

COOPERATIVE CONNECTION

Mid-Atlantic Broadband Cooperative Newsletter

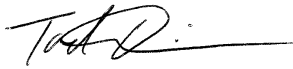
Dear MBC Member:

A lot has happened since the last issue of the *MBC Cooperative Connection*. By now you probably have heard the exciting news that Microsoft will be locating their Next Generation data center at a GigaPark in Mecklenburg County. We were extremely proud that Governor Bob McDonnell specifically mentioned the MBC network as being a factor in Microsoft's decision in the official state press release. The press release is reprinted in this issue.

The MBC staff has been very busy dealing with the requirements of our Federal Broadband Stimulus program projects. We have also been on the road quite frequently in the past two months, participating at a number of industry meetings to promote MBC and GigaParks. You will find more details about those events in the newsletter.

Finally, MBC just held its Annual Member Meeting on October 20 at our headquarters in the Riverstone Technology Building in South Boston. It was great to see so many Members in attendance. An article in this issue discusses the meeting highlights.

Best Regards



Tad Deriso, President & CEO

MBC Success Story– nTelos

Founded in 1897, the nTelos wireline business and its predecessor organizations have a long history of providing exceptional telephone service in rural Virginia.

nTelos is an integrated communications provider with headquarters in Waynesboro, Virginia. They provide products and services to consumers and businesses in Virginia, West Virginia, Pennsylvania, Kentucky, Ohio, Tennessee, Maryland and North Carolina, including nationwide 3G wireless voice and data services, local and long distance telephone, high capacity transport, networking and high-speed broadband data services and IPTV-based video products.

nTelos serves almost 500,000 customers and owns a 4,500 route mile fiber optic network. They provide service to 86,000 business and residential lines and 25,000 broadband connections.

During the past five years, nTelos has been developing its network to become the premier competitive communications provider in the Mid-Atlantic region. Since 2005, nTelos has invested more than \$210 million to make its network one of the most robust in the region. According to Senior Vice President David J. Keller, "We bring our customers the latest technology and innovative services – even before they are available in large metropolitan areas. These services include Metro Ethernet connectivity, high-definition television and nTelos nTouch, which uniquely links wireless and land-line devices."

While nTelos focuses on business services across Virginia, West Virginia, Pennsylvania and now Maryland, they are the "reliable telephone company" for three of the largest counties in Virginia – Alleghany, Augusta, and Botetourt. They also provide service to Lynchburg, Farmville, South Boston, Danville, Martinsville, and the Roanoke, New River and Shenandoah valleys.

nTelos employs approximately 1,000 Virginians at their customer care call centers in Virginia. nTelos has achieved a number of milestones as a telecommunications service provider.

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They include:

- The introduction of Metro Ethernet in 2001 to provide businesses with a better way to communicate between multiple sites and the Internet.
- In 2004, nTelos introduced Voice over IP and was nationally recognized by Cisco Systems as IP Innovator of the Year.
- nTelos introduced fiber to the home in 2007, with integrated IP Video, Voice and Broadband Internet Services.
- In 2010, the Shenandoah Valley Technology Council gave nTelos its "High Tech Company" award.

nTelos and MBC

According to nTelos Senior Vice President David J. Keller, "nTelos joined MBC in 2006 to gain access to important markets in Southside Virginia that were difficult to reach and justify connectivity. We had an opportunity to extend a healthcare application from Lynchburg for Centra Health, and MBC was a partner to make that happen for the benefit of the region."

What's New for nTelos

- nTelos has just entered into a partnership with Discovery Education to bring online instructional materials to schools over a high-speed data connection and to provide training for teachers using the online resources. This partnership will benefit Lynchburg City Schools and other school systems that are nTelos data customers.
- In September 2010, nTelos announced its implementation plan for a \$16 million Federal Broadband Stimulus award to bring much-needed broadband services and infrastructure to unserved and underserved households, businesses, and community facilities in the Alleghany Highlands of Virginia. The award, which required nTelos to match the \$8 million federal grant, enables nTelos to build a "future proof" fiber optic network to serve the needs of Alleghany citizens for decades to come.

nTelos received the Federal Stimulus award from the Rural Utilities Service 50/50 program under the American Recovery and Reinvestment Act of 2009. The service area is comprised of a majority of Alleghany County, Virginia, minus the city of Covington and the towns of Clifton Forge and Iron Gate, which are already classified as "served" by the federal stimulus guidelines. The service area will reach a population of almost 9,200 residents in an estimated 4,216 households. While a portion of these households already have access to broadband services, the new high-speed fiber-based services provided with this \$16 million initiative will enable more cost-effective and secure communications, including video and non-Internet data services using Fiber-to-the-Premises (FTTP) technology. The initiative will be substantially complete by August 2012.

- nTelos is now the official wireless company of the University of Richmond's athletic program. They also sponsor Virginia Tech football as well as basketball and football at James Madison University.

Future Plans

nTelos has entered into an agreement to purchase FiberNet, a West Virginia competitive local exchange carrier. FiberNet serves almost 30,000 customers with more than 100,000 access lines. Their 3,500 mile network covers all of West Virginia and parts of Virginia, Kentucky, Pennsylvania and Ohio. This acquisition will allow nTelos to continue to expand their network and coverage. The deal is expected to close in the fall of 2010.

"nTelos and MBC have partnered to extend our fiber optic network and to supply schools and hospitals with broadband capabilities to provide more efficient healthcare and enhance educational resources in the region."

--Dan Overstreet, nTelos Director of Sales

For more information about nTelos services, contact Dan Overstreet, Director of Sales, at 540-591-5746 or overstreetd@ntelos.com. You can also visit the nTelos website at www.ntelos.com.





One of the most exciting press releases we have ever included in this newsletter was published on August 27, 2010 by the Office of the Governor of Virginia. It was too late to make the last issue of the *MBC Cooperative Connection*, so we are taking this opportunity to print it in its entirety. It was the announcement that Microsoft is going to build its next generation data center in Mecklenburg County – at a GigaPark.



Governor McDonnell Announces Microsoft to Locate Major Data Center in Mecklenburg County
Will be Largest Investment Project in History of Southern Virginia
~Company to Invest up to \$499 million and Create 50 New Jobs~
Virginia Beats out North Carolina and Texas for Company's Most Advanced Data Center

RICHMOND- Governor Bob McDonnell announced today that Microsoft Corp. will invest up to \$499 million to locate their latest generation data center (Gen4) in Mecklenburg County, in what will be the largest economic investment in Southern Virginia history. Using modular technology and advanced cooling mechanics, the center will be Microsoft's most advanced data center. The project will create 50 new jobs and Virginia successfully competed against North Carolina and Texas to secure this sought after facility.

"Microsoft is a household name and securing this global project is a significant economic win for Virginia," said Governor McDonnell. "The company's search process was long and competitive, and a great team of players came together to show Microsoft that Mecklenburg County was the right fit for its new version of a state-of-the-art data center. This project represents the largest investment project in the history of Southern Virginia. It will further bolster the Commonwealth's standing as a leader in the Information Technology sector, while creating new jobs for our citizens and spurring economic development throughout the region."

Founded in 1975, Microsoft (Nasdaq "MSFT") is the worldwide leader in software, services and solutions that help people and businesses realize their full potential.

"We are incredibly grateful for the support and work of the Commonwealth of Virginia, the economic development team, and local officials in Mecklenburg County, and are excited to announce that we will be building our latest state-of-the-art data center near Boydton, Virginia," said Kevin Timmons, General Manager of Microsoft Datacenter Services. "This new data center will enable the best possible delivery of services to our current and future customers. My team and I look forward to engaging in the deployment of our latest modular solution in Virginia."

Governor McDonnell approved a \$2.1 million grant from the Governor's Opportunity Fund to assist Mecklenburg County with the project. The Virginia Tobacco Indemnification and Community Revitalization Commission approved \$4.8 million in funds. The Virginia Department of Business Assistance will provide training assistance through the Virginia Jobs Investment Program.

The Virginia Economic Development Partnership worked with Mecklenburg County and the Town of Boydton to secure the project for Virginia. The Mid-Atlantic Broadband Cooperative (MBC) provided invaluable assistance to make this project possible. MBC's open-access fiber optic network was a key component in Microsoft's decision to locate in Virginia, and will provide diverse fiber routes for connectivity to major carrier interconnection points in the Eastern United States. Dominion Virginia Power also was instrumental in securing this project. Access to an extremely reliable electric supply and competitively priced electricity from environmentally responsible generation sources was critical site location factors for Microsoft.

"Mecklenburg County is proud to announce the location of Microsoft in the Boydton Industrial Park," said Glenn Barbour, Chairman, Mecklenburg County Board of Supervisors. "The selection of Mecklenburg County indicates that we are progressive and have the necessary tools available to offer in this high-tech age. We believe this selection by Microsoft will give our county the recognition it deserves in attracting future companies that deal in technology. We thank all the many partners who assisted us, especially Governor McDonnell's office. Thanks to the Tobacco Commission, the Virginia Economic Development Partnership, the Mid-Atlantic Broadband Cooperative and Dominion Virginia Power. I would also like to thank our dedicated and hard working staff for their diligent efforts in bringing Mecklenburg County forward to the 21st century."

Press Release (continued)

"I am delighted that the County, the Tobacco Commission, and Governor McDonnell's office worked well together for the good of the region," said Senator Frank Ruff, a member of the Virginia Tobacco Indemnification and Community Revitalization Commission. "It is great that a company of the stature of Microsoft has seen what Mecklenburg County has to offer."

"I am excited and thankful that Microsoft chose Mecklenburg County to locate its newest data center, resulting in new jobs and millions of dollars in investment," said Delegate Tommy Wright, a member of the Virginia Tobacco Indemnification and Community Revitalization Commission. "The future for economic development in Mecklenburg County and Southside Virginia is much brighter due to this successful collaborative effort."

Delegate Terry Kilgore, Chairman of the Virginia Tobacco Indemnification and Community Revitalization Commission, also remarked, "The Tobacco Commission is excited about this investment in Southern Virginia. Microsoft's decision to locate in Mecklenburg County is a huge investment in the area and will bring much needed economic activity and development to the region. We applaud the McDonnell Administration for their hard work in persuading Microsoft that Virginia, and more importantly Southern Virginia, really is the best place to do business."

"We're very proud that our advanced fiber optic network will support the high capacity, diverse routing and low latency requirements of Microsoft's new data center at the Boydton, Virginia GigaPark," said Tad Deriso, President & CEO of the Mid-Atlantic Broadband Cooperative. "Our GigaParks are a perfect example of how private sector companies like Microsoft can benefit from an advanced telecom infrastructure in a region with a low cost operating environment."

"Along with serving our existing customers well, we believe it is important to help attract new businesses that bring good jobs and economic growth to Virginia," said Dominion Virginia Power CEO Paul D. Koonce. "We are pleased to have a part in today's good news. We see Microsoft's decision as a vote of confidence in our commonwealth and our people."

MBC in the Media

MBC also sent releases out to the industry media about the Microsoft data center announcement. A number of publications picked up the story from our release and the Governor's. Articles ran on the front page of the *Richmond Times-Dispatch*, in *datacenterknowledge.com*, *Reuters*, *Bizjournal.com* and *Computerworld*.

In most of the articles, the availability of the MBC advanced fiber optic network was mentioned as one of the key factors in Microsoft's decision to locate in Southern Virginia.

MBC Annual Member Meeting Wrap-Up

On October 20, 2010 over 40 MBC members attended the fourth MBC Annual Meeting at the MBC headquarters at the Riverstone Technology Building in South Boston, Virginia.

MBC Board Chairman's Remarks

Chairman of the Board Ernest R. (Randy) Lail kicked off the meeting by welcoming all of the attendees. He introduced the other members of the MBC Board of Directors in attendance. He recognized several of MBC's key successes for the 2010 Fiscal Year, including \$4 million in revenues from services provided by MBC.

Lail announced that the Class A members of MBC elected the slate of board members on September 27, and thanked all of the members for their continued support.



Chairman of the Board Ernest R. (Randy) Lail



Member and Staff Introductions

MBC President & CEO Tad Deriso also welcomed all of the Members. He pointed out that copies of the *2010 MBC Annual Report* had been distributed to all attendees. Tad then led the member introductions. These short introductions not only provided recognition by other members, but also served as a networking tool by identifying those in attendance to other members who may have a business interest in common.

Staff introductions were also made. Because of the new grant projects, MBC's staff has almost doubled (to 11 staff members). He mentioned some of the position changes and accomplishments by the staff.

Economic Development Highlights

Of course, the primary economic development news was the \$499 million Microsoft Next Generation data center that will be located at the Boydton GigaPark in Mecklenburg County. This is the largest private section investment ever made in Virginia. It more than justifies the mission behind MBC's formation.

MBC worked closely with the Virginia Economic Development Partnership (VEDP) on this project as well as others. Governor McDonnell played an important role in helping to close the deal with Microsoft.

An important MBC Member benefit will develop once the first phase of the data center is completed at the end of 2011. Once it is ready, Microsoft will discuss how to set up peering relationships with MBC Members. This would provide for lower latency and better access to Microsoft's products for our MBC Members' customers. MBC will keep our Members informed about this benefit when plans are ready.

The GigaPark Marketing Initiative

Tad updated the Members on the newest developments with the GigaPark marketing initiative that has been supported by the Virginia Tobacco Commission (VTC). The VTC provided funding for 60 GigaPark signs that have been placed at the entrances to the business and technology parks designated as GigaParks in Southern Virginia.

A few of the Virginia-themed advertisements that have been used to promote the parks in targeted magazines were shown. The advertising and marketing focuses on large enterprise and wholesale data center operators/users. Recently, *Virginia Business Magazine* had an article on the Microsoft deal and what it means to Southern Virginia. *Forbes Magazine* ran a special advertising section on Virginia in an October issue that included mention of MBC and GigaParks. Ads promoting GigaParks have been included in *CNBC Magazine*, *Data Center Journal* and *Site Selection Magazine*.

Member Survey Results

The results of the recent MBC Member Survey were discussed, with some comparisons to the previous year's results.

The surveys showed that MBC continues to see improvement in overall satisfaction by our Members. The overall satisfaction was weighted heavily in the "Excellent" category.

The timeliness of MBC services, including billing questions, repair and maintenance, provisioning and quotes also received good marks. The Members did mention that they would like faster responses to quotes, which is already being addressed.

There were several comments on possible future services that MBC could provide. In some cases, such as wireless engineering, MBC's Members handle the work on their own. Redundancy and expansion of the network for piece of mind also were mentioned.



President & CEO, Tad Deriso

Operations Update

Next, MBC General Manager Gray Ramsey provided an Operations Update on various projects. He discussed the three grant projects in progress, passing out maps showing the existing MBC network and the new grant routes.. They include:

1. Grant 248, which is the construction of a fiber route from Virginia Tech to Bedford. For this project, the Environmental Assessment approval is anticipated for 11/30/10; the projected construction completion date is 12/31/11.
2. Grant 972 is the first of two NTIA Stimulus Grants awarded to MBC. This \$20 million project will place fiber to K-12 schools in 12 counties in Southern Virginia. The project is divided into six segments; engineering is underway in all segments. The Environmental Assessment approval is expected on 11/30/10; the projected construction completion date is 12/31/11. This construction will add redundancy to the MBC network.
3. Grant 7280 is the second NTIA Stimulus Project. It will build fiber connectivity in three segments: Wakefield to Suffolk along Rt. 10; from Emporia to Suffolk along US 58 and US 460; and a connector route between Windsor and Suffolk. The RFP's for the Environmental Assessment and Engineering have been circulated; the anticipated completion will be 4/30/12.

Interactive Mapping Tool

Gray provided an online demonstration of the Interactive Mapping Tool program available on the MBC website (www.mbc-va.com; the tool is under the "Coverage Maps" heading). The static map in this website section will be updated to reflect the new project routes.

MBC Quote Process

To address Member requests, Gray explained the new streamlined quote process. Members can send an email to quotes@mbc-va.com for quicker responses. The receipt of the quote request will be acknowledged within two business days with either the actual quote or an estimated date when the quote will be provided. Quotes can be dependent on construction cost estimates that may require a field survey.

Because of the fact that grant funding for the network backbone and lateral extensions is no longer available, a cost analysis must be done by MBC to be sure it makes sense for MBC to pursue a request.

Enterprise Resource Planning System

Gray noted that MBC has grown to the point where an integrated system is needed. MBC is looking at product offerings now, targeting early 2011 to cut over to a new system. The new system will provide for an integrated process for customer relationship management, financials and asset management.

MBC Staffing Addition

Gray mentioned that MBC is currently looking to fill five positions in the office, due to the greater responsibilities resulting from the three grant projects and growth of the GigaPark initiative. The positions are for an OSP Engineer, a GIS/M4 Technician, an Administrative Assistant, NTIA Project Inspectors and a Business Development Manager.

MBC Board Policies

The last section of the Operations Update discussed the MBC Board's adoption of the use of Board Policies to provide clarifications to the MBC Bylaws. So far, Board Policies 1 and 2 were approved by the Board. These Policies focus on the disposition of excess earnings and the clarification of Section 8.03 of the Bylaws regarding the retirement of capital credits upon termination of membership or the dissolution of the Cooperative.

Financial Report

Greg Lytz, MBC's Controller, followed with a Financial Update. He discussed some accounting changes (for the current and prior years), provided highlights of the MBC Audited Financial Statement and discussed earnings retention and issues with accounting for grant funding.

A copy of the audited financial statements for June 30, 2009 and June 30, 2010 were distributed to all attendees. The auditor was Crowe Horwath.

Last Mile Member Grant Program

Tad provided the details of the MBC Matching Grant Program. This program provides for 50/50 matching grants to MBC Members in good standing for extending broadband services to residential and business customers in *unserved* areas of the Tobacco Commission region.



MBC Annual Member Meeting Wrap-Up *(continued)*

The grant awards can range from as little as \$5,000 to \$500,000. An RFP will be issued to MBC Members no later than October 29, 2010. Awards are expected to be approved by the end of December 2010.

MBC's Future Plans

The final presentation of the day regarded upcoming plans for MBC.

- For the rest of 2010, MBC will be researching and implementing new back-office systems for operational and billing support and a Member Portal.
- MBC plans to integrate Member quote and fiber plant estimate requests with this system.
- MBC will also be evaluating business opportunities as they develop.
- Over the next two years, MBC will be busy with the 800+ miles of new construction, effectively doubling the size of the MBC network.
- The Virginia Tobacco Commission grants for capital expenditures and expansion will be winding down. Therefore, MBC will be reinvesting in the network for maintenance, upgrades and long term sustainable operations.
- MBC's goal is to maintain sustainable revenue and expense levels.
- MBC will continue to focus on economic development for Southern Virginia, and to effectively serve our Members.

MBC, GigaParks and Ciena sponsored giveaways at the meeting. The two big drawings were won by Jonathan Hudson with Tiamet Communications, who went home with an iPod Touch and Andy Carwile with Clarity Communications, who was the lucky winner of an Apple iPad. All of the attendees enjoyed a delicious lunch, then headed back to their companies.



Sharing the MBC Success Story and Promoting GigaParks at Industry Events

MBC participated in a number of meetings in September and October. Most of these opportunities involved presentations about the MBC network. MBC also sponsored several events and promoted MBC and GigaParks, depending on the meeting focus.

■ In mid-September, MBC was invited to speak at the "Customer Empowered Fibre (CEF) Networks Workshop in Prague, in a joint presentation with Virginia Tech. The presentation focused on the MBC network business model, technologies, and public/private partnership aspects -- commercialization of networks, getting political support for network operations, and most importantly, serving the needs of the research/education community while focusing on private sector use of the network for sustainable cash flows. The meeting was well attended by leading network, research and development representatives. Other than Jet Propulsion Labs in California, MBC and Virginia Tech were the sole representatives from the United States.

■ Later that week, making the most of the trip, MBC was in Dusseldorf, Germany at the Data Center Expo, which drew 1,200 registered attendees from all over continental Europe. MBC exhibited the GigaPark booth at the event and received quite a bit of interest from companies -- especially once they learned the GigaPark was where Microsoft was locating their Generation 4 data center in the United States. MBC also gave a presentation to the attendees entitled "Data Center Site Selection and Migration" which generated some discussion around urban versus rural locations for data centers. There were some prospects who were interested in locating a data center in the U.S., so the meeting was very productive.

■ On the home front, MBC attended the VUPS (Virginia Utility Protection Service) conference in Blacksburg.

■ MBC was also represented at the National Telecommunications Cooperative Association Fall Conference. It was a good opportunity to network with rural telecommunications company professionals, discuss industry trends and share the MBC story.



Industry Events *(continued)*

- On September 23rd, MBC hosted the Halifax Chamber of Commerce “Business After Hours” event at Riverstone in South Boston. We had a good crowd. It provided an excellent opportunity to network with the Chamber business members.
- In late September, MBC promoted the GigaPark initiative at the Data Center Dynamics show, where we participated as an exhibitor.
- In early October, we promoted GigaParks again at the AFCOM Data Center World Expo. We had excellent visibility at this show, participating as an exhibitor and sponsor.
- On October 21, MBC was one of the co-sponsors at the Web Host Industry Review (WHIR) Networking Event in Washington, D.C.

Upcoming meetings and events include:

November 8

The MBC Broadband Network Strategy Day -- Hosted by MBC and Sponsored by Infinera

November 8-9

IMN Forum on Financing, Investing & Real Estate for Data Centers (Exhibitor)

www.imn.org

November 14-17

7x24 Data Center Exchange Meeting-- Mission Critical Facilities: Leveraging Change (Speaker & Sponsor)

www.7x24exchange.com



The MBC Broadband Network Strategy Day

As mentioned in the Meetings section, MBC will be hosting a half-day meeting on November 8. The MBC Broadband Network Strategy Day will be held at the Westin Washington Dulles Hotel in Herndon, Virginia. This conference is dedicated to the broad range of issues involved in building, managing and running a successful, profitable broadband business in an under-served or un-served region. The conference brings together a nationwide team of experts for an afternoon of panel discussions on key practical issues. The keynote address will be delivered by NTIA Program Director Dr. Tony Wilhelm.

Registration is just \$95. Lunch will be provided before the conference begins, with a reception in the early evening.

To learn more about this event, the agenda and speakers visit the MBC website at www.mbc-va.com or contact Anna Vue at 916.595.8157.



MBC and GigaPark Website Stats

The fact that Microsoft will be locating their data center in Virginia, along with the mention of the MBC network in the press releases, sparked a good deal of interest in the MBC and GigaPark websites.

Between September 7 and October 7, 2010, the websites received increases in page views.

For the GigaPark website:

▲ 729 visits came from 54 countries/territories

▲ The 729 visitors viewed 1,057 pages

▲ The most popular pages were the “Location”, “Technology” and “Business Park” pages

For the MBC site:

▲ There were 1,720 visitors to the website from 74 countries/territories

▲ These visitors viewed 4,770 pages

▲ The most popular pages were “About MBC” and “Coverage Maps”

If you haven't visited the two websites, they can be found at www.gigapark-va.com and www.mbc-va.com.



MBC in the News

A special advertising section on Virginia was featured in the October 11, 2010 Special Issue of *Forbes* magazine. A half-page of highlights about MBC and GigaParks were included as well as the announcement about the Microsoft Data Center coming to Southern Virginia.



MBC Members in the News

- MBC Member *FiberLight* has begun construction of a 46-mile direct connection from Culpeper to Charlottesville. The network, to be completely underground, will connect to the company's more than 500 mile link encompassing Northern Virginia, DC and greater Baltimore. The fiber optic network will provide a new high speed route connecting key data centers, Internet exchanges and government facilities.
- *Level 3 Communications* picked up contracts with CapLogistics and Transbeam. They will provide a package SIP trunking, IPVN, colo, and dedicated Internet access for CapLogistics, which will be deployed in Denver, Salt Lake City, Houston, and Illinois. Level 3 will be providing Transbeam with fiber connectivity to expand their presence further into neighboring markets.
- *Level 3* also announced the opening of an access node in Equinix's International Business exchange (IBX) campus located on the outskirts of London. The node will link the Equinix LD4/5 IBX campus directly with three of Level 3's transatlantic routes to New York. Level 3 says this will lower latency on the route.
- *Tinet* launched a terrestrial route between Hong Kong and Europe. It runs over the Transit Europe-Asia (TEA) cable, creating a path from Sweden across Russia, China and Hong Kong.
- On PAETEC Holding Corporation announced it will acquire MBC Member *Cavalier Telephone Corporation*. This acquisition will make PAETEC a nearly \$2 billion-a-year CLEC, with 10,609 metro fiber-route miles and 37,023 total fiber-route miles when the deal closes. Cavalier's networks complement PAETEC's existing routes well. PAETEXC provides voice and data services to businesses.
- *AboveNet* is expanding its European network reach to meet its multinational corporation (MNC) customer's multi-site needs by enhancing its network presence in four major European markets. Through this network expansion, which is slated to be completed this year, MNC customers will be get connect into AboveNet's optical, Ethernet and IP-based services and fiber facilities between the U.S., London, Frankfurt, Amsterdam and Paris.
- *Hibernia Atlantic* announced that their low latency Global Financial Network (GFN) will now directly connect to Toronto Stock Exchange, TSX Venture Exchange and the Montreal Exchange, all located in the TMX primary data centre. This network expansion offers secure, direct connections from the TSX into key financial cities throughout the United States, Canada and Europe, including the New Jersey metro area as well as Chicago, Slough, 11 Hanbury, and Telehouse in London and Frankfurt. Unlike other traditional submarine and terrestrial fiber cables, Hibernia GFN's diverse, low latency capacity can link from Canada directly into the UK and Europe, bypassing New York City and the U.S. entirely. This is a boon for financial companies that require fast and reliable capacity for automated trading.
- *Level 3* was selected by Virginia Commonwealth University in Richmond to boost its campus network efficiency. Level 3 will provide VCU with transport and IP Services to help meet growing network demand.
- *Shentel* announced the acquisition of cable assets from Suddenlink. The acquisition is for cable systems serving the communities of Salem, West Virginia and Oakland, Maryland and includes 7,000 home passings.
- *Cox Business* has extended its carrier Ethernet services via a new connection with Cenx. Cox Business, which is a division of Cox Communications, established an initial connection to Cenx's carrier Ethernet exchange in Los Angeles earlier this month. Cox Business said the new relationship with Cenx created additional options for wholesale and retail customers to connect locations throughout Cox's network footprint. Because Cox has already established dedicated fiber links to Cenx, its customers can link to the Cox network without the cost and delay of establishing a dedicated interconnect.



MBC Members in the News (continued)

- MBC Member *Tinet* has completed their acquisition of Neutral Tandem. In addition, they just added a Phoenix POP. Tinet's Global Internet IP Index Rating is now up to #5. This ranking identifies providers who are responsible for meeting the backbone Internet transit needs of significant numbers of large customer networks within a given market.



Southern Virginia Economic Development News

- After the publication of the last issue of the *MBC Cooperative Connection* newsletter, Herndon-based EcomNets held a "Danville Green IT Economic Summit" in late August. EcomNets hopes to make Danville a go-to technology center in the state of Virginia, creating green IT awareness in the community. They plan to make the summit an annual event. EcomNets plans to create 160 jobs in Danville over the next three years. They hope to capitalize on Danville's location relative to the Research Triangle Park in North Carolina, Washington, DC and the *Mid-Atlantic Broadband Cooperative* (MBC) network.
- Essel Propack Announces Plans for a \$10 Million Investment in Danville. On September 3, 2010, Essel Propack, the largest specialty packing company in the world, announced plans to begin construction on a \$10 million consolidation project. This project will result in the expansion of their existing building in the Airside Industrial Park.
- The Tile Shop Will Invest \$1.1 Million in Distribution Operations. On September 14, 2010, Governor Bob McDonnell announced that The Tile Shop, a provider of natural stone, ceramic and porcelain tiles and tiling materials, will invest \$1.1 million to open a warehouse distribution operation in Henry County. The project will create 25 new jobs.

The Virginia Economic Development Partnership (VEDP) worked with the Martinsville-Henry County Economic Development Corporation to secure the project for Virginia. The Virginia Department of Business Assistance will provide training assistance through the Virginia Jobs Investment program.

9-23– Drake Extrusion has expanded production at its Martinsville plant for the second time this year. Eight full-time workers were hired and \$1.25 million was invested in new machinery. Drake produces filament yarns for residential upholstery and polypropylene fibers for automotive trim and indoor/outdoor carpeting.

- BBC TV Show Top Gear Comes to America for a Secret Shoot in Virginia. The popular television show "Top Gear" came to the Virginia International Raceway (VIR) near Danville for a secret taping of the show. Some lucky VIR club members were invited to drive around the track in their own cars, while photographers shot background video. This raceway is considered to be the U.S. track that is most like European racing circuits.
- JTI Leaf Services' tobacco procurement and processing facility in Danville plans to add 60 additional jobs. That will bring the total number of full time employees at the Danville plant to 230. They also hire seasonal employees. JTI Leaf expects to invest up to \$30 million in the future.
- On October 5, Governor Bob McDonnell announced that Home Care Industries, Inc., one of North America's leading floor care companies, will invest \$1.5 million to open a manufacturing and distribution operation in Mecklenburg County. The project will create 150 new jobs. Virginia successfully competed against North Carolina, Mississippi and South Carolina for the project.

The Virginia Economic Development Partnership worked with Mecklenburg County to secure the project for Virginia. Governor McDonnell approved a \$150,000 grant from the Governor's Opportunity Fund to assist Mecklenburg County with this project. The Virginia Tobacco Indemnification and Community Revitalization Commission approved \$390,000 in Tobacco Region Opportunity Funds for this project. The company is eligible to receive state benefits from the Virginia Enterprise Zone Program, administered by the Virginia Department of Housing and Community Development. The Virginia Department of Business Assistance will provide training assistance through the Virginia Jobs Investment Program.



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MBC Mission Statement

The Mid-Atlantic Broadband Cooperative (MBC) provides the leadership and technology infrastructure necessary to assist in the economic revitalization efforts of Southside Virginia by providing high capacity optical transport services on MBC's regional and long-haul

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