



## **Hawaiian Telcom CEO – Printed June 16, 2006**

In July of 1919, the employees of Mutual Telephone – the ancestor of Hawaiian Telcom – laid the cornerstone for a new headquarters building in downtown Honolulu. The new building would replace a facility that could no longer support Hawaii's growth and future needs. Now, 87 years later, our employees are once again laying the foundation of a new future for the company and for the islands.

This latest effort, of course, involves Hawaiian Telcom's newly established independence and our ongoing corporate overhaul. The centerpiece of this overhaul is a \$100 million investment in more than 80 new information technology systems and customer service platforms. Since we put these new systems into service in early April, we've hit some bumps in the road, though we continue to make steady progress in smoothing out the kinks. And for the long-term, we remain committed to our goal of bringing higher quality customer service and advanced telecommunications products and services to Hawaii.

The short-term pain is that since April 1, we have missed many of your calls due to long hold times at our contact centers. And for some of you, we might have missed a commitment for installation or repair. There also have been issues to resolve with billing. We regret that our corporate overhaul has affected any customers, and if you've been affected, I apologize.

Fortunately, we are making progress. Hawaiian Telcom and our technology vendors continue to address the system issues 24 hours a day, 7 days a week. At the same time, teams of employees are focused on projects that will improve service levels in the short-term even as we work on larger systems issues for the long-term. I can assure you that we will not rest until we get this right.

Our goal in making Hawaiian Telcom independent is still to make customer service better than it was before, and we will offer products and services that would not otherwise come to Hawaii or would at least take a much longer time to get here. Restoring high-quality customer service is our first priority, and then we can get down to the business of new services such as video and products that combine landlines and wireless into powerful new tools for communications.

The bottom line is that we've spent the past year reversing almost two decades of corporate downsizing and job offshoring. We've brought back more than 100 different work activities that had been shipped to the mainland over the years, and we have created about 200 brand new jobs in the process. Starting these

operations back up locally has been a huge task. But we think it is important for Hawaii to have a primary communications carrier that is 100 percent focused on the islands.

With this focus, in the past year we've established a new wireless company, a new long distance service and a new Internet Service Provider. We've launched a small business sales team and put telecom sales expertise on each of the Neighbor Islands. And we've strengthened our historic commitment to the community through sponsorships that include Sunset on the Beach, the Hawaiian Telcom Great Aloha Run, the Hawaii Union Builders Goodwill Senior Bowl and the Filipino Fiesta and Parade.

At the end of the day, though, what ultimately matters is that we deliver the quality of service that you expect and deserve. That's our goal, and we won't stop to rest until we get there. In fact, we'll always be moving fast to keep Hawaii at the leading edge of telecommunications capabilities.

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