

Broadband Is Vital To North Carolina Economy

A major new survey finds broadband essential to creating and maintaining jobs in North Carolina, including for home-based businesses.

Nearly one in five new jobs in North Carolina results directly from broadband availability, says a new report commissioned by the e-North Carolina Authority (e-NC) and funded by a broadband stimulus grant. E-NC is the state initiative to link all North Carolinians – especially those in rural areas – to the Internet as a tool for helping them improve their quality of life.

The economic research firm SNG surveyed households and businesses in North Carolina about their use of broadband and e-solutions, gathering responses from 1,492 households and 6,266 businesses and other organizations between February and October 2010.

The survey's results show how broadband affects competitiveness and economic opportunity in the state:

- Nearly one in five (18 percent) new jobs was created as a direct result of broadband Internet access. Small businesses with fewer than 20 employees are especially dependent on broadband, with 28 percent of their new jobs attributed to the Internet. The fact that small businesses are job-creation engines – they create 9 percent of new jobs, even though they account for only 2 percent of total jobs – makes broadband especially critical for job growth.
- More than half of all businesses (54 percent) said they would not be in existence without broadband, and two in five (41 percent) would have to relocate if broadband were not available in their community. Nearly the same proportion of households (39 percent) said they would defi-



nately or likely relocate if there were no broadband available.

- The Internet was a significant factor in generating business revenue – overall, 16.6 percent of revenue was attributed to using the Internet.
- The most important benefits of broadband to businesses and organizations were
 - Ease of operations (73.9 percent said very important)
 - Improving resource efficiency (71.8 percent)
 - Improving customer service (73.6 percent)
 - Reaching new customers (65.6 percent).
- Businesses' preferred methods for training employees were broadband-based (online reference materials and webinars).
- Thirty-one percent of North Carolina's broadband households said they currently run a business from home, and another 14 percent planned to start a home-based business in the next 12 months. In addition, 24 percent of dial-up Internet users planned to switch to broadband in the next year and start a home-based business. Eighty-five percent of home-based businesses called broadband

essential to their business.

- Businesses and other organizations reported that reliability and redundancy of Internet access are as important as speed.

"We see in these findings how important broadband is to creating new jobs and improving quality of life in North Carolina," says Michael Curri, president of SNG. "We now have the data that shows why it is so critical to promote broadband infrastructure, along with adoption, in North Carolina."

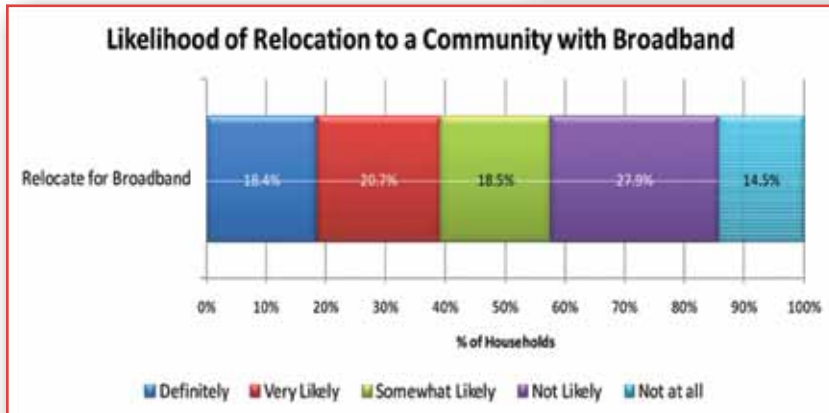
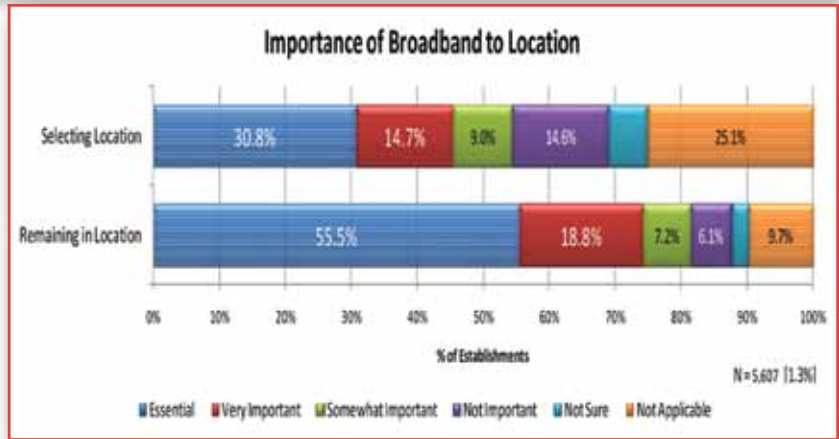
Jane Patterson, executive director of e-NC, adds, "These numbers illustrate why it is important for all of us to continue to address the issue of broadband expansion in North Carolina. The e-NC Authority will continue to work with all providers to encourage greater broadband coverage across the state. We will also place a special focus on working with small businesses to show how they can increase their revenue potential through use of the Internet." **BBP**

Resources

E-NC: www.e-nc.org
 SNG: www.sngroup.com
 Full report is available at
www.sngroup.com.

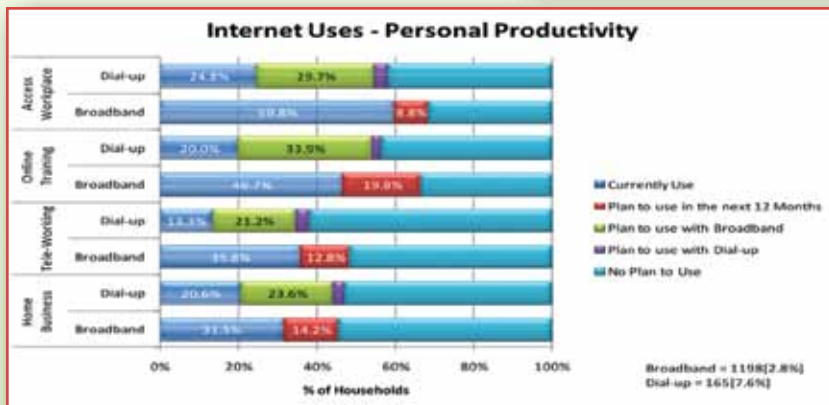
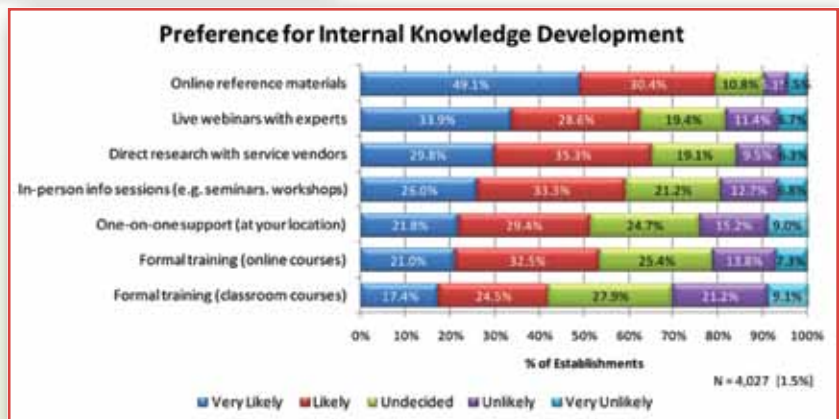
ECONOMIC DEVELOPMENT

Broadband is essential to many businesses in selecting a location and remaining in their location.
(Source for all charts: SNG)



Nearly two in five households would likely relocate to a community with broadband if it was not available where they lived.

Businesses increasingly choose broadband-based methods for training their employees.



With broadband, individuals are much more likely to telecommute and to start home-based businesses.