

Congress of the United States
U.S. House of Representatives
Committee on Energy and Commerce
Subcommittee on Communications and Technology
Washington, D.C.

February 27, 2013

“The North Georgia Network Brings Economic and Educational Progress to Rural North Georgia from Broadband Investment.”

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Chairman Walden, Members of the Subcommittee, it is a great honor for me to be here today to talk about the effects of the National Broadband Opportunities Program on my home community in rural North Georgia. I would like to personally thank you and all the citizens of my country for investing 33 million dollars in a modern fiber optics network that reaches from metro Atlanta and crosses the Appalachian Trail to the North Carolina line. I would also like to thank our partners in this project, the University of North Georgia, Habersham and Blue Ridge Mountains Electric Membership Corporations as well as the State of Georgia, who all put up nine million local dollars to bring high-speed modern communications to the students, businesses and citizens who call this area home.

I would most like to thank my group of economic developers in the region who supported this project with their money and their time and, and who like me four years ago, faced a barrier to expanding and recruiting jobs to this region. Our region had lost about twenty-two thousand jobs when this project started four years ago. In Dahlonega where I worked then, we closed the doors of our largest employer, a textile manufacturing operation that employed 365 people, many of whom had quit high school to take a job at the local plant.

My group of economic developers and I were losing jobs and business prospects not only because of the national economic downturn, but also because our local companies told us they had inadequate broadband. My community owned a 65,000 square foot building that a prospect internet company walked away from buying because they told me we did not have enough broadband. They told me "It would be too painful to get the bandwidth they needed."

Our local medical lab, that does breast cancer analysis, was trying to communicate with other hospitals in Georgia and they told me they might have to move back to Atlanta because they could not get patient medical files back and forth on the Internet.

Our local university was anticipating doubling their student enrollment, and their internet service from their provider was only about 50 megabits for 5,000 students. The college internet also went down for 37 hours as they began the new school year, so some classes, course information, homework and assignments were inaccessible. The university tried to dramatically up their speed and reliability, but their single provider said “it was just not cost effective.”

In rural Georgia, our local governments and economic development people are constantly challenged to remove barriers to growth and attract jobs, whether it is by improving a road, running a water line or building a sewer plant. I can tell you from 20 years in local economic development that companies won't locate to areas where they will have to operate off of wells, septic tanks and one-lane roads. Now high-speed broadband is right up there with the “must haves” to get jobs and growth in our communities.

As part of their state strategic plan, the State of Georgia has made almost 10 million dollars in broadband investment in rural Georgia. As a part of that plan, Georgia provided us with the original funding in 2008 to study our broadband barriers. Again, please appreciate that in 2008

in our area of the state our weekly wages averaged one-third less than the rest of the state and 41% less than other workers in the United States.

And this was no “pie in the sky” research we did with that study. We sat down with our schools, colleges, libraries, businesses, governments and hospitals and asked them about how they used the internet. Universally, they said they needed much more internet, and many of them said they needed what is called “redundant internet” from two providers, so that like the University I mentioned, if their internet goes down, the entire organization is not shut down.

Right as we finished our community study, the National Broadband Opportunities Program offered us a chance to solve the internet barrier we had run into. Our communities applied through BTOP for a project to build 1,100 miles of new fiber optic network across eight counties. They invested nine million dollars in match money, with again, the State of Georgia making the largest contribution of two-and-a-half million dollars.

So we just finished building this network in December of last year, and already we have our eight school systems connected, with the majority of them getting a gigabit of service, whereas before they had less than 50 megabits to share with thousands of students and teachers. We have provided our schools, at no cost to them, a 10 gigabit network which we can do with fiber optics, so they can share distance learning with the university, on-line coursework, text books, meetings between schools, all because of abundant internet. The University is also happy

because we have provided them a gigabit of service at less cost than they would have paid for 100 megabits of service with their old provider.

Now the physician at Dahlonga Foot and Ankle does not have to drive over to the hospital to look at patient x-rays. With our network the hospital can now send the doctor the radiology files and he can read them at his office.

Impulse Manufacturing that designs and fabricates products for global distribution can now talk to companies overseas without choppy internet problems and operate in what they describe as “the Fortune 500 Protocol.” They are not only a growing, smart rural company, but can now play in the big leagues for big contracts and move big technical files without losing their internet connection. They recently won a major production contract, and say they are buying another building in the region.

Even our churches can now broadcast their services live on this network, and they are reaching their elderly, homebound and hospitalized members. And this means more than just putting a canned sermon or a wedding last week up on an internet site. They report that 90% of their internet viewing is live during the church service, with people who want to sing and pray and participate on-line in their home church on Sunday morning.

Our local United Community Bank can now communicate between its branch offices and safely store their financial information on our network. They can provide service to their customers

and conduct financial transactions in four milliseconds, which is the speed of our core network with its modern fiber optic capabilities.

The Louver Shop that makes window louvers in Dahlonge can now communicate real-time with its West Coast office, and conduct live business meetings on the internet without having to fly its salespeople to Georgia. Telecommuters who live in our beautiful region don't have to wait until midnight to send their work over the internet to their Atlanta office, as they report they have to do. Dawsonville Hardware told me they sold an expensive Stihl chain saw to a customer in South Carolina with their new internet connection.

We now have two Technology Parks and Lumpkin and White Counties that are being developed to attract companies that need the business high-speed internet that fiber optics provide.

And in a final example, we have attracted our first data center to the region because of this network, and one of our local economic developers plans the announcement the first of March. The company proposes to make an 800 million dollar investment in this facility, and initially will hire 10 people at 100,000 dollars per job. The company needs about two gigabits of internet to start and two megawatts of electricity. This is an unheard of investment in our region where county tax bases run about two and a half billion dollars, so this increases the local tax base by a quarter. And the new million dollars in payroll will equal 60 jobs that would normally pay eight dollars an hour in our area.

My far-sighted State also just recently invested 1.3 million dollars in two more fiber optics extensions at the edge of our network, bringing those communities the same high-speed broadband that our original communities now proudly boast of having.

We just turned in a project last week to the USDA proposing to teach business internet applications on a bus all over the region through our local chambers of commerce. We will also take this bus to local high schools and bring students on the bus to tell them about good paying jobs and technology-related career opportunities that will be available to them.

Please let me again thank you and my fellow citizens for the critical investment that was made in the North Georgia Network, and let me sum up what you have helped us to do: In rural America, we constantly fight a low-wage, low-skill, low-tech economy. This broadband investment in our towns, our schools and our businesses will help us crack that low ceiling, and let us reach for the high-skill, high wage, high tech economy that we all see ahead.

In summary, I would ask you to please recall that we as a country invested in interstate highway infrastructure, railroads, airports and even telecommunications which drove major economic advancements. But unfortunately those major engines of economic growth do not reach very deeply into rural America to help us drive commerce.

But we do have plenty of rural electricity to run the internet, thanks to the rural electric system which again, was made possible by federal investment. The internet engine of economic

growth is barely 20 years old, but it is already transforming small business, education, medicine, government services, almost everything it touches. And this new form of infrastructure is not constrained by walls, mountains, oceans or the 8-hour day. It is only constrained by availability and its scarcity in rural America.

We are very proud and thankful in North Georgia that we have the new internet engine in rural America. We have put our foot on the throttle and we have set about to attract jobs and opportunity and prosperity, God willing.

But we are also mindful that here is a generation right behind us, the young digital Americans, who were born under the influence of this powerful Internet engine. They will not tolerate quaint 1990's internet as they start a small business, look for a job or move into positions of business leadership and public decision making. They will move out of lazy-internet rural towns that do not provide robust internet connectivity. They will not locate their growing companies to charming rural business parks that offer dial-up or DSL connections to the world. They will go, as we all did, to where there is promising economic opportunity. And that opportunity, as far as we can see, is being created now by high-speed internet.

Thank you Chairman Walden and members of the Committee. I am honored that you invited me to talk today.