

# Steven Zecola

## GO COMMUNICATIONS' PRESIDENT AND CEO DETAILS THE COMPANY'S MISSION AND STRATEGY

• • • • • *What was the primary purpose behind GO Communications' formation? If I am a designated entity, what can you do for me?*

GO's primary purpose is to secure licenses in large regional footprints and be an operator. First and foremost, that's our objective. In doing that, we realized that we would not cover all of the country and that there would be substantial gaps in coverage, so it became pretty apparent to us that we would like to have alliance members that shared our view in terms of technology. That led us to conclude that a nationwide alliance of entrepreneurs would be useful. There were three things we felt that we could agree on: the RF technology, the back office technology—all the MIS information systems—and a brand name.

In looking at each of those, the second thing that became

readily apparent to us was that we needed to do the legwork in all of those areas. So we studied the technology and have entered into a contract with Northern Telecom. We're going to do a deal with either Nokia or Ericsson as a secondary vendor. After putting the framework in place, we decided we could use this framework for other designated entities. In the case of Northern Telecom, we negotiated what we call a consolidated buy-in discount structure so that the designated entity who gets only a few markets and would normally pay much higher rates could get a much lower rate if they want to use the discount structure.

From our perspective, we are recovering no costs in doing that. Arguably, we wouldn't even get any lower cost from Northern—we might; we might not. So, we're not doing this to benefit ourselves directly; we're doing it to benefit ourselves indirectly. That is, we'd like to have compatible technology around the United States, and that's our driving goal.

On the back office side, we've set up the same thing. We've put out two RFPs—a Phase One and a Phase Two RFP. These are documents that cost us over a million dollars to develop, and other DEs aren't even thinking about this, let alone spending money to do it. And by the way, we're told by the vendors that even the A and B guys aren't as far along as we are. We now are negotiating definitive agreements for the entire back office functionality.

So, once that deal gets done and the vendor that we're dealing with agrees, we will then take that and offer it to the other DEs. We're not doing this to benefit ourselves directly—i.e., recovering money—we're doing it indirectly so that when I roam into your territory the system works seamlessly. If I have a customer service problem, I call an 800 number; everything works seamlessly. It looks to the customer like one system.

And the third thing: the brand name. Obviously Cellular One is an example where it worked for cellular. I might get a little better lift in my territory if I'm part of a national brand name because there's advertising and there's awareness. We've made little or no progress on the brand name, but it's a little premature, I think. Once you get a license you're at least 12 months away from the market. We currently have trademarks on names like GO Card for the Smart Card, so that would be available for the people who wanted to use that name.

### STEVEN ZECOLA...

*...is President and Chief Executive Officer of GO Communications Corp., a start-up PCS venture seeking to acquire, own and operate broadband PCS licenses. Prior to GO Communications, Mr. Zecola spent 11 years at MCI in a number of sales, marketing, financial and general management capacities. He served as Vice President and General Manager of the PCS business unit in his last position at MCI.*