

You can say that the network we began 50 years ago has become the great pathway of life we experience today.

1952-2002

SURRY TELEPHONE MEMBERSHIP CORPORATION

Internet has changed the whole concept of education.

Call It a Family Tradition

Graham Atkinson of Siloam was just three years old when the picture that appears on our front cover was taken. Telephones, like the one his mother is speaking into, were a wonderful mystery for most three-year olds in those days.

Graham, a member of the school board and head of the DARE anti-drug program, says, "I think one day my son will be talking to a screen, communicating visually as well as with audio. Internet has changed the whole concept of education."

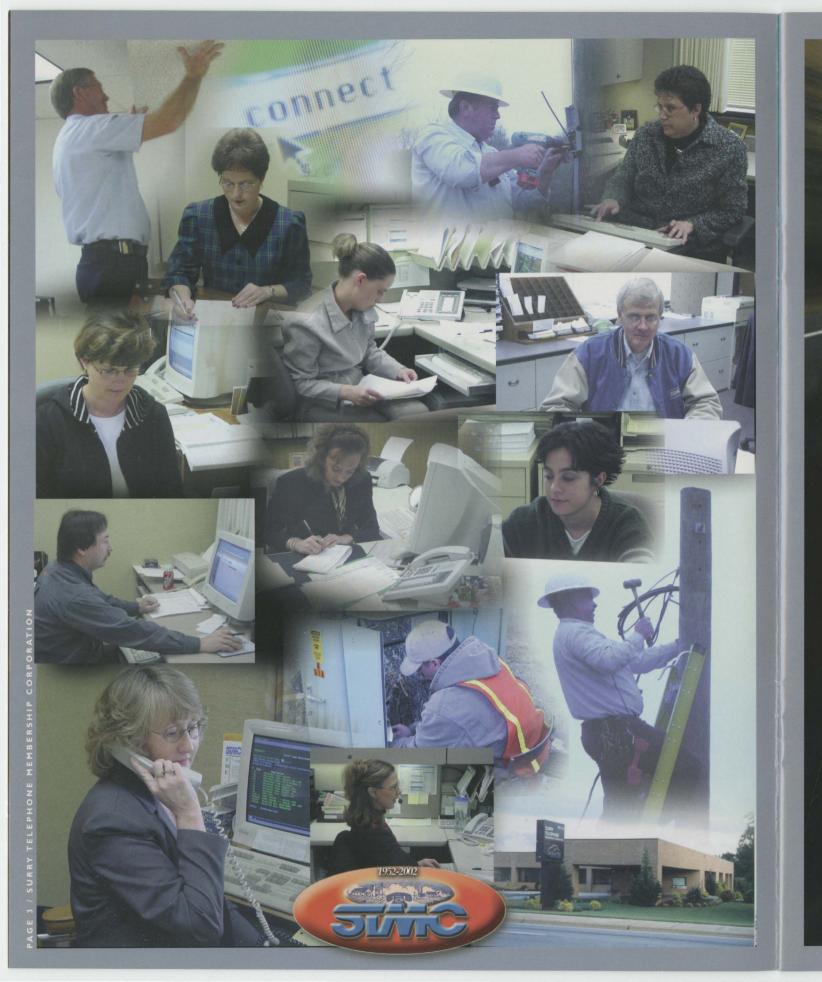
> The Surry Telephone Membership Corporation is a family tradition for Graham, as it is for many of our current members. His grandfather, Arthur Graham, was one of the original organizers of the Surry Telephone cooperative 50 years ago. Today, Graham Atkinson says proudly, "Surry Telephone . . . provides good quality service. I see that both personally and in the community."

Graham Atkinson, his wife Melissa, daughter Amanda and son Hugh

Today's children,

like Graham's son, Hugh, grow up using telephones and even more sophisticated communication devices without giving them a second thought. Three-year-old Hugh — he is the same age as his father was in our cover photo — uses the computer to explore the Internet easily.





ne First Ca Opened the Great Pathway

You are holding a time capsule, a brief history of Surry Telephone Membership Corporation's first 50 years of service. It is also your history and the history of your family and neighbors. For a half-century, the members of STMC have been more than our customers. They have chosen and served on our board of directors, guiding our business decisions at every step along a 50-year journey that brought us to where we are today. In fact, without the efforts of local residents back in the 1950s, there might not be an STMC. From conception to the present, the people of this area have been responsible for our birth and growth, because STMC has always been a local company, owned by the people it serves.

Those who remember when there was no local phone service know how significant the creation of STMC was. The very first time our residents were able to place a telephone call from their own home or business was a major event in every household, a thrill comparable to what later generations felt the first time they watched a man walk on the moon. It was a first step on the pathway to the future. The hearts of the people of Surry and Stokes Counties joined the shout of America as our nation moved from the Industrial Age to the Era of Communications.

The stories you experience in this book will begin with our earliest days, when STMC had only a few hundred lines and used black, rotary-dial phones that looked like a truck's accelerator turned upside-down. In those days, up to eight families shared a single line. Today we serve several thousand people with Internet access, cellular phones, high-speed digital communications and our own long-distance network. You are part of that 50-year journey from party lines to pagers, traveling with us down an information pathway that is still leading our region into a dynamic future.

6 6 I think the REA Act was one of the most important pieces of legislation that was ever passed because, by establishing electricity and telephone service in the rural areas it has had a tremendous impact on the economy. -Virginia Jones, STMC office manager for 31-years, 1959-1991

May we suggest that local communications was as significant?

Initially, the dialing prefix for our first exchange, Level Cross, was FR. A phone number there might be FR-1234. Surry Telephone's original phone number was 3485. The business office was 4-2610.

and the water and the server

The First Steps Along the Communications Path

A group of local people carried a great responsibility on their shoulders when they met on Feb. 6, 1951. Technological and social changes brought about by the Great Depression and World War II made the world a different place. Methods of communication needed to be better and faster even among the picturesque farms and quiet towns of the North Carolina Piedmont. That Tuesday, they set in motion the wheels that would carry Surry and surrounding counties into the future.

Sixteen years earlier, Congress had established the Rural Electrification Administration (REA) in order to extend electrical facilities to rural America. In 1949, the Rural Electrification Act was amended to assist in bringing telephone service to those same areas. REA did not build or operate facilities. It made start-up loans that allowed rural cooperatives to build their own service lines, providing the co-ops could prove they had strong community support and a sound operating plan.

That first Board of Directors meeting in 1951 adopted the by-laws that guide STMC's business operations. They adopted the corporate seal, set residential and business multi-party rates, and took all the steps necessary to apply for a \$595,000 REA loan through the North Carolina Rural Electrification Authority.

The board's first officers were: W. H. Hardy, president; Glenn Payne, vice-president; R. E. Snow, secretary; and C. D. Smith, treasurer. The Surry Telephone Membership Corporation received its Charter of Incorporation from the State of North Carolina that same year. It began operation with 192 members in the Level Cross Exchange in November 1954. In 1957, Westfield, Beulah and Zephyr exchanges were added, bringing the number of subscribers to 1,100. The monthly rate for 8-party service was \$3.25, with toll charges on all calls outside the member's own exchange.

From that modest beginning, STMC has grown to what we are today. We are still owned by those we serve.



The Most Welcome Change: PRIVACY

Customers who remember party-line service in the 1950s and 1960s almost unanimously agree the biggest and most welcome change in STMC's history came when the company replaced shared party lines with private telephone service that began in the late '60s.

"I remember that if you needed to tell someone something private, you'd better get in the car and drive over to tell them in person rather than over the phone. The best change Surry made, in my mind, was going to private lines."

-Catherine White, who first got service in 1957

One thing about those party lines is that you always got the news. We'd hear all the time when someone had a baby or someone returned home from the hospital. We were always glad to hear about those times.
—Davis M. Haynes, farmer, age 72

In 1965, Connie Watson was a young highway patrolman who spent much of his duty working in Surry County. He was new to the area then, but the people were friendly, and before long the region's scenic hills and valleys became his home. In 1994, his neighbors elected him sheriff of Surry County, a position he has served in ever since.

Communication is an important element of law enforcement, and Sheriff Watson is quick to praise STMC for its role in helping officers to serve and protect local residents.

"Surry Telephone has been instrumental in enhancing the communications of the sheriff's office. They've provided us with a lot of support and helped us make communications run smoother. Surry also helped us tremendously in the development of our enhanced 911 system," he says.

He also wryly recalls how STMC's switch from party lines to private service cut down on some of his work as a trooper during his years with the highway patrol.

"When I first came to this area in 1965, there were a lot of people who didn't have a phone, and those who did were on a party line. There were a few people who would get into scuffles because someone wouldn't give up the line, and we'd be called out. You'd be surprised how adding private lines helped in law enforcement."

A Few People Got into Scuffles

> The community in the '50s was real quiet, slow paced. Everybody knew each other. It was very farm-oriented. People saw each other at the tobacco auction market or the electric or telephone cooperative meetings. Everyone got together for barn raisings, com shuckings and chicken stews. It was a big treat to get to go to Winston-Salem to the Fish House for dinner. — Paul Johnson, county commissioner.

For a Time, the World Seemed to Share Our Front Porch

This part of North Carolina was the birthplace of Andy Griffith, who created the character of Sheriff Andy Taylor, America's most beloved fictional lawman. Mount Airy was the inspiration for Mayberry, the all-American small town depicted on "The Andy Griffith Show," which ran for 249 episodes beginning Oct. 3, 1960.

The down-home friendliness and quiet lifestyle of northwestern North Carolina ran through every episode like a gentle folk song. Audiences laughed at the antics of Deputy Barney Fife (Don Knotts), Gomer Pyle (Jim Nabors) and the rest of Mayberry's citizens, but the little town came to represent much of the best America has to offer — caring neighbors, friendly people who were always willing to lend a stranger a helping hand. This enduring image continues to lure visitors from around the world who contribute to the tourism business in our part of the state.



Mike Stanley has seen STMC from nearly every possible viewpoint. He grew up on a Surry County farm, using the co-op's phone lines to visit with family members, to talk with friends and to call home during the war years. Later, he joined the company as an employee, quickly rising through the ranks to become its general manager. He is also our ambassador to universal communications, having served on the National Telephone Cooperative Association (NTCA) Futures Committee and Wireless Committee, as well as the board of the North Carolina Telecommunications Industry Association, where he has been both vice-president and president. He is a former president of the Carolina/Virginia Telephone Association.

Mike graduated from Surry Central High School, entered the Army joining The Signal Corps in 1966, where he worked with modern communications equipment during the Vietnam War Era. After returning home, he became a central office switchman for STMC in 1969. Just four years later, he was promoted to central office supervisor, then became plant/engineering manager in 1977 and general manager in 1983.

He's seen STMC pass many milestones. The 1975 decision to switch from rotary dialing to touch-tone service opened the door to the variety of call-

As we face competition, it will just make us better. I think we have a great future here. We want to stay local.

ing features that customers benefit from today. The co-op added its first digital switch in 1980 and deployed its first fiber optics in 1984. The entire system was digital by 1987, reducing the number of switching areas from six to three, and then to one large hub to serve the entire systemin 1998. In 1995, the company began its popular, expanded local calling plan. The biggest decisions though, in Mike's opinion, were pursuing wireless communications in the 1980s and offering local Internet access, beginning in 1995. He sees the future as a time when telecommunications technology will continue to improve the lives of average citizens even more than it has in the past.

"I think we'll expand even further. I think tomorrow's technology will involve more broadband (plant and transmission facilities with a bandwidth capacity greater than that of voice-grade lines). It will definitely be more than just voice. Our objective is to provide the technology to help the people of this area enjoy life a little more and to provide an opportunity for them to better themselves," he says.

He readily acknowledges technology as only part of the equation. The "people factor" that has always characterized STMC's service will continue to be as important as the company's technical capabilities.

"This company is where it is today because of the workforce, community support and strong leadership of the board of directors," he stressed. The employees cooperate as a team. That point is vividly illustrated in this book. STMC decided the way to showcase its current employees was in a group photo, shot on the front porch of a local icon, instead of picturing them individually. Managers, equipment installers, customer service staff and all other associates were photographed as what they are - a single team working toward common goals.

The coming years hold challenges. They most likely will bring increased competition as other phone, cable and data systems vie for the area's telecommunication business. This proposition doesn't worry Mike Stanley.

By TOM JOYCE Managing Editor DOBSON — Surry Central High School became the first campus in Surry County Wednesday to "sign on" to the Internet — a worldwide computer network of educational and

"It means that we're bringing the world to our children

our students and teachers." Students literally will able to communicate with other

young people in various states and nations through the new nternet link while avoiding high costs, Flake said. That's because a telephone company in the county provides the ocal Internet access line.

while Surry Central now has the Internet, students won't bion headquarters Smith, second from right, assisted in the ceremony.



CURRENT STMC BOARD OF DIRECTORS

GARY L. BROWN, SECRETARY SHOALS EXCHANGE

ELVA S. DEARMIN, DIRECTOR WESTFIELD EXCHANGE

JAMES E. DOBBINS, DIRECTOR ZEPHYR EXCHANGE

EARLIE G. GILLEY, DIRECTOR WESTFIELD EXCHANGE

CLARK G. GOINGS, VICE PRESIDENT BEULAH EXCHANGI

HAROLD H. LAYNE, DIRECTOR LEVEL CROSS EXCHANGE

BOBBY W. PARK, TREASURER ZEPHYR EXCHANGE

RAYMOND A. PARKER, ATTORNEY

JOSEPH W. PRATT, DIRECTOR LEVEL CROSS EXCHANGE

BRUCE YOUNGER, PRESIDENT **RED BRUSH EXCHANGE**

People like to talk.

The world revolves around words. As we've talked to customers about our milestones, they've told us why they depend so much on our services.

Joe Atkins has been an STMC customer for 20 years.

I think Surry Telephone has been able to keep up with the times without losing their local emphasis. They've maintained progress right along with the rest of the industry. I used to think of Surry as just a telephone company, but now I see that they are much more. With the Internet and all the technology they offer, they are doing a lot for our area.

Marsha Bledsoe was a teacher, administrator, now a superintendent of Surry County schools. She has been with the system for seven years.

They are always willing to help us at the school with any type of technologyfrom our office system to the installation of Internet throughout the system. Several years ago, when we first wanted to put technology in our schools, we went to Surry, and they've provided us with tremendous support ever since . . We are a rural school, but we are expanding globally. In order for our kids to be competitive, they must have access to technology. With the support of Surry Telephone, we are in the process of expanding our Internet service to each classroom. We are progressing at a steady pace with a well-defined plan that Surry Telephone has helped us in designing.

Johnny Bruner, customer since 1969, owner of Pine Hill Farm Supply since 1979;

Being a local business, I like dealing with local people. I think having a telephone company here in our community that offers the kind of service Surry offers is a big plus for the businesses and for the area in general.

Phebe Caudle, daughter of John Caudle, owner of Mustard Seed Construction.

We've had the business since 1993 and started out with just standard phone service, but now we've added the Internet and we use it a lot. We do shopping online and use e-mail to send many business letters.

Joe Cockerham, residential customer since 1960.

I remember when Hurricane Hugo hit and everything was out for 90 hours. I remember seeing the Surry Telephone crews out there working around the clock to get the service back on.

his wife, Patsy, worked at Surry in 1960s and 1970s.

Rhonda Collins, lifelong residential customer; has owned Beary Country for 15 years.

Anytime l've called, we've had a service technician out that same day! In fact, the technician who installed our service when we opened the business is the same one who comes out today to help when we need it

Virginia Foxx, has been Surry County's representative in the North Carolina Senate for eight years.

Cooperatives like Surry Telephone are unique because they were started by hometown people. The folks who work there have grown up in the community, and they know their customers as neighbors and friends. While they are small in some ways, they are in the forefront when it comes to utilizing new technology to serve their customers. They are attuned to the latest developments in technology. Unlike some of the larger companies, they have not lost their touch in dealing with customers. They are able to see beyond the immediate and plan accordingly. 🦱 🦲

Reba Gordon, retired six years ago after working at Surry 35 years.

We were close like a family. We looked forward to seeing our customers each month when they would come in to do business. They would tell you what was going on, and it was a way to keep up with the community.

Mrs. Arthur Graham, 91 years old; her husband helped start the cooperative.

We had one of the few private lines before Surry Telephone came into existence. Everyone in the community would come to use our phone when they had to reach loved ones. My husband got up in the middle of the night on many occasions to go tell someone some news. I remember when we first got our phone from Surry Telephone, we played with it, calling all of our neighbors just because we could. It was fun. We had four families on a line, which could sometimes be a problem. It was a lot better when we all got our own lines.

I was very pleasantly surprised when Surry met and exceeded my expectations. I was a little skeptical because I didn't think they had the expertise for a system that I needed, but they did the job well and did it economically.

She remembers when she first started working for STMC, 'We only had nine or 10 employees. We were first located in a one-room building across from the courthouse. I remember we used an old oil circulator to heat the building. I remember one winter it snowed every Wednesday for three weeks in a row. The manager would pick us up and bring us to work in the morning and take us home in the afternoon. In the beginning, there were a lot of people who got out and solicited memberships. The membership fee was \$32 then—\$22 of it was equity so we could get the loan. Later, we refunded the \$22, and the membership fee was set at \$10. When the cooperative was getting started, we had no telephone lines at all in the rural area. A lot of people didn't think a cooperative could organize a telephone business because it was too complicated. Today, rural businesses couldn't operate without the phone and the proven cooperative ethic of taking care of local business and industry. We're special because we're owned by the people we serve. Telecommunications has also given rural children the advantages of city children, but I think the people who benefit most are the elderly folks who are shut in.

Duaine Hooker owned the Westfield Superette from the time the store opened in 1968 until he sold it in 2001.

We started out with private lines. Back then, people would call in orders, and I used to make deliveries. The phone was always helpful for us and for the customers. I remember one time, back when we first opened, a lady called in and wanted to know if we had any thread to match some cloth she had. She was apparently holding the cloth up to the phone. I had to tell her that I couldn't see it from here, but if she'd bring in the cloth, I'm sure we could find thread to match it.

> Paul Johnson, county commissioner for five years previously worked for a local hosiery company

Twenty years ago, the phone was just a tool; today, we couldn't live without it.

/irginia Jones worked for STMC for 31 years (1959-1991) as a bookkeeper and office manager.

lavis Lawrence, 838th customer.

 I remember that my tad (Henry Lawrence) was real active in getting the phone company started. Hesold a lot of the memberships in the county to get it going.
 I remember we ven built our own line and laid our own wires.

Grady Nichols, president of the board, Surry Yadkin Electric Membership Cooperative or nine years; resident for 45 years.

The two cooperatives in the county really compliment each other very well . . .
I think the success of Sury Telephone is the leadership of its board and management.
They have had a visior over the years and have carried through with that vision.
They keep up with technology, and that requires good leadership and strong focus.

Elbert Smith, retired tobacco farmer; 1,200th customer.

I know we got service back in the '50s. It was a party line and that worked pretty good for a while. You just had to take your turn . . . when they went to private lines, it was something to get used to, knowing you could use the phone anytime you wanted.

Dennis Thompson, County Manager since 1985.

The county building is located next to STMC's offices, giving Dennis a unique opportunity to observe customers coming and going. From an economic development standpoint, Surry Telephone is a plus for our area. Being a local company is important for the county.

Louise Tilly, wife of Roby Tilly, one of STMCs first customers; life-long residents.

We've had good service from Surry Telephone since the day we got it. We've always enjoyed the phone service and the people who work there.

Van Tucker has been appointed by the STMC board to various positions since 1976, including the Nominating Committee.

I remember getting that big, black phone installed in our house when I was five or six years old. I remember the excitement of that day. It was a joyous event in our house to be able to call grandma or the country store . . .Going from a 6-party line to a private line, from rotary to digital and on to the Internet and the fastest equipment available, each advancement was bigger than the one before it. The board is a vital link to keeping the cooperative strong. Surry has kept pace.

A Legacy of Leadership

Looking over the stellar list of individuals who have served Surry Telephone over the last half century reminds us all of the innovation and vision that has benefited our customers and our area.

FORMER STMC BOARD OF DIRECTORS, ATTORNEYS, & MANAGERS

Don WCodrane, Director William R. Crownfield, Manager Paul R. Covington, Director Warner D. Elledge, Manager Henley Goings, Director William Howard Hardy, Director Hoke F. Henderson, Attorney Mondell Hunter, Director D.A. Livengood, Director Glenn O. Park, Director Glaude W. Ramey, Director Claude W. Ramey, Director C.D. Smith, Director John M. Smith, Manager E. Bryant Smith, Director Ray J. Webb, Manager

FORMER STMC

Paul R. Covington Elva S. Dearmin Earlie G. Gilley William Howard Hardy Joseph W. "Bill" Pratt E. Bryant Smith

FORMER STMC BOARD VICE PRESIDENTS

Earlie G. Gilley Mondell Hunter Glenn Payne Joseph W. "Bill" Pratt Glenn Payne

FORMER STMC BOARD

Claude W. Ramey R.E. Snow

FORMER STMC BOARD TREASURERS C.D. Smith

RETIRED STMC EMPLOYEES R. Don Burch

R. Don Burch Max Butcher Tommy C. Cave Billy Cook Harmel Francis Nancy H. Gardner Reba H. Gordon Erline Harris Faye D. Hudson Virginia J. Jones Kelly W. Kidd, deceased Jack Nunn Roy R. Walker Ray J. Webb Edwin R. Wishon Iva Jean B. White

EMPLOYEES

Doug Arrington Janice Beasley Nathan Bowman Sunny Branch Janet P. Bunker Jimmie Cockerham Molly Coe Tony Cox Grover Cropps Terry Flinchum Tony Gentry Brenda Goad Joel Graham Ann Greenwood Tia Gwyn Amy Hanson Ken Harris Emily Hawks Tracy Hawks Linda Hayes David Haymore Ronnie Hiatt James Jessup Greg Johnson Kris Johnson Marilyn Johnson Michael Lawson Jacob Leftwich Tommy Marion Scott Mosley Charles Osborne Richie Parker Al Poplin Frank Reynolds Annie Sanchez Trena Schumaker Melanie Senter Phil Simmons Frankie Southard David Sowards **Robert Smith** Michael Stanley Curtis Taylor Frankie Taylor Max Taylor Brady Wilmoth Kathy Wilmoth **Ronnie Wilmoth**

email

The World of On-line Communications

The Internet has changed communications more than any innovation since the telephone. Only a few inventions can claim to have revolutionized the world. The printing press, sewing machine, telephone and television rank among them. Most recently, computers and the Internet have profoundly altered how we work, how we learn and how we communicate. Every day, millions log onto the 'net and send letters instantly to far-off family and friends. They do research and read newspapers. They make investments or play games with opponents 10,000 miles away. Today, it can truly be said the world is at our fingertips, through the keyboard of our computers and the wires of our telephone lines.

One of the most important decisions in STMC's history came in 1995 when the cooperative decided to offer direct local Internet access to our customers. We have worked with our schools preparing students to meet the challenges of tomorrow's technology. We provided local businesses with cost-effective options to help them compete in the global world of e-commerce. Today, over 5,000 customers count on us for their Internet service. Grandparents receive color photographs of their grandchildren through STMC's phone lines.

The Internet Takes You Where You Want to Go

How quickly your computer downloads information from the Internet depends on the equipment you use. For an increasing number of people, especially those who use their computers in business, the answer to their need for speed is a Digital Subscriber Line or DSL. Capable of carrying voice and data signals simultaneously, DSL relays information from your computer to the Internet at a speed of up to 512 kilobits per second (DSL). It can carry data "downstream" from the 'net to your computer at a blazing 1.5 million KBPS!

The ability to provide DSL to our customers is one of STMC's most exciting new options.

Technology Changes the Path of Economic Development

Fifty years of telecommunications experience brought many economic development opportunities to the area. For instance, Stacy Culler has telecommuted to work for the last four years, doing medical transcriptions from her home in Mount Airy.

"I'm a registered nurse, but I wanted to quit work and stay home with my kids. A friend of mine told me about (writing) medical transcription," she says. Stacy looked into it and discovered she could do the job while working from her home, using e-mail.

"I started out with an ISDN (Integrated Services Digital Network). Now I have DSL, and it is a whole lot faster. It has made a huge difference for me. With the increased speed of DSL, I have increased my production, which means I get paid more."

"The DSL service that Surry offers has allowed me to work at home and spend time with the children. A few years ago, I wouldn't have guessed that I would be able to work at home like this," she says.

Ronald Shropshire, owner of Ron's Used Cars, Inc. (www.ronsusedcars.com), sells cars over the Internet and feels the Internet is the way of the future.

"I sold a truck ... to a man in Texas over the Internet. He had found my website and saw a heavy-duty truck he wanted. He flew into Raleigh, came out to pick up his truck, and drove it back to Texas. I would've never made that sale if it weren't for the Internet," says Shropshire.

Customers Recall Their First Experiences with Computers and The Internet

Computer users often talk about their first computer the same way many people fondly recall their first car. Their first experiences in the cyberworld of the Internet are like remembered family outings. STMC asked some of our Internet customers to share memories of their early experiences.

"As a school system, we first had dial-up Internet access in April 1996. At the elementary school, we had one line that was shared in three places - the media center, the keyboarding lab, and the computer lab. At the high school, we had two lines that were shared by the media center and a lab in the 7th/8th grade, and the high school computer lab and the principal's office shared the other. We got our first e-mail in April 1996." -Shirley Parsons, technology coordinator Elkin City Schools

"I paid \$6,250 for my first IBM PC on Aug. 16, 1981. I remember thinking (the first time I got online) that this was going to have more impact on our world than anything I had ever worked with. I remember using a 1200-baud modem and thinking it was fast. Then I purchased a 2400-baud modem and was really moving...Now, I can hardly tolerate waiting on a 56 KBPS modem. In many ways all the things that are faster are only making me try to work faster. That is tough on us old guys." -Nate Nixon

but very expensive. There were no local ISPs so the cost was standard long distance. Needless to say, I didn't stay connected for long at a time, but I was amazed by the content, even then. The Internet has changed our lives beyond belief. We can get information in minutes that could've taken days before. We are much more connected to friends and family than we were before. Now, my three-year-old grandson and my 81-year-old mother surf the 'net regularly. Just unreal. -Ed & Cathy's Mail

"The first computer we bought cost \$3,000 in 1982. It was used for basic programming, household accounting, children's games, and word processing." -David and Jody Crawford



Strong Cooperative: The Strength of People

66 This company is where it is today because of the people who have worked here. -Mike Stanley, General Manager

First row seated (left to right): Al Poplin, Michael Lawson, Nathan Bowman, Ronnie Wilmoth, Dou g Arrington, Richie Parker, Phil Simmons, James Jessup, Frankie Taylor, Brady Wilmoth, Terry Flinchum, Max Taylor, David Haymore, Robert Smith, and Ronnie Hiatt. Second row: Tommy Marion, Jacob Leftwich, Curtis Taylor, Jimmie Cockerham, Frank Reynolds, Adrienne Snow, Emily Hawks, Janice Beasley, Tony Gentry, Tony Cox, Gregory Johnson, Kris Johnson, Ken Harris, Tracy Hawks, and Scott Mosley. Third row (standing on porch): David Sowards, Ann Greenwood, Carol Denny, Trena Schumaker, Tia Gwyn, Kathy Wilmoth, Linda Hayes, Annie Sanchez, Grover Cropps, Molly Coe, Melanie Senter, Michael Stanley, Jennifer Simmons, Brenda Goad, Janet Bunker, Marilyn Johnson, Frankie Southard, Amy Hanson, and Jennifer White.

STMC selected the front porch of the historic Edwards -Franklin House as our backdrop for the milestone group photo. Front porches are where families and neighbors get together to talk, and we like to think of STMC's telecommunication services as electronic versions of those porches.

50 Years of Serving You Defining the Paths of Conversation!

We hold close the memories of the last | began to experience its first significant 50 years – of those historic moments in time: your first telephone, the first steps into space, your favorite song playing on the car radio, and even the dawn of a new age. We look back on a few of those great moments of our lifetime.

THE 1950S

The early 1950s were a time of prosperity in America. We had just won a war and were ready to get back to life. GI's returned home to a country offering them the opportunity to go back to college, start businesses, and build homes. It was an era of new possibilities that started the last half of the 20th century.

First full color TV broadcast from Empire State Building. The average annual income is \$3,515, and the cost of a new car is \$1,520.

1952

Elizabeth ascended to the throne to be Britain's Queen Elizabeth II.

Hollywood introduces 3D movies into theatres.

As for Surry County, the early 1950s brought with it a new technology that would connect its people to the rest of the world. The STMC charter was initially established in 1951. At that time, many of the roads that Surry used were unpaved.

LOCAL FARMING

A small family farm was a common sight and tobacco was the cash crop. Dairy farms were scattered throughout and poultry houses began to appear.

OCAL | FADERSHIP

Seeing STMC through these early days was W.F. Carter, Jr., the mayor of Mount Airy who served from 1945 to 1961.

Citizens of Mount Airy remember 1951 as the year that the old Mount Airy High School officially became the new junior high and elementary school.

By the mid-1950s, Surry Telephone became a reality.

signs of growth. In 1954, STMC cutover the Level Cross exchange and published its first telephone directory. Customers were on an 8-line party line at the time and were preparing for even more customers to be a part of the service.

NEW SERVICE

In 1957, Westfield, Beulah and Zephyr were cut into service and Surry Telephone expanded its operation to include six employees and two trucks.

DEALING WITH TRAGEDY

Tragedy struck the STMC service area in 1957 when several young people were severely burned in the Flat Rock School fire. It was also about this time that the Floyd Poore Park was developed by the Mount Airy Youth Foundation.

1955 - TIMELESS MUSIC

These songs topped the charts: "The Yellow Rose of Texas," "Tutti-Frutti," and "Davy Crockett." Disneyland opens in California.

A vaccine for Polio was developed.

the U.S. Army.

1959 - TOYS AND DOLLS

Toy producer Wham-O introduces Americans to the Hula-Hoop. The Barbie Doll is introduced.

TWO NEW STARS

In 1959, two new stars representing our newest states, Alaska and Hawaii, were added to the flag.

The late 1950s established STMC as a telephone company that was here to stay. The cooperative's first annual meeting was held on March 11, 1957, and direct dial long-distance service was introduced. By the end of the decade, STMC had 1,569 members. But perhaps the most exciting news to customers was that direct dialing to Beulah, Level Cross and Westfield

THE 1960S

The 1960s were a time of cultural upheaval in America. It began with promise and ended with disillusionment.

A BRIGHT FUTURE AHEAD

We had just elected a new young president who predicted we would put a man on the moon before the end of decade. Many of us watched with pride as our community was portrayed on a new television show called "The Andy Griffith Show." We fondly remember the times when Andy tried to help a local guitarist join Bobby Fleet and His Band with a Beat, or when the new lady pharmacist Elly Walker came to town, and even when Miss lennifer and Miss Clarabelle Morrison were discovered by Andy and Barney to be moonshiners.We know Otis Campbell was upset that day.

 Chubby Checker introduces The Twist. • The Peace Corps is created.

Surry Telephone started the 1960s with a new location. In 1961, STMC moved to new headquarters on South Main Street in Dobson where it stayed for 20 years.

EXTENDING OUR REACH

By 1963, STMC extended area service so that customers in Beulah, Level Cross and Westfield could call each other free. In addition, Mount Airy, Pilot Mountain and Dobson could also be accessed.

A CHANGE IN LEADERSHIP

November 4, 1958, W. Howard Hardy was first elected to the Surry County Commission. He went on to serve three terms, dedicating six years of service as Chairman and Vice Chairman of the Commission. While serving as Chairman, Hardy simultaneously served as President of the STMC Board of Directors. During this time, schools were consoldidated in Surry County.

WE'RE STILL GROWING

When STMC approached the middle part of the decade, membership totaled 2,790 customers and was growing. And, we were still watching the antics going on in Mayberry. It was about this time that Aunt Bea received some unwelcome wooing from Briscoe Darling, Opie took to raising three birds as his own after a slingshot killed their mother, and Helen and Thelma Lou caught Andy and Barney with 'the Fun Girls.'

President Kennedy assassinated in Dallas. Dr. Martin Luther King delivers his now famous "I Have a Dream" speech in Washington.

The Beatles appear for the first time on The Ed Sullivan Show. Vice President Lyndon Johnson elected President.

Lesley Gore tells fans "It's My Party" and she'll cry if she wants to.

As the end of this decade approached, America was seeing the first signs of change with the youth culture. Hippies started appearing everywhere, and boys were growing their hair long to the chagrin of their parents.

In 1966, STMC filed for a federal loan to install private lines. This was very good news to the more than 3,000 members who were ready for single lines. And just two years later, toll-free calling to adjoining communities and county seats was implemented.

With 1969 coming to a close, Shoals exchange was established and put into service in January of that year. In fact, the 326 members of this exchange were the first to go to private lines. Level Cross followed with 53% of its members on a private line.

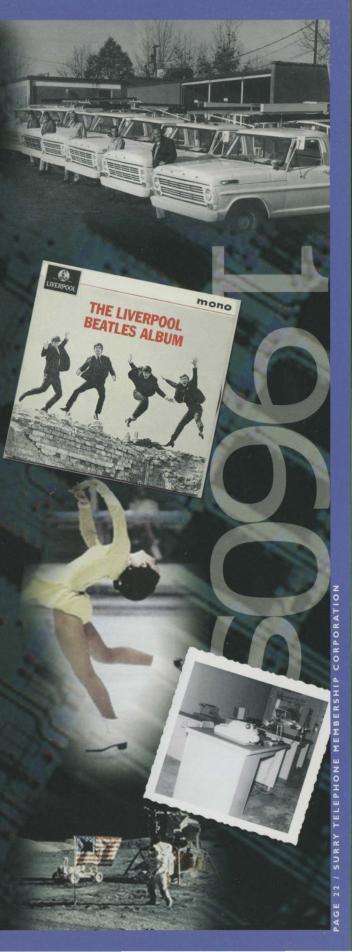
Richard Nixon defeats Hubert Humphrey to be elected president.

- Dr. Martin Luther King assassinated in Memphis.
- Bobby Kennedy assassinated in Los Angeles.
- Peggy Fleming wins Olympic gold medal in figure skating.

- Neil Armstrong becomes first man on the moon.
- Hundreds of thousands gather for an outdoor concert in New York called Woodstock.



Elvis Presley was drafted into



The 1970s saw the start of what was called "The Me Decade," the dawn of Disco and the resignation of a president. Locally, a major highway, I-77, opened in Elkin. And right in the middle of it all, we came together for the country's 200th birthday party.

The Mayberry years were over and we began looking to what the future had to hold. Surry Telephone started 1970 with a construction project of burying cable for private line conversion in the Westfield exchange.

A NEW AGE

Just a year later, construction for private lines in Beulah and Westfield exchanges began. And also in 1971, STMC added a new exchange to its service area - Red Brush - with an announcement that Beulah and Zephyr exchanges would be the next to get private lines.

At the 1971 annual meeting, Manager John M. Smith said, "The cooperative's goal for 1971 shall be the completion of the final phase of an all one-party system-wide design begun in 1966."

But in 1972, we saw the first signs of what was to become the standard in telecommunications delivery. That year, STMC put into service the first digital loop carrier to provide dial tone. The digital age had officially begun.

And in 1974, the First National Bank of Mount Airy was purchased by North Carolina National Bank, now called the National Bank of North Carolina.

1970 - THE END OF AN AGE • The Beatles break up.

Intel introduces the microprocessor.

In 1973, STMC implemented 7-digit dialing on extended calling, and introduced Touch-Tone dialing. We were becoming more sophisticated with technology and welcomed the new changes. Before 1976 came to a close, five of STMC's six exchanges had Touch-Tone dialing.

Nixon resigns after the Watergate scandal and Gerald Ford becomes president.

Bridge collapse in Siloam.

America celebrates Bicentennial.

limmy Carter, Georgia governor and peanut farmer, elected president.

Teenage girls flock to TV screens to get a look at a young John Travolta starring as Vinny Barbarino in "Welcome Back, Kotter."

1977 "Star Wars" hits movie screens.

The first Volkswagen was produced in America.

As the 1970s came to a close, STMC was updating its service even more. In 1977, the first digital concentrator was put into service, and by 1978, toll service was upgraded with new electronic trunks.

The citizens of Mount Airy saw an image change of sorts for their community. The city's new official seal was adopted in 1977 depicting the diversity of some of its major industries: agriculture, furniture, textiles, and the granite quarry. Also in that year, the junior high and elementary school was demolished to make room for the present municipal building.

THE 1980S

Music was called "New Wave" and America elected a former actor and California governor to its highest post in a landslide victory as the 1980s got underway. It was known as the Reagan era, and it was filled with celebrations and tragedies.

For Surry Telephone, December 15th, 1980 brought us to a new home. On May 17, 1981, the community was invited to an Open House of STMC's new headguarters on East Atkins Street. This new state-of-the-art facility set the tone for the upcoming advancements that were in the planning stages.

At this time in STMC's history, more than 7,000 customers received telephone service from STMC. It also marked the beginning of digital advancement when the first digital switch was put into service.

In August 1984, STMC had installed the first fiber-optic transmission equipment that would later become the backbone of today's local network.

In Mount Airy, the community was undergoing a few changes as well. The old E.H. Kochtitzky House on West Pine Street was the home of the town's library until 1982 when it closed. The old Jefferson Davis Smith House at 708 N. Main Street was opened to the public in 1984 as the new museum.

 Former Beatle John Lennon is gunned down in front of his home in New York City.

U.S. boycotts summer Olympic games in Moscow.

- Prince Charles and Lady Diana marry.
- American hostages held in Iran are released.

By the mid to late 1980s, STMC began a technology campaign that hasn't stopped. In 1981, digital switching technology was first put into service. The Beulah and Westfield exchanges were completed in 1987.

STMC, along with the entire community, was tested in 1989 when Hurricane Hugo ripped through the area causing major outages and construction problems. Surry Telephone crews worked literally around the clock for several days to make sure all customers once again had service.

Divers find sunken Titanic. Breakup of AT&T mandates competition between long distance carriers.

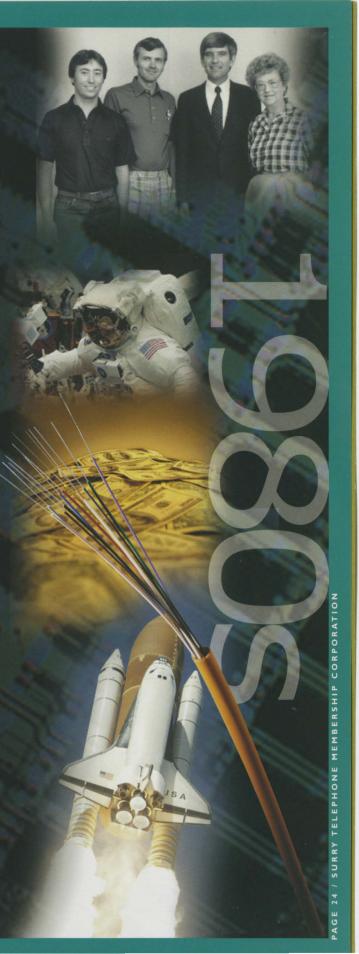
The Space Shuttle Challenger explodes.

The Stock Market crashes in October.

The Berlin Wall falls and Germany is united.







THE 1990S

As the last decade of the 20th century got underway. Americans were about to be introduced to new technology that would change everything. From wireless to Internet, the 1990s were a time of innovations in the industry.

Surry Telephone opened the 1990s with three important changes for customers:

JULY 1990

Equal access to long-distance providers, allowing customers to choose their own carrier.

SEPTEMBER 199

Cellular phones were introduced through Carolina West Wireless Inc. Perhaps the most exciting change to take place in 1992 was the introduction of car phones. Utilizing 10 tower sites, the new service provided maximum coverage for a six-county region.

ENHANCED 911 • Enhanced 911 service provided for Surry County.

1991 - HELPING COMMUNICATIONS CROSS WORLDWIDE BORDERS The Gulf War begins.

TEPPING UP - FIRST INTERNET ACCESS

Surry Telephone took a giant stride in telecommunications technology when it brought Internet service to the area for the first time. Surry Central High School was the first school in the county to have Internet access with the STMC connection. Through this first connection, students were introduced to the vast amount of information online that is second nature to today's students.

In 1997, STMC opened a storefront location in Mount Airy with extended hours. This new approach to customer service demonstrated STMC's commitment to quality care and progressive communications.

UPGRADING THE NETWORK

The decade ended with the implementing of Broadband and an upgrade to the switching network infrastructure in 1999 – both designed to keep STMC a leader in rural telecommunications technology.

ISSING THE "Y2K" BUG

But as 1999 started to give way to a new century, some people were concerned that all electronic and satellite transmissions would lose power because computers would recognize the year 00 as 1900 instead of 2000. Called the "Y2K" bug, STMC crews held a midnight watch to make sure its network didn't go down.

1994

Nelson Mandela is sworn in as president of South Africa.

1995 - EAST MEETS WEST IN SPACE

Space Shuttle Discovery makes a flawless orbital rendezvous with the MIR Space Station.

1996

 Telecommunications Act Passes encouraging competition among local telephone companies.

THE 2000S

To have seen one century pass and another century begin is something that very few people in history can witness. And though 40 years has passed since Mayberry came to America, today's generations are enjoying that simpler time via TVLand reruns, Mayberry websites, fan clubs, and marathons. The 21st century is still in its infancy but STMC is forging ahead to bring the next generation of technology to the area.

We started this decade with what was described as the closest presidential race in U.S. history and are now watching that president as he handles the most devastating crisis we have ever experienced.

2000

• A month after the General Election, the Supreme Court rules George W. Bush won the presidential election,

Rap music gains popularity with acts like Eminem, Puff Daddy, and 'Lil Kim.

2001 - AN ATTACK ON FREEDOM

• First year of the new millennium.

• Sept. 11, terrorists crash commercial airplanes into the Pentagon, a field in Pennsylvania, and both of the World Trade Center Twin Towers. The lyrics of this popular song by Alan Jackson says: "Where were you when the world stopped turning, that September day?"

For Surry Telephone, these early years of the 21st century have featured positive advancements for the community. In 2000, STMC added remote sites at CC Camp, Horseshoe Road, and Prison Camp.

Innovative agri-businesses today have renovated the way in which local farms operate. Companies like Shelton Vineyards are giving us a new look at the potential use of land and resources in our area.

Last year, the most advanced technology in Internet service was introduced. Digital Subscriber Line (DSL) became available in July. And just one month later, Surry Long Distance went into service.

2002 - THE CIRCLE CONTINUES

Queen Elizabeth is also celebrating her 50th anniversary this year.

LOOKING AHEAD

This year; as we celebrate 50 years of service to you, we look back together on the accomplishments of many and the promise of the future. It has been a long path that started with visionary citizens and is continuing forward to meet future generations.

