until  
16 my new salesman comes on, I've only got 8.

17 Q But, in most circumstances you have got at  
18 least 9--

19 A Uh-huh.

20 Q --except when someone leaves you?

21 A That's correct.

22 Q Did you sign an affidavit for purposes of  
23 this proceeding?

24 A Yes, I did.

25 Q Are you familiar with the language in that

1 affidavit?

2 A Yes, sir.

3 Q Let me show you that affidavit. I've taken  
4 the liberty of underlining some sentences. I want to ask you  
5 some questions about it when you have had a chance to read it.

6 A Okay. Yes.

7 MR. FAIN: Your Honor, may I inquire of  
8 Mr. England?

9 EXAMINER PARKER: Certainly.

10 MR. FAIN: I've sat by, what is the purpose  
11 of your examination on the affidavit?

12 MR. ENGLAND: Well, there's a statement  
13 made in the affidavit and I quote, "...none of us have the time or  
14 interest to keep a membership organization going." I would  
15 like to find out from the witness exactly what time and  
16 effort he's been expending in this membership organization.

17 MR. FAIN: Then, are you--as I understand,  
18 the Examiner did not allow the affidavit. It's not before the  
19 Commission.

20 MR. BROWNLEE: It's been introduced.

21 MR. ENGLAND: That's correct, but it is  
22 still something that this fellow swore to and signed.

23 MR. FAIN: Are you now in this way--what  
24 is your purpose in examining on something that's not even before  
25 the Commission? That's what I am trying to find out.

1 MR. ENGLAND: At one time, under oath--

2 MR. FAIN: To test his credibility?

3 MR. ENGLAND: No. At one time, under  
4 oath, this man said what I have quoted, and I purport at this  
5 time to find out what he means by that statement. That's  
6 one of the main objections I had with this affidavit in the  
7 first place, because it's a generalized statement, and there  
8 is nothing backing it up. I have absolutely no idea what the  
9 time and effort is that has been expended by these people.

10 MR. FAIN: Then, if that is the purpose,  
11 I make this further objection, Your Honor. That no man in  
12 this country can have his cake and eat it too. Now, what  
13 they've done is made me take the long route and get all  
14 these witnesses in here when they could have gone along on  
15 the affidavits. And when they were sustained and I was not  
16 allowed to use the affidavit, now they're prolonging this  
17 case by simply using that affidavit to ask a lot of questions  
18 that are not before the Commission. Now, they can't have it  
19 both ways. If they continue with their examination on this  
20 affidavit, then, I'm going to address myself to the question  
21 legally as to whether or not it should now be admitted in  
22 evidence. They can't do both.

23 MR. BROWNLEE: We're not--the examination,  
24 as I understand Mr. England's questions, are not to the Public  
25 need that these affidavits, the sole purpose that they were

1 introduced. We're asking what activities that this man  
2 has engaged in to keep this association going, which Mr. Krattli  
3 testified that he's here representing. And there hasn't been  
4 a one of them to this point that knows anything about it.

5 MR. FAIN: Just a minute. They can ask  
6 the question, but what they're doing is using the affidavit.  
7 Now, they can ask that question, but here they are using  
8 an exhibit that has specifically been kept out of evidence,  
9 and now they are taking the advantages of it, and it's my  
10 piece of paper. They have no right whatsoever to the use of  
11 this exhibit unless it's been admitted, because the ruling  
12 has already been made by you.

13 EXAMINER PARKER: We'll be in recess for  
14 five minutes.

15 WHEREUPON, a recess was taken.

16 \* \* \* \* \*

17 PURSUANT to the recess, the hearing of this  
18 case was resumed, and the following proceedings were had:

19 EXAMINER PARKER: Let's go back on the record.

20 An objection had been made; right, Judge Fain?

21 MR. FAIN: Yes, Your Honor. I don't know,  
22 did Mr. England--

23 MR. ENGLAND: I'll rephrase the question.

24 EXAMINER PARKER: I was going to overrule  
25 the objection.



WITNESS PHILIP LEE GARDNER RESUMED THE STAND.

CROSS-EXAMINATION BY MR. ENGLAND: (CONTINUED)

Q Do you recall the question?

A Yes.

Q Go ahead.

A Okay. I recall what was written on the paper. Do you want to rephrase your question?

Q All I'm interested in is what time and effort have you donated or contributed to the membership association?

A The type of activities, timewise, and so forth, I haven't any at this time. I anticipate that there will be an annual meeting, that type of thing, that in any association that you would be a part of. There will be times when the membership will be called together for decision-making, or, you know, things of that nature.

Q But, to date, you have not been involved in any of these meetings?

A That's correct.

MR. ENGLAND: No other questions.

EXAMINER PARKER: Any redirect?

MR. FAIN: I don't think so, Your Honor.

EXAMINER PARKER: Thank you very much,  
Mr. Gardner.

MR. BROWNLEE: Thank you, Mr. Gardner.

1 EXAMINER PARKER: The Commission appreciates  
2 your time in this matter.

3 (The witness was excused.)

4 \* \* \* \* \*

5 EXAMINER PARKER: Do we have any other  
6 Public witnesses?

7 MR. FAIN: Just a minute, Your Honor.

8 MR. BROWNLEE: Could we go off the record?

9 EXAMINER PARKER: Let's go off the record.

10 (Discussion off the record.)

11 EXAMINER PARKER: Let's go back on the  
12 record.

13 MR. FAIN: Now, Your Honor, we have, in an  
14 effort to expedite the hearing and in an effort to relieve  
15 all these witnesses from crowding up here and cooling their  
16 heels, these gentlemen have very considerably agreed to a  
17 Stipulation in that regard. And I am going to read it over,  
18 and then if they agree to it, they can say so on the record.

19 EXAMINER PARKER: All right.

20 MR. FAIN: Now, if I were allowed to do so,  
21 the Applicant would call 16 additional witnesses to testify;  
22 the testimony given will be repetitious and of the same  
23 nature as that given by the prior three Public witnesses.  
24 I will agree to that so that the record will be clear that  
25 the witnesses would be called by me, and I have the list,

1 and I have talked to all of them. But, in an effort to  
2 shorten that, these gentlemen have agreed that they will  
3 agree to this.

4 MR. ENGLAND: I agree.

5 MR. BROWNLEE: I agree.

6 EXAMINER PARKER: The Stipulation is  
7 accepted.

8 MR. FAIN: In view of that, ladies and  
9 gentlemen, we won't have to call any more of your customers.

10 EXAMINER PARKER: Let's go off the record.  
11 (Discussion off the record.)

12 EXAMINER PARKER: Let's go back on the  
13 record.

14 Are we ready to recall Mr. Krattli?  
15 Do you still consider yourself under oath in this matter?

16 MR. KRATTLI: Yes.

17 EXAMINER PARKER: Very good. Are we through  
18 with cross-examination, or did we have more to go?

19 MR. ENGLAND: I think we had more cross-  
20 examination. I think Mr. Brownlee is through with his  
21 cross-examination. If permitted, I have some questions also  
22 of Mr. Krattli.

23 EXAMINER PARKER: All right.  
24  
25

1                                    WITNESS DON KRATTLI RECALLED TO THE STAND.

2                    CROSS-EXAMINATION BY MR. ENGLAND:

3                    Q     Mr. Krattli, are you and your wife the sole  
4 stockholders in Control Center, Inc.?

5                    A     Yes, sir.

6                    Q     Do you both own 50 percent of the stock  
7 apiece?

8                    A     Approximately, 50 percent. I don't remember  
9 exactly how it was set up, if I had 51 and she's got 49; it's  
10 right in that general area.

11                   Q     You two are the sole stockholders?

12                   A     Yes.

13                   Q     Are you individually a member of the  
14 Mid-Missouri Emergency Association?

15                   A     Yes. I have a contract that's signed for  
16 the pagers I carry.

17                   Q     Did you receive service from the Mid-Missouri  
18 Emergency Association prior to your acquisition of this  
19 company?

20                   A     No.

21                   Q     Did you receive paging service from anyone  
22 prior to--

23                   A     Yes, sir.

24                   Q     Who was that?

25                   A     Central Mobilphone.

1                   Q     Am I correct in understanding your direct  
2 testimony this morning to state to the effect that you  
3 believe you must first obtain permission from this Commission  
4 before you can make application to the Federal Communications  
5 Commission?

6                   A     We have to obtain--

7                   MR. FAIN: Just a minute. I object to that.  
8 That calls for a legal conclusion. He can ask his attorney  
9 that. But, he doesn't know the law in regard to that. In  
10 fact, very few lawyers do know the answer to that question.  
11 And to ask this man to know the answer to that, I object to  
12 it.

13                  MR. ENGLAND: I merely asked him what he  
14 stated this morning.

15                  MR. FAIN: Whatever it was, it calls for  
16 a legal conclusion.

17                  EXAMINER PARKER: I believe you are right,  
18 but I will let the witness answer it anyway, since I did  
19 this morning for the sake of being consistent.

20                  MR. FAIN: Even if it's wrong, Your Honor.

21                  EXAMINER PARKER: Right.

22                  WITNESS KRATTLI: It's my understanding  
23 that permission -- a certificate has to be obtained from the  
24 PSC before the FCC license will be issued.  
25

*Missouri Public Service Commission*

1 BY MR. ENGLAND:

2 Q Fair enough. Thank you.

3 I would like to look at your Applicant  
4 Exhibit No. 2, which is an income statement for the period  
5 of October 1, '77 to September 30, 1978.

6 MR. FAIN: Okay. He has one now.

7 BY MR. ENGLAND:

8 Q Let me start with your statement of  
9 income. The second item under "SALES" "Answer Service & Pager  
10 Income" approximately \$70,000, what portion of that is made  
11 up of revenues from the pager operation?

12 A I'd strictly be guessing. I would say less  
13 than 50 percent of it would be paging, approximately 50  
14 percent, but it would be a guess.

15 Q How many customers do you currently have?

16 A 145.

17 Q What do you charge on a monthly basis?

18 A 20.

19 Q Does that include the 4 you're getting on  
20 a tradeout with Cable T.V.?

21 A No--well, the 145 includes the 4. We have  
22 145 pagers out in service which includes the 4 Cable T.V.  
23 Company pagers.

24 Q Do you have any other arrangements with other  
25 people in town similar to the Cable T.V. arrangement?

1                   A     No. That arrangement was made before I  
2 purchased the business and has remained the same. But,  
3 no, we have--

4                   Q     But, they're currently receiving service  
5 in trade for your use of the antenna?

6                   A     For our use of the tower, yes.

7                   Q     Of the tower.

8                   You stated earlier this morning that there  
9 was no way for you to allocate or ascertain the particular  
10 expenses of your operation between answering service, paging  
11 service, and alarm service; is that correct?

12                  A     No. I stated that it has not been done  
13 here. It could be done.

14                  Q     Has it been done to date?

15                  A     No.

16                  Q     Has it been done for preparation of this  
17 hearing?

18                  A     No.

19                  Q     And it's not before the Commission at this  
20 time, is it?

21                  A     No. This is all that's here.

22                  Q     Let me look at some of these expenses:  
23 Salaries for officers, who are the officers? You and your  
24 wife?

25                  A     Yes.



1 Q Is that \$7,700 split equally?

2 A No. That's a payroll check that I took  
3 at the end of September. My wife is employed for the State  
4 of Missouri.

5 Q Is that \$7,700, though, an annual compensation?

6 A It was taken for Social Security reasons,  
7 and the money was loaned back to Control Center, again,  
8 for additional investment in the company.

9 Q Under "Salaries-Operations" what makes up  
10 the operations?

11 A The people that we have employed down at  
12 the answering service, paging service, and burglar alarm  
13 service.

14 Q How many people is that?

15 A There's currently 9.

16 Q Nine people, and you pay them accumulative  
17 salary of \$46,000 a year?

18 A (Witness nods head.)

19 MR. FAIN: His answer is yes.

20 WITNESS KRATTLI: Yes.

21 BY MR. ENGLAND:

22 Q Full-time employees?

23 A No, no. They're not all full time. There  
24 are some that are part-time. There's 4 full-time and the  
25 rest are part-time employees, which will vary from 15 to 25,

1 30 hours a week.

2 Q What type of functions do they perform?

3 A They monitor the security alarms, answer  
4 the telephones on the answering service, do the dispatching  
5 on the paging.

6 Q Is there any billing service done by these  
7 people, billing work?

8 A No. Very little. Occasionally they will  
9 fold statements or something like this before they go out.

10 Q Who does your billing?

11 A I do and the tax accountant, Krieger and  
12 Krieger.

13 Q Do you have an expense for that in here?  
14 I don't see it.

15 A For legal and audit.

16 Q So, that audit not only includes a yearly  
17 audit, that includes monthly billing?

18 A I do the monthly billing, and so on.  
19 And if I need any assistance with it, Krieger and Krieger,  
20 the tax accountant, goes at it. It would include the  
21 computer work that is done monthly on the corporation.

22 Q Based on this income statement that I have  
23 before me, and it is a consolidated statement, is it not,  
24 for the three operations?

25 A Yes, sir.

1                   Q     There is no way I could tell or the  
2 Commission could tell whether the revenues derived from the  
3 paging service are compensatory for the expenses incurred in  
4 operating that paging service; is that correct?

5                   A     Yes. I would--this was all that was available  
6 to us. Separate records have not been kept throughout the  
7 year.

8                   Q     Would you turn the page and look at the  
9 balance sheet, please. "Accounts Receivable," approximately,  
10 \$7,000. Does that represent accounts receivable from the  
11 paging operation, the answering--

12                  A     Again, all three.

13                  Q     Is that, in effect, people who just haven't  
14 paid their bill?

15                  A     Yes, people that haven't paid their bill,  
16 people that are possibly a little behind. It would also  
17 include, and in this case here it does include, several  
18 alarm installations. An alarm installation may be 800, 1,000,  
19 1,200 dollars that was installed this month, and the  
20 payment hasn't come in for them yet.

21                  Q     Looking at your fixed assets, you have  
22 pager equipment, approximately, \$68,000 worth. What makes  
23 up this \$68,000?

24                  A     The pagers that--we own, approximately,  
25 160 pagers, 157, that are used for spares. It would include

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1 that equipment, the pager radio, the encoder, and so on.

2 Q Let me ask you this: Do you currently  
3 have out and in service 147 pagers?

4 A 145, I believe. The last count was 145.

5 Q That leaves 12 idle pagers?

6 A Yes.

7 Q In the fixed assets, don't you have any  
8 equipment associated with your answering service?

9 A It's leased from the telephone company.

10 Q There's no--

11 A The telephones and everything, the telephones,  
12 the SAU's and the entire thing are leased from the telephone  
13 company, and I pay for that monthly.

14 Q So, there's no equipment involved in the  
15 answering part of your business?

16 A Right.

17 Q If I were to take the \$68,000 and divide it  
18 by the 157 pagers that you currently have in stock, would  
19 that give me a price per unit comparable to what you paid  
20 for those?

21 A Comparable to what I paid for the equipment  
22 when I purchased the business. This is the way it was broken  
23 down when I purchased the business. I bought 75 new pagers  
24 since I've owned the business, around that figure; and I  
25 paid \$300 per pager if that's what you are getting at.

1 Q What kind of pager do you use?

2 A Motorola.

3 Q Does it have a--

4 A Tone and voice.

5 Q Does it have a code number?

6 A Yes.

7 Q What is it?

8 A Each pager has a different number. This  
9 one is number 294.

10 Q No. I meant, is it a Motorola 1 or  
11 Motorola 2?

12 A Dimension 4. Some of our pagers are the  
13 older model. They're a little bit bigger. They're Motorola  
14 Pagecom's.

15 Q Tone and voice?

16 A Tone and voice.

17 Q Let's look at your other assets. You have  
18 listed under Non-Competition Covenant, \$25,000. What is that?

19 A That's \$25,000, as I understand it, again,  
20 \$25,000 that I paid for the seller of the business not to  
21 compete in this area.

22 Q Who is the seller?

23 A Capital Radar Security, Bill Peters,  
24 Bill Dall.

25 Q In other words, you secured from your seller

1 a covenant not to compete with you in the paging business;  
2 is that correct?

3 A Yes, sir, paging, answering service, and  
4 burglar alarms.

5 Q Maybe you can answer this one for me: What  
6 was the need for a non-competition covenant when your  
7 predecessor didn't have a certificate to operate as a paging  
8 company?

9 A I really don't know. It was legal advice. It was.

10 MR. FAIN: If you don't know,--

11 WITNESS KRATTLI: The attorney advised  
12 us that's the thing to do.

13 BY MR. ENGLAND:

14 Q Let me ask you about your goodwill, \$25,000.  
15 What does that represent?

16 A That the businesses I bought, Sonitrol,  
17 Answer Jeff City, and the paging service were in good standing;  
18 no problems with any of them or anything of that nature, and  
19 \$25,000 guaranteed that they were.

20 Q Well, if it were to happen that your  
21 application here before the Missouri Public Service Commission  
22 were to be denied, would it be your intention to seek some  
23 sort of--

24 MR. FAIN: Just a minute. Your Honor,  
25 I know what this question is leading to. Now, I instruct the

1 witness not to answer that question. This man has--he is  
2 under no compulsion to say what his legal rights might be  
3 and what his intentions are to any prior owner. And I don't  
4 think it's a proper question.

5 EXAMINER PARKER: What was the question?

6 MR. ENGLAND: The question--I never did get  
7 to finish, but I was going to ask him--

8 MR. FAIN: I was hoping it would be withdrawn  
9 before it was expressed, because I think it's very, very  
10 dangerous.

11 MR. ENGLAND: This man has been on this  
12 morning and has told the Commission--

13 EXAMINER PARKER: Just ask the question.  
14 I don't know what it is.

15 MR. ENGLAND: My question was, should the  
16 Commission deny his application, the \$25,000 each for the  
17 non-competition covenant and the goodwill that he received  
18 from his seller, would he, in turn, turn around and receive  
19 or expect to receive some money back for that, because of the  
20 denial of the application.

21 MR. FAIN: Again, I raise my objection and  
22 instruct the witness not to answer.

23 MR. ENGLAND: May I further state in  
24 support of my question that we have heard all morning long  
25 what will happen if this application is not granted, and now



1 I am just asking one other item, and it's just part of the  
2 speculation that we heard this morning concerning this man's  
3 operation.

4 EXAMINER PARKER: Let's go off the record.

5 (Discussion off the record.)

6 EXAMINER PARKER: Let's go back on the  
7 record.

8 Are you going to rephrase your question?

9 MR. ENGLAND: I'm going to try to rephrase  
10 my question.

11 BY MR. ENGLAND:

12 Q Mr. Krattli, again, turning your attention  
13 to the \$50,000 attributable to the non-competitive covenant  
14 and the goodwill, can you place a value on your paging system  
15 as a percent or as a portion of that \$50,000 in goodwill and  
16 non-competition covenant?

17 A I really don't know how you would do it.

1 Q Fine. But, it is included in there, isn't it?  
2 I mean, it's included--

3 A It's my understanding, yes, the entire  
4 business that I bought under Control Center is included in  
5 the fifty.

6 Q Now, there's no tangible equipment, physical  
7 equipment, chairs, pagers, whatever associated with the  
8 noncompetitive covenant, is there?

9 A Do what?

10 Q There's no physical or tangible piece of  
11 equipment or property that is associated with the non-  
12 competitive covenant. It's merely a promise?

13 A Yes, as I understand it.

14 Q With good will, there's nothing tangible in  
15 good will; is that correct?

16 A That's my understanding, yes.

17 Q Looking at your liabilities, are all these  
18 liabilities in the name of Control Center, Inc., by the way?

19 A Yes.

20 Q I will direct your attention to "CURRENT  
21 LIABILITIES," "Note Payable-Term-Jefferson Bank"  
22 approximately \$6700. The obligor is Control Center, Inc.?

23 A Yes, I think so.

24 Q Did you--

25 A It's--

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1 Q I'm sorry, go ahead.

2 A It's a note I went down in January to obtain  
3 to make a payment to Capital Radar Security, and I signed  
4 the note and everything, but I really don't know if Control  
5 Center, Inc., is on it or if Answer Jeff City is on it or  
6 just what was put on the note.

7 Q What does "Pro/Contra-Unearned Inc." mean?  
8 It's the first thing under "CURRENT LIABILITIES."

9 A That's the amount of payment our subscribers  
10 have made in advance, paging, answering service, and  
11 burglar alarms.

12 Q And that's a liability?

13 A The tax accountant put it on here.

14 Q Let's look at "LONG-TERM LIABILITIES" "Note  
15 Payable-Capital Radar Ser. In." \$92,000. Is that a note  
16 signed by Control Center, Inc.?

17 A Yes. That's one of the balance--Capital  
18 Security financed a portion of this business, a large portion  
19 of the business when I purchased it. This is one of the  
20 notes that are due.

21 Q Is Control Center, Inc., the only obligor on  
22 that--

23 A Yes, I think so.

24 Q --mortgage.

25 My question is the same with the "Note Payable--

1 "Capital Radar Sec. Inc. 2." Is Control Center the only  
2 obligor on that note?

3 A. As far as I know, yes.

4 Q. The second to the last, "Ncte Payable-Jefferson  
5 Bank" on the next page \$14,500, approximately, now that's a  
6 note taken out with Jefferson Bank; is that right?

7 A. Right, for 50 pagers that I purchased.

8 Q. For 50 pagers.

9 A. That's the balance of the note.

10 Q. Who's the obligor on that note?

11 A. I'm sure Control Center is. That's the way  
12 it's supposed to be written up.

13 Q. Okay. You have never signed--

14 A. Yes, I have signed. The bank has written it  
15 up. I've told them what I wanted, and I would have to see  
16 the note again to make certain as to what it is. That's the  
17 way it's supposed to be done.

18 Q. "Note Payable-Officers \$32,000." Is that  
19 money loaned by you and your wife?

20 A. To the corporation.

21 Q. Let's look at "CAPITAL" now. "Capital Stock  
22 Authorized \$30,000, Unissued Capital Stock (\$13,500)." Does  
23 this indicate or does this mean that you and your wife have  
24 plugged approximately \$26,500 worth of equity into this  
25 company?

1           A.     We have more equity than that in the company.  
2     I really don't know what the unissued capital stock is.

3           Q.     Do you have your Articles of Incorporation  
4     in front of you?

5           A.     No, sir.

6           MR. FAIN:   Just a minute.   We'll get it.

7     BY MR. ENGLAND:

8           Q.     When you do get it, would you look at the  
9     first page, please.   The first page of the Articles of  
10    Incorporation, not the certificate, pursuant to this  
11    incorporation, you've been authorized to issue \$30,000 worth  
12    of stock; is that correct?

13          A.     Yes, sir.

14          Q.     At \$1.00 par value?

15          A.     Yes, sir.

16          Q.     If you have unissued capital stock in the  
17    amount of \$13,500, that would indicate to me that you have  
18    unissued stock in the amount of 13,500 shares.   Would that  
19    make sense to you?

20                 MR. FAIN:   I object to that--well, I won't object  
21    to that question, but the next one. I won't object to that  
22    as to whether it makes sense or not.

23                 WITNESS KRATTLI:   Again, I'm sorry, I don't  
24    know.   That's why I pay the attorneys and the tax accountant.  
25    This is supposed to be taken care of.

1 BY MR. ENGLAND:

2 Q "Paid in capital" of approximately \$1600,  
3 what does that represent? Money, capital, property, stock,  
4 services, do you know?

5 A No, sir. There's an explanation of quite a  
6 bit of this stuff on the last page, and I was just looking  
7 to see if it was in there.

8 Q I don't see it on that page.

9 Your balance sheet shows total capital of  
10 \$41,936.83; is that correct?

11 A According to the tax accountant, yes.

12 Q Added to total liabilities, you have total  
13 liabilities and capital equal to \$24 ,107.37; is that  
14 correct?

15 A Yes.

16 Q Are you familiar with the term "blue-sky"?

17 A I've heard the term. I'm not familiar with  
18 it.

19 Q Are you familiar with the term being utilized  
20 in terms of acquiring something for more than it's original  
21 cost, and the difference being called a blue-sky figure?

22 A Yes.

23 Q Are you aware that this Commission, for rate-  
24 making purposes, does not treat blue-sky as part of the  
25 investment in the utility?

1           A     By blue-sky, you're talking the good will and  
2 noncompete?

3           Q     That's correct.

4           A     No, I wasn't aware of it. But, I paid--it  
5 was paid by me and my wife when we purchased the business.

6           Q     Assuming--

7           A     And--

8           Q     I'm sorry. Continue.

9           A     That's all.

10          Q     Assuming that the \$50,000 attributable to the  
11 noncompetitive covenant and good will were taken out of your  
12 assets side of the balance sheet, your liability and capital  
13 side would likewise be decreased, wouldn't it? They have to  
14 balance, don't they?

15          A     Yes.

16          Q     So, if your assets were reduced by \$50,000,  
17 your total liabilities and capital also would have to be  
18 reduced by \$50,000?

19          A     I would assume. I'm not an accountant, and  
20 that's out of my game.

21          Q     Well, your liabilities are fixed, are they  
22 not? You or the company signed the note--

23          A     Yes.

24          Q     --and your obligated to pay that amount of  
25 money.



1                   If you had to reduce your total liabilities  
2 and capital by that \$50,000, it would have to come out of  
3 the capital account, would it not?

4                   A     Possibly. I don't know.

5                   Q     And you still would be approximately \$9,000  
6 or \$8,000 short of the \$50,000?

7                   A     I don't know.

8                   Q     Who owns the equipment? Control Center, Inc.?  
9 The pagers, that's all I'm concerned about.

10                  A     Answer Jefferson City.

11                  Q     But, that's an asset of the corporation,  
12 Control Center, Inc., is it not?

13                  A     Yes. It's a business of Control Center.

14                  Q     Does Answer Jeff City have separate books  
15 and records?

16                  A     No.

17                  Q     Was this balance sheet and statement of income  
18 and significant notes prepared by you or under your supervision?

19                  A     It was prepared by Krieger & Krieger from  
20 their accounting for the past year.

21                  Q     Well, my question is, was it prepared under  
22 your supervision, then?

23                  A     This was not under my supervision. The  
24 monthly accounting that has been done for the last year has  
25 been done under my supervision, and this is a summary of that.

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1 It's all done on computer.

2 Q Do you make the entries on a monthly basis  
3 in the computer?

4 A No. Krieger & Krieber does. I take the  
5 income--

6 Q But, this is a summary of their computer  
7 entries for a 12-month period, is it not?

8 A Yes, sir. It's my understanding that it is.

9 Q Looking at your Exhibit 6 and 7, I just have  
10 one question on those. Do you have those in front of you by  
11 the way?

12 A Are we back to the--

13 Q I notice Exhibit No. 6 stops in 1975. Do you  
14 have any figures for '76, '77 or '78?

15 A No, sir.

16 Q Do you know when the study displayed in  
17 Applicant's Exhibit No. 7 was performed?

18 A Again, the intervention--

19 Q No. I'm just asking, do you know what date,  
20 what year?

21 A No. It was written on--

22 Q That's all I wanted to know.

23 You said your paging business has increased  
24 100 percent in the last 12 months.

25 MR. FAIN: 105 percent.

1 BY MR. ENGLAND:

2 Q 105 percent, then.

3 A Eighteen months.

4 Q Eighteen months.

5 A Since we've owned the business.

6 Q Do you expect to enjoy that kind of increase  
7 over the next several years?

8 A Oh, no, sir. I would anticipate if we could  
9 25, 30, 50 percent would be a good yearly increase. We don't  
10 want to tear Jeff City up. We just want to be able to

11 Q Do you know what the growth was in your company  
12 prior to your purchase?

13 A Very little. It's my understanding that in  
14 1974 there were 100 pagers purchased, and I don't know how  
15 these pagers went out. Probably, these gentlemen here could  
16 tell you more about that than I could.

17 Q Do you have an investment in the antenna at  
18 the tower?

19 A Yes.

20 Q Is there a dollar figure on that?

21 A I don't believe there is any. I assume it  
22 would be included in the paging equipment in here, the 68,000.  
23 It is part of the paging equipment.

24 Q It is part of the 68,000?

25 A I'm assuming. I would have to go back to the

1 original purchase contract from last April.

2 Q Do you dispute the testimony of Mr. Musser as  
3 to the height of that antenna?

4 A No, sir. It's 250 feet on top of the tower.  
5 There's a letter--the story that I'm told, the antenna was  
6 installed at the top of the tower originally in '74, 250  
7 feet. We have a letter, don't know if you have it here, of  
8 a--to the FCC for an application to change the 200 feet on  
9 the license to 250 feet.

10 Q When was that application made?

11 A I believe it was June, July of '74; shortly  
12 after the license was issued.

13 Q Have you received any indication from them  
14 one way or the other?

15 A I can't find anything any further than that.

16 Q So, as far as you know, your license still  
17 requires the antenna to be at 200 rather than 250?

18 A Yes, I suppose.

19 Q Do you have an investment in the leased lines,  
20 private lines, from your dispatcher to the antenna?

21 A I pay the telephone company monthly.

22 Q That's a rental?

23 A Yes.

24 Q Do you know if that appears as an asset on  
25 the balance sheet--

1                   A     No, sir. I don't.

2                   Q     --or as an expense on your income statement?

3                   MR. FAIN: Your Honor, I don't want to be--cut  
4 in here, but I think I should to be sure that the record  
5 reads properly. Now, I want a continuing objection, to be  
6 sure that it shows in the record, in regard to any of these  
7 questions about the requirements on that tower so far as what  
8 the FCC requires. This is a new attorney cross-examining.  
9 I just want to be sure the record reflects that as a  
10 continuing objection, based upon what I stated earlier today.

11                   EXAMINER PARKER: You have a continuing  
12 objection to the FCC references.

13                   MR. ENGLAND: You're a little late. I'm on  
14 leased lines now. I'm through with the tower.

15                   MR. FAIN: That's why I wanted to be sure that  
16 I got it into the record at this point.

17 BY MR. ENGLAND:

18                   Q     Do you conduct any mobile telephone operations,  
19 Mr. Krattli?

20                   A     No, sir.

21                   Q     Do you have any mobile telephone equipment?

22                   A     We have a two-way radio sitting in the office.

23                   Q     Is that a sizable investment?

24                   A     No, sir. No investment.

25                   Q     No investment?

1           A     No investment. It belongs to Bill Peters,  
2     the previous owner of the business. It was in there when he  
3     owned the business and it's still in there.

4           Q     What would one of those cost if one had to  
5     go out in the marketplace and purchase it?

6           A     I don't know. It varies. I don't sell them,  
7     and it varies so much, as I understand it, according to the  
8     equipment that you purchase with the radio.

9           Q     Several hundred dollars?

10          A     Oh, I would assume. A pager is 300. A mobile  
11     radio, a two-way radio is bound to be higher than that.

12          Q     I believe you've testified previously that  
13     you have, what this Commission has termed, a non-interconnected  
14     paging service; is that correct?

15          A     Yes. I haven't testified to that, but I  
16     believe it's considered non-interconnected paging service.

17          Q     In other words, there's a manual switch. A  
18     person who receives the phone call and then initiates the  
19     page; is that correct?

20          A     Correct.

21          Q     What's the time lapse on something of that  
22     nature?

23          A     The time lapse?

24          Q     Well--

25          A     Between--

1           Q     From the time they receive the phone call  
2 before the page is put on the--

3           A     That will vary. There's times--normally,  
4 it's within, say, 15 to 30 seconds that the page goes out.  
5 The phone call is taken, the page is logged, written, a  
6 message is written down, the time, date, the pager number  
7 and then it's dispatched. Now, if the girls are busy, three  
8 or four pages may stack up before they're sent out, and it  
9 may be a minute or two minutes before they're sent out.

10          Q     Are you aware of equipment that provides for  
11 an interconnected paging service?

12          A     Yes, sir. The telephone company has something  
13 similar to that.

14          Q     Am I correct in stating that an interconnect  
15 system allows an automatic switch through, we'll say, from  
16 the phone call to the pager, so there is no transition time  
17 for an operator to receive the call, log it, and initiate  
18 the page?

19          A     Basically, that's my understanding, yes.  
20 We don't--

21          Q     That's all. I'm through with my question.

22               MR. FAIN: Your Honor, let him answer. He  
23 can give his full answer to the question if he has anything  
24 further to add. He can't be cut off.

25               MR. ENGLAND: I didn't cut him off. He paused



1 for several seconds before--

2 MR. FAIN: He started to say something  
3 further and you said--

4 EXAMINER PARKER: Go ahead.

5 WITNESS KRATTLI: We don't care to go to the  
6 interconnected paging service, because we feel we'll lose  
7 some of our personal touch that we tried to develop; in that  
8 the page is not recorded in our office. If someone is  
9 driving down the road, the pager goes off, they didn't under-  
10 stand the telephone number, they didn't have time to stop to  
11 write it down. Now, they can call our office and we have  
12 that page logged up there. With the interconnect service,  
13 the page goes out. The pager goes off. If you didn't under-  
14 stand it, you don't know where it came from, if my understand-  
15 ing is correct on the interconnect.

16 BY MR. ENGLAND:

17 Q Another reason that might enter into your  
18 decision not to switch to that equipment would also be that  
19 it requires a sizable investment; is that true?

20 A I would assume that it would require a sizable  
21 investment.

22 Q In order to find out if a page has been lost  
23 in transmittal, a page carrier would have to call your office,  
24 the answering people, to find out; isn't that correct?

25 A If he did not understand his page?

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1 Q If the page went out and it never made it to  
2 him?

3 A Yes. If he--

4 Q He wouldn't--

5 A If he was in downtown Columbia and didn't get  
6 the page, he would call our office to go back down the log  
7 to see whether or not he did have a page while he was out.

8 Q That's what I'm saying.

9 A Yes.

10 Q He wouldn't know until he called your office?

11 A Right. Most of our customers, because of our  
12 range, if they leave the local Jefferson City area, will call  
13 us that they are leaving the area; and we will tell their  
14 callers that John Doe is out of town for the day. He will  
15 be back this evening, and he will return your message then.  
16 And the message is taken and put in a note box for John Doe  
17 when he returns to town.

18 MR. ENGLAND: No other questions.

19 EXAMINER PARKER: Any redirect of this witness?

20 REDIRECT EXAMINATION BY MR. FAIN:

21 Q Mr. Krattli, first of all, in regard to the  
22 statement that Mr. England has asked you about the financial  
23 statement, have I told you that in the event you come under  
24 the jurisdiction of the Public Service Commission, you will  
25 have to set up your accounts in accordance with the System of

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1 Accounts as prescribed by the Commission?

2 A Yes, sir. We discussed this in detail as to  
3 how it would be done subject to assistance from the PSC.

4 Q Did I tell you that you would have to take  
5 all of your original records, and they would go over them,  
6 and then determine the various items as to where they would  
7 belong?

8 A Yes, sir.

9 Q Now, at the present time, of course, your  
10 accountant has not been involved in any of that, has he?

11 A No, sir. Other than--

12 MR. BROWNLEE: Your Honor, I'm going to make  
13 an objection. The four last questions have been leading,  
14 with Mr. Fain testifying and the witness, again, saying, yes  
15 or no. I am going to object to the question on that basis.

16 EXAMINER PARKER: Sustained. Try to ask him  
17 in question form. Don't lead.

18 BY MR. FAIN:

19 Q Were you told that you had to present to this  
20 Commission at this time a financial statement that was set up  
21 in accordance with the System of Accounts?

22 MR. ENGLAND: Same objection, Your Honor.

23 MR. FAIN: It's a direct question.

24 MR. ENGLAND: It calls for a yes or no answer.

25 EXAMINER PARKER: We're not going to get anywhere

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1 like this. Seeing as how leading questions are at my  
2 discretion, I will allow Mr. Fain to lead, seeing as it's  
3 4:30 and it's Friday.

4 MR. FAIN: Thank you, Your Honor.

5 MR. ENGLAND: Will that be in the advance  
6 sheets?

7 BY MR. FAIN:

8 Q Your answer is, yes; is that correct?

9 A Yes, sir.

10 Q Now, let's go to that financial statement  
11 first. Do you have it there close to you?

12 A Yes.

13 Q Will you simply state how much you paid for  
14 this business when you purchased it?

15 A \$236,000 plus the paging equipment and alarm  
16 equipment that I have purchased since I owned the business.

17 Q I didn't ask you that. First of all, what  
18 did you pay for it?

19 A \$236,000.

20 Q How much additional money have you put in, in  
21 new equipment and this sort of thing, if any?

22 A Approximately, \$50,000.

23 Q So, in actuality, what you paid and what you  
24 put in is far more than what is shown on your balance sheet;  
25 is it not?

*Missouri Public Service Commission*

1                   A     Yes, sir.

2                   Q     Now, in this matter of the proration of the  
3     accounts, do you see any reason why you cannot set up  
4     procedures so that you can prorate these expenses and income  
5     in the way that the Commission Staff will require you to do?

6                   A     In the future?

7                   Q     Yes, sir.

8                   A     No, sir. It's simply a matter of like I  
9     testified this morning. We'll have to determine what portion  
10    of the building is used for paging and what portion of the  
11    labor is used for paging and so on.

12                  Q     Now, there was some question on your balance  
13    sheet about that one item of payments in advance as a liability.  
14    Isn't it true accounting that you would have to pay those  
15    back if those services were not rendered?

16                  A     Yes, sir. I would have to return it.

17                  Q     Isn't that the reason why it's carried as a  
18    liability?

19                  A     I would assume so, yes.

20                  Q     Now, you were asked if you had made any break-  
21    down as to how much you had made, if any, from the paging  
22    service as opposed to the other. And, of course, your answer  
23    was that you had not. However, based upon the experience  
24    that you've had there in running of the business, and you're  
25    in touch with it intimately every day, are you not?

*Missouri Public Service Commission*

1                   A     Yes, sir.

2                   Q     You keep the accounts from month to month?

3                   A     Yes, sir.

4                   Q     Can you tell me, based upon the knowledge  
5                   that you have of your expenses and the income that comes in  
6                   from those various businesses whether you believe at this  
7                   time that the paging business is showing a profit?

8                   A     Yes. I would have to say, the paging business  
9                   is--would probably be showing a profit. I would simply be  
10                  guessing since it's all lumped together.

11                  Q     I don't want you to guess, but I want you to  
12                  base that opinion upon the knowledge that you have acquired  
13                  in running the business.

14                  A     Yes. I would say it would be.

15                  Q     It would be kind of funny for you to be here  
16                  seeking to get more if you didn't think it was showing a  
17                  profit, wouldn't it?

18                  A     Certainly. But, I can't give a dollar figure  
19                  or anything like that.

20                  Q     Now, getting back to some questions that Ms.  
21                  Laska asked you, I believe, in a colloquy that you had with  
22                  her, you answered at one time--she asked you along this line,  
23                  and I won't try to repeat the question. But, she asked you,  
24                  what would happen to your business if the PSC made you a  
25                  radio common carrier and the FCC did not grant the

1 Mid-Missouri Emergency Association any further license?

2 A Okay.

3 Q And she said, would that be critical to your  
4 business, and your answer was yes.

5 A No, it would not be, because we would then  
6 have our radio common carrier license, which would take the  
7 place of the Mid-Missouri Emergency Association's FCC license

8 Q Actually, in that situation, if you are  
9 granted that, there would be no necessity for the Mid-  
10 Missouri Emergency Association existing any longer, would  
11 there?

12 A Correct.

13 Q Now, there were some objection made, I think  
14 it was an objection, to the fact that there is advertising  
15 in the telephone book. This means more income for the  
16 telephone company, does it not? You paid for it, didn't you?

17 MR. BROWNLEE: Objection.

18 MR. ENGLAND: Irrelevant.

19 MR. FAIN: They're an Intervenor here, and I  
20 can show their interests.

21 MR. ENGLAND: That's not their interest in  
22 this proceeding.

23 EXAMINER PARKER: Sustained.

24 BY MR. FAIN:

25 Q As the assignee of the seller, Mr. Peters, was



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1       there anything to prohibit the Association from allowing you  
2       to attempt to get more members for them, to get more business?

3               A       No, sir.

4               Q       Now, I want to ask you about the changeover  
5       of the equipment. You were asked whether or not you had the  
6       financial capability to change over the equipment that these  
7       two applications would require. Have you made a study of  
8       that matter?

9                   MR. ENGLAND: Excuse me. That was not my  
10       question, as the record will show.

11               EXAMINER PARKER: If that is an objection--

12               MR. ENGLAND: That's an objection to his  
13       paraphrasing whatever--

14               MR. FAIN: I am not attempting to repeat the  
15       question. I took it down at the time in my notes that it was  
16       a subject that they covered as to whether or not he had the  
17       financial ability to make this transition in equipment.

18               MR. BROWNLEE: The only thing I asked is if  
19       he had to change the crystals, and he said yes. That was the  
20       only thing in a change in equipment that I recall.

21               MR. ENGLAND: I asked him in a question as to  
22       why--or in colloquy about changing to an interconnected  
23       system, that it would require a substantial investment to do  
24       that. I believe the witness agreed, and I left it at that.

25               MR. FAIN: Well, I think the subject was

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1 covered on cross. I don't recall now the attorney. It might  
2 have been a Staff member. It's not important.

3 BY MR. FAIN:

4 Q What I'm asking you is: Have you looked into  
5 that subject?

6 MR. BROWNLEE: Your Honor, I'm going to object  
7 on the basis that he is attempting now on redirect examination  
8 to enter an area that wasn't covered on either his first  
9 examination or cross-examination. I don't think it was  
10 covered.

11 EXAMINER PARKER: Overruled. I think it was  
12 somewhat covered in cross-examination, plus the fact that this is  
13 an administrative hearing and not a circuit court.

14 BY MR. FAIN:

15 Q You may answer.

16 A We--Phillips Service Company and the Motorola  
17 service representative in Jefferson City has told us that we  
18 can expect a \$30.00 to \$40.00 per pager charge to convert the  
19 pagers from our current frequency to the frequency that we're  
20 going to.

21 MR. BROWNLEE: Your Honor, I'm going to object  
22 to that and ask that it be stricken on the basis that it is  
23 hearsay. It's obviously something that the Phillips Motorola  
24 salesman here in Jefferson City--

25 WITNESS KRATTLI: Service.

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1 MR. BROWNLEE: --service salesman in Jefferson  
2 City has told this witness. On that basis, it is clearly  
3 hearsay and objectionable.

4 EXAMINER PARKER: I wasn't aware that hearsay  
5 was against the rules of this Commission. Overruled. It  
6 will go to its weight.

7 BY MR. FAIN:

8 Q All right. Now, in view of that, are you  
9 prepared to come up with any additional money that might be  
10 needed to make that transition?

11 A Yes, sir.

12 Q Now, the question of the--I'll withdraw that.  
13 I'm not going into that subject.

14 MR. FAIN: I have nothing further on redirect.

15 EXAMINER PARKER: Any recross?

16 MR. BROWNLEE: I don't believe I have any  
17 questions. Thank you, Mr. Krattli.

18 EXAMINER PARKER: Mr. England.

19 MR. ENGLAND: Just one question.

20 RECROSS-EXAMINATION BY MR. ENGLAND:

21 Q Looking back at your income statement, you have  
22 listed as an expense item "Interest & Bank Charges"  
23 approximately, \$10,898. Does that represent all the interest  
24 and bank charges that you pay in servicing these loans that  
25 are listed on your balance sheet?

1           A     Yes, sir. The miscellaneous bank charge and  
2 the interest on the loans that are back here.

3           Q     Do you pay interest on the note payable to the  
4 officers?

5           A     Yes, sir.

6           MR. ENGLAND: No other questions.

7           EXAMINER PARKER: Thank you very much, Mr.  
8 Krattli. The witness is excused.

9           (Witness excused.)

10 \_\_\_\_\_  
11           MR. BROWNLEE: Mr. Examiner, before Applicant  
12 rests, I would like at this time, and I believe I neglected  
13 to do so, to offer into evidence Central Mobilphone Exhibits  
14 A and B, the two photographs that Mr. Musser identified.

15           EXAMINER PARKER: Any objection?

16           MS. LASKA: For the record, I will say that  
17 I don't have any recross.

18           MR. BROWNLEE: I will hold these and try to  
19 get copies.

20           EXAMINER PARKER: Any objection to Central  
21 Mobilphone Exhibits A and B?

22           MR. FAIN: Yes, sir. For the record, I will  
23 have to voice an objection based upon my earlier statement  
24 that, as I understand, the reason they're being tendered is  
25 to show some violation of the FCC rules, which is clearly

*Missouri Public Service Commission*

1 beyond the jurisdiction of this Commission. For that  
2 reason, it's completely irrelevant. So, I'll have to object  
3 to it to be consistent, as Your Honor pointed out, with my  
4 earlier objection. But, as a practical matter, except for  
5 the fact that have to make that objection,--

6 MS. LASKA: Your Honor, the Staff will at this  
7 time take some position on this; and that is that we will  
8 object to any more specific evidence on FCC rulings or  
9 violations. The general nature of the questions, I think have  
10 been covered, and the Staff now objects to any further  
11 specific testimony as to this.

12 EXAMINER PARKER: Let's go off the record.

13 (Discussion off the record.)

14 EXAMINER PARKER: Let's go back on the record.

15 Objections are noted for the record. Exhibits  
16 A and B are received in evidence.

17 (AT THIS TIME PROTESTANT, CENTRAL MOBILPHONE,  
18 EXHIBITS A AND B WERE RECEIVED IN EVIDENCE AND MADE A PART  
19 OF THIS RECORD.)

20 MR. BROWNLEE: As a matter of clarification  
21 before Applicant rests, we anticipate that there will be some  
22 testimony from Mr. Troth in terms of the license that he has  
23 obtained, which has been approved and certificated by this  
24 Commission vis-a-vis the operation that has been ongoing,  
25 Applicant's ongoing operation under a separate license. Now,

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1 we're not going to have a full blown "I think the rules say  
2 this" vis-a-vis "I think the rules say that"; but I do think  
3 that it's going to be essential and necessary testimony,  
4 especially, in light of what we heard today. And, especially  
5 in light of the fact that it's arguable that Applicant has  
6 already been providing this service as Answer Jeff City, and  
7 as a consequence, if he has been providing it, then, it  
8 should have been tarified, and it may be illegal operations  
9 that he's based the case on. I do feel at this time we will  
10 want to be producing more than anything an interpretive  
11 analysis of Mr. Troth's service, which has been certificated  
12 as an RCC by this Commission vis-a-vis the past operations  
13 of Applicant, which have not been certificated.

14 MR. FAIN: Evidently I was thinking about  
15 something else, I'm sorry. What is the--

16 EXAMINER PARKER: Let's go off the record.

17 (Discussion off the record.)

18 EXAMINER PARKER: Let's go back on the record.

19 Are you prepared to introduce your exhibits,  
20 Judge, or would you like to wait?

21 MR. FAIN: Your Honor, let's go off the record  
22 for a minute.

23 EXAMINER PARKER: Let's go off the record.

24 (Discussion off the record.)

25 EXAMINER PARKER: Let's go back on the record.



*Missouri Public Service Commission*

1 MR. BROWNLEE: As a matter of record, I have  
2 discussed this with Applicant, and I feel that there may be  
3 some confusion as to the corporate history of Applicant.

4 The predecessor corporation was a Missouri  
5 corporation by the name of Capital Radar Security, Inc. It  
6 was incorporated in 1968, and on July 22nd, 1969, filed an  
7 application for a fictitious name with the Secretary of State,  
8 as Answer Jefferson City. Control Center, Inc., which is  
9 Applicant here today, was incorporated on 15 March, 1977 as  
10 a Missouri corporation, and it filed a fictitious name of  
11 Answer Jefferson City with the Missouri Secretary of State's  
12 Office on 28 April, 1977. Those are the entities that we  
13 have been dealing with here today, except for Mid-Missouri  
14 Emergency Association.

15 MR. FAIN: Very well. In view of that state-  
16 ment, as I understand it, there are two Answer Jefferson  
17 City fictitious name statutes approved by the Secretary of  
18 State. This kind of clouds the issue. But, the only thing  
19 I want to do is be certain that my application conforms to  
20 the evidence that has been submitted. And whether it's  
21 Control Center, Inc., or Control Center, Inc. d/b/a Answer  
22 Jefferson City, just let the application conform to the  
23 evidence that's been presented in this matter.

24 EXAMINER PARKER: Do you wish to offer your  
25 exhibits?



*Missouri Public Service Commission*

1 MR. FAIN: Now I will offer the exhibits,  
2 Applicant's exhibits.

3 EXAMINER PARKER: Any objection to Applicant's  
4 Exhibits 1 through 8?

5 MR. ENGLAND: Yes.

6 EXAMINER PARKER: I assume it is Exhibits 6  
7 and 7?

8 MR. ENGLAND: Well, I've got an objection to  
9 No. 2. I don't believe it was prepared by the witness or  
10 under his direct supervision. I don't think he has any  
11 personal knowledge of it, and I think it should be excluded.

12 MR. BROWNLEE: Your Honor, as to Exhibit No.  
13 5, I am going to object on the basis of it's irrelevant.  
14 It's an agreement between Mid-Missouri Emergency Association  
15 and Capital Radar Security, Inc., as an agency agreement for  
16 dispatching, neither of which is a party to this proceeding  
17 today. I don't understand the relevancy, and I see nothing  
18 in the document that ties it into any party present here  
19 today. Of course, my objection to 6 and 7, I believe, we've  
20 made, and you've taken it with the record.

21 MS. LASKA: Staff has no objection.

22 MR. ENGLAND: Let me join in the objection to  
23 6 and 7 also.

24 EXAMINER PARKER: Exhibits 1, 3, 4, and 8 are  
25 received in evidence. Exhibits 2, 5, 6, and 7 ruling will be

1 withheld for the Report and Order.

2 (AT THIS TIME APPLICANT'S EXHIBIT NOS. 1, 3,  
3 4, AND 8 WERE RECEIVED IN EVIDENCE AND MADE A PART OF THIS  
4 RECORD.)

5 MR. FAIN: Your Honor, just a minute now.  
6 Your Honor, No. 2 was the financial statement, isn't that  
7 correct?

8 EXAMINER PARKER: Yes, sir.

9 MR. FAIN: Now, as a practical matter, the  
10 law requires a financial statement. Mr. Stegeman has been  
11 standing by if there was any question raised that could not  
12 be answered in regard to this financial statement. Now, if  
13 these gentlemen are going to force me to bring him here to  
14 get in this salient exhibit, I'll have to reopen and bring  
15 Mr. Stegeman here. Because I've never seen this kind of a  
16 ruling on a financial statement, trying to get--make the  
17 accountant come here to put on, when it is done from the  
18 figures that he submitted to the accountant. But, now, if  
19 that's what you want, we'll call Mr. Stegeman. Because we  
20 cannot take a chance on a dismissal based upon this sort of  
21 a technical ruling on a financial statement. So, based upon  
22 the ruling, I will request permission to reopen and call Mr.  
23 Stegeman.

24 MR. ENGLAND: Absolutely not. This Intervenor  
25 will not stand for that. We were here ready, willing, able

1 and whatever to try our case today. So was the Applicant.  
2 He had his witnesses here. He even made a provision to bring  
3 his public witnesses here. This was the day to try the  
4 case. I think his case has been concluded, and I don't think  
5 it's proper for him to try to reopen it and rehabilitate whatever  
6 deficiencies he may find in his evidence as a result of our  
7 cross-examination and a day full of hearing.

8 MR. BROWNLEE: Plus, I don't think the  
9 Examiner has ruled. So, whatever Mr. Fain is anticipating,  
10 again, to me, is premature at best. But, I also concur  
11 precisely with what Mr. England has said on behalf of Central  
12 Mobilphone.

13 MR. FAIN: Well, then, I'll make this state-  
14 ment to Your Honor: That reopening is a matter of discretion,  
15 and it's only if the reopening would in some way lead to  
16 some hardship. Now, obviously, these gentlemen are not going  
17 to be heard today, and you are going to continue this matter  
18 to some future date. Mr. Stegeman can be heard at that time.  
19 They won't have to wait one minute longer here because of  
20 that. It will just be a matter of calling him and he can  
21 answer any questions. Very frankly, I think the questions  
22 were answered. But, there would be no hardship absolutely in  
23 hearing Mr. Stegeman at the very beginning of whenever we  
24 continue this matter to.

25 EXAMINER PARKER: Leave is granted.

*Missouri Public Service Commission*

1 MR. ENGLAND: Excuse me a second. I withdraw  
2 my objection. Would that make it a lot easier?

3 EXAMINER PARKER: Objection is withdrawn.

4 I assume we are continuing this to a date to  
5 be fixed. This hearing will be continued to a date to be  
6 fixed.

7 (Discussion off the record.)

8 EXAMINER PARKER: Let's go back on the record.

9 With Mr. England withdrawing his objection to  
10 Exhibit No. 2, Exhibit No. 2 is received in evidence.

11 (AT THIS TIME APPLICANT'S EXHIBIT NO. 2 WAS  
12 RECEIVED IN EVIDENCE AND MADE A PART OF THIS RECORD.)

13 EXAMINER PARKER: If there is nothing further,  
14 this hearing will be continued to--

15 MR. FAIN: Your Honor, let's go off the record.

16 EXAMINER PARKER: Off the record.

17 (Discussion off the record.)

18 EXAMINER PARKER: Let's go back on the record.

19 MR. FAIN: The Applicant rests.

20 EXAMINER PARKER: For the third time, if there  
21 is nothing further, this hearing will be continued to a date  
22 to be fixed.

23 WHEREUPON, the hearing of this case was  
24 continued to a date to be fixed by the Commission.  
25

*Missouri Public Service Commission*

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E X H I B I T S

MARKED

RECEIVED

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\*Withdrawn to make copies of

STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION

At a further hearing of the Public  
Service Commission, held in Jefferson  
City, Missouri, on the 14th day of  
February, . . . . . 1979.

CASE NO. TA-79-66

In the matter of the application  
of CONTROL CENTER, INC., for a  
Certificate of Convenience and  
Necessity to operate a non-  
interconnected paging service.

BEFORE:

THOMAS R. PARKER, Presiding,  
HEARING EXAMINER.

REPORTED BY:

ROBERT L. STRATMAN



1                   PURSUANT to a Session Order of the Missouri  
2 Public Service Commission, dated the 11th day of January,  
3 1979, entitled, "NOTICE OF HEARING," "ORDERED: 1." of said  
4 Session Order provided as follows: "That Case No. TA-79-66  
5 be, and the same is, hereby set for further hearing in the  
6 Commission's hearing room on the tenth floor of the Jefferson  
7 State Office Building, Jefferson City, Missouri, at 10:00 a.m.,  
8 on February 14, 1979, for the purposes set forth hereinabove  
9 and for any other matters as they become apparent."; at which  
10 time, date and place the following proceedings were had:

11                   EXAMINER PARKER: The Commission has set  
12 for hearing this morning Case No. TA-79-66; In the matter  
13 of the application of Control Center, Inc., for a Certificate  
14 of Convenience and Necessity to operate a non-interconnected  
15 paging service.

16                   This matter has previously had one day of  
17 hearing, on October 20th, 1978. At that time, Applicant  
18 put on and rested his case, with the remaining testimony  
19 today to be provided by the Protestants.

20                   On February 13, Applicant filed with the  
21 Commission a Motion to Dismiss this matter. This motion  
22 is under consideration by the Commission, and the Protestants  
23 have advised that they wish to respond to such motion.

24                   This matter was scheduled to be heard at  
25 ten o'clock; it is now ten-fifteen and nobody has made an

1 appearance. I, therefore, assume nobody will appear today.

2 This hearing is adjourned.

3 WHEREUPON, the hearing of this case was  
4 continued to a date to be fixed by the Commission.  
5

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