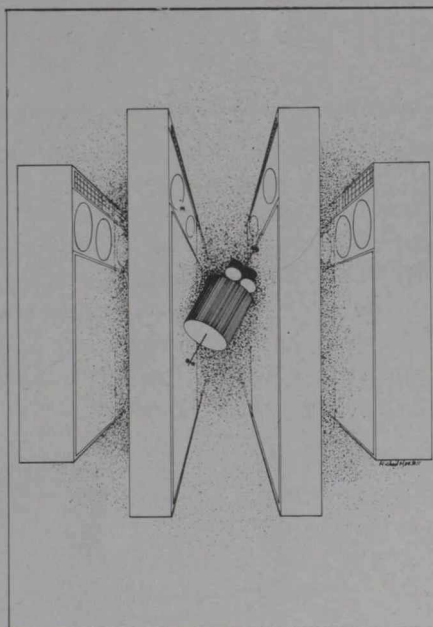


The growth of high-speed digital data transmission facilities is seen as a predecessor to development of a higher-speed digital switching service. Options include the development of a circuit switched capability, the development of a packet mode system—a network interconnected by computer linked modes interchanging data in distinct bundle arranged in agreed format—or both. The appropriate options will depend to a large extent on success and timing in the development of international data networks and the emergence of a demand sufficient to render the required terminal investments viable.

Teleglobe Canada is conscious that in every growing industry, the most sensitive area of the future is new markets. Continued success depends greatly on market research and analysis. A quick review of Teleglobe would reveal that voice and message-type communications, i.e., telephone, telex and telegraph, have been, and continue to be its bread and butter, although emphasis has shifted from telegraph to telex and telephone services. In fact, in its 1974-75 fiscal year, telephone service accounted for 55.2 per cent of the revenues, telex 16.6 per cent, while telegraph services dropped to 5.7 per cent. The increased cost of parcel and mail and the time delays involved have contributed to greater use of telecommunications services. International television, teleconferences, data and facsimile transmission are already a reality. The question now is: can these services be improved and modified to suit individual needs?

Until recently, and in keeping with its mandate, Teleglobe's objective had been to satisfy the public need first and to consider individual needs later. Now, that the



public need is being met, however, it is uncovering many individual users' needs which are so specialized that the public service capability cannot cater to them. The users are familiarizing themselves with telecommunications, finding methods of exerting pressure to force faster developments. Companies with similar communications needs are grouping together to develop sophisticated computerized switches, concentrators and processors to handle their data communication needs. A number of interdisciplinary teams have been created. Each team is made up of representatives of such departments as marketing, engineering and operation working as one to match needs with new technology and thus ensure suitable international communications services.

Teleglobe Canada's new developments will come in such areas as data services and computer communications, and in the ability to sell complete international telecommunication packages tailored to individual customers' needs. It foresees, for example, an interna-

tional public switched data network similar to the international public switched telephone and telex networks within a few years.

A new, more economical service for sending data between Canada and the United Kingdom was introduced on January 1. Offered jointly by Teleglobe Canada and the British Post Office, the new service achieves cost cuts of approximately 25 per cent by combining data signals from different circuits on the same transatlantic link. Canadian businesses such as banks, insurance companies, airline reservations offices etc., having frequent contacts with their U.K. offices should find it attractive. For their computer communications needs, such companies until now would have had to lease a voice-grade circuit from Teleglobe Canada and convert their data signals from digital to analog themselves. Customers pay a flat rate for fulltime circuit availability in a tariff structure based on circuit speed. Such, data link will eventually be extended to countries too.

Development of optical scanning devices, digital data services, highspeed facsimile, and packet mode systems had led the Canadian Post Office to serious planning for exchange of mail volumes both domestically and internationally by electronic means between 1980 and 1985. Likewise, the development of efficient digital facsimile devices is expected to produce a new international customer-to-customer demand within the next few years.

These activities are each expected to be self-sufficient, offer real service and stimulus to Canadian industrial and social development, and as international public services, ensure further integration of each Canadian into the international community.