



Extending Broadband Well Worth Investments, Say Industry and Nonprofits

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WASHINGTON, July 18, 2009 - The possible benefits of extending broadband to anchor institution, rural areas, and individual homes is well worth the effort and financial investment, a panel of industry experts and non-profit representatives agreed during a Friday panel discussion.

“We are beginning to see some really promising applications” of technology for bridging broadband divides, such as software which is “approaching the effectiveness of an actually tutor” students, said Thomas Kalil, associate director for policy at the White House Office of Science and Technology.

Kalil spoke in a keynote address at “Broadband Stimulus and The National Broadband Plan: What They Mean for Communications, Technology, and Innovation,” sponsored by the Media Access Project.

Kalil focused on the benefits and applications of broadband technology in a variety of areas, including educational training.

Additionally, technology can also be used to help transition to a low carbon economy and create green jobs, Kalil said.

In order to develop this technology effectively, it is important to get multiple perspectives on whether or not a policy will work in a multi-stakeholder forum, he said.

One way the government can use its fund for broadband technology efficiently is by establishing “ambitious” and concrete goals for technology projects and by offering generous rewards for the teams that reach the goal first.

The government would only pay those teams which successfully meet the goals, he said.

Kalil gave an example from the University of Berkeley, where he started a program providing students with funding and support for technology projects. One student was able to generate \$7.1 million in savings by identifying the environmental impact of the campus.

“That was not a bad return of investment for \$3,000,” he said.

Lisa Zaina, chief of staff at the Agriculture Department's Rural Utilities Service, referred to the \$2.4 billion in grants and loans from the broadband stimulus in the round of funding for which applications are due on August 14.

From taxpayer resources of \$2.5 billion allocated to RUS, the agency will be able to award up to \$9 billion in grants and loans, she said.

John Windhausen, coordinator of the Schools, Health, and Libraries Broadband Coalition, said that anchor institutions such as libraries are an important way to spend the broadband stimulus funds.

These institutions, said Windhausen, serve millions of people. By getting a high-enough capacity broadband link, such an application can be a "jumping off point" for community broadband – if it is an open connection.

"You can get a fiber connection into every single library for less than \$1 billion," and Sweden has already made the equivalent of a \$30 billion investment in broadband, he said.

Joanne Hovis, president of Columbia Telecommunications Corporation, agreed with Windhausen on the importance of anchor institutions. She added that some of the stimulus money should go to big bandwidth projects in rural areas.

Fiber to the home in poor areas, said Hovis, could improve the quality of life in those communities. It could also save people money by providing high quality video for health care and high quality video conferencing, she said. By contrast, lower-speed technologies, such as digital subscriber lines, might not be enough to keep the U.S. competitive in the global economy.

In order to reach the goal of getting fiber to every home and small business in the United States, "we are going to need every potential provider," including new ones, "to be part of the solution," she said.

The problem with many private sector providers, said Hovis, is that they are going to "the most desirable of the rural areas," while many of the less desirable ones are being left out.

"A wide range of different communities will need government solutions," and the local governments of these areas understand what their constituents want and need, she said.

Ken Eisner, managing director of One Economy Ventures, spoke of the need to create a national digital literacy program. He said that public housing should be rewired with broadband connections.

Ted Hearn, vice president of communications at the American Cable Association, agreed with Eisner on the need for such a program, but added that funding “should be set up in a separate program.”

Eisner said that the government should not “step in and provide resources,” but should recognize needs and promote partnerships between companies that can meet those needs.

Hearn also emphasized the important of the so-called “middle mile” as the link between last-mile broadband systems – like cable networks – and the Internet’s backbone. Many middle mile connections are still slow and expensive T-1 lines.

Broadband stimulus funding should be doled out to improve middle mile connections, and “we don’t care who gets the funding for it,” he said.