

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Comprehensive Review of )  
 Customer Rebates for Trouble ) Docket No. 910163-TL  
 Reports of Southern ) 910727-TL  
 Bell Telephone & Telegraph )  
 Company )

-----

Fort Lauderdale, Florida

October 15, 1992

8:00 o'clock A.M.

DEPOSITION

OF

SCOTT MULCAHY

COPY

*Edited version of*  
13698-92  
DOCUMENT NUMBER DATE

10/20/92 NOV 20 1992

FPSC-RECORDS/REPORTING

1  
1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

I\_N\_D\_E\_X

WITNESS:	DIRECT	CROSS	REDIRECT
SCOTT MULCAHY	6	38	42



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

APPEARANCES:

OFFICE OF PUBLIC COUNSEL,  
by SUSAN RICHARDSON ESQ., of counsel,  
appearing on behalf of the Citizens of the  
State of Florida.

ROBERT BEATTY, ESQ.,  
appearing on behalf of BellSouth  
Telecommunications, Inc.

JEAN WILSON, ESQ.,  
appearing on behalf of Employment Service  
Commission Staff.

ALSO PRESENT:

STAN GREER, Division of Communications.  
CARL VINSON, Division of Research and  
Regulatory Review.

- - - - -

Deposition of SCOTT MULCAHY, a witness of  
lawful age, taken by the Citizens of the State of

1 Florida, for the purpose of discovery and for use as  
2 evidence in the above-entitled cause, In re:  
3 Comprehensive Review of Customer Rebates for Trouble  
4 Reports of Southern Bell Telephone & Telegraph Company,  
5 pending before the Florida Public Service Commission,  
6 pursuant to notice heretofore filed, before KATHLEEN  
7 SCHWAB, a Notary Public in and for the State of Florida  
8 at Large, at Southern Bell Telephone & Telegraph  
9 Company, Room 1015A, 6451 North Federal Highway, Fort  
10 Lauderdale, Broward County, Florida, on the 15th day of  
11 October, 1992, commencing at 8:00 o'clock A.M.

12 - - - - -

13 Thereupon:

14 SCOTT MULCAHY

15 was called as a witness on behalf of the Citizens of  
16 the State of Florida, and being first duly sworn, was  
17 examined and testified as follows:

18 MS. RICHARDSON: Okay. Today is October  
19 15th and we are at Southern Bell's offices. We  
20 are in Southern Bell's offices in Fort  
21 Lauderdale, located at 6451 North Federal  
22 Highway, in room 1015A.

23 At this time, I would like to take  
24 appearances of record. My name is Sue  
25 Richardson. I am representing the Office of

1 Public Counsel in Docket 910163.

2 MS. WILSON: Jean Wilson, representing  
3 Staff of Florida Public Service Commission.  
4 With me here today are two members of the  
5 Commission Staff, Carl Vinson and Stan Greer.

6 MR. BEATTY: Robert Beatty on behalf of  
7 BellSouth Communications, Inc, doing business as  
8 Southern Bell.

9 Let me state first that the deposition's  
10 taken pursuant to proper notice as to the date,  
11 time and location; that the parties stipulate  
12 and agree that all evidentiary objections are  
13 observed except as to form and as to relevance;  
14 number three, that we do not waive reading or  
15 signing of the deposition, at least to the  
16 extent that it is at some point transcribed.

17 And fourth, that, of course, Southern Bell  
18 Legal Department conducted an internal  
19 investigation of the matters about which we will  
20 discuss here today, that that investigation was  
21 conducted pursuant to the attorney/client  
22 privilege and the attorney work product  
23 doctrine. As such, there should be no  
24 disclosures in this deposition regarding matters  
25 that were learned in the course of the

1 investigation.

2 Mr. Mulcahy, in the event then that you  
3 are asked a question, the answer to which would  
4 cause you to reveal the substance of the  
5 internal investigation, I would request that you  
6 not provide that answer but that you identify  
7 the fact that there is something you are going  
8 to disclose that would, in fact, reveal some  
9 aspect of the investigation. We will then  
10 undertake any legal matters that we need to  
11 place of record in light of that fact. That, of  
12 course, does not mean that you should not  
13 testify with regard to your personal knowledge  
14 because, of course, you should.

15 DIRECT EXAMINATION

16 BY MS. RICHARDSON:

17 Q To start with, would you please state your  
18 name and spell it, for the Court Reporter?

19 A Sure. My name is Scott Mulcahy.

20 Q And your business address?

21 A . 6451 North Federal Highway, Fort  
22 Lauderdale, Room 1015.

23 Q Didn't have to come very far, did you?

24 A Right around the corner.

25 Q What's the zip code here?

1 A 33308.

2 Q Okay. And your business phone?

3 A 492-2800.

4 Q That's area code 305?

5 A Yes.

6 Q Your home address?

7 A

8 -

9 Q And your home phone?

10 MR. BEATTY: I would object to that.

11 Let's not have him disclose that.

12 Q Is your home phone an unlisted number?

13 A No.

14 Q It's in the telephone book?

15 A Yes.

16 MS. RICHARDSON: Do you have any objection  
17 to providing that information?

18 MR. BEATTY: I do.

19 MS. RICHARDSON: On what grounds?

20 MR. BEATTY: I request he not answer  
21 because it has no relevance to this proceeding.  
22 If you have - if you need to reach him, we stand  
23 ready to receive any subpoenas, any kind of  
24 legal process form, so, therefore, there's  
25 absolutely no need for him to disclose either



1 his personal address, for that matter, and  
2 certainly not his telephone number.

3 Q Just for the record, you are not going to  
4 give me your home phone number, based upon not your  
5 counsel, but counsel's objections this morning?

6 A Yes.

7 Q What is your present position at  
8 BellSouth?

9 A I'm general manager of network operations  
10 for the southeast Florida area.

11 Q And what territory does that cover?

12 A It starts in Broward County where Dade  
13 County leaves off. South Florida is essentially Dade  
14 and Monroe County. I have Broward and Palm up to  
15 Sebastian Inlet.

16 Q Okay. What are your responsibilities, Mr.  
17 Mulcahy, in this position?

18 A Okay. I am the - I have employees. I  
19 have 2,645 employees that design, construct, install  
20 and maintain network services for BellSouth  
21 Telecommunications.

22 Q In terms of installation and maintenance  
23 then, does that include new service, as well as repair?

24 A Yes.

25 Q Who is your immediate supervisor?

1 A Jerry Sanders.

2 Q And who is next level supervisor?

3 A Bill Ferguson.

4 Q Can you tell me how long you've held this  
5 present position?

6 A I came to this job in August of 1991.

7 Q What did you do immediately prior to this  
8 position?

9 A I was the assistant vice-president of  
10 organizational studies at company headquarters in  
11 Atlanta, Georgia.

12 Q Was this job a promotion then for you?

13 A No. This was a lateral.

14 Q Why did you make the move?

15 A The incumbent was ill, George Fortner, who  
16 retired in actually November, but he was ill in that  
17 time period and took early retirement, subsequently  
18 passed away. I don't know if that's relevant for the  
19 record, but real tragedy, 52 years old and cancer.

20 Q When did you start with the company?

21 A June of 1970, after graduating from  
22 University of Miami.

23 Q So you've been with the company all of  
24 your professional life?

25 A Yes, yes.

1           Q       And in terms of your experience with the  
2 company, I know you presently supervise people with  
3 installation and maintenance. Have you had any direct  
4 experience in IMC?

5           A       Yes.

6           Q       And can you tell me about when that was  
7 and what your duties were?

8           A       Goes back to 1975. I was a second-level  
9 manager and among other responsibilities, I had test  
10 centers and cable repair and station repair. I was --

11                   In my transition in the company, I've held  
12 every network job there is. I mean, I've been in  
13 switching, engineering, I've been a district engineer,  
14 I've been a manager in construction, in installation,  
15 in maintenance.

16                   I came in in 1970 under a college hire  
17 program that on purpose sent me through these different  
18 phases of the business, sometimes for short periods of  
19 time, but it helped. It was a good learning  
20 experience.

21           Q       So you're sort of a management trainee,  
22 working from the ground up in the company?

23           A       After almost 23 years, I'm beyond the  
24 training program, yes.

25           Q       When you started, talking about 1975, when

1 you first got here?

2 A Yes.

3 Q Okay. Would you say then or the extent -  
4 characterize the extent of your knowledge in terms of  
5 handling customer repair trouble reports, can you  
6 explain to me, do you have a thorough knowledge of that  
7 process from the receipt of the report through clearing  
8 and close of that report?

9 A Yes.

10 Q Are you familiar with disposition codes?

11 A Not in great detail. I've been away from  
12 that intricate of detail for a while, don't have a  
13 detailed knowledge. Very general knowledge.

14 Q Generally, what is the disposition code?

15 A Disposition code is what the trouble was  
16 closed to.

17 Q Okay. Are you aware of any -- Well, let  
18 me start off and change here. Are you familiar with  
19 the Public Service Commission Rule requiring the  
20 company to complete repairs on out-of-service reports  
21 within 24 hours at least 95 percent of the time?

22 A Yes.

23 Q You're familiar with that index?

24 A Yes.

25 Q Do you know of any disposition codes that

1 would exclude a trouble report from that index, from  
2 being counted in that index?

3 A Yes.

4 Q Okay. And just generally, do you know  
5 which ones or what kind of problems?

6 A Inclement weather, acts of God, generally  
7 things beyond our normal clearing capability are  
8 excluded, but that's about the extent of what I know.  
9 I mean, I don't know, you know, 0000002..

10 Q You don't know the numbers?

11 A But I know conceptually. I mean, I could  
12 go study the detail. I just don't do it in any  
13 day-to-day job.

14 Q Are you familiar with the computer system  
15 for processing trouble reports?

16 A You have to be more specific. We are  
17 system-laden. We have many systems, many processes.  
18 I'd have to know which one you're talking about.

19 Q Are you familiar with the L-M-O-S, LMOS  
20 system?

21 A Yes.

22 Q Can you generally describe the process in  
23 LMOS system for trouble reports, what happens, how it  
24 handles the trouble report?

25 A Well, LMOS is a line maintenance operation

1 system that contains customer record information, like  
2 name, address, facility, gives the repair attendance  
3 from the time the trouble's received, enough detail to  
4 know what the customer's reporting and where they are.

5 Beyond that, once the report's taken, it's  
6 processed through that system to the appropriate  
7 dispatching center or test center, at which time it's  
8 tested and if it needs a dispatch, it gets dispatched  
9 and it gets cleared and then it gets closed. That's  
10 pretty much the process and then each - along the way,  
11 it's statused, so we know if the customer calls back in  
12 again, your trouble's pending dispatch or your trouble  
13 is dispatched.

14 The technician then has a CAT terminal, a  
15 computer access terminal that - we live in acronyms,  
16 sorry to say, but we would punch in these discreet  
17 codes and say the drop was down, the terminal was off,  
18 the wire was broken. That's the disposition code.

19 Q Okay. In this clearing and closing  
20 process related to the index, the 95 percent index, how  
21 does the report get counted? How do you keep track of  
22 the time that that report is out-of-service and when it  
23 gets fixed or closed out?

24 A Now, the machine does it. The clock time  
25 is the closing time.

1 Q How long has it been now, when you say  
2 now?

3 A At least this year. At least - and again,  
4 I'm reflecting back. I've been here since August of  
5 '91. It was either late '91 or early '92 when these  
6 features were put into where there's - I mean, time is  
7 the time. When you punch in the close time, it's the  
8 time the machine says it is.

9 Q So that's just been a recent change then?

10 A Yes.

11 Q Do you know why that change was made?

12 A Well, yeah. It was done to eliminate any  
13 human judgment.

14 Q In determining when a report might have  
15 been closed out?

16 A Yes.

17 Q So, before this change then, it was  
18 possible for a maintenance administrator or manager or  
19 someone to input a clearing and closing time?

20 A Yes, it was possible.

21 Q Okay. So they could have put in any time  
22 basically in that machine for that particular - any  
23 particular report?

24 A Yes.

25 Q As having cleared and closed?

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Comprehensive Review of )  
Customer Rebates for Trouble )  
Reports of Southern ) Docket No. 910163-TL  
Bell Telephone & Telegraph ) 910727-TL  
Company )

-----

To: Robert Beatty, Esq.  
Suite 1910  
150 West Flagler Street  
Miami, Florida 33130

Your client's deposition taken in the above-styled case on the 15th day of October, 1992 is now ready for signature. Please have your client come to this office and sign same; or, if you wish to waive the signing of the deposition, please so advise.

If this deposition has not been signed by November 23, 1992 or the signature thereto waived, I shall forward the deposition under the Rules of Civil Procedure.

If you have any reason which you would like for me to place on the deposition as to your failure to sign the same, please so advise.

Very truly yours,

BROWARD REPORTING SERVICE, INC.,  
110 Southeast Sixth Street  
Suite 1890  
Fort Lauderdale, Florida 33301

By: Kathleen Schwab  
Court Reporter

DATE: November 9, 1992

COPY



1           A           And legitimately so. There are many cases  
2 I can cite in my own mind where we would have a major  
3 cable failure, is the best example, and maybe have  
4 2,000 customers out-of-service at once. There is a -  
5 there is a discreet time to type in each close. You  
6 got to do that 2,000 times. Time elapses.

7                       We could have cleared that cable failure  
8 at 8:20 and not physically gotten around to closing out  
9 all those troubles till noontime, so technically,  
10 customer service has been restored.

11           Q           Are you familiar with the tracker program?

12           A           No.

13           Q           In cable, tracker mapper?

14           A           Mapper, yes. Okay. Mapper tracker.

15 Tracker mapper. I think it's mapper tracker, to me,  
16 but, yes, I'm familiar generally with that system.

17           Q           Are you familiar with the process of  
18 closing out cable reports in bulk through tracker so  
19 that all the reports are closed out simultaneously,  
20 according to one time entered into the report?

21           A           I've heard about that. It's since my  
22 time. My time in the center was very manual, but I  
23 have heard of being able to do some of that, yes.

24           Q           So that would have taken care of that  
25 problem that you were just speaking about, 2,000

1 reports could be closed out in one basic key stroke?

2 A I don't know that to be a fact, but it  
3 could, I guess. I'm not that familiar with mapper  
4 tracker.

5 Q Okay. Do you know whether this recent  
6 change in removing discretion on inputting times was a  
7 result of problems that have arisen that you're aware  
8 of?

9 MR. BEATTY: I'm going to object. It's  
10 been asked and answered. He already indicated  
11 what the purpose was.

12 MS. RICHARDSON: But he didn't tell me  
13 what it was a result from. I got the purpose  
14 but not the result from, if it was meant to cure  
15 a known and isolated problem in the company. He  
16 just told me the purpose was to remove the  
17 discretion.

18 A In my view, it was, and, yes, I'm familiar  
19 with all the cases that the company has been involved  
20 in. It was to assure that there would be no  
21 continuance or, if anything, would err in the behalf of  
22 the customer, going back to the clear, close issue.

23 There are plenty of cases where our  
24 technicians, in good faith, do other work, other  
25 routine work to help make sure that customer is

1 delighted with their service, which may take another  
2 ten minutes, which may take another half hour, which  
3 also may carry it over the 24-hour business of the time  
4 of receipt to the time cleared. That's good business.  
5 We want to delight our customers, we want to satisfy  
6 our customers.

7 If that technician looks at his or her  
8 watch and says, now I'm over the 24-hour clock but, in  
9 fact, that dial tone has been back for 30 minutes,  
10 service was technically restored, but the machine's  
11 going to say you're over 24 hours.

12 So, I'm trying to make the point that the  
13 company has now made the policy decision to err in  
14 behalf of the customer, give the customer the benefit  
15 of the doubt. I mean, it's a rather strong move, in my  
16 judgment, in behalf of the customer.

17 Q How does a report become statused  
18 out-of-service or affecting service?

19 A There are VER codes.

20 Q V-E-R?

21 A VER codes that, in fact, take a test and  
22 compare it to a table, and I see this kind of trouble  
23 that he indicates to an out-of-service. So there's a  
24 translation, if you will, between what the test sees  
25 and what we have determined to be an out-of-service

1 condition for the customer or if the customer says my  
2 phone doesn't work, then we take that and put it in as  
3 an out-of-service trouble. So we use the customer  
4 and/or this table and if there's any - when in doubt,  
5 it's stroked out-of-service.

6 Q Have there been any changes recently to  
7 company policy on statusing reports from out-of-service  
8 to affecting service?

9 A I think there's a - been an expansion of  
10 those that may have been borderline in the past."  
11 Reality is a phone can be marginal. It can work, be  
12 staticky. You can test it, you can talk to the  
13 customer and one second later, it can go click and it  
14 doesn't work anymore. So technically, you got an  
15 affecting service trouble one second and an  
16 out-of-service trouble the next second. That's a  
17 reality.

18 But if anywhere along the line, it's  
19 determined that the trouble's out-of-service, here we  
20 go again, on the - biasing on behalf of the customer,  
21 which is the right thing to do, we're statusing  
22 out-of-service. Once it's out-of-service, it can't be  
23 changed back the other way, which I think is a good  
24 rule. I mean, if it's ever out, it's out.

25 Q Are you aware of any changes to the VER

1 code combinations that were statused out-of-service?

2 A Yes, but not the details. Again, I know  
3 the tables were expanded.

4 Q Are you aware of whether or not a VER code  
5 in 1990 could be manually input?

6 A Yeah, if we're saying that you could  
7 status trouble manually, yes. Is that your question?

8 Q Okay. There are different ways to status.  
9 One is through VER code and one is through result code.  
10 Are you familiar with result codes?

11 A No.

12 Q Are you aware of a company change in  
13 policy that VER codes would no longer be manually input  
14 after 1992 with the exception of message reports?

15 A Not -- No, not in that term. I know we've  
16 limited the number of people who can access the system  
17 to change the trouble status. I do know that. If  
18 we're saying the same thing, then I do know that, with  
19 limited access to the systems, again, as a safeguard,  
20 to make sure that we're beyond reproach with regard to  
21 trouble reporting systems.

22 Q Okay. In your opinion, then with these  
23 changes that have happened, will there be more trouble  
24 reports from customers statused out-of-service than  
25 there were in the past?

1           A       Yes.

2           Q       So, it will increase the total number of  
3 out-of-service for the company throughout Florida?

4           A       Yes.

5           Q       In relation to the 95 percent index, with  
6 the two changes that we've talked about, increasing the  
7 total number of out-of-service base and the closing  
8 time of being machine time on final status, in your  
9 opinion, how will that affect the company's ability to  
10 meet that 95 percent index?

11          A       It'll make it more difficult in the sense  
12 that there'll be more that we must get within 24 hours,  
13 but I've got to tell you we're geared up to do it. I  
14 mean, we have the right force plan and the right  
15 strategy to give the best service we've ever given. I  
16 mean, I can honestly say that, based on being the guy  
17 in charge.

18                   I have almost 2,700 people, almost two  
19 million access lines to manage. I've never felt better  
20 about being able to delivery excellent service to the  
21 customers. That is a very positive feeling, so we're  
22 going to give it our best shot to get everybody within  
23 24 hours. Forget the 95. I want them all and we're  
24 going to try like heck to do that.

25          Q       Okay. Mr. Mulcahy, is part of your

1 responsibility as a supervisor to discipline employees  
2 when you find misconduct or inappropriate behavior,  
3 defalcation?

4 A Yes.

5 Q Can you briefly explain to me the  
6 discipline process that you administer?

7 A Yes. Counsel, warn, suspend, terminate is  
8 essentially a four-step process. There are exceptions  
9 to any rule, but that's the working agreement between  
10 BellSouth Telecommunications and Communication Workers  
11 of America for the represented employees.

12 We also have 450 management people that  
13 are not represented. They are out of the collective  
14 bargaining units and, basically, the company would take  
15 the same kind of counsel, warn, suspend, terminate  
16 procedure, but then again, depending on the  
17 circumstance, you do the discipline in accordance with  
18 the offense.

19 Q So, have you had occasion then to  
20 discipline craft and management employees?

21 A Yes.

22 Q Have you heard the terms backing up the  
23 time used in any context during your time in the  
24 company?

25 A Yes.

1 Q And in what context?

2 A Following our previous or earlier  
3 conversation about when trouble is physically complete  
4 versus physically closed, there can be a gap between  
5 clear and closed. Backing up, to me, is going back to  
6 whenever the customer had the service restored and on a  
7 percentage basis, I still agree with that because I  
8 trust people and I think they should use good judgment  
9 and what's right is right.

10 If the customer had service restored at  
11 8:20 A.M. and it's now 9 o'clock and the technician,  
12 for whatever reason, forgot - didn't do what they were  
13 supposed to do, they should be able to back up to  
14 whenever it was physically completed. That's Scott's  
15 view of the word. That's not BellSouth's view of the  
16 world. BellSouth's view is if it's 9 o'clock, it's 9  
17 o'clock.

18 Q Have you ever had occasion to discipline  
19 an employee for improperly backing up the time on a  
20 report?

21 A No, not personally, no.

22 Q Have you ever heard of any employee being  
23 disciplined on that charge?

24 A Heard, heard, heard. Yes.

25 Q Can you tell me what you have heard, who



1 was involved?

2 MR. BEATTY: If the substance of what  
3 you've heard resulted from or is in some way  
4 tied to the investigation, then you need to say  
5 that it is tied to the investigation.

6 THE WITNESS: Okay. It was tied to the  
7 investigation.

8 MR. BEATTY: At this point then, I would  
9 request that you not respond to the extent that  
10 his response would reveal and disclose substance  
11 of the investigation, which is privileged and  
12 confidential. I request that he not respond to  
13 that question.

14 Q Okay. Mr. Mulcahy, I can't -- To get just  
15 a little bit more clear on how it's tied to the  
16 investigation, did you read some - a written document  
17 from the investigation that is the basis of your  
18 information?

19 MR. BEATTY: Yes or no?

20 A No, didn't read anything. Hearsay.

21 Q Okay. When you say hearsay, you mean not  
22 information that came from the company investigators  
23 but general scuttlebutt among the staff?

24 A Yes. I mean, it was -- Yes, it was  
25 general scuttlebutt among the staff.

1 Q Okay.

2 MR. BEATTY: I would withdraw my  
3 objection.

4 MS. RICHARDSON: Thank you.

5 Q Then what have you heard?

6 A What I heard was hearsay. I was in  
7 Atlanta and the employees in Miami that were  
8 terminated, it was based on - at least what I heard -  
9 them backing up the clock and/or the earlier question  
10 of building the base of out-of-service and that, in  
11 itself, was confused because I heard both versions.

12 I heard they were fired for backing up the  
13 clock and I heard they were fired for building the  
14 base. And it wasn't clear, you know, which was the  
15 truth, if either. But you know that's the only  
16 recollection I have of hearing any of the details of  
17 discipline.

18 Q Did you hear any names of people that were  
19 involved?

20 A Yes.

21 Q All right. Who were they?

22 A Joe Lesko and Nancy Valisia.

23 Q Are those the only two individuals that  
24 you're familiar with?

25 A Yes.

1 Q And was that the full extent - full and  
2 complete extent of the conversations or the information  
3 that you heard?

4 A Yes, best of my knowledge, yes.

5 Q Have you ever heard of a manager - or a  
6 policy in an IMC where a maintenance administrator was  
7 directed to call a manager to get permission to close  
8 out an out-of-service report?

9 MR. BEATTY: Object to the form of the  
10 question. It's compound. You can answer.

11 A I don't really understand the question.

12 Q Have you heard of the existence of a  
13 policy within an IMC where maintenance administrators  
14 were directed to call managers to get permission to  
15 close out out-of-service reports?

16 A No.

17 Q Have you ever directed any of your people  
18 to put that policy in place in an IMC?

19 A No.

20 Q Has anyone ever directed you to put that  
21 policy in place?

22 A No.

23 Q I'm going to test your memory a little  
24 here, as if we haven't already been doing that.

25 A Okay.

1 Q Are you familiar with the no access code,  
2 the NAS, no access subscriber code?

3 A Familiar with no accesses, yes.

4 Q Can you give me a general idea of what  
5 your knowledge of that is?

6 A Dispatch trouble or an order -  
7 installation order and try to gain access to the  
8 premise and can't. The policy is a technician leaves a  
9 notification that they tried to gain access and to have  
10 the customer call back so we can gain access. I don't  
11 know about the codes, but conceptually, we try to fix  
12 it inside and nobody's home.

13 Q And is the customer notified that the  
14 people were out there to fix the phone?

15 A Yes. The technician is supposed to leave  
16 a door hanger or a notification of some sort that we  
17 tried to gain access.

18 Q Do you know whether or not that code has  
19 any effect on whether that particular report is counted  
20 in the index, the out-of-service?

21 A I think it's excluded and, again, I think  
22 it is because we attempted to reach a customer and  
23 couldn't, so in good faith, we tried, nobody was home,  
24 so I think it's excluded.

25 Q Do you know of anyone who has used the no

1 access code in order to stop the clock on  
2 out-of-service reports to keep them from going  
3 out-of-service over 24 hours?

4 A No, I'm not familiar with anybody doing  
5 that.

6 Q Have you ever heard of anybody doing that?

7 A No.

8 Q Have you ever directed anyone to do that?

9 A No.

10 Q What -- As a manager and a supervisor of  
11 close to 2,700 employees, dealing with customer repair  
12 and installation and maintenance, how do you assure  
13 yourself that the highest integrity is being met, that  
14 these people aren't attempting to meet an index when  
15 maybe your goal is integrity over index, miss the  
16 index, I rather have integrity?

17 A I've said that. It's very difficult to  
18 get almost 2,700 people marching in the same direction.  
19 We're a big business. We're trying hard. I mean, I  
20 think that you do that by example. Total quality is  
21 walk the talk. I try very hard to do that.

22 I've been to headquarters twice. I've  
23 seen the big picture. I think I understand where the  
24 business is going, so my job is to provide a strategic  
25 direction, which is do the right thing, do what's right

1 for the customer and, frankly, let the indexes fall  
2 where they may.

3 Measurements are necessary to run a  
4 business, but measurement shouldn't guide bad behavior  
5 and that's my philosophy. And I hope if you went out,  
6 interviewed everybody that worked for me and knows me -  
7 not all 2,700 do. I haven't had time to go see  
8 everybody, but my management team should expound that  
9 philosophy 'cause I've been beating that drum now for a  
10 year and something, a year and three or four months.

11 Q I have here - and I think this relates to  
12 exactly what you're trying to tell me - a memorandum  
13 with your name on the letterhead, dated December 11,  
14 1991. I believe C.J. Sanders. Would you take a look  
15 at that page and the page following that and see if  
16 that's yours?

17 A That's mine.

18 Q Okay.

19 A That's my philosophy.

20 Q So, in that, you state one of your number  
21 one goals is integrity and insuring that integrity is  
22 met?

23 A Yes.

24 Q Then I'd like to see -- Let me ask. Other  
25 than setting the policy and walking the talk as an

1 example to your staff, how do you insure that  
2 defalcations, improper handling of reports, customer  
3 trouble reports are caught early, that you become aware  
4 of them so that you can take whatever appropriate  
5 action you deem necessary? How do you insure yourself  
6 that that is in place?

7 A Okay. It's a great question. Through  
8 continuous follow-up, I monitor. My philosophy of  
9 measuring my operation is continuous improvement.  
10 Where were you this time last year and what were you  
11 doing? Where are you this year and what are you doing?

12 We do have a staff that goes out and does  
13 periodic reviews. They'll do reviews at my request,  
14 they'll do reviews because it's time to do reviews,  
15 which is annual in some things, quarterly in other  
16 things. I'm proud to say that we've had reviews on  
17 contract administration, on coding and scoring of  
18 troubles, on things that have been looked at and into  
19 and it is working, I mean, the philosophy of do the  
20 right thing, right out to the technicians.

21 The technicians in southeast Florida have  
22 been told you've got to do a good day's work. We pay  
23 you well to do well to the customers, but instead of  
24 having an absolute number of tasks per day, we want you  
25 to do the right thing by the customer.

1                   Now, this is a long-term buy-in by  
2                   everybody because no matter how effective I am as a  
3                   manager and no matter how effective my managers are as  
4                   managers, if I don't convince the technician that  
5                   knocks on the door and meets the customer that that  
6                   customer's important, then we lose. And that, again,  
7                   is my philosophy.

8                   In follow-up, we have management reports  
9                   out of MTAS, which is mechanized trouble analysis  
10                  system or something like that, which give us weekly  
11                  reports back into the installation, maintenance centers  
12                  and it looks at all the no accesses, I mean, gives you  
13                  a printout and says these are no accesses and here's  
14                  how they were coded. And I've charged the managers and  
15                  the associate managers in these test centers to analyze  
16                  that each week and make sure that we're not having a  
17                  problem in coding 'cause this is a complex business.

18                  I mean, we're not talking about a business  
19                  that has one set of codes. I mean, we've got thousands  
20                  of codes. So that's the way I'm doing it. I'm trying  
21                  to do what's logical and what's right and have limited  
22                  the number of people that can go in the system. We've  
23                  tried to make sure that if we err, it's on the side of  
24                  the customer.

25                  I'm ready to try something in '93 that I



1 think is kind of neat. When a customer calls in for an  
2 installation appointment, at the end of that contact, I  
3 want to try, well, when would you like that. Right  
4 now, we tell them you can of it in two days, three  
5 days. It's fun to try these new things and get  
6 customer service -- I know I'm not supposed to talk a  
7 lot. I get cranked up.

8 Q Trust me. Mr. Beatty loves this.

9 A I get cranked up because this is the fun  
10 stuff of running the job. If I can get other people as  
11 excited - I think I can - over trying new things. I  
12 mean, we get bogged down in too many measurements.  
13 What's the bottom line? The bottom line is the  
14 customer wants service, when do you want it.

15 If you have a trouble, I'd like to clear  
16 it the same afternoon, you know, if you called in. And  
17 there's always limitations on resources. I haven't got  
18 12,000 people. I got 2,000 or 2,600. So, those kind  
19 of things are what I see happening in our area over the  
20 next several years.

21 Q Would you consider that a change in  
22 emphasis?

23 A I'm different. Yes. Lot of it is me, I  
24 think, and my boss' emphasis - he's very customer  
25 focused.

1 Q That's Mr. Sanders?

2 A Yes. Mr. Sanders is a great boss to have  
3 that kind of support 'cause you've got to have - and  
4 it's all the way through the organization. I know all  
5 the way up to our chief executive officers are focused  
6 on delighting customers.

7 Q Did you get an impression when you came  
8 then that perhaps the emphasis was more on meeting  
9 measurements than on pleasing customers and you're  
10 trying to make an effort to change that now?

11 MR. BEATTY: Object to the form of the  
12 question. It's leading, but you can answer.

13 A I think measurements are an important part  
14 of running the business. I think measurements can and  
15 do drive behavior. I think we have to be careful with  
16 how we use measurements in our business and, yes, I  
17 think my focus is on using measurements to delight the  
18 customer. So, yes, my focus is - my focus is different  
19 and - but it's different than a lot of people's focus.

20 Q Let me try this one different way then.  
21 In inculcating your philosophy down the ranks, have you  
22 found that your managers prior to your presence had a  
23 greater emphasis on meeting measurements than they did  
24 on quality service?

25 MR. BEATTY: If you know.

1 Q From your discussions with them.

2 A Yes, we were very results-oriented.

3 Q Okay. Do you primarily rely then on the  
4 day-to-day oversight of employee behavior and conduct  
5 upon your managers?

6 A Mm-hm.

7 Q So, if your managers are involved or  
8 focused on meeting an index and impliedly - not  
9 overtly, but impliedly condoning behavior that may not  
10 be of the highest integrity, are you sure that you  
11 would find out about it?

12 MR. BEATTY: I object to the form of the  
13 question. It's purely speculative, but if you  
14 can answer that, you're welcome to.

15 A That's a tough one. I aspire for them all  
16 to join in on the total quality way of running the  
17 business. I mean, I go out and speak to groups all the  
18 time, like after this, I'm off to a 30-year  
19 presentation to one of the technical people out in the  
20 network operation center. And what I'll say out there  
21 is you got to do what's right even when somebody's not  
22 watching you. And that gets into the personal ethics  
23 and integrity thing. And I'm not as naive as to  
24 believe that I have 450 evangelists working for me, but  
25 I want them to be empowered to do the job.

1           When I started with this company in 1970  
2           in the old Bell System, there was a practice for  
3           everything. I mean, my first few months with the  
4           company was reading practices. Besides being terribly  
5           boring, it was very limiting. The company's changed.  
6           The company has increased our spans of control. We're  
7           in a competitive world.

8           It's much more challenging to be a good  
9           manager today. You got to be a coach and a facilitator  
10          rather than just a director of what needs to be done.  
11          And in my view, I have some of each. I have leading  
12          edge super people and I have some that I need to  
13          develop further and I got a big group in between that  
14          are in transition.

15          So, no, I don't think they're all perfect.  
16          But I'm working on trying to get them to -- You got to  
17          start with what's here, you got to start with the  
18          mentality of it all. You have to buy in that we're  
19          going to do the right thing to the customers. And  
20          instead of me saying, well, you're empowered, except  
21          I'm going to go make all the decisions, I don't make  
22          all the decisions. I do empower my operations managers  
23          and their district engineers and the managers to do the  
24          right thing. And my oversight is I get tons of  
25          reports.

1                   We're still -- We got data and lots and  
2                   lots of data. And I'm good at it. I'm good at looking  
3                   at trends - I think I'm good at it - and monitoring the  
4                   job. And I do look for exceptions. I'm into control  
5                   charts, upper limits, lower limits, things running  
6                   along fairly well. Then I let the business run. If  
7                   there's something that looks out of line, then we check  
8                   it.

9                   And again, we'll always, I think, be in  
10                  continuous improvement, trying to simplify the  
11                  business, but it's getting complicated, it's not  
12                  getting easier. The demands from the customers are  
13                  getting more complicated, so it's more of a challenge.

14                  Q

15  
16                  A

17                  Q

18                  A

19                  Q

20                  A

21  
22  
23  
24  
25                  Q

1 A

2  
3  
4  
5  
6  
7 And if there were things that were  
8 going wrong in my division, I didn't know about them  
9 because we had passed several operation reviews from a  
10 fairly high level in staff and the results were good.

11 Q So there was an integrity problem but it  
12 wasn't showing up on any of the BLIP mechanisms that  
13 you had?

14 A Undetected by me, yes. Yes.

15 Q Okay. Are you anymore comfortable now  
16 with being able to detect --

17 A Yes.

18 Q -- BLIPs?

19 A Getting back to the - and I think that's  
20 again what prompted the changes in systems and prompted  
21 the clear-close change, making clock close out trouble,  
22 limiting access to the systems. We have changed those  
23 procedures, and the controls are much tighter.

24 Q You're familiar with the system. You know  
25 the changes that have been put in place?

1           A       Mm-hm.

2           Q       In your opinion, is it still possible for  
3 an individual to manipulate an out-of-service report in  
4 order to meet some of the indexes that the company  
5 requires the company employees to meet?

6           MR. BEATTY:  Objection to the form of the  
7 question.  It's purely 100 percent speculative.  
8 If you can fathom a guess on that, by all means.

9           A       I don't think so.  I think there's too  
10 many checks and balances.  Even if it was changed,  
11 there are detection reports that would highlight that  
12 change.

13                    You do realize how many orders we process  
14 and how many troubles we handle.  I mean, think about -  
15 I got 1,800,000 access lines.  And about two percent of  
16 them a month have a trouble, I mean, an installation  
17 order.  I would say there are billions of opportunities  
18 just in my mind, running the numbers.  And I think the  
19 checks and balances are very thorough.

20                    I think the company has spent an  
21 inordinate amount of time trying to think of every way  
22 under the sun to make sure we've got the right checks  
23 and balances, in good faith.  So I'd answer no, I don't  
24 know of any way they could do it.

25           Q       Outside of what you've already testified

1 to here today, are you aware of any employee who has  
2 falsified a customer trouble report?

3 A No.

4 Q Have you ever had occasion throughout 1975  
5 to present to report an employee to company security or  
6 internal affairs for mishandling a customer trouble  
7 report?

8 A No.

9 Q Do you know if anyone has ever reported  
10 you for having done so?

11 A No. If they did, they kept it a secret.  
12 I mean, I never got accused of anything.

13 Q I'm going to give you an opportunity, for  
14 the record. Have you, yourself, ever personally  
15 falsified a customer trouble record?

16 A Never.

17 MS. RICHARDSON: Okay. Mr. Mulcahy, I  
18 want to thank you for your presence here today.  
19 I appreciate the time. I know how busy you are  
20 in your position. I have no further questions  
21 at this time, but some of the staff may have one  
22 or two before we can let you hustle off.

23 CROSS EXAMINATION

24 BY MR. VINSON:

25 Q In response to one of Ms. Richard's



1 questions about how do you prevent defalcation, you  
2 mentioned some staff reviews periodic and at your  
3 request. Those staff reviews, which staff are you  
4 referring to that performs those?

5 A That would be the implementation staff of  
6 BellSouth Telecommunications. They're based either  
7 here in Miami or in Jacksonville. And they're  
8 functional, so if it was a repair kind of audit, it  
9 would be Fort Lauderdale. If it was engineering, it  
10 would be Miami. If it was construction, it would be  
11 Jacksonville, so it would depend on the detail of the  
12 audit, but it's the local staff. They don't report to  
13 me. They report to people in Birmingham and Atlanta,  
14 but they're at my call to help me monitor the  
15 operation.

16 Q The Jacksonville - for example, the  
17 Jacksonville staff would be the one under Mr. T.C.  
18 Taylor?

19 A Yes, that's correct.

20 Q Your prior jobs specifically, I'd like to  
21 clear that up a little bit. You mentioned being a turf  
22 manager or division manager in Miami. Which division  
23 was that?

24 A Central Dade. Now, it's different than  
25 it's configured today but still named the same, but

1 some of the wire centers are the same, some aren't.

2 Q What was the term, the dates when you  
3 served there as division manager?

4 A September of 1987 to June of 1989, 21  
5 months.

6 Q Let me ask you, Ms. Richardson asked a  
7 very hypothetical question about an employee attempting  
8 to beat the system currently. Let me get a little bit  
9 more specific, maybe that'll help.

10 If a service tech was out on a trouble,  
11 having been dispatched and was to - let's say he's  
12 approaching the 24-hour mark and he realizes it's  
13 probably going to take longer than that to clear the  
14 trouble. He goes ahead and keys in on his CAT, let's  
15 say, at 23 and a half hour mark and then proceeds over  
16 it next hour to actually clear it. How would that  
17 system be able to detect that that has been reported as  
18 cleared before it actually was?

19 A If there was still a trouble on the line,  
20 first thing it would show is that at this point in  
21 time, technician, whoever that person is, closed out a  
22 trouble and it still had a shorted repair or ground or  
23 some default test it's supposed to be able to test  
24 through and show that the trouble's been cleared, and  
25 it wouldn't be cleared.

1 I mean, I guess it would be done. I'm  
2 thinking as I'm talking here with regard to - I guess  
3 anything's possible. They could close it with it still  
4 being out-of-service, could initiate a flow report,  
5 start working on it again, but that would not only look  
6 strange, I think it would be cause for management to  
7 look at it.

8 Q Let me try a different question, probably  
9 a better question. After a service tech. closes a  
10 trouble, is a new test required or performed by someone  
11 to verify that it is now back in service?

12 A It's not automatic. It's -- We're saying  
13 that it needs to be done to assure the trouble's  
14 cleared. You're right, it's not an automatic thing.  
15 When you close out the trouble, it automatically makes  
16 a test.

17 So theoretically, I guess you're right.  
18 It could be closed out with trouble on the line. It  
19 would look kind of strange to have that and then have  
20 an employee report and then have it closed out again an  
21 hour later. I guess it could. I just never thought of  
22 it that way.

23 MR. VINSON: Those are all the questions I  
24 have.

25 MR. GREER: I don't have any.

1 MS. RICHARDSON: I'd like one more, if I  
2 could, if that's all right.

3 MR. BEATTY: Sure.

4 REDIRECT EXAMINATION

5 BY MS. RICHARDSON:

6 Q This is a memo to R.K. Snelling, dated  
7 January 4th, 1990. It has your name on the letterhead.  
8 Could you please see if that's yours?

9 A Mm-hm.

10 Q Down toward the bottom of the last  
11 paragraph, I think it mentioned you met with some craft  
12 people, something to do with - about initial gripe  
13 sessions. Can you explain to me what that involves?

14 A Yeah, I'll be glad to. This dealt with  
15 when I was turf manager in central Dade. I used to go  
16 to the home dispatch meetings to talk about service and  
17 important things to run the business. The gripe  
18 session was the ice is brown, my truck is dirty, I  
19 can't get the screwdriver I need. Those were the  
20 initial gripe sessions.

21 What was neat about that was after we got  
22 through that, we started talking about the real stuff,  
23 like why do we do this in the business, I heard  
24 so-and-so was happening in North Carolina. And I like  
25 to go out and talk to those people because they were

1 desperately in need of having somebody to talk to them  
2 at a high enough level in the company. That's what  
3 that meant.

4 Gripe sessions were, in my mind, things  
5 that were easy to fix, that probably should have been  
6 fixed at lower levels but for whatever reason weren't,  
7 and I fixed them. I got their ice white, I got them  
8 new trucks when they needed it and new tools and life  
9 went on.

10 Q Did any of the gripe sessions entail  
11 complaints by craft about handling of customer records  
12 or being -- Let's start with that.

13 A No. No. It was more of the central  
14 office people aren't working with me. A lot of my job  
15 at that level was trying to coordinate all the pieces  
16 of the puzzle to work together so, no, they never  
17 complained about out-of-services.

18 Q Okay. And you never heard in any of those  
19 sessions about possible problems with handling customer  
20 records?

21 A No. That's right, I didn't.

22 MS. RICHARDSON: Okay. Thanks.

23  
24 (Whereupon, the deposition was concluded at 9:00 A.M.)  
25

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

-----

(Signature of Witness)

**CERTIFICATE**

STATE OF FLORIDA     )  
                              : SS.  
COUNTY OF BROWARD    )


I, KATHLEEN SCHWAB, a Notary Public duly  
commissioned and qualified in and for the State of  
Florida at Large, do hereby certify that pursuant to  
notice heretofore filed, there came before me on the  
15th day of October, 1992, at Southern Bell Telephone &  
Telegraph Company, Room 1015A, 6451 N. Federal Highway,  
Fort Lauderdale, Broward County, Florida, the following  
named person, to wit: SCOTT MULCAHY, who was by me  
duly sworn to testify to the truth and nothing but the  
truth of his knowledge touching and concerning the  
matters in controversy in this cause; that he was  
thereupon examined upon his oath and his examination  
reduced to writing under my supervision, and that the

1 deposition is a true record of the testimony given by  
2 the witness; and that said witness read the same and  
3 subscribed his name thereto.

4 I further certify that on the 9th day of  
5 September, 1992, I notified Robert Beatty, Esq. that  
6 the deposition of SCOTT MULCAHY was now ready for  
7 signature.

8 I further certify that I am neither  
9 attorney nor counsel for, nor related to, nor employed  
10 by, any of the parties to the action in which this  
11 deposition is taken, and further that I am not a  
12 relative or employee of any attorney or counsel  
13 employed by the parties hereto, or financially  
14 interested in the action.

15 IN WITNESS WHEREOF I have hereunto set my  
16 hand and affixed my official seal this 9th day of  
17 October, 1992.

18  
19  
20  
21   
22 Notary Public, State of Florida at Large  
My Commission expires: December 6, 1992.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Comprehensive Review of )  
Customer Rebates for Trouble )  
Reports of Southern ) Docket No. 910163-TL  
Bell Telephone & Telegraph ) 910727-TL  
Company )

-----  
To: Robert Beatty, Esq.  
Suite 1910  
150 West Flagler Street  
Miami, Florida 33130

Your client's deposition taken in the above-styled case on the 15th day of October, 1992 is now ready for signature. Please have your client come to this office and sign same; or, if you wish to waive the signing of the deposition, please so advise.

If this deposition has not been signed by November 23, 1992 or the signature thereto waived, I shall forward the deposition under the Rules of Civil Procedure.

If you have any reason which you would like for me to place on the deposition as to your failure to sign the same, please so advise.

Very truly yours,

BROWARD REPORTING SERVICE, INC.,  
110 Southeast Sixth Street  
Suite 1890  
Fort Lauderdale, Florida 33301

By: Kathleen Schwab  
Court Reporter

DATE: November 9, 1992

COPY