

PRESS-REGISTER

State project aims to give high-speed Internet broad reach

Near the bottom in online access, Alabama could get economic spark through increase in broadband availability, organizers of statewide initiative say

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Business Reporter

Jim Rowell of Monroeville said high-speed Internet is critical to giving his businesses -- Rowell Rental and Hunting Sales and Katelyn's Flowers and Wedding Rentals -- a competitive edge.

Rowell, who has had high-speed Internet, or broadband, for about five years now, uses it to send and receive purchase orders and to order inventory.

"I've got a gun dealer in Arizona, and I can review their inventory and prices at the speed of light, and never even have to talk to a sales rep," Rowell said, adding that the \$59 monthly cost is well worth it.

If Gov. Bob Riley has his way, by the time he leaves office in 2010 almost every Alabama resident, school, hospital, and small business will have access to high-speed, or broadband Internet.

A statewide initiative to increase broadband availability and use in rural Alabama is just getting under way, and Alabama leaders hope to follow the lead of Kentucky, which since 2004 has seen a 50 percent increase in households using broadband, according to the state Department of Finance.

Alabama is 43rd in the United States in PC ownership and 44th in Internet access, according to Gerald Dial, executive director of the Alabama Rural Action Commission. The commission was launched by Gov. Riley in May and is aimed at improving health care, education, economic and work force development in rural Alabama. The broadband initiative is an outgrowth of that.

Alabama organizers hope to use a combination of public and private money to fund it.

One element, they hope, will be a study by Troy University that will show them just how extensive high-speed Internet availability is in the state.

Although providers typically enter the most populated areas first, some are making an effort to reach out to rural consumers. In May, for example, AT&T expanded its satellite broadband service to millions of homes and businesses across its 22-state footprint, including Alabama, according to the company's Atlanta-based spokeswoman.

Smaller competitor Monroeville-based Conexus Communications Inc. aims to provide broadband to customers in remote parts of Conecuh, Clarke, Escambia and Wilcox counties in the next year or two, said general manager Richard Burgess.

To assess rural broadband availability, Professor Judson Edwards has applied for a \$100,000 grant from the U.S. Department of Agriculture, part of its recently announced Community Connect Grant Program that has \$8.9 million in total broadband grants.

Edwards, associate professor of economics and director of Troy's new Center for International Business and Economic Development, would use the funds to create a state broadband map, identify rural communities with the greatest potential to benefit and formulate a strategic plan about how the state could best use broadband for economic growth.

"(The study) is a critical first piece because we currently don't know where it is and where it isn't," said Kathy Johnson, the state Finance Department public affairs director who is helping lead the effort.

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USDA spokesman Jay Fletcher said the grants will be awarded by Sept. 30.

Huge economic catalysts such as ThyssenKrupp's planned \$3.7 billion steel plant in north Mobile County and a multimillion-dollar railcar plant in the Shoals area of north Alabama, which together promise to create nearly 5,000 jobs, tie in perfectly with the rural broadband initiative, said Johnson.

Lack of broadband, she said, can be a deal-breaker for businesses or professionals considering moving to an area.

"It definitely is a stepping stone to economic development in rural Alabama," she said.

About 30 state leaders met in Montgomery last month to discuss the broadband initiative and to hear from Brian Mefford, chief executive officer of Washington, D.C.-based nonprofit Connected Nation Inc.

She said almost all who were asked agreed to serve on a broadband committee. "I knew people would be interested in this, but I was shocked at the overwhelming excitement about this project," Johnson said.

A committee meeting has not yet been scheduled, but Gov. Riley, Dial and Johnson plan to have a meeting with Mefford on Aug. 1 to discuss Alabama's game plan.

Mefford headed up the successful ConnectKentucky initiative and is now president and chief executive officer of Connected Nation, which was formed to help other states realize similar results.

Mefford said a state must first work to ensure that a strong "foundation" of broadband availability and usage exists. He said this means that it is widely available and used in schools, hospitals and government offices.

To create its map of broadband availability, ConnectKentucky combined data from all service providers, "a first-of-its-kind" effort in the nation, said Mefford.

ConnectKentucky also had staff working in each county to continually update maps as new technology came online. The group also conducted household surveys to provide thorough snapshots of all counties.

"We kind of got a dose of reality when we really got into the planning and realized we didn't have the foundation technology in place to really take advantage of the benefits," Mefford said. For example, he said, about half of the state's doctors did not have access to broadband.

A study should also delve into where broadband is available but underutilized, Mefford said.

He said spreading the word about broadband has to be a grassroots initiative customized for a community.

"We know it can't be any kind of mandate from above saying, 'Thou shalt use broadband,' because every individual household or business does their own calculations to determine whether the investment is worth it."

Besides helping spur economic growth, broadband can help level the playing field for small businesses such as Rowell's, Mefford said

Sandy Smith, executive director of the Monroeville Area Chamber of Commerce, agreed. She hopes other businesses follow Rowell's lead in using broadband to help make the most of their business.

She pointed out that businesses -- whether home-based or with an actual storefront --also can attract new customers with a Web site. With that in mind, the chamber plans to invest about \$4,500 annually in a Web site program for its members that will allow each to have a site linked to the chamber site for a nominal fee.

Smith said the chamber site sees about 9,000 unique visitors a month.

"In a small town, what you find is a lot of the small businesses so far have resisted getting on the Internet," she said.

In researching for the Web site program, Smith said she found that only about 50 of the 200 small businesses that are chamber members have an e-mail and Web address.

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