8. Executive Summary

Cross Telephone Company, LLC (Cross), an independent local exchange company, with headquarters in Warner, Oklahoma, has been providing services to customers in eleven exchanges in east central Oklahoma since 1911. This local company has been family owned from the start, striving to provide the best and up-to-date services possible to their customers. Today, Cross and its family of companies provide a wide variety of telecommunication services to over 10,000 access lines in several Oklahoma counties including not only traditional voice but also specialized services, including ZTV which brings the best in digital television, residential internet service, ZSL and PCS wireless service in east central and southeastern Oklahoma.

Cross is continuously researching and upgrading equipment to provide their customers with the services they want and need.

Being locally owned means that Cross has a great understanding of the community’s needs. Cross is proud to support area schools and community programs such as the Chamber of Commerce whenever possible through nonprofit funding. Cross donates school pencils to each and every school in its' exchanges, and gives a gift to each teacher. Cross also donates money to local school sports programs and activities. Cross has been at the center of the economic lives of the rural communities it serves for the last 98 years. With this, Cross has developed a strong reputation for quality and cutting edge technology.

Cross’s industry experience is an asset that exists not only among its technology but its employees as well. The loyalty and versatility of the workforce provides for a significant advantage in building network infrastructure and integrity.

Cross has traditionally been one of the largest contributors to the local tax base that helps support the economic stability of the rural communities it serves. Being a locally owned and operated business allows for local dollars to remain within the community through support of local schools and festivals, as well as payroll and taxes which is key to economic life in rural America.

The ARRA of 2009 is providing the incentive for Cross to further advance the broadband infrastructure for the rural consumers of east central Oklahoma. Cross has developed this application for the BIP loan/grants and BTOP grant under the Recovery Act of 2009. Cross proposes to use the funds to deploy fiber to the home overbuilds of aging copper plant in the communities.

In these communities this project will upgrade the existing bandwidth constrained DSL service, offering high speed broadband services including digital IPTV. In addition, Cross proposes to build wireless broadband to serve this underserved and unserved region of the state.

The combined FTTH and wireless projects will pass approximately households and businesses. They will also focus on critical community organizations which will utilize the services offered in conjunction with their day to day duties and functions.

The broadband service offering extends throughout ten service areas in communities in the most economically depressed portion of the state. The proposed system
seeks to address the lack of access to information for health care, education and general quality of life that can be improved through broadband services.

Cross’s FTTH offering will provide individual or bundled services for voice, video and data. The services will be provided over a broadband pipe at multiple rates up to 10 Mbps. The voice offering will include local and long distance service, all vertical services with CNAM, Caller ID and Voice Mail. The video will have 100 channels of programming, and Cross will provide data connectivity to the Internet. Internal servers will provide email, parental controls and VOIP services. Cross will also offer home networking services and a help desk to ensure customers maintain service and can contact Cross when problems arise with their computers.

The wireless high speed data and VOIP offering will be provided via Cross’s existing wireless service. The proposed service will provide high speed broadband service. The service can be provided through any data device that has a USB port. Broadband data services on the network provide users multiple speeds up to 10 Mbps for Internet connectivity. Service is billed by access speed and Gbps usage per month. Data services include email, IP addresses, server storage, backups and parental control. The customer can order the interface plug it into the computer and log on. No truck rolls are required.

Cross’s staff has staked the facilities for the FTTH projects and completed RF planning for the wireless deployment and is ready for the construction phase. Cross’s management and staff have constructed many new communication facilities and have the expertise to ensure that quality of service is maintained during the operation. Cross is currently cash flow positive and will be able to sustain a quality service with the use of grant/loan combination or grant only funds while constructing the facility.
Cross estimates it will add 32 jobs during the construction phase of the project. Cross will add 4 employees full time to handle the network operations and billing system for the new areas. Cross Cable, a subsidiary company, will add 2 marketing jobs.

The service offering will be service area wide, so potential customers not identified in this study will have the capability to receive broadband service, at their home, office or educational facility. The wireless portion of the project will also provide “mobile broadband” access to people traveling through the area.

With the ARRA 2009 comes an opportunity to immediately address deficiencies in rural broadband infrastructure and allow for immediate construction of the needed investment in rural America. This investment will have a direct impact on the economic lives of the people and the communities in which they live. The opportunity for a rural household to enjoy the benefits of unlimited high speed internet service for their children to pursue academic excellence and international recognition is priceless. Additionally, this broadband capability will allow rural businesses to get connected to a global economy which removes barriers that previously seemed anti competitive. Cross’s strategy is to enhance the lives of rural consumers by providing much needed broadband infrastructure which will allow households, local government, schools, libraries, rural health clinics and small business to compete globally. Cross Telephone Company, LLC respectfully requests consideration for the needed ARRA funds to advance the public interest and carry out the President’s agenda on economic recovery.