

Broadband brings Perdue to Hickory

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Broadband coverage in western North Carolina is expanding.

Gov. Bev Perdue will arrive in Hickory on Friday for the groundbreaking ceremony where nonprofit MCNC will expand its broadband service for the North Carolina Research and Education Network (NCREN).

The project will improve broadband service to 1,232 K-12 schools and 55 higher-learning

institutions, including North Carolina-system universities.

CommScope in Hickory will provide materials for the project, including more than 500 miles of optic fiber and 1,000 miles of conduit.

"We sell worldwide, but we're particularly excited to support something like this in our own backyard," said Philip Armstrong, CommScope senior vice president of corporate finance.

CommScope bid for the project and was contracted for the

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\$2.5-million job, which is expected to create more than 230 construction and engineering jobs in North Carolina.

"We're building a statewide asset," said Joe Freddoso, president and CEO of MCNC. "And Hickory is the fiber optic capital of the world."

NCREN provides an optical network for the N.C. education system made necessary by the system's high-bandwidth applications and thousands of users demanding services.

"If you can aggregate several users who share those characteristics, it makes financial sense," Freddoso said.

Combining the entities on one network also cuts costs and unifies service fees.

"What we end up getting is a very attractive price for everyone," Freddoso said.

MCNC received \$28.2 million in January 2009 through the American Recovery and Reinvestment Act to use in the expansion of broadband services in rural areas of eastern and western North Carolina.

"We knew that broadband was going to be part of the Recovery Act, whether it was a McCain administration or an Obama administration," Freddoso said.

MCNC also raised \$11.7 million for the project, for a total value of almost \$40 million.

This year, MCNC received funding through the Broadband Technology Opportunities Program, which is offered by the U.S. Department of Commerce's National Telecommunications Information Administration.

MCNC will partner with serv-

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ice operator FRC/PalmettoNet to provide broadband access to consumers and commercial businesses at reduced costs, in addition to the NCREN services.

"It's a good kind of public-private partnership," Freddoso said, adding the broadband will maintain services and keep costs steady.

Previously, MCNC leased fiber services from private-sector wholesalers, but because of the limited broadband access in rural areas, many carriers were unable to lease their services.

"The lease model was no longer working for us," Freddoso said.

At the end of 2007, MCNC started looking for an alternative to the lease model, which meant company ownership of fiber in rural areas.

So, the company decided to use endowment money to build strategic routes for broadband service, including Winston-Salem to Asheville and Rocky Mount to Greenville. The entire project is set to be completed in two years.

"We've all got to start thinking of broadband service as a critical utility," Freddoso said.

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