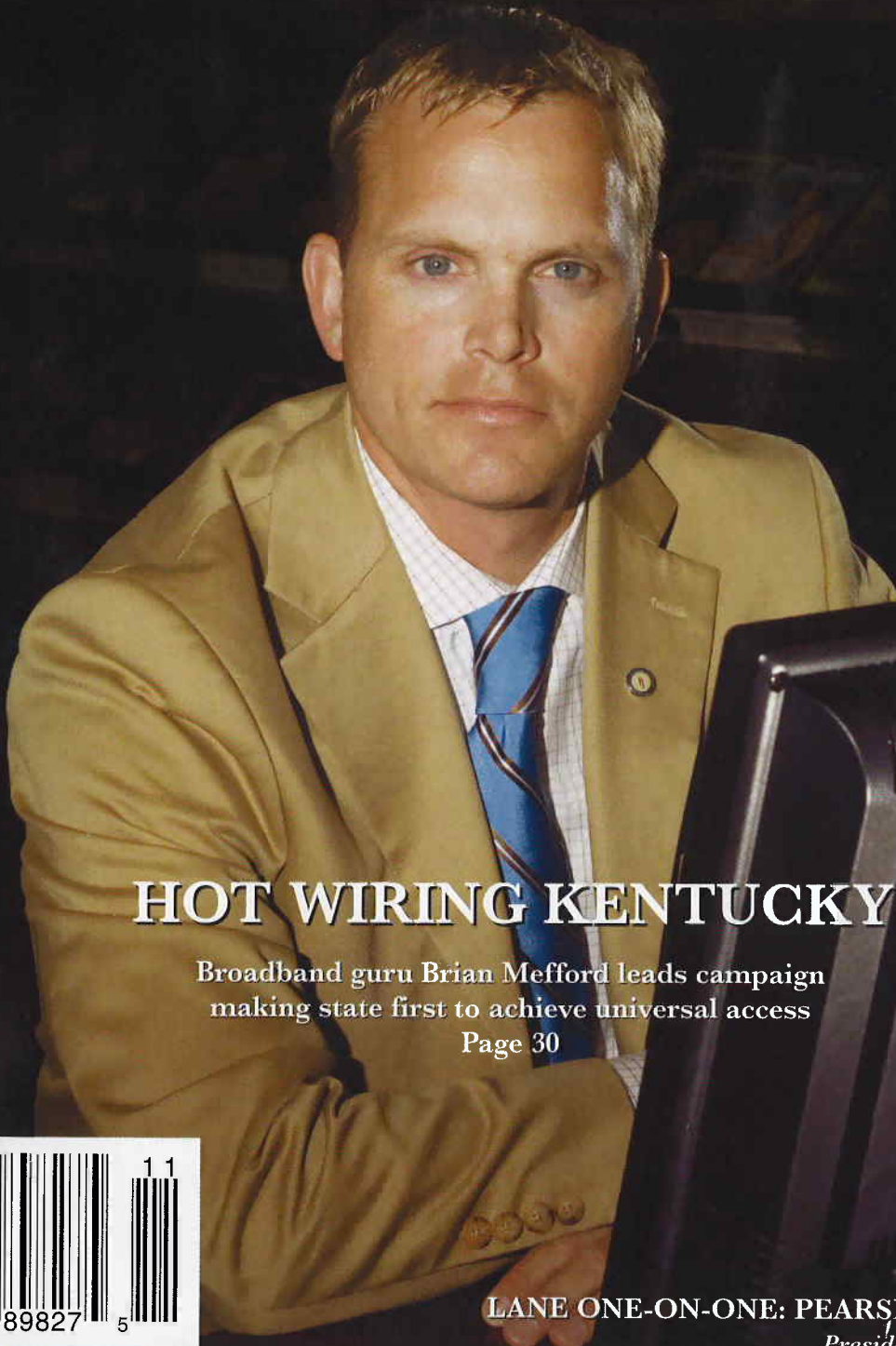


TECHNOLOGY ISSUE

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## HOT WIRING KENTUCKY

Broadband guru Brian Mefford leads campaign making state first to achieve universal access

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LANE ONE-ON-ONE: PEARSE LYONS  
*President, Alltech*



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# Hot Wiring Kentucky

ConnectKentucky collects accolades for solving the puzzle of how to blanket an entire state with broadband service.

Now it's taking on the nation.

BY MARK GREEN

**K**ENTUCKY a tech mecca? While dreams of developing a "Silicon Hollow" in the commonwealth still remain mere dreams, the Bluegrass State is taking a big step forward by becoming the first in the nation to achieve broadband Internet access to 100 percent of its residents. Yes, literally everyone in the farthest, most rural reaches of all 120 counties is about to have high-speed broadband Internet service available.

It's a first, not just for our state but for any state, a digital-age development expected to open economic doors as it opens eyes.

The rest of the country and even many abroad are taking note. It's the work of a public-private partnership, ConnectKentucky, that has solved the physical and political puzzle many have been pondering for years. When Congress held hearings on achieving universal broadband access, many were able to expound on the problem, but only ConnectKentucky President Brian Mefford's testimony was able to describe a working solution.

Last month, workers came and replaced the signs at the offices in Bowling Green where this Kentucky accomplishment has been administered. It now reads Connected Nation – the operation has ramped up to go countrywide. There have been inquiries from New Zealand and Japan, too. Everyone wants to know how to get high-speed Internet service to their entire state or nation.

The "answer," it turns out, is equal parts technical know-how, political agility and willingness to spend a few dollars and do the work. ConnectKentucky became the two-way conduit between private service providers and an unserved public in markets considered too risky to invest company money to explore. It approached the challenge from the supply and the demand sides simultaneously.

Its nonprofit status allowed ConnectKentucky to convince competitive private providers to share their market studies, which covered areas of denser population that would easily generate profit. CK undertook multifaceted studies of the remaining geography to determine how serv-



Andy Olsen photo

*Brian Mefford is moving from CEO of ConnectKentucky to top executive of Connected Nation, which plans to expand on the formula for success in bringing broadband to all Kentucky residents. Mefford likens the potential impact of universal broadband access to completion of the transcontinental railroad in the 1800s.*

ices could be projected there, how many potential customers were out there and, importantly, what it would take to get them to pay for service.

The results CK came up with motivated the private providers to extend their systems in most instances.

The payoff in pulling off this sprawling project should be a synergistic communications infrastructure upgrade that improves opportunities for economic development, access to a host of government and medical services, and quality of life. Broadband has swiftly become the newest essential utility, a necessary component to modern life.

### Building a reputation

ConnectKentucky officials liken the build-out of 100 percent broadband access in the state to the completion of the transcontinental railroad in the 1860s, an event that knit a continent into a nation. And they see a trainload of upside to this accomplishment.

One big benefit is a positive PR bonanza for the Bluegrass State, boosting the commonwealth's image and tech cred just as hundreds of thousands of participants, spectators and members of the media are making plans to visit for two major international sporting events: golf's Ryder Cup competition next fall in Louisville and the 2010 Alltech FEI World Equestrian Games in Lexington.

Scores of top tech and business news media have presented favorable reports: *PC Magazine*, Yahoo News, AOL News, *The Economist* magazine, *San Jose* (Calif.) *Mercury News* (Silicon Valley's newspaper), *The Washington Post*, *Seattle Times*, *Computer World*, *Globeinvestor.com* and of course many, many Kentucky publications and broadcast outlets.

ConnectKentucky Vice President Mark McElroy likes to repeat a comment made by Intel officials at a meeting earlier this year: "For technology planning and public policy, Kentucky is the center of the universe." Chip-making giant Intel is among several dozen CK supporting partners, which in addition to state broadband providers and users such as Windstream, SouthEast Telephone, Humana and the University of Kentucky includes Internet and computer industry players Microsoft, Apple, Cisco. How and why the world becomes more wired can affect their corporate bottom lines.

ConnectKentucky's coup is attracting notice partly because

techies in the United States are fretting that we're falling behind. *Newsweek* carried a technology report in July with a headline noting that even Estonia has higher broadband penetration. While the 60 million U.S. broadband subscribers are the most of any nation, China is at 56 million and gaining fast. And overall the United States' ranks a lowly 24th in the world in adoption – the percentage of homes with not just access to high-speed Internet but service. That's behind Finland, Iceland and Estonia, noted *Newsweek*, which Commissioner Michael Capps of the Federal Communications Commission labeled "a national embarrassment."

Fewer than one in four rural U.S. homes have broadband, but oftentimes because providers haven't built out infrastructure in thinly populated locales. In U.S. urban areas where access isn't a problem, the adoption rate is more like 50 percent, but that pales to South Korea's reported 90 percent.

### Business Benefits

"Broadband access does enhance economic growth and performance, and the assumed economic impacts of broadband are real and measurable," according to a report to the U.S. Department of Commerce by authors from the Massachusetts Institute of Technology and Carnegie Mellon University.

Here's how Kentucky Chamber President and CEO Dave Adkisson assessed the eminent achievement of ConnectKentucky's goal:

"This is a huge accomplishment and it shows what we can do in Kentucky when we put our minds to it. Having full broadband access means that anyone can do business on top of any mountain or down in any valley in Kentucky, by way of the Internet. This will make Kentucky a great place for entrepreneurs to create new companies. Now anyone can start a business in the family garage or at the kitchen table and conduct commerce with almost anyone on the globe."

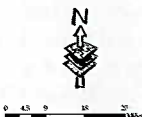
Corporate site selectors certainly will look more favorably on the state, but this won't necessarily push Kentucky to the top of everyone's list.

"Broadband, especially for rural economic development, is something that developers and site selectors look at – and also that entrepreneurs look at who might want to open up a small

## Broadband Data Collection for the Commonwealth of Kentucky

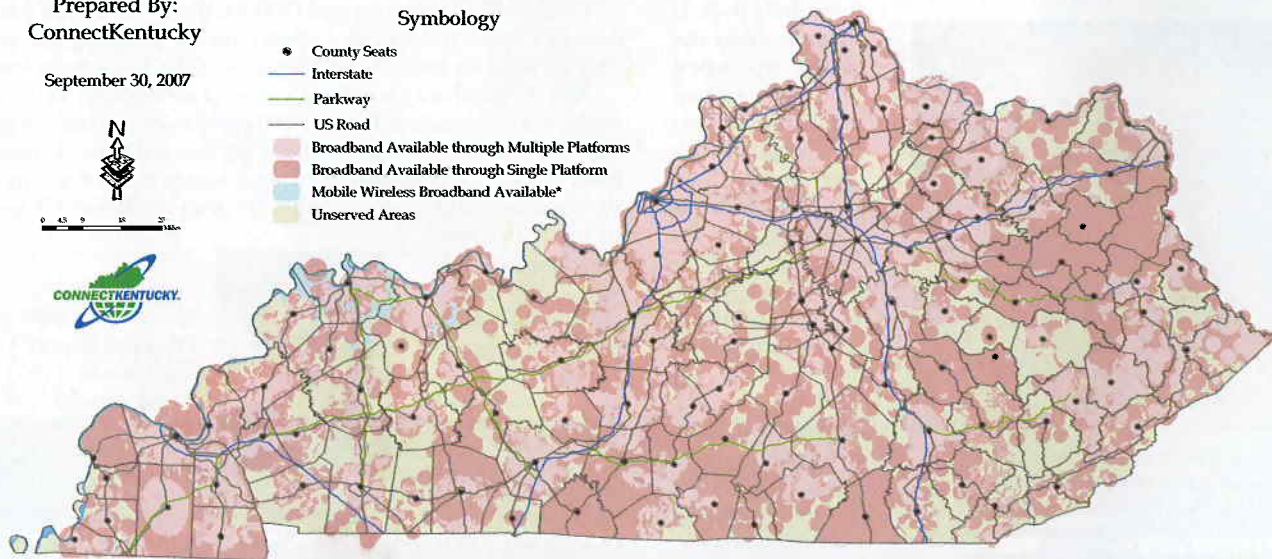
Prepared By:  
ConnectKentucky

September 30, 2007



### Symbology

- County Seats
- Interstate
- Parkway
- US Road
- Broadband Available through Multiple Platforms
- Broadband Available through Single Platform
- Mobile Wireless Broadband Available\*
- Unserved Areas



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