

Broadband USA Applications Database

Applicant Name: JB-Nets, LLC

Project Title: JB-Nets Last Mile Broadband Service Expansion for Gallia County, Ohio

Project Type: Last Mile Non-Remote

Executive Summary

JB-Nets Last Mile Gallia County, Ohio Wireless Broadband Expansion Executive Summary JB-Nets, LLC began building its wireless Internet service in 2002. Since that time it has grown exponentially going from approx 20 customers to now approaching 400 45 of which are local businesses and community services. JB-Nets has a current two-month backlog of installations. There is strong demand for broadband service in Gallia and surrounding counties in Ohio and many calls for subscribership have been turned down at the current time due to lack of bandwidth capacity. There are two factors involved in this shortfall. One being the lack of cash flow within JB-Nets due to the current economic crisis and hardship of existing customers to keep their accounts current. The other being the lack of availability and the high cost of bandwidth from upstream providers. Avenues for capital funding within financial institutions have greatly diminished. There is a continuous struggle to identify and obtain sources for capital to support the requirements for our service in this Appalachian region. However, this being said, JB-Nets has just recently successfully negotiated a contract for fiber backhaul to the Internet and will be in service within 45 days of this grant submission. At that time JB-Nets will be shovel ready, with data supporting the feasibility of completing the project on time and sustaining the expansion over time, if successful in securing the funding requested in this application. It is JB-Nets goal through this grant/loan to provide wireless Internet service availability to the remaining unserved and/or underserved households within Gallia County Ohio. There are a total of 3070 households in Gallia County that remain in this status based on census information for Gallia County provided thru Connect Ohio's website. Of the 3070 households passed, based on the US Census Bureau 2007 census data for Gallia County, Ohio, 23.1% of the population in Gallia County is living below the poverty level. JB-Nets is proposing to fund a program to help improve the standard of living for this segment of the population by providing grants and/or financing extended payment schedules. JB-Nets is committed to the community and feels this segment should not be overlooked when promoting economic growth in the county. All supporting documentation for this analysis is included within this grant request. Should this proposal be approved, there will be 21 additional communities (other areas) provided broadband service. Once completed, JB-Nets service will be extended to approx square miles of Gallia County. This will provide a robust support network for doctor's high-speed remote access requirements to Holier Hospital and Holier Clinic facilities. JB-Nets will also be able to support the high-speed broadband requirements for the Dan Evans Industrial Park and other property tracts in the vicinity adjacent to US Route 35, a heavily traveled transportation route through Southeastern Ohio. Upon successful completion of this project, JB-Nets will be in a position to support law enforcement services, utilities, such as Gallia County Water and Buckeye Rural Electric to advance projects such as wireless remote water meter reading and the electric

company's SMART system, It will support volunteer fire departments in the rural communities such as the Centerville Volunteer Fire Dept. As part of the expansion, JB-nets plans to extend not only internet service , but VOIP services, web/client based email, graphic design services for website development as well as web and picture hosting services. JB-Nets currently employs one full time paid employee. With this expansion, JB-Nets will have revenue to support hiring one (1) full time Field Network/Help Desk Professional and Two (2) Field Technicians, JB-Nets will be working with the Gallipolis Career College (a current JB-Nets Business Partner and JB-Nets high speed customer) to develop the needed skills level for these positions JB-Nets will also be providing employment for two graphic design students currently enrolled at Rio Grande University, (also a business partner and located in Gallia County), to fulfill the large demand for web site development for businesses in Southeastern Ohio. They will also become a part of the business management group to support the increased customer base generated by this expansion An accounting manager/analyst will also be placed on the payroll. This provides a total of 6 new employees. In addition, the owner will begin drawing a salary from the income generated by this grant. Extension of the broadband services to the remainder of the county will in itself generate new jobs across the rural communities. JB-Nets is a member of the Ohio Appalachia Broadband Coalition, www.ohiobroadband.org , a group of 10 Wireless Internet Service Providers in Southeastern Ohio within the Appalachian Region. This group has developed a working relationship, shared knowledge and resources to support development of the best possible plan for rollout and sustainability of wireless broadband service throughout Ohio's Appalachian designated counties. The group has coordinated this plan in a manner to prevent interference with each other's facilities, and to explore using each other's facilities for redundancies to provide maximum uptime for our services. JB-Nets has considerable experience over time using wireless broadband technology. Cisco, Trango Broadband, and Tranzeo have proven to be well-designed and reliable for high-speed service. We will continue to utilize these proven technologies for the proposed expansion. In the future we will be testing equipment from Canopy and will be pursuing licensed bandwidth for our backhauls. The owner of the business Jacob F. Kline has been in the technology business since 1997. He is the founder of JB-Nets and has engineered and implemented the wireless infrastructure, network components, all necessary programming and monitoring systems, executed contracts for upstream bandwidth service to bring the company to its current state of profitability. He has successfully utilized solar energy and wind energy generation to support a tower in a remote area with no electricity available, with the ability to monitor and manage the facility remotely using a propane generator as backup when wind and solar energies are absent. This tower has been in service for 3 years and is fully loaded with customers. His father, Stephen Kline, provides consultation and Financial Management. He has a BS in Mechanical Engineering and has been employed as an Engineer and later promoted to Information Systems Manager in a jobshop manufacturing environment . He has also been employed as Information Systems manager for an Automotive Industry transmission components manufacturing plant and was later promoted to a Corporate position to coordinate software development and implementation across 18 automotive plants in the US and Canada. He is currently Employed as the IT Director at the Corporate offices of Fruth Pharmacy, a retail business, managing the technology for 25 retail stores and three warehouses. He has over 30 years experience in networking, communications, and project management and has been involved with the wireless broadband technology for the last 7 years.. The cost for the above described expansion will be \$800,000.00. This covers all expenses for the current corporate computer center

relocation , storage and service facilities, erecting and making operational, 21 - 100 ft free-standing towers and an additional number of 40-60 ft guyed towers as to insure all areas within a census block is covered. It is expected that 2000 to 2100 new customers will be established as a result of utilization of stimulus funds requested in this grant/loan application over the three-year period. This in turn will generate the need for six additional employees to manage the expansion.