

## **Broadband USA Applications Database**

**Applicant Name:** 8x8, Inc.

**Project Title:** Broadband Jobs for Underprivileged, Deserving Adults

**Project Type:** Sustainable Adoption

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### **Executive Summary**

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This proposal seeks funding of \$7.718M to hire, train and staff forty-five (45) new broadband professional positions in Sunnyvale, CA. These job positions will 1) directly benefit graduates of The Stride Center, a nonprofit offering low-cost computer training for deserving adults from disadvantaged communities in the San Francisco Bay Area; 2) increase broadband adoption, usage and market education; and 3) provide additional benefit to the California economy by creating job opportunities in Sunnyvale, CA and Santa Maria, CA that result from the activities described herein. The job positions will be self-sustaining in 20 months.

STATEMENT OF THE PROBLEM. According to the January '08 Report of the CA Broadband Task Force, public knowledge about broadband benefits and applications are a mandatory component and driver of broadband adoption and use.[1] Future adoption rates of broadband will not be primarily driven by people needing faster access to e-mail and web browsing, as much as by innovative and compelling edge-based applications and services that require always-on broadband Internet access.

OVERALL APPROACH AND HOW IT IS INNOVATIVE. The innovative program that 8x8 is proposing not only addresses the fundamental need to educate the public about broadband benefits and applications, it also creates jobs for disadvantaged individuals who will receive ongoing training in state-of-the-art Internet Protocol communications technologies and coaching in sales, provisioning and support processes. These processes will focus on enabling very small (4-5 employee) businesses to successfully adopt and utilize broadband telecommunications services. In today's economic environment, small businesses are struggling and vulnerable, looking for ways to save money and run their businesses more efficiently. By providing business-enhancing and cost-saving IP communications services to small, vulnerable businesses, this program will expand the rate of adoption and usage of broadband to encompass more of a small business' day-to-day activities and regular dependence on broadband as a vital business tool.

The individuals employed through this program will acquire highly sought technology and broadband market education skills that will be applicable to any employer in the emerging field of Internet Protocol

communications and broadband. Continued employment in Sunnyvale, CA by 8x8 will be ongoing beyond the funded program.

This program is innovative because it puts people to work in jobs that would not exist until some time in the future (as a function of 8x8's own organic growth without this funding) who will, in turn, provide market education and create adoption and usage of these edge-based broadband applications by very small, vulnerable businesses that can realize significant financial and productivity advantages by adopting these services.

AREAS TO BE SERVED AND SUBSCRIBER #'S. These positions will be staffed by graduates of The Stride Center which trains deserving adults from disadvantaged communities in the San Francisco Bay Area.[2] The Stride Center provides technical training and professional skills development through programs located in San Pablo, Oakland, San Francisco and Redwood City, CA. Studies indicate that adults who can land their first job in the information technology field have incredible wage gains – up to a 56% increase in wages over just three years.[3]

The broadband professionals employed by this program will provide small business owners in rural and metropolitan areas across the United States with the technical assistance, pricing, quotation, installation, training and reference information needed to access 8x8's broadband communication services. The jobs created by this program will have a multiplicative effect in benefiting small businesses in California and nationally, as the technologies and services provided by this program work over any existing broadband Internet connection without regard to geographic location. These forty-five new professionals will achieve adoption for IP communications at 14,000 new businesses, will speak with 180,000 leads, and will reach approximately 10 million impressions during the funded program.[4]

QUALIFICATIONS OF THE APPLICANT. 8x8's business IP communications services have been deployed to over 17,000 small businesses through a similar group of broadband professionals employed at the Company's former Santa Clara, California headquarters.

8x8 has invested more than four years to grow this professional organization to its current size of approximately seventy-five (75) employees. 8x8 possesses a proven financial and operational blueprint to scale the new, proposed jobs to a self-sustaining level,[5] but this funding grant will enable us to jump start the organization ahead of the later program income which will make these new jobs, and the market education and adoption that they produce, self-sustaining and permanent beyond the life of the program.

8x8's Chairman and Chief Executive Officer, Bryan Martin, will personally oversee the execution of this proposed grant program. In November 2006, California Governor Arnold Schwarzenegger appointed Mr. Martin to the California Broadband Task Force where he served as Chair of the task force's Emerging Technologies and New Applications Working Group. He also serves on the California Emerging Technology Fund's Board of Expert Advisors. Mr. Martin has been employed by 8x8 since April 1990.

**JOBS TO BE CREATED:** 45 sustainable jobs which will continue to grow beyond the funded program.

**OVERALL COST OF THE PROGRAM:** \$29.27M, but the program will generate \$21.97M of program income during the funded program (which will be reinvested in the program).

[1] [http://www.calink.ca.gov/pdf/CBTF\\_FINAL\\_Report.pdf](http://www.calink.ca.gov/pdf/CBTF_FINAL_Report.pdf), p. 65

[2] <http://www.stridecenter.org>

[3] <http://repositories.cdlib.org/iir/iirwps/iirwps-121-05/>

[4] <http://www.8x8.com>

[5] <http://www.youtube.com/watch?v=mJc8kS0Mpgs>