

Communities, both large and small, recognize the many economic development benefits broadband connectivity brings, especially against the backdrop of the challenges presented by today's global economy. However, most communities quickly find that without a well-defined plan and strategy and the support of visionary leadership (or community champion), broadband deployment can be a seemingly insurmountable challenge. Faced with these challenges, most communities aren't sure where to turn for the tools and support needed to make any progress toward connectivity.

Instead of sitting back and waiting for national action, two Minnesota organizations, the Blandin Foundation and FiberFirst Minnesota, are taking action on behalf of the citizens of their state. They are both working toward complementary goals and are looking to develop the leadership within every corner of Minnesota that will help bring the economic and life-enhancing opportunities of broadband to the citizens of their state. Armed with unique perspectives and origins to their involvement in this issue, the work of these two organizations is bound to get closer in the next few years as each organization works to reach its stated goal:

Blandin Foundation: Minnesota will become a world leader in the universal deployment and use of ultra high-speed next-generation broadband.

FiberFirst Minnesota: Minnesota will lead the nation in FTTH penetration by 2010.

Each organization hopes that the vision they are working toward brings Minnesota to a leadership position in terms of broadband penetration and most important, has a very positive impact on the economic vitality and the people of Minnesota.

The Blandin Foundation: Broadband for the People of Rural Minnesota

With an overall foundation mission of strengthening rural Minnesota communities, you can see why and how the Blandin Foundation decided to use its resources to help educate these communities on the benefits of broadband connectivity. Bernadine Joselyn, Public Policy Director of the Blandin Foundation, described how the organization set its sights on broadband connectivity as an issue on which to focus its efforts. “We were concerned about helping communities not only thrive but frankly survive in a new knowledge-based economy,” she said. “Through our lenses as a foundation, we had the obligation — and luxury — to help look out longer and ask the tough questions. What do rural communities need to do to thrive in a global economy? It was that question that led us to a focus on broadband-based technology.”

First crafted in 2003, the initiative’s main objectives are to increase awareness about the need to enhance broadband telecommunications utilization and services, increase rural business and residential utilization of broadband capacity, and increase public and private investment in rural broadband capacity. The objectives are supported by public and private leaders who participated on the strategy board, and are the driving force behind the initiative. “In trying to address this need we pulled together a high-level strategy board that represents the key stakeholder groups in the state,” said Joselyn. “We wanted high-level participation so that the people at the table could speak for, and to the degree that they were on board, deliver the resources, the voice and the weight of their respective institutions.”

When it came to working on this issue, the foundation wanted to be sure they had engaged the diverse groups that had a stake in this issue. The groups represented on the strategy board are purposely composed of many different opinions on the broadband issue. “We have very different perspectives at the table, but that is the strength of the group,” said Joselyn. “When they do speak with one voice, it carries

some weight because these are people who are traditionally competitors and have differences of opinion.”

The strategy board agreed that the initiative needed to start by building demand for broadband and working toward community market development. As Joselyn stated, “Education and awareness were our #1 priority because that is a way to grow the pie for everyone. It’s a win, win, win.”

The group continues to work on market development, but primarily in the realm of two foundation programs, the “Get Broadband” – Keeping Communities Competitive Program and the execution of its “Get Gigabits” mission, which is that all Minnesotans should have affordable ultra high-speed broadband available by 2010.

“Get Broadband” – Keeping Communities Competitive is a community-based broadband utilization grant program, designed, implemented and funded by the Blandin Foundation. Since its inception late last year, the foundation has given \$250,000 in support. The program currently serves 15 communities that have committed to increasing the vitality of their communities through expanded use of broadband-based technologies.

In addition to providing grants of up to \$15,000, the program teaches community leadership and helps communities advocate for the public value that broadband connectivity can bring, including its economic development, health care, education and government service opportunities. It also helps communities to identify strategies for developing broadband connectivity. Participating communities must meet eligibility requirements that include representing a community in rural Minnesota, describing the market the project will serve, demonstrating a local one-to-one cash match for the requested funding, and finally demonstrating local leadership commitment, which means that the community must have the support of a valid steering or organizing committee.

“The main thing that we are looking for is leadership,” said Joselyn. “What makes a difference in the success of these kinds of efforts is local leadership. So I think one of the hardest criteria to meet has been that the applying communities are required to

put together a steering committee of senior representatives from a cross-section of their communities.”

When beginning the program, each community was also tasked with establishing goals that are specific to their community. Funded for 12 months, the initial results of the program will come in at the end of this year as the first cohort of seven communities completes the program. In addition to measuring take rates in each community, the foundation will compare pre-survey results from each community, and also conduct post surveys of both residential and businesses consumers to measure the communities’ success in achieving their specific goals.

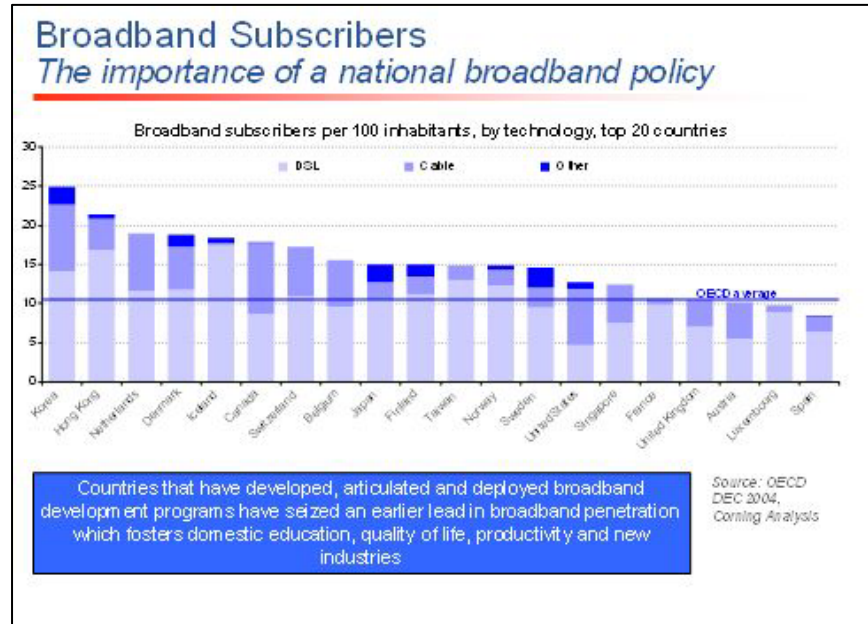
Success will be measured not only by the post surveys but also by the overall changes in utilization rates that will come in over the next few months. For the Blandin Foundation, their efforts have already been validated and recognized. Earlier this year the foundation received a \$250,000 grant from the State of Minnesota for the “Get Broadband” – Keeping Communities Competitive Program. Armed with this additional funding, the foundation hopes to serve a total of 28 rural Minnesota communities and perhaps even offer a second year of support to some of the communities who have successfully completed the first year.

With its “Get Broadband” – Keeping Communities Competitive program well underway, the foundation is continuing its work around its “Get Gigabits” mission announced earlier this summer. This effort, combined with gauging the success of the “Get Broadband” program, is bound to keep Joselyn and her group busy in the near future and beyond. “It is pretty clear that this next year is going to be focused on promulgating our very ambitious “Get Gigabits” vision for this state,” she said. “There is just a whole lot of work to do behind the vision and using the principles that we are crafting to identify projects and initiatives to promote here in the state.”

It is clear that the broadband work of the Blandin Foundation and the United States as a whole will go on for some time. However, it is interesting to note how the unique work of this organization might offer some guidance to the broadband efforts in other areas of the country. Joselyn believes there are some lessons to be learned from their approach. “Recognizing the power of engaging a broad range of stakeholders to look at opportunities to build the kind of infrastructure and awareness that we need is

the key. It's the convening piece," she said. "Bringing together people of differing perspectives and differing interests is important, because everyone agrees that we as a nation need to preserve a technological edge. The urgency around us having fallen from a prominent position to 14th in terms of broadband penetration is a wake-up call for America." (Figure 1 provides the latest data on how the United States ranks in terms of world broadband penetration.)

Figure 1:
Broadband subscribers per 100 inhabitants, by technology, top 20 countries



FiberFirst Minnesota: Bring Fiber to the Home to Every Corner of Minnesota

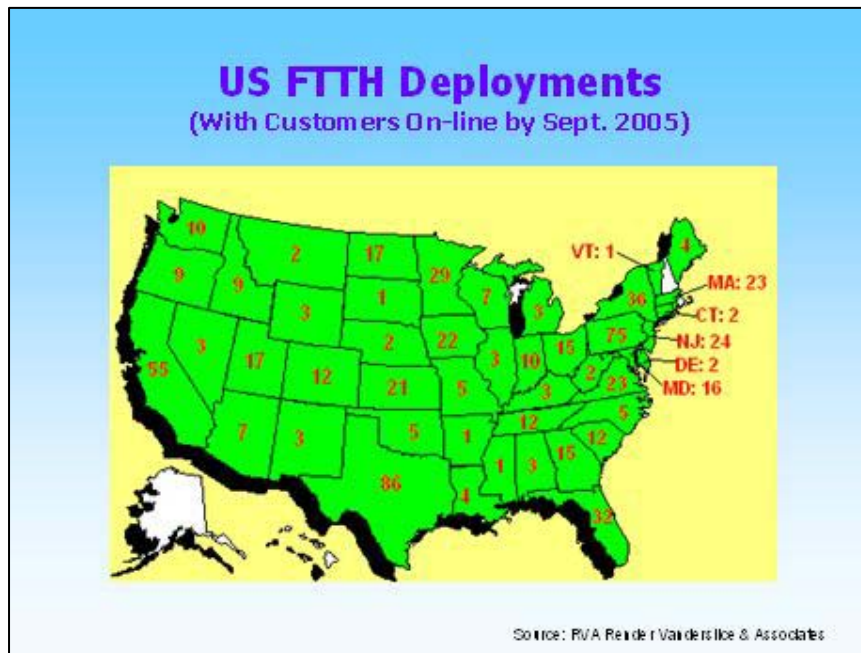
Organized earlier this year, FiberFirst Minnesota is a non-profit organization whose mission is more specific in terms of broadband technologies than that of the Blandin Foundation. It advocates specifically for fiber to the home, but has complementary goals to Blandin. FiberFirst Minnesota differs from the Blandin Foundation in that its efforts are concentrated statewide, instead of only in the rural areas of Minnesota. “FiberFirst Minnesota is an educational and advocacy group formed to educate the public in general, and the city and community officials in particular, about the benefits of fiber to the home,” said Jim Erickson, President of FiberFirst. “Our mission is simple: to dramatically accelerate the deployment of FTTH in Minnesota.”

Erickson, a Minnesota lawyer and lobbyist, has been involved in telecommunications public policy for over 30 years. After his retirement as president of a Twin Cities law firm, he turned his attention to a multi-faceted second career, including public policy initiatives such as FiberFirst Minnesota.

The purpose of the organization is to educate, encourage and assist all potential FTTH providers in each respective community, including the incumbent cable television provider, the incumbent local exchange carrier, competitive local exchange carrier, the municipal electric utility, telephone or power cooperatives, greenfield subdivision developers and/or alternative bundled telecommunications service providers.

Even though the organization is relatively new, it has not hesitated to boldly state its ambitions for Minnesota. “Our stated goal is that when Mike Render starts publishing FTTH penetration numbers on a state-by-state basis, we want to be the leading state,” said Erickson. “And if other states want to compete and keep up with Minnesota, that will push us and move the entire U.S. up in the world ranking.” According to the latest market data released by Render, Vanderslice and Associates, the State of Minnesota had 29 FTTH Deployments as of September 2005 ([Figure 2](#)).

Figure 2: Number of United States FTTH Deployments by state as of September 2005 according to Render, Vanderslice and Associates



Composed of a diverse membership group that includes vendors, providers, communities, and interested parties and individuals, FiberFirst Minnesota will concentrate on leadership development as a primary component in reaching its goals. The group hopes to develop and train leaders within various communities who will in turn help encourage the deployment of fiber optics to the home by working with the most likely provider available. “Each community is different, so we will work to help each community find the best solution,” said Erickson.

The group kicked off their efforts by quickly organizing an educational event in March of 2005. “We thought the best way to get the word out and educate people was to bring all the industry expertise from a national level down to the folks in Minnesota,” said Erickson. “I think the conference was a great success. If you look at the panels and the information provided, it was like a national-level conference done at the state level. We drew great speakers and 150 people on short notice, which kicked off a very public discussion of the benefits of fiber optics that continues to grow.”

FiberFirst Minnesota has spent most of its first year getting the organization up and running but has ambitions to broaden its efforts in 2006 and beyond to include work on state and local public policy initiatives. “We’re going to build on our progress by getting involved in the public policy discussion in 2006,” said Erickson. “One of the

things we'll be doing next year will be encouraging communities to pass Loma Linda-type ordinances that require fiber-to-the-home installations in new-build subdivisions." Earlier this year, Loma Linda, California, became the first community in the United States to adopt an ordinance that requires fiber-to-the-home in all new home and business developments. In terms of how FiberFirst Minnesota plans to encourage Minnesotans to pursue a Loma Linda-type approach, Erickson acknowledges that education will be key. "We'll have a series of workshops for local municipalities that want to learn more about the benefits of fiber and how they can implement it, and of course one of those tools is passing an ordinance to require fiber to the home in a greenfield situation."

The organization is relatively new and seems to be the first local organization working toward bringing fiber to every home. However, it is easy to see how their work might serve as an example for other states. Erickson sees the need for organizations like his in other areas of the country. "I don't think there is anything like FiberFirst. We just picked up the ball and ran with it. A group of people came together and said yes we think that this ought to happen," he said. "I am not familiar with any other state-level organization like ours. I think we're the first, but they'll be coming. It just takes somebody to get them started and to go get it done. FTTH deployment is done at the local level, thus local-level organizations will have to step up to protect and encourage the process."

FiberFirst Minnesota encourages interested communities to pursue a public-private partnership deployment model. Following this model, communities would fully explore all forms of public-private partnerships with any potential providers when looking to provide FTTH services to their citizens. This particularly includes the incumbent telecommunications providers or a municipal utility located in the community. According to the FiberFirst website, "The private sector providers should be given every opportunity and incentive to be the first to deploy fiber optics to the home and business premises. Communities should proceed with municipal wholesale (open access) or retail models only if the private sector and the competition among private providers fails to provide the needed level of speed, services and pricing that will keep the city economically competitive in the state, the country and the world." As Erickson explains, "Our view is that the fastest deployment of fiber optics would come if the incumbent phone company or the

incumbent cable company decided to do it. And we hope they do. We think eventually they will (deploy fiber optics) but they need a little tender encouragement to get there. If they don't, the communities will attract competitive FTTH providers who will."

Erickson looks forward to seeing action in other states and to having other states to compete with in terms of broadband penetration rates. He thinks that will make the efforts of FiberFirst Minnesota more effective. "If our objective is to be the leader, some other states may say, 'Why should Minnesota be first?' If they try to get ahead of us, that is fine with me," he said. "That will put pressure on us. So we think competition between communities and states will get nationwide FTTH deployment accomplished more quickly. The arguments for the use of fiber optics are compelling. You just have to put them out there."

Looking toward the future, Erickson is excited about the work of his organization and the effect he hopes it has on the people of Minnesota. The group plans to hold another major conference early in 2006. They will also hold a series of city-level workshops through the end of this year and throughout 2006 to further their efforts. "The objective would be to have FiberFirst go away, I guess there won't be any need for us when there is 100 percent fiber-to-the-home penetration," he said. "Until that happens, we'll just keep plugging away, having these conferences and workshops, stirring the pot, educating, advocating and encouraging. There's enough to do in that regard for the foreseeable future."

Bringing it All Together: What is Good for Minnesotans

The Blandin Foundation and FiberFirst Minnesota are unique organizations with their own programs, focus areas and missions as they relate to broadband connectivity. While Blandin does not advocate for any particular technology, FiberFirst focuses on fiber-based solutions. However, they are connected by a common thread: their concern for the citizens of Minnesota and the economic health of their state. As both Joselyn and Erickson pointed out, action on the broadband issue is vital to all communities in Minnesota, but it is especially important in helping the rural communities compete.

As Erickson stated, “The studies show economic development follows fiber, and if those communities want to continue to remain vibrant, I don’t think they have a choice but to get broadband. And to get real broadband, of course, means fiber. There are still those communities that don’t yet have any dial-up, let alone broadband. We hope the phone companies continue to make dial-up available and the cable companies make cable modems available, and that gets these communities on the broadband path. However, to do what the community needs to do, we want somebody to provide fiber to the home. It is imperative, I think for Outstate Minnesota.”

Faced with many of the same challenges, other states will likely look toward these groups for guidance as they tackle the broadband issue and decide how to begin. Each group is likely to have a lot to share, especially armed with the experiences gained in the execution of their programs and the work toward their organization’s mission. The work of each of the Minnesota Organizations on its own and how the two groups joined forces to work toward reaching their goals is likely to serve as a model for others to follow. Both groups are still early in the execution phase of their efforts, so the major success stories are yet to be told, but they can share their experiences in leadership development, education and advocacy efforts.

The organizations will certainly be crossing paths again in the near future, especially as they work toward reaching their 2010 goals. As Erickson stated, “They (the goals) are absolutely complementary. The closer they come to reaching theirs, the closer we come to reaching ours. We’ll work together. Where we can help them, we’ll help and they’ll help us. We will work together.”

As a result of the efforts of these two organizations, the state of Minnesota is far ahead of other states in the race for broadband. Armed with the broadband vision and stated goals of these organizations, Minnesota will progress toward reaping the benefits of broadband connectivity for their communities and its residents.