PONCA City

BROADBAND

Ashland Fiber Network   **Ashland, OR**
  purchase by private telecom for $1.00

Burlington Telecom   **Burlington, VT**
  sold for pennies on the dollar

ChaskaNet   **Chaska, MN**
  closed to stop the blood flow of money

Crosslake Comm   **Crosslake, MN**
  sold to a private company at a loss

FiberNet   **Marietta, GA**
  sold at a $24M loss

iProvo   **Provo, UT**
  they actually PAID Google to take it over

Lake Connections   **Lake County, MN**
  sold to a private company at a loss

Link City   **Kansas City, MO**
  sold to a private company, then leased
  it back from them

Memphis Networx   **Memphis, TN**
  sold at a $29M loss

Net Quincy   **Quincy, FL**
  sold for pennies on the dollar

OptiNet   **Bristol, VA**
  closed following federal indictments

Thames Valley Comm   **Groton, CN**
  sold at a $34M loss

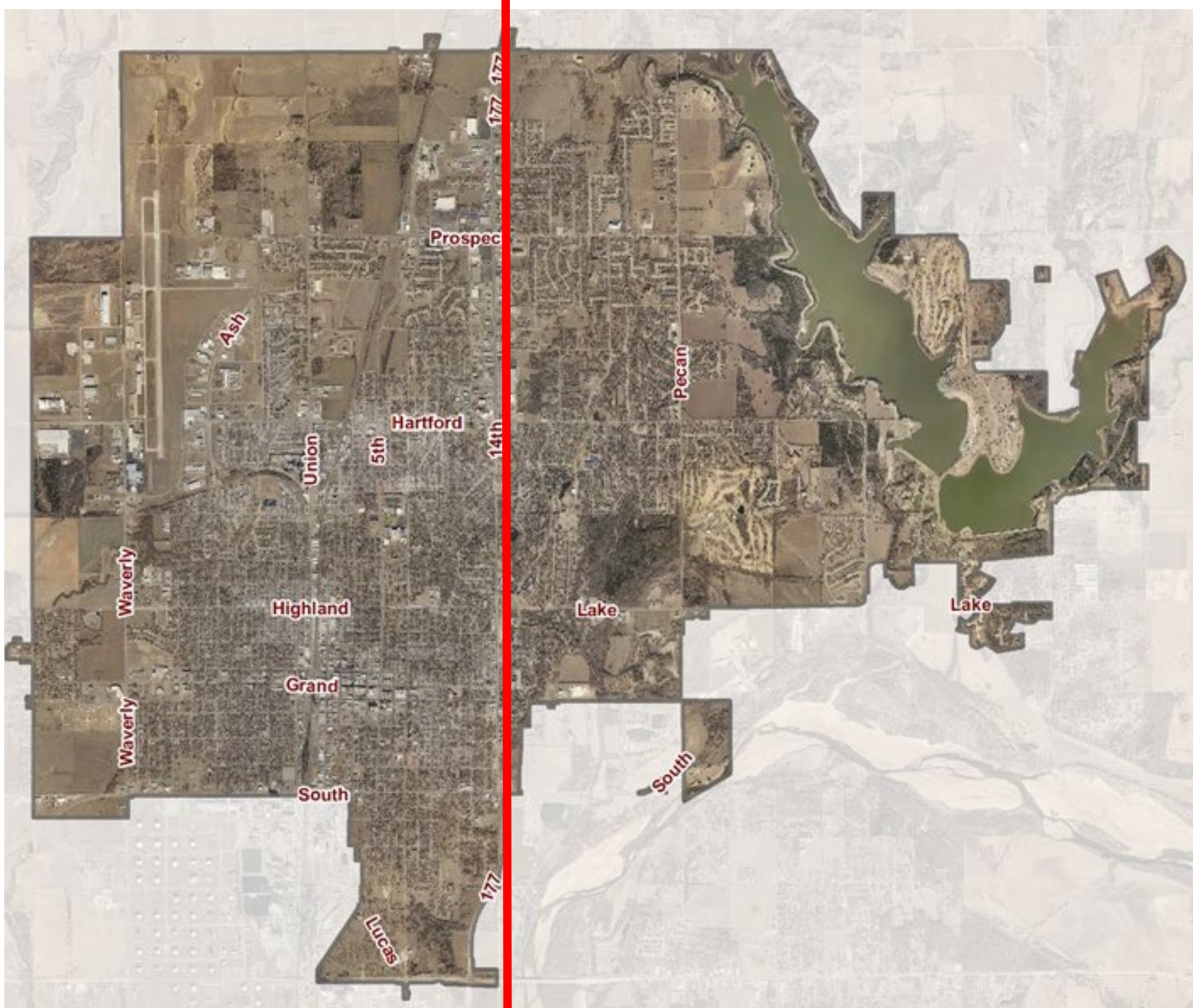**Westfield Connects**   **Hamilton, IN**
  sold at a 75% loss

We are not alone

Competition   Competition   Competition

Competition   Competition   Competition

Competition   Competition   Competition

Competition   Competition   Competition

Competition   Competition   Competition

Competition   Competition   Competition

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$$                                                $$
$$   Broadcast license fees (per subscriber)      $45.00   $$
$$   Average net return (per subscriber)          $  4.30  $$
$$                                                $$
$$   VoIP equipment costs (per subscriber)        $30.00   $$
$$   Average net return (per subscriber)          $  2.15  $$
$$                                                $$
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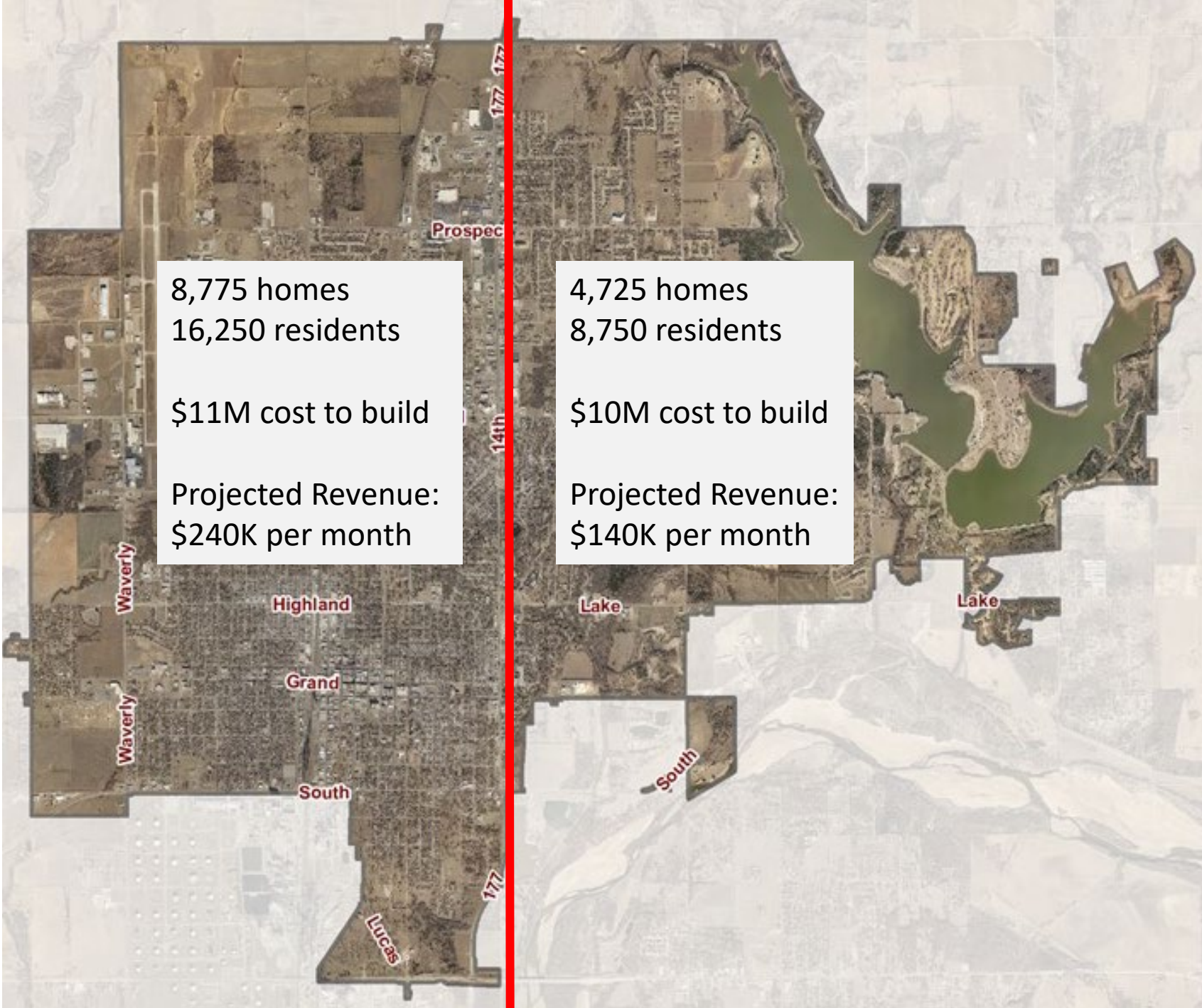
Housing density = Number of homes per square mile

Cost per home passed = Total cost to build, divided by number of homes
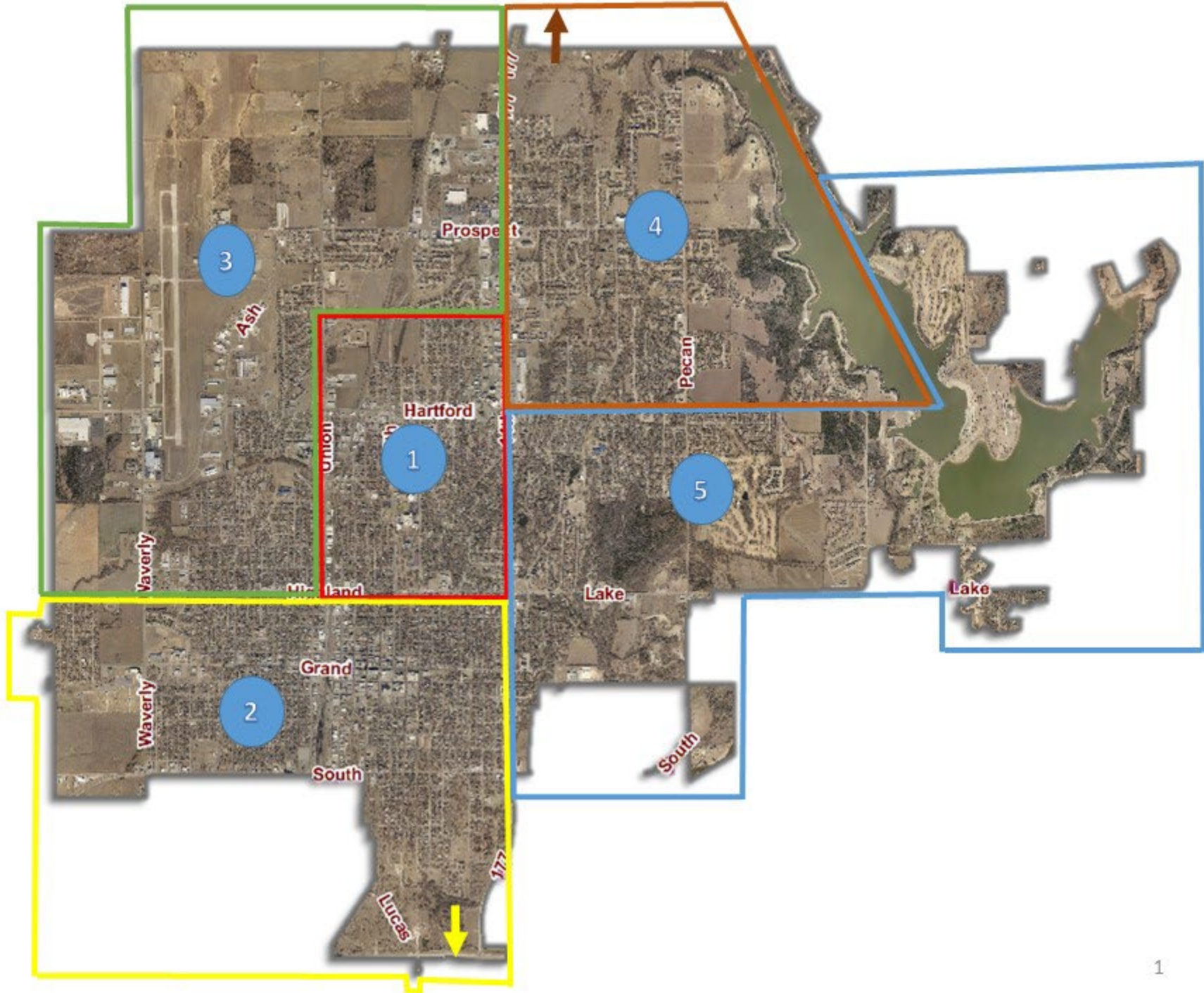
Take rate = Projected number of subscribers

8,775 homes
16,250 residents

$11M cost to build

Projected Revenue:
$240K per month

4,725 homes
8,750 residents

$10M cost to build

Projected Revenue:
$140K per month

Unknowns   (aka: surprises and "gotchas":

Helpdesk: How may calls per day,
                How long do the calls last,
                What if the problem isn't solved

Outside plant: What happens if the fiber breaks,
                How long does it take to install a home,
                What's really involved in in-home installations
                Differences between wood and brick installs,
                What about underground installations

Out-sourcing

Outside plant construction

In-home installations

24x7 helpdesk

Network Engineering and

Alarm Monitoring

???? **<u>How many people are needed</u>** ????

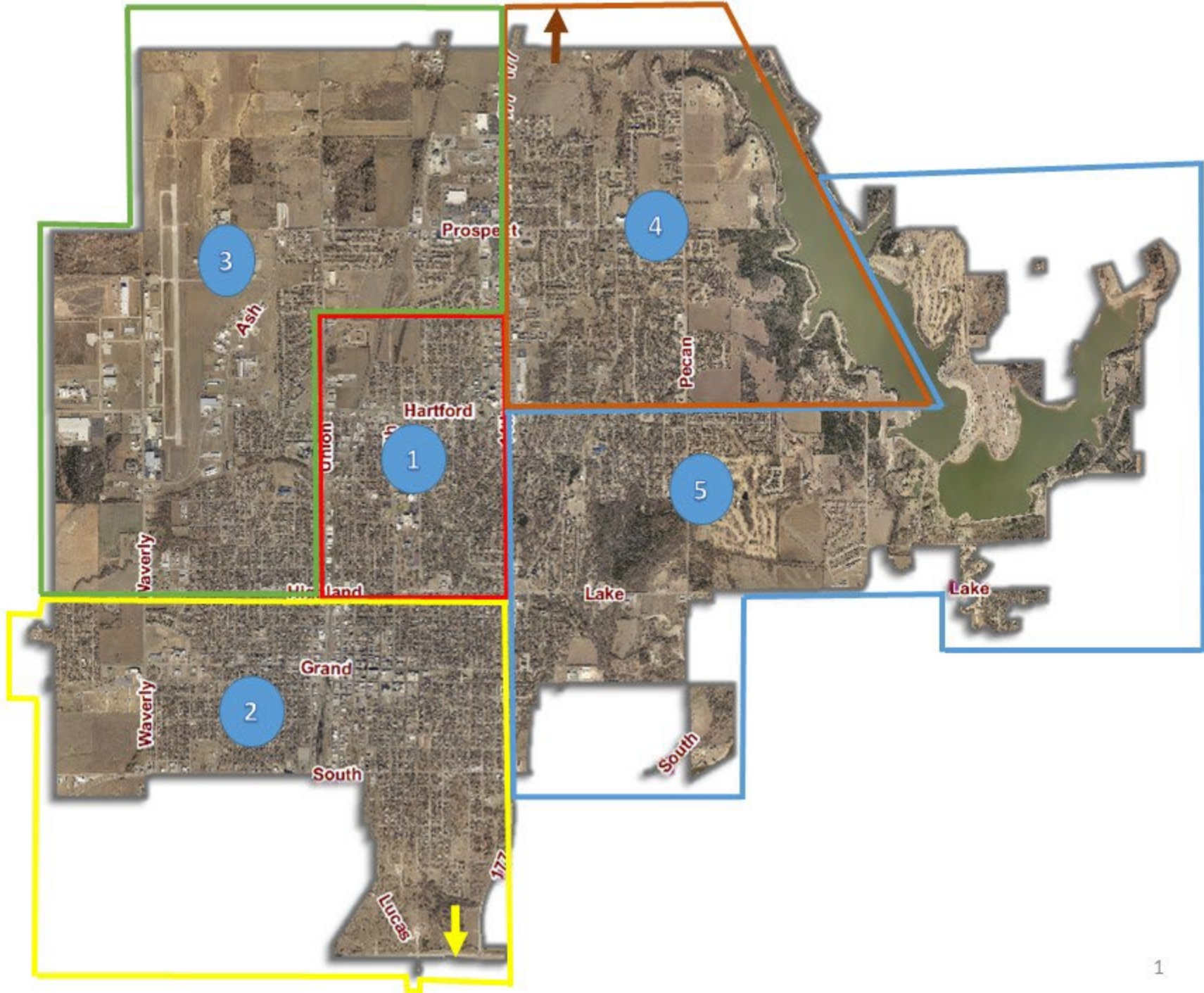How many helpdesk positions are needed
Is a 24x7 helpdesk actually necessary
How many field technicians are needed
How many central office technicians are needed

How large should the management structure be
Are clerical and support staff needed