

Broadband Adoption



Broadband Adoption Taskforce

Presentation to the
Federal Communications Commission
November 30, 2011



Being connected is no longer a convenience; it is a necessity

The digital divide is an **opportunity** divide

- Economic Opportunities
- Educational Opportunities
- Healthcare, e-Gov, and Information Opportunities

But, the U.S. home



adoption rate

is only

68%

One third of Americans do not have broadband at home.

U.S. is falling behind peer nations in household broadband adoption.

Korea and Singapore have adoption rates over 90 percent.

Jobs and Economic Opportunity



80%

of Fortune 500 companies,
including Walmart and Target,
require online job applications

50% of today's jobs require
digital literacy skills...

...this will grow to 77%
next decade

The adoption challenge is also an economic **opportunity**

- 100 million more U.S. online consumers
- Billions in added economic value
- Millions more Americans in the workforce with digital literacy skills

Education

Students with
broadband at home
have **6-8%** higher
high school
graduation rates

e-Gov

More government services are moving online, creating greater convenience for broadband users....

...and creating cost savings for government

Healthcare

Home broadband can
revolutionize patient care
and reduce depression...

...enabling billions in cost
savings and improved
health outcomes

And, the broadband economy is working for the connected...

- Consumers with broadband at home can save more than \$7,000 a year
- Annual revenues of broadband-connected small businesses are \$200k higher than those without broadband



elderly

minorities

Residents of Tribal Lands

low-income

100 million

Americans still without home access

low-education

people with disabilities

students

Who are the non-adopters?

10

Adoption Education Disparity

30% of those without a high school diploma have adopted...
while
84% of college graduates have adopted

Adoption Income Disparity

32% of the lowest income earners have adopted...
while
90% of the richest have

50%
or less of

- African Americans
 - Latinos
 - Residents of Tribal Lands
 - Elderly
- are connected

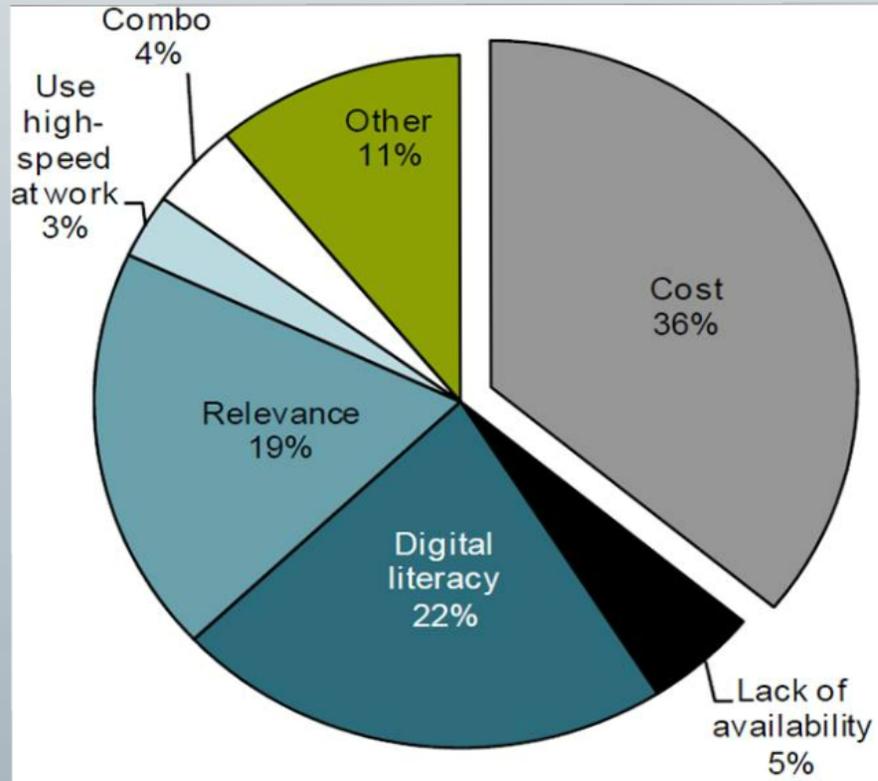
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Reasons for non-adoption



Identified in National Broadband Plan research

1. Cost
2. Digital literacy
3. Relevancy

FCC Adoption Taskforce

- In May, the Chairman challenged the broadband ecosystem to close the adoption gap
- FCC formed internal Adoption Taskforce
- Staff met with more than 100 stakeholder groups
- Requested ideas and facilitated discussions across the broadband ecosystem
- Zero taxpayer dollars

Lifeline Broadband
Proposal

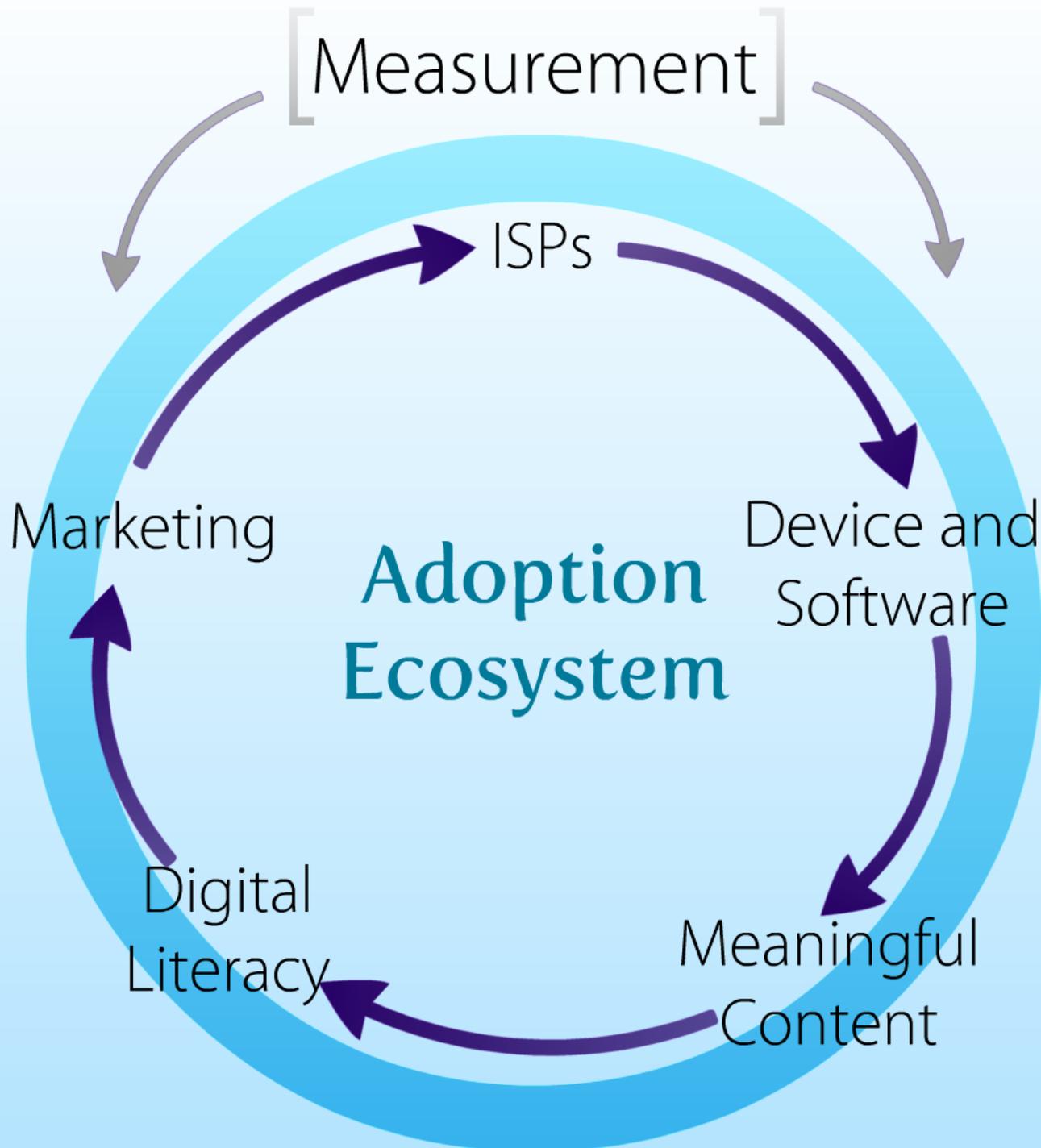
CenturyLink Internet
Basics

In context of other adoption efforts

Digital Literacy Corps
Proposal

Connect America
Fund

Comcast Internet
Essentials

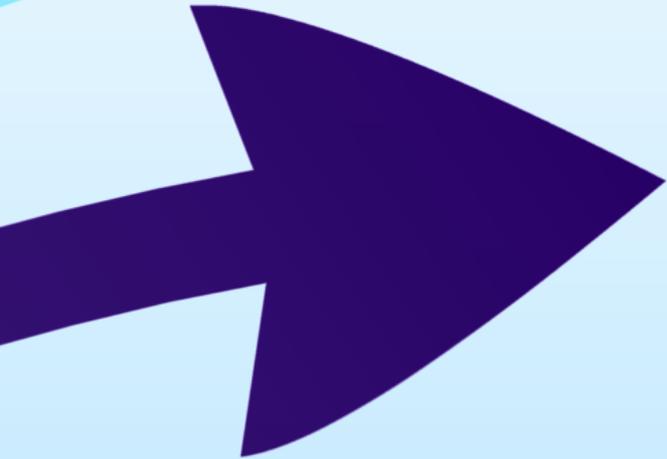


Connect to Compete

- A new non-profit effort to connect all Americans to broadband
- Housed within One Economy
- Supported by a board of non-profit and industry leaders
- Initial focus: School Lunch Eligible Families

[www.connect2compete.org]





ISPs



Low-cost Broadband Internet

For families eligible for Free School Lunch

- Two years of \$9.95 + tax broadband Internet, with no installation fees and a no- or low-cost modem rental fee
- Service area reaches all 50 states
- Minimum speed of 1 Mbps; most ISPs will offer more
- Three-year sign-up window
- School Lunch families must not subscribe to broadband currently or owe payments to the ISP

Participating ISPs include: [BendBroadband](#), [Bright House Networks](#), [Cablevision](#), [Charter](#), [Comcast \(via Internet Essentials\)](#), [Cox Communications](#), [Eagle Communications](#), [GCI](#), [Insight](#), [Mediacom](#), [Midcontinent](#), [Sjoberg's Cable](#), [Suddenlink](#), [Time Warner Cable](#)

option
system

Device and
Software

Low-cost Computers

I. Redemtech will offer a \$150 + tax laptop or desktop. Offer includes:

- Corporate class specifications
 - Core 2 Duo processor
 - 2 GB Ram
 - 80 GB hard drive
 - DVD player
 - Wireless card
- Windows 7 Home Preimum and MS Office software suite
- 90 day warranty
- Phone tech support
- Family settings

II. Microsoft will offer new education laptops starting at \$250.



Digital Literacy

Digital Literacy

Best Buy:

In-person basic digital literacy training beginning in 20 cities, including training the trainers, with plans to expand to additional communities.

Microsoft:

Basic digital literacy training and advanced training including Microsoft Office, beginning in 15 states with plans to go nationwide. Includes a new online training portal.

Public libraries:

Over 6,000 public libraries currently offer formal digital literacy classes.

- Formal training classes in 38% of the 16,600 public library locations
- About 50% in urban areas, but only 25% in rural areas



Meaningful Content

Relevancy

A portal with customized education and job skills content

Job Skills

- Arise Virtual Solutions
- CareerBuilder.com
- Glassdoor.com
- Indeed.com
- Monster.com
- oDesk

Education

- Brainfuse
- Discovery Education
- EverFi
- LearningExpress
- MetrixLearning
- Sesame Workshop

Examples:

CareerBuilder.com

- Offer online prep and certification courses for \$1 per course in high demand employment areas
- Release a "Skills Gap Monitor" that lists the top 5 "in-demand jobs" for which further online training or certification could serve as a qualification

Discovery Education

- Will contribute educational content, including video clips and digital lessons, to help bolster student achievement
- Proven resources for student success will be accessible free of charge to America's neediest students and their parents



Marketing

Effort will be won on the ground with
trusted partners.... not in DC



Broad Grassroots Coalition

- 4H
- America's Promise Alliance
- Appalachian Regional Commission
- Boys and Girls Club
- CFY
- Connected Nation
- Delta Regional Authority
- Goodwill
- League of United Latin American Citizens (LULAC)
- Minority and Media Telecommunications Council (MMTC)
- National Association for the Advancement of Colored People (NAACP)
- National Council of La Raza (NCLR)
- National Urban League
- One Economy
- Opportunity Nation
- The Asian American Justice Center
- The Broadband Opportunity Coalition
- The Joint Center for Political and Economic Studies
- United Way Worldwide

Measurement and Study of Overall Effort



Joint Center for Political and Economic Studies

Future Adoption Milestones

- December 7, 2011: FCC hosting Int'l Adoption and Accessibility Conference
- Early 2012: FCC Adoption Workshop
- Spring 2012: "Connect to Compete" rollout of offerings to Phase I communities
- Fall 2012: Nationwide "Connect to Compete" launch