



## Weird & Wireless: Why do we still have freephone numbers?



*Welcome again to the wonderful but sometimes weird world of wireless comms, written by Joel Young, [CTO of Digi International](#).*

### **Why do we still have 800/888 numbers?**

The toll free 800 number was born out of the long distance era. I call it the long distance era because that was where the "value" was

in voice telecommunications.

We have since moved beyond this era, but a remnant, the 800 number still remains. Recently I discovered that many of the younger generation aren't familiar with the whole concept.

For those of you that don't remember or are too young to know, the brief story goes like this. Once upon a time, there was a really big phone company. It was so big, in fact, that people used that affectionate parental term for mother known as "Ma" to describe it - yes, this was Ma Bell, or AT&T.

### **Bell System**

In the early years of telephony, AT&T pieced together the Bell System.

This was a monster monopoly which controlled everything surrounding telecommunications in the United States and exerted great influence around the world. One of the cornerstone philosophies of the old Bell System was that everyone deserved a phone.

This meant that where ever you lived within the Bell System, your local telephone service had to be affordable and easy to use. Of course, as you might guess, running all those wires to so many homes, especially out in the hinterlands was very expensive. The Bell System paid for this by creating the concept of long distance calling.

The idea was to subsidise the costs of local service by charging a lot of money for long distance calls. This pricing strategy, made easy because it was all pretty much one company, drove a whole set of cultural phenomena.

For example, when the phone would ring, as soon as it was discovered that it was "long distance," entire households would come to a halt with this single shout.

This was because it was really expensive and every minute was carefully metered. There were also really fancy ways of charging calls like, "collect," "person to person," and "operator assisted."

### **An operator**

Yes, for those of you too young to have experienced it, the 0 was a magic key on the phone. It wasn't just a number, but pressing it all by itself connected you directly with a human being known as an "operator." Her job was to make all of those fancy calls a reality.

Now, because long distance was expensive, the wizards at Bell Laboratories invented a special kind of number known as the "800" or toll free numbers. These could be called free of charge from any phone, anywhere within the Bell System and the long distance charges would be paid by the "called party" instead of the caller.

This was magical because it opened up the world of catalogue shopping, late night television impulse purchases and the rest of the telemarketing frenzy. Before the Internet, this was THE way to get stuff. These became so popular that 800 numbers alone weren't enough. In the early 1990's the numbers were extended to include 888, 877, 866, etc.

But behold something has happened. These numbers are still around today, but they are completely unnecessary. The Bell System was split up as part of a long antitrust mess that extended over a couple of decades.

The long distance market, made cost competitive by the entrance of MCI and Sprint, became commoditized. Long distance subsidies dried up and the independent local telephone companies were forced to charge non-subsidized rates for service. This combined with the explosion of cellular has made long distance calling virtually free.

## Obsolete

Hence, other than branding benefits that go with a certain toll free number like "800-Flowers" for example, there is really no longer a need for the miracle of the 800 number. It has become obsolete.

As a matter of fact, think about this. Use of an 800 number actually costs a lot more? If long distance is free, then using an 800 number causes the called party to pay for something that is already free.

Sure, some of you will say, but I still like to use these numbers when I make a call from a pay phone. To that I ask, have you seen a pay phone lately?



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