Broadband USA Applications Database

Applicant Name:  Internet America, Inc.

Project Title:  Rural Community Broadband Development

Project Type:  Last Mile Remote

Executive Summary

A significant lack of broadband Internet service in rural America exists today. The gap of broadband service creates a vacuum where legacy network infrastructure hampers first responders, healthcare modernization, and education systems to name a few. Therefore, it is imperative for companies like Internet America, Inc. to take the lead and expand broadband coverage with fixed Point-to-Multipoint wireless infrastructure to transform industries capable of meeting community needs of the 21st Century. Internet America proposes to expand out from its existing service areas to unserved and underserved areas of 35 counties in southeast Texas. In this area, we estimate that in these counties there are approximately 99,500 unserved and 35,200 underserved households. In addition, the proposed area will make service available for approximately 15,600 businesses and 600 community anchor institutions, public safety entities, and critical community organizations. Internet America intends to provide consumer products to include high-speed Wireless Internet access, e-mail addresses, website hosting, Voice Over IP services and other services. Additionally, for their business subscribers, they will offer dedicated high-speed Internet access, managed web site hosting, server collocation, domain name registration and other services. The Internet America core network will remain at a secure data center cage at CyrusOne, in Houston, Texas. Core routers will be upgraded to a redundant pair of state-of-the-art Cisco ASR9000 routers. These upgrades will allow for full capability to route both IPv4 and IPv6 traffic at up to 1.4Tbps. Our Internet feeds will expand from 450Mbps to 4.8Gbps of Internet access from our three existing and potentially additional providers. Our Access network links will increase from 693Mbps to 4.8Gbps and expand outward from the Company’s existing network access. As in the current network design, the proposed as well as current access networks listed above are connected via leased lines, which range in speed from 45Mbps to 1Gbps. From the local Points of Presence (POP), bandwidth will be distributed via wired and wireless methods. The majority of route links will be connected via commercially available fixed wireless links using point to point wireless Ethernet bridges in both licensed and unlicensed bands ranging in speeds from 240Mbps to 1Gbps. Access point towers will then used to distribute bandwidth which will initially serve up to approximately 52,000 end users using commercially available fixed wireless technology using ISM bands (2.4Ghz, 3.65Ghz, 5.2Ghz, and 5.8Ghz and 900 Mhz). In order to increase the distribution per user or number of end users, the majority of proposed route links can be upgraded economically in the future. In the limited amount of coverage area with line-of-sight issues, such as heavily wooded areas, the design calls for one layer of the dual-layer coverage to be implemented using 900 MHz APs to ensure baseline minimum or better connectivity, while utilizing only 2.4 GHz-5.8 GHz in unaffected areas to allow for the highest service package options for all customers. Internet America intends to connect to the public
Internet directly or indirectly, such that the project is not an entirely private closed network. They will disclose proposed interconnection, nondiscrimination, and network management practices to the fullest extent possible and concerning interconnection obligations, Internet America and requesting parties may negotiate terms such as business arrangements, capacity limits, financial terms, and technical conditions for interconnection. Internet America was founded in 1995 and began providing Internet service when it signed its first subscriber. The Company grew rapidly to over 150,000 subscribers. Since then, Internet America has evolved into one of the most technologically sophisticated ISPs in the U.S. Internet America and entered the rural wireless broadband market in 2004. They successfully operate today with over 25,000 subscribers including 8,000 wireless broadband customers. Their key management team has been in place, working together for 19 months to 10 years. Customer management systems, financial systems, and support systems are in place, running well, and are adequate to accommodate the proposed growth with the RUS funding. As a public company, they complete annual external audits, which have consistently been unqualified. Internet America understands the importance of bringing broadband Internet connectivity to under-served rural markets. Since it entered the rural wireless broadband market in 2004, the Company’s main strategic objective is to incorporate this core competency of managing large numbers of internet customer by now providing broadband Internet technology. The Company considers rural broadband to be their key strategic objective. Internet America knows their strengths and smartly outsources project areas not in their portfolio of core competencies to nationally known organizations to ensure project success however, always maintaining ultimate project oversight, responsibility and accountability. This can only achieved through outstanding organic organizational intelligence. Covering 35 counties in the state of Texas, they intend to better education, more efficient delivery of public services to rural markets and their community anchor institutions. During 2008, Internet America invested approximately $93,000 in management college training for key management employees. The training focused on how to build quality into all aspects of their operations by making employees active and enthusiastic partners in the enterprise, rather than creating controls and procedures that simply handcuff employees without producing results. These training evolutions enabled organizational leadership to seamlessly integrate over 1450 customers from a series of four acquisitions with 45 days in a matter of days. Our dedication to the quality process implementation including investing in infrastructure upgrades and simplifying internal systems and procedures has improved productivity and customer satisfaction. Total subscribers increase to approximately 37,000 including 700 businesses 400 community anchor facilities. These community anchor facilities will be provided free or discount service during the first 5 years. It is important to note that while a multitude of jobs will be created as a result of this project, the executive team is experienced and the Company does not anticipate the hiring of any additional executive level staff. Increased staffing estimated to be 80 full time employees will include personnel for installation and construction labor will be in demand as well as the increase in sales representatives and customer support personnel. Additionally, by our open network, we will create new business opportunities for many local small businesses. Since its initial deployment of wireless technology in 2004, the Company’s mission includes delivery of broadband Internet to rural markets. We believe rural America needs convenient and affordable access to better education, more efficient delivery of public services, and technology that enables consumers to control their energy consumption. That access can be achieved through the provision of high-speed broadband Internet access and the technologies associated with it.
The Company can provide qualified, experienced management who have an ongoing history of going where other providers will not and giving broadband Internet access to those residing outside of metropolitan areas. Finally, our current mission is to deliver internet to rural markets. We believe rural America needs convenient and affordable access to better education, more efficient delivery of public services, and technology that enables consumers to control their energy consumption. That access can be achieved through the provision of high-speed broadband Internet access and the technologies associated with it. The Company can provide qualified, experienced management who have an ongoing history of going where other providers will not and giving broadband Internet access to those residing outside of metropolitan areas.