Applicant Name: NTCH, INC

Project Title: NTCH Inc., Tennessee Netbookmobile program

Project Type: Public Computer Center

Executive Summary

a). This Cleartalk Public Computer Centers Application aims to bring the benefits of job creation, long-term economic growth, health care access, business opportunities, distance learning and narrowing gaps in broadband delivery and adoption to underserved & unserved rural areas of Tennessee. Broadband service adoption rates will increase when those persons unable to experience the benefits of broadband service for economical or logistical reasons are allowed to do so. This program brings the internet on a device to the person in need instead of attempting to bring the person in need to the device. Those in need, for instance, may include the displaced workers in Tennessee where the unemployment rate was 10.9% in December 2009, the 4th straight quarter with a rate over 10% (Tennessee Department of Labor and Workforce Development December 2009 Report) These displaced workers are in need of jobs and a way to both train for and find those jobs and they likely do not have the means to afford internet devices, service or even the cost to travel to a place where they can get this. Other needs including distance learning remote health-care and basic research for any number of projects will be facilitated by this project. b.) The need of bringing the internet (as well as devices) to those identified above will be met by purchasing 7 Dodge Sprinter Vans, at a cost of $39,405 each. These are domestic nameplate diesel high roof vans that gets in excess of 25 MPG (and which have final assembly done in South Carolina). These vans will then be specially outfitted for the purpose of distributing and displaying netbook computers and other advanced technology to needed areas at a cost of $10,000 or less per van. Each van will be manned by two recent college graduates with a technological aptitude who know and can live in these areas. These technology Advocates will work on an alternating schedule to be available to the places of need within the approximate 5 county areas assigned to each van (compensation costs of 5,000 per month per van). Each van will have a budget to bring on line over its initial year 500 laptop or netbook computers (at a cost of approximately $290 each). In the course of their duties these advocates will drive to the different small towns (at a cost of $690 per van per month in diesel fuel), and attend to maintaining these vehicles (at a cost of $400 per month per vehicle). These advocates will put in place sub distribution arrangements with schools and public facilities within their areas, arrange to host technology demonstrations and even on request deliver a computer to a home bound person who needs the equipment for medical reasons or distance learning. They will also demonstrate and in some cases sell the technology offerings of companies who agree to sponsor this project for a fee. These vans will operate on this program for a period of three years after which time, if this program is not self sustaining or sustained through other funding, the vans will be sold, and the proceeds and the laptops that are part of this program will be distributed to the Boys and Girls Club of Middle Tennessee to be further distributed to needy students. A program manager will oversee the technology advocates and
the purchasing and general administration of this program. The Program Manager will also check in on the whereabouts of the advocates through GPS and remote video and otherwise manage the program to meet its stated goals. The manager will also meet with and solicit contributions to the program from businesses and individuals throughout the state. Technology Advocates will be brought in for training once a month where different technology companies (who have been vetted for appropriateness and which have agreed to pay a fee) will be invited to present their technology and provide ways of informing people in the areas served by the advocates about these technologies. All these activities will be organized within a not for profit subsidiary corporation formed by the applicant. This will allow tax deduct-ability to companies and individuals supporting this program. Part of outfitting the vans and part of the attractiveness of the vans will be to make a display of those residents of the state and area that the van will visit who have developed noted technology. c. ClearTalk's proposal will cover 13,310 square miles in 27 counties within Tennessee. The map of these counties is included in the supplemental information attached. This area includes 692,355 residents and the demographic information for this area is typical of non urban areas of the state of Tennessee.. The number of potential users of for internet provided by this application, assuming an average 2 week loan out period for the provided Netbooks is over 90,000.. d. NTCH Inc. (Clear Talk) started in Grand Junction, CO and has been focused on rural communities in over ten states for ten plus years. In rural markets Cleartalk pioneered the concept of unlimited use, no contract, no credit check for its wireless service. Clear Talk has also become one of the ten largest owners of communication sites in the nation and has never gone beyond its operational or financial capabilities. Cleartalk is the rare wireless company that has built itself through service and entrepreneurship from an original Minority Enterprise Small Business Investment Corporation (MESBIC) funding of $6,000,000 to its current operations. Cleartalk has always honored its obligations, provided excellent returns to its investors and still remains virtually debt free. We have respected relationships with the major equipment vendors and tower companies needed to facilitate success in our industry and we have a history of public service and cooperation in working with small local companies across our existing service areas. http://cleartalk.net/community.php. e. There will be approximately 20 direct jobs created by this program. Connected Nation estimated that increased broadband adoption in Tennessee would create more than $1.6 billion in direct income growth and create or save more than 49,000 jobs. By adjusting these totals for the covered population in the 27 county 'Service Area', addressed by this program and the network provided in the companion application, this program should create and save over 5,459 jobs and produce $182,400,000. in direct income growth. These are not our numbers but illustrate the thinking of people who have studied this matter. f. The overall cost of the proposed project during its 3 year lifespan is is $7,371,680 ($3,674,012 of this is the requested grant). This includes all the equipment needed to run the program, as well as equipment operation and maintenance costs, and the associated personnel required to run the program. Based on a covered population of 692,355 people, this equates to a project cost of $10.64 per person in our coverage area. However the cost to the government is less than 50% of that or $5.21 per person because of the matching funds we will contribute and the corporate sponsorships and distribution fees we have budgeted for. Please see the detailed budget attachment for further cost breakdown. Conclusion: We believe that the NTCH Inc., Tennessee Netbookmobile program is is a great candidate for the Broadband Technology Opportunities Program. This project is a real example of the benefits that the stimulus package can create by (1) creating jobs, (2) enabling home based business's,
stimulating the domestic auto business through domestic nameplate purchases, (4) demonstrating concern in fuel consumption, and (5) making the benefits available directly to the people and 6) putting the funds in the hands of our young people who have already invested their efforts in the future. The Netbookmobile will provide these benefits in a very visible manner where the public at large can see the benefit of this program as these Vans visit them in their small communities and small schools and organizations and as these vans travel the Highways between these towns. The principle author of this proposal, who has had a successful educational and business career and has been instrumental in providing careers for hundreds of people, grew up and continues to reside in a very small remote town and spent his formative years reading books he got from a bookmobile that visited his town once every two weeks.