

# Economic Development Pros Say Broadband Is Crucial

“What are we waiting for?” asked one respondent in a recent survey about broadband in West Virginia.

**E**conomic development leaders in West Virginia are not happy about the quality of broadband access in their state. What’s more, they believe the lack of high-speed broadband impedes economic development. Here is what some of them said in a recent survey:

- “You are not in the game without it.”
- “I have a project pending [and] will probably lose it based on costs of broadband.”
- “The lack of high-speed service in the rural areas totally extinguishes the possibility of new small-business start-ups.”
- “Prospects don’t look here because of the lack of high-speed, affordable, reliable broadband. ... Current speeds of up to 3 Mbps, while [they] may be suitable for residential use, are not suitable for business.”
- “Not only do too many areas still not have broadband, but too many places where people live do not have it, and that affects the quality-of-life issue when attracting a prospect to live, work and play in West Virginia.”
- “We were looking at a possible location of a data center and the lack of affordable, large-capacity broadband was a deciding factor in [the company’s] not locating in West Virginia.”
- “We need the middle-mile and trunk-line services in West Virginia to remain competitive for many of today’s industries. What good is it if we get high-speed [access] to every place in West Virginia when we can only reach each other and do not have the facilities to get out of the state and into the major lines?”
- “[We] lost a company that looked at an existing building located in an

area that doesn’t have high-speed access. They ended up locating in another area.”

- “What are we waiting for?”

In the online survey, which was sponsored by Citynet, a competitive business provider, 77 percent of economic development professionals said policies to promote affordable broadband Internet were “very important.” In addition, 78 percent said that modern, reasonably priced broadband Internet infrastructure is “extremely important” or “very important” in competing against other locations for jobs.

On a 10-point scale, the economic development officials rated broadband Internet infrastructure at 8.56, slightly more important than road improvements (8.26) and water infrastructure (8.26).

## HIGH PRIORITY FOR SITE SELECTION

Seventy-eight percent of respondents said businesses that consider locating in their areas place high priority on access to affordable, high-speed Internet when they evaluate sites, and 66 percent said the cost and capacity of broadband service are factors more than half the time for new business prospects.

Even though the number of survey respondents was too small for the results to be statistically significant, the findings still point to broadband Internet access as a crucial factor in today’s economic development, according to Jack Canfield, president of Jack Canfield LLC, of Charlestown, W.Va., who conducted the survey.

“The consensus is clear from volunteered comments,” Canfield says. “Twice as many leaders familiar with

programs in other states believe the cost of large-capacity broadband service in West Virginia is more expensive than it is in adjoining states.” About 41 percent of respondents called broadband service in their areas “not very good.”

Citynet’s president and CEO, Jim Martin, says, “West Virginia’s technology infrastructure deficit must be addressed by our state’s policymakers. As a West Virginia resident, I am concerned about future job creation if we do not aggressively deal with the lack of affordable broadband infrastructure suitable for economic development.”

Some survey participants said they had lost business prospects in part due to lack of broadband capacity, speed or cost. Most said they were very familiar or somewhat familiar with broadband expansion programs, such as middle-mile infrastructure, being implemented in adjoining states.

The online survey was conducted between April 26 and May 3, 2011. The questionnaire was emailed to 57 West Virginia professionals who have economic development responsibilities across the state. The list of those professionals was obtained from the official website of the West Virginia Department of Commerce. Twenty-eight of the 57 responded by the May 3 deadline, a response rate of 49 percent. The survey was conducted by Jack Canfield, LLC, using SurveyMonkey, an online computer survey program. Respondents were not identified individually, and only the cumulative results were published. The entire survey can be viewed at [www.westvirginia.com](http://www.westvirginia.com). ❖