

Broadband Challenges for the Commonwealth

Last Mile Connectivity Remains a Significant Challenge

- Funding and construction of last mile access solutions is a significant concern with many recently completed projects
- Citizens have proximity to fiber but lack real benefit at home or work
- Students who have broadband at school but not at home are limited in their ability to participate and lack the “extension of the classroom”
- CAIs are not uniformly connected, and many CAIs are bound to multi-year contracts precluding their utilization of new fiber networks
- While some projects catalyzed partnerships with existing providers, not all broadband authorities benefit from such relationships
- Authorities are seeking assistance in planning and generating local stakeholder agreement regarding efforts to pursue additional funding for last mile solutions

Lack of Competition Remains a Challenge for Nearly Half of All Virginians with Broadband Access

- In three years, the percentage of population with access to broadband has increased from 33% to 97%
- However, the percent of population with access to broadband with 2 or less coverage options, has only slightly

	Population of the State	Population in Blocks < 2 Sq. Miles	Total Population with Coverage	Percentage with Coverage	Population with Three or More Providers	Percentage with Three or More Providers	Population with Two or Less Providers	Percentage with Two or Less Providers
2010	8,001,024	7,623,663	2,540,371	33%	1,109,501	44%	1,430,870	56%
2011*	8,001,024	7,623,663	4,921,140	65%	2,096,695	43%	2,824,445	57%
2012	8,001,024	7,623,663	7,295,983	96%	3,796,677	52%	3,499,306	48%
2013	8,001,024	7,623,663	7,377,735	97%	3,871,329	52%	3,506,406	48%

decreased from 56% to 48%

*2011 Fall data was corrupted to the point that it was unusable. The data set used for this study was an average of the data from Spring 2011 and Spring 2012.

Source: CIT and partner Virginia Geographic Information Network

Awareness and Adoption Remain Far from Realized in Locations with Access

- The “take rate” in areas with broadband access and last mile connectivity is estimated at 55-70%, with certain demographics and socioeconomic groups trailing in adoption
 - Senior citizens
 - Low-income
 - Less educated
 - Underemployed
- The delta between those with unutilized access and those who are connected poses a legitimate long-term threat to the economy
 - Without high-speed Internet connectivity, access to employment, educational opportunities, government services and critical resources (such as Healthcare.gov, etc.) are limited and increasingly costly
- Programs for generating awareness and enhancing rates of adoption are now being tested, and will become an increasing focus to maximize recent public and private investment in expanding the reach of broadband across the Commonwealth

For More Information Contact: **Sandie Terry** (sandie.terry@cit.org) or **Caroline Stolle** (caroline.stolle@cit.org)