

# The Economy Needs Broadband Now More Than Ever

To boost the economy, broadband providers and the communities they serve must unite in a vision for a connected future.

By Kara Mullaley / *Corning*

If you were to google “the economic impact of broadband,” you’d find countless white papers and case studies with facts and figures citing benefits big cities and small towns around the world have enjoyed. It might seem strange to some yet completely obvious to others as to why.

It really is a matter of perspective. This year certainly threw a curveball that posed a lot of new challenges for everyone. Some suggest the changes people are experiencing during the pandemic make work-life balance impossible, and others can’t imagine going back to 2019 norms – the “new normal” phrase elicits smirks or smiles depending on perspective. With working and learning from home now a reality for many, the strain on existing broadband networks and the demand for higher broadband speeds have never been more prevalent.

There were economic development business cases hinging on improving broadband before people everywhere were driven to hunker down. Small, rural towns looking to entice businesses to build and grow must have something more to offer than hefty tax incentives – access to high-speed broadband is a necessity not only for business enterprises themselves but also for the future employees they draw. In these same small communities, “brain drain” – the natural attrition of younger constituents leaving to live and work in urban centers – has been acutely felt. Closing the digital divide is necessary to halt the attrition and to allow smaller communities to thrive.

Initiatives to close the digital divide have been supported with several government subsidies over the past decade, both federal and state. The USDA’s ReConnect Loan and Grant Program and the upcoming FCC auction for the Rural Digital Opportunities Fund, in addition to some CARES Act funding, create opportunities for unserved areas to join the digital age. Canada is proposing similar stimulus funds to support the unserved. These initiatives across North America are spurring an increase in investments from nontraditional communications operators such as municipalities, electric utilities and others. In the new normal ushered in by COVID-19, the need for ubiquitous, affordable broadband and the availability of funding together make a once-challenging business case for rural broadband a no-brainer.

## COMMUNITY AND PROVIDER PERSPECTIVES

Operators and community leaders who looked at the business cases and banked on future demand now look like geniuses. Their foresight and initiative drove early adoption of high-speed fiber networks. Their investments are paying off as they capture new subscribers daily, with the majority now opting for higher tiers of service. What drove those initial investments? A single specific catalyst in any community can spark a future-ready infrastructure deployment – university recruitment, smart-grid utility management,

advanced health care expansions, ways to combat local business declines or some combination of the above.

Here are a few perspectives from local communities and providers:

“One of our new city council members, AJ Stevens, moved here specifically because of our unique combination of an idyllic small town and world-class connectivity. Now he’s leading the effort to fully leverage the network to drive prosperity in Baldwin City.”

– Marilyn Pearse, Mayor, Baldwin City, Kansas

“In pioneering the integration of a communitywide fiber optic network with advanced smart-grid infrastructure, EPB created an incredibly successful business model that yields tremendous economic and social benefits for the people and businesses we serve.”

– Katie Espeseth, Vice President of New Products, Electric Power Board of Chattanooga, Tennessee (EPB)

“In addition to the revenue from sign-ups, this network’s gigabit connection would attract new businesses and their employees to Fairlawn, driving economic development for the city.”

– Ernie Staten, Deputy Service Director, Fairlawn, Ohio

“We believe that the internet will be richer for having underserved rural populations finally able to contribute to the conversation that’s taking place online.”

– Greg Dynek, Co-founder and CEO, Bluestem Fiber

“We can’t tell the future, but we will be ready for it.”

– Paul H. Griswold, President and CEO, Ontario & Trumansburg Telephone Companies (OTTC)

These examples just scratch the surface. Other communities may have different catalysts driving them toward a broadband future. Perhaps there were plans underway before the pandemic began or even before new stimulus programs were announced. The challenges of 2020 certainly have shone a light on the disparity between the digital haves and have-nots. The reality is that rural communications infrastructures were largely unprepared to support the demands of so many individuals working, learning and teaching remotely from home.

### COMMUNITIES, BUSINESSES ADAPT

In the face of unprecedented challenges, people adapt. When there is a great need, people rise to the challenge. Make no mistake: *People* run businesses – and businesses also are rising to the challenge. When the pandemic meant stay-at-home orders went into effect overnight, countless operators offered free or low-cost connections and immediately began augmenting existing networks to support the uptick in broadband needs. The future is hard to predict, but one thing is clear: Broadband access has the ability to sustain, or even boost, economic and social systems and is now table stakes for every community.

For network operators, local businesses and governments, remaining competitive requires diligence in planning and a

strong vision for the future. As the pandemic continues and spreads, it becomes ever more clear that viruses don’t recognize state or municipal borders – and neither should broadband networks. The need to remain connected is universal, and affordable broadband connectivity must be, too. The networks responsible for moving data, goods and ideas seamlessly from point A to point B are vitally important, not just on a micro level but also on a macro level.

The performance of all the state and local economies stitched together is what truly reveals the prosperity of a nation. Over the past several months, I’ve heard this expression a number of times: “We’re all being forced to weather the same storm, but we are not all in the same boat.” It’s true. To successfully emerge from the current crisis and prepare for what the future holds, the broadband industry and the communities it serves must unite in a vision for a connected future. If unserved and underserved areas of the United States exist, the country will fall short – because a network is only as good as its weakest link. ❖

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