



THE GREAT EQUALIZER: BRINGING HIGH PERFORMING BROADBAND INTERNET SERVICES TO RURAL MARKETS

Authors

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Introduction

Which side of the broadband divide are you on: the “Haves” or the “Have-Nots?” Broadband connections for high-speed Internet access to voice and data Web applications have traditionally only been available to consumers in large metro areas. For much of rural America, access to broadband Internet service can make a difference between prosperity and stagnation.

Why Is Broadband Internet So Important to Rural Consumers?

Some would say that the availability of high-performing broadband Internet services in rural areas would be a “nice to have.” They probably don’t live in a rural area! Most rural consumers would consider high-performing broadband a “must have.” Let’s look at why.

The most compelling reasons for having broadband Internet services are quality of life and rural economic development. Quality of life is defined many ways, but here are some of the ways that rural broadband Internet can improve your quality of life and support the economic development of your rural community.

- It allows you to connect with the world outside your rural residence with the same performance and reliability that metro consumers have. Now, distance and location become transparent, and you can communicate with your family members, friends, and relatives with real-time streaming Web applications. It’s like having them in the room with you. Stay connected while living where you want to live.

- It supports your interest in ongoing education and personal and professional development. With broadband Internet, you have access to all higher education and distance learning programs, wherever you are and wherever they originate.

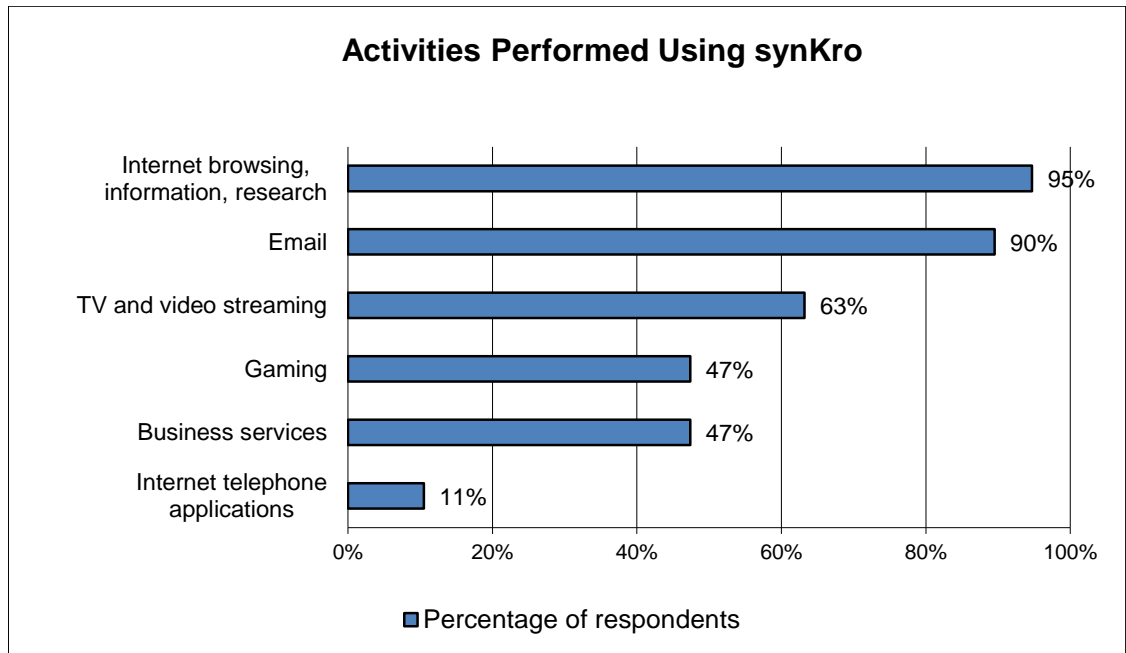
- It’s good for your health. Medical professionals are increasing using the Internet to extend their educational programs, to consult with patients, to provide access to medical records and X-ray results, to make referrals, to provide you with lab results quickly.

- It’s good for rural small businesses, whether home-based or located in rural areas. Small businesses are the U.S. job engine, and allowing people to work at home or from home means increased productivity, increased job satisfaction, and more local jobs to create a healthy local economy. Money earned stays in your community.

- It enhances medium-sized and larger businesses based in rural communities, providing them with access to a broader workforce and to people with unique skill sets. This provides a mutual benefit for you as a worker, and for the company that you work for.

What Are Rural Consumers with Broadband Internet Doing on the Web Today?

We have just completed a survey of rural consumers using our customers' broadband Internet services (branded synKro™), and these are the activities the consumers are reporting:



Several activities are worth highlighting. First, one would expect consumers' highest use to be Internet browsing, research, and email. However, the next two activities: TV/video streaming and gaming, require high-performing networks to support the large amounts of real-time data involved. And finally, with 47% of consumers also reporting business use of the network, it's clear that rural business can be done effectively and efficiently when rural broadband connectivity is available.

We are encouraged by this study, which shows the benefits that rural consumers can derive from broadband Internet and confirms that when rural broadband becomes available, rural consumers will actively use it.

How Will You Get Access to Broadband Internet?

Government at both the federal and state levels has recognized the inequality of broadband Internet access in rural communities and have had plans and initiatives in place for many years. In 2009, the federal American Recovery and Reinvestment Act provided \$2.5 billion to expand broadband coverage in rural America. By April, 2013, the U.S. Department of Agriculture, who is charged with administering the funding through the Rural Utilities Service (RUS) program, has spent \$3.4 billion funding 297 rural broadband network projects.

The USDA figures sound impressive until you read further into the report. During this time period (2009-2013), only 106,423 subscribers received new or improved broadband support. Of the 106,423 beneficiaries of government investment, 99,424 were consumers and 6,358 were businesses (USDA RUS Status of Broadband Initiatives Program, April 3, 2013). Spending \$3.4 billion to reach 106,000 subscribers is not the way to go. That is over \$30,000 per subscriber of wasteful spending of tax payers' money.

The federal government continues to set goals for broadband adoption. In his 2010 State of the Union address, the President set a goal of having 90% of all Americans connected to the Internet by 2020. Sounds good, but rural subscribers, especially dairy farmers, might well ask: "Where's the beef?"

State-level programs have had similar challenges. Rural states like Wisconsin and Minnesota have broadband initiatives in place, as the states recognize and attempt to address the technology inequality issue. They are strong champions of rural broadband. As recently as August 13, 2013, the Governor of Minnesota championed rural technology initiatives at the launch of Red Wing Ignite, a technology-based business accelerator and incubator. State-sponsored programs can be good, but are they cost-effective and will they move fast enough?

What You Can Do to Get Broadband Internet...

Working with your local, state, and federal authorities might be helpful. They are all aware of the need for rural broadband access, and perhaps a rising chorus might get attention in your area. There are other, more proactive, approaches that you can take as well.

Commercial firms, like LocalLoop Inc., based in Minneapolis, offer new wireless 4G broadband Internet technologies to existing rural communications service providers, whether they are wire-line telephone companies, Internet service providers, or Fiber-to-the-Premise providers.

LocalLoop has invented and patented technology that is realized in a cloud based platform that enables a profitable business for implementation of wireless 4G broadband internet networks for use by operators delivering services in rural markets at an affordable price for subscribers not economically viable before. In addition LocalLoop's solution uses the latest

information and network technologies to help rural communications suppliers upgrade their networks quickly and cost-effectively. LocaLoop enables high-performing, highly reliable broadband Internet service to homes, businesses, and mobile devices-all in rural areas. What would life be like if you had the same, or better, Internet service that your metro cousins have? How would your life change for the better if you could work remotely, operate a small business from home, or manage a larger firm with rural headquarters? LocaLoop's cloud platform enables a cost-effective service delivery model which optimizes each individual user's experience and provides a service content that the user wants. That is what the accompanying brand synKro™ stands for. This service offers rural consumers advantages at an affordable price that other networks do not. Moreover, an operator using LocaLoop's technology can reach new rural users with broadband Internet service for less than \$300 per subscriber.

- **Subscribers using LocaLoop's synKro™ platform have the ability to buy and self-manage the services they use and are not locked into long-term contracts.** With synKro, you can manage your own services through an easy-to-use, convenient web portal. You don't need to contact customer service when you want to add or stop services. You can avoid unnecessary costs as you control the services you need, and have unlimited data use at a flat monthly fee and no overage charges.
- **Subscribers using LocaLoop's synKro™ platform have improved access to high speed mobile broadband Internet services with reliable connections wherever you are: at home, at work, or even on-the-go.** One Internet protocol data service delivers phone, Internet, TV/video streaming and other content services...for the most exceptional experience to get the job done.
- **Subscribers using LocaLoop's platform have access to a high performance network that offers download and upload performance that is best-in-class.** 4G Mobile WiMAX/LTE technology enables you to experience performance as good as (or better) than services offered in urban areas. With 4G technology, your smart device supports your ability to do business away from wireline broadband sites.
- **Subscribers using LocaLoop's synKro™ platform now can access high content applications on their mobile devices.** Real time streaming supports excellent performance for even the most data-intensive applications and enables the use of media-rich web applications, like video (Netflix, Hulu etc.), online phone calls (Skype, Viber, Rebtel etc.), online photo sharing (Facebook, Instagram etc.), movies (iTunes, Amazon etc.) and other data rich web-Apps..

Be Proactive...

If access to broadband Internet services is important to you, you might consider talking with your local Internet and phone service provider. Ask them what their plans are for launching 4G fixed and mobile broadband Internet where you live. If they haven't heard of LocaLoop, send them this white paper and encourage them to consider bringing in the latest technology via LocaLoop.

In some areas, LocalLoop may be able to help provide broadband Internet service directly to you through its synKro co-branding operator partners. Call us and we'll explore options with you.

Here's your chance to get ahead of your metro cousins with more reliable, more mobile, higher-performing broadband Internet services!

For More Information:

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