

## Broadband USA Applications Database

**Applicant Name:** Cricket Communications, Inc.

**Project Title:** Cricket Project Change Access

**Project Type:** Sustainable Adoption

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### Executive Summary

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The digital divide persists for millions of households that lack meaningful alternatives for broadband access because – even when high-speed network coverage is available – it is not affordable for many people. Income and lack of training and awareness about the benefits of high-speed access also remain critical barriers to broadband adoption. In 2009, the Pew Internet & American Life Project reported 35% of households with annual income of \$20,000 or less had adopted broadband, versus 63% nationwide.

Cricket’s proposal, with subgrantee One Economy, aims to help close the digital divide for low-income communities in Baltimore, Houston, Memphis, San Diego and Washington, DC with affordable, sustainable wireless broadband. Project Change Access began with a pilot in Portland, OR, last fall and is scalable to cities nationwide. Project Change Access provides a comprehensive approach for getting and keeping vulnerable community members online, with subsidized wireless access, modems, training and other support. This builds on the success of the ongoing Portland pilot, in which LCW Wireless, a company in which Cricket has a non-controlling interest, and One Economy are providing 100 low-income families with computers, modems and free Cricket Wireless Broadband service for two years.

Cricket and One Economy are positioned to successfully replicate this project in these five cities with BTOP funds. In each city, One Economy has established a presence to promote digital literacy through its Digital Connectors program. Cricket offers service in each city and has a strong local presence of staff deeply involved in and committed to these communities. In addition, Cricket and One Economy, joined by Qualcomm and other companies, will provide wireless broadband service to 1,000 low-income Washington, D.C., households starting in late 2009. The BTOP proposal will allow Cricket and One Economy to reach several thousand more families in Washington, D.C. and four additional cities beyond the District and Portland trials. Cricket and One Economy project, based on a multiplier effect of on an average of 2.59 persons per household, that 23,000 individuals with wireless broadband modems will reach a total of 59,570 new household subscribers.

Challenge: A 2009 report from the Broadband Opportunity Summit cited concerns that barriers for “non-adopters” were a function of more than access and affordability, “rather, participants reported

that their constituents simply do not think that broadband provides anything of value to them.” To ensure adoption, factors beyond affordability and availability must be addressed, including technical knowledge and training, relevant content, language accessibility and cyber-security safeguards. As the Portland trial demonstrates, once subscribers are online, benefits of digital citizenship become clear, facilitating communications with health care providers, contributing to local economic growth and job creation, improving access to education and fostering civic participation. Yet the digital divide persists in some of the most broadband rich U.S. cities, including those covered by this proposal. This adoption gap is withholding the transformative power of access to vulnerable populations in these and other communities.

**Approach:** The Project’s approach is innovative because increased broadband adoption is enabled by key elements that ensure the highest rate of success: (1) **Wireless:** The broadband service provided to participants is both portable and mobile, ensuring the highest productivity, usage, relevance, and benefit for each participant. (2) **Targeting:** Cricket and One Economy target specific high-impact programs for wireless broadband. (3) **Lowest Cost:** The broadband service is provided by Cricket’s existing wireless network, one of the lowest cost wireless broadband networks in the U.S.

**Areas:** In Portland, One Economy identified candidate participants from Federal, state and local programs and teamed with LCW Wireless to select beneficiaries. The demographic to be served through the expansion of Project Change Access is low-income residents who typically have been identified as requiring economic help through their participation in other government assistance programs. Candidate participants live in city neighborhoods where broadband may be available, but is not affordable at their income level.

**Qualifications:** Because Cricket focuses on connecting vulnerable communities with affordable, innovative service, it is uniquely positioned to ensure low-income consumers experience the myriad benefits of broadband access through this program. A trial that Project Change Access is patterned on has attained success in providing wireless broadband access and improving awareness about high-speed access benefits among new users. After One Economy identified candidate participants, LCW Wireless volunteers activated and installed wireless broadband on their PCs. The program focuses on not just getting participants online with broadband connections but ensuring they stay online by educating them about how access can improve their lives. Critical to Cricket’s service plans is offering affordable rates to consumers typically overlooked by other providers. The strategy’s success is reflected in the diversity of Cricket customers – 74% have annual household incomes of less than \$50,000, versus 32% of other carriers’ customers. Cricket’s approach has planted seeds in overlooked communities for not only broadband adoption but Internet adoption: Nearly 50% of customers subscribing to the company’s flat-rate wireless broadband service have never had Internet service of any kind at home.

The broadband adoption facilitated will impact jobs. A Brookings Institution study linked broadband use and employment: for every percentage increase in penetration, employment was projected to increase by 0.2 to 0.3 %.