



**Media Contacts:**

Jennifer Koster  
(410) 902-5036  
jkoster@mghpr.com

AnnMarie Lisowski  
(410) 902-5051  
alisowski@mghpr.com

FOR IMMEDIATE RELEASE

## **Recommendations to Expand Affordable Broadband Access on the Eastern Shore are Announced**

*Project aims to improve economic opportunities in the region*

Columbia, Md. (May 17, 2004) – The Tri-County Council for the Lower Eastern Shore and the Mid-Shore Regional Council, in conjunction with the Maryland Department of Economic Development (DBED) and the Maryland Technology Development Corporation (TEDCO), has released findings from a study that seeks to expand affordable broadband communications options for businesses in the nine counties on Maryland’s Eastern Shore. The study, which was also funded by the U.S. Department of Agriculture (USDA) and Cecil, Kent and Queen Anne’s counties, includes 18 policy recommendations that build upon seven specific goals for the region. The research was compiled from the survey results of 260 Eastern Shore businesses with 10 or more employees, and one-on-one personal interviews with more than 100 businesses, key industry players and prospective partners throughout the region.

“The Eastern Shore currently has limited access to competitively priced high-speed communication technologies that are widely available in urban areas,” said Aris Melissaratos, Maryland secretary for the Department of Business and Economic Development. “But this study will serve as a valuable guide for the State, as well as the region’s businesses and local government, as we work to expand affordable broadband service solutions to ensure that all Maryland companies can compete in today’s marketplace.”

Building upon TEDCO’s *eReadiness Maryland* project that determined Maryland’s Eastern Shore counties lagged behind the rest of the state in broadband accessibility and usage, the Eastern Shore Broadband project was conducted to address a problem that challenges all of rural Maryland to some extent. TLA Associates, a Virginia-based telecommunications and network design firm, analyzed the region’s current communications infrastructure and demand, and then made recommendations on the best way to leverage existing assets and develop practical and economical solutions to resolve the region’s lack of competitive broadband access.

*-more-*

Recommendations include:

- Encourage creating applications that require broadband usage, such as converged voice, data and video emergency services communications at a cost savings.
- Create a Maryland broadband authority to support public and private partnerships in infrastructure development, especially to underserved areas.
- Support local and state officials in their search for federal funds, including federal rebates to rural health care providers for broadband Internet usage.
- Promote the economic development of Western Maryland as a strategic location for remote information technology sites.
- Instead of working in rural “catch-up mode,” aim to place the region in a leadership role. Support entrepreneurship and business development that provide broadband services and infrastructure technology commercialization. Use next generation Internet resources to create virtual incubators for broadband intensive start-ups and high growth firms.
- Develop and support county or tri-county coordinators who understand public and private sector infrastructure and can coordinate, plan and procure funds for their growth.
- Encourage the State to modify current economic development incentives to attract external infrastructure funding and eliminate Maryland-only disincentives to the deployment of broadband infrastructure.

State Senator E.J. Pipkin (District 36) said, “With the knowledge we have gained from the broadband study, we have the potential to boost the region’s existing business base and ultimately encourage the arrival of new ones.” Senator Pipkin also serves as the Chairman of the Task Force for the Deployment of Broadband in Rural Maryland.

Hilary Spence, Chairwoman for the Mid-Shore Regional Council, said, “Thanks to continued support from the offices of Governor Robert L. Ehrlich, Senator Paul Sarbanes, Senator Barbara Mikulski and Congressman Wayne Gilchrest, as well as from Delegate Norm Conway and Delegate Mary Roe Walkup, we are closer to closing the affordability gap for broadband communications in the region.”

TLA Associates made their recommendations upon finding that a majority of the Eastern Shore businesses do not have accessibility to broadband communications at prices that are comparable to more populated regions of the State. Sixty-five percent of the firms surveyed still use dial-up services to conduct business, while 17 percent use a cable modem and only 15 percent use DSL. Of those without high-speed Internet access, 81 percent of businesses surveyed said they would purchase the service if it were available at prices similar to urban areas. Additionally, 90 percent of businesses would use a wireless broadband service if it were available and cost-effective in their offices. It should be noted that since this survey was completed, Verizon announced an expansion of DSL service offerings in the Eastern Shore region.

The broadband study also found that businesses representing the region’s largest economic growth potential—those with mission critical applications such as data and medical services—are unable to obtain the communications services that fit their needs. These types of businesses, which often require several T-1s, are growing quickly and are willing to buy additional capacity to ensure that they have little downtime. The study showed that demand for broadband is already increasing among local government and non-business users, and that usage could attract service offerings from providers that could potentially be shared with the region’s businesses.

**A full copy of the report is available at <http://www.marylandtedco.org/EasternMD.htm>.**

**The Maryland Technology Development Corporation (TEDCO)**, a specialized technology transfer arm of the Maryland Department of Business and Economic Development, was established by the General Assembly as a tool for Maryland to use in maintaining and enhancing its reputation as a leader in technology. TEDCO's mission is to foster the development of a technology economy that will create and sustain businesses throughout all regions in the State of Maryland. Currently, TEDCO has programs that aid and promote state-funded incubators, and federal and university laboratories to increase technology transfer and Maryland's eCommerce. For more information on TEDCO, visit its updated website that includes better access to information on programs and resources at **[www.MarylandTEDCO.org](http://www.MarylandTEDCO.org)**.

# # #