

Dear MBC Member:

Work continues on our middle-mile fiber projects, and we've been allowed to start construction on several segments in the Southern Virginia region. The MBC project team has done a tremendous job with navigating the complex environmental and permitting requirements. We're finally seeing some progress after receiving our awards almost 12 months ago.

We continue to work on initiatives that help our members expand their reach for broadband access in the region, and reinvest in the network to ensure our carrier-class reliability continues for many years to come.

We greatly appreciate your business and continued support that helps us drive more economic development projects to the region.

Best Regards



Tad Deriso, President & CEO

MBC Success Story– RAF Wireless



MBC has a wide range of members, from large companies to smaller, locally owned and operated companies. RAF Wireless is one of MBC's smaller members. RAF Wireless was founded in 2005 by Chris Crosby. RAF was Mecklenburg County's first Wireless Internet Service Provider (WISP) and remains the longest-running operator in the county.

RAF Wireless offers a range of services, from simple connectivity to design and construction of hybrid links into hard-to-reach areas. Their services include Wireless Internet, RF Engineering, Systems Design, Network Architecture and Infrastructure Deployment to the broadband industry. They also have expertise in Tower Design and Construction, Fiber-to-the-Microwave Link Design and FCC Licensing Applications. Last year, they also started streaming video services.

RAF Wireless offers these diverse services as a way of staying competitive with new companies offering telecom services. Wireless offers infinite possibilities to expand a coverage area.

RAF Wireless and MBC

After thoroughly researching the best way to set up a WISP business, RAF Wireless joined MBC in early 2006. MBC's fiber model was much more cost-effective than other options that were available. MBC's network also offered unlimited opportunities to upgrade and expand RAF Wireless' services as their customer base grew. MBC was the best answer for their bandwidth needs. RAF's Chris Crosby considers joining MBC as the best business decision he made.

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MBC Success Story (continued)

MBC Last-Mile Broadband Project Grant Award

In January 2011, MBC awarded matching grant awards for last-mile broadband projects to three MBC Members. These grants were generously funded by the Virginia Tobacco Commission. RAF Wireless was one of the recipients. This grant will enable them to deploy WiMAX in the town of Boydton and the Baskerville community and their surrounding areas in Virginia.

The Future of RAF Wireless

RAF hopes to expand into other areas of Mecklenburg County and the surrounding counties.

"If it were not for MBC and its members, many companies like RAF Wireless would still be in the wilderness, dealing with companies who see us only as competitors, not as peers."

--Chris Crosby, RAF Wireless

For more information about RAF Wireless, visit their website at www.rafwireless.com or contact Chris Crosby at 434.210.1149 or rafwireless@gmail.com.



Welcome New MBC Members

EcomNets

EcomNets helps customers to secure processes and applications that can help to reshape organizational methods and positively affect outcomes. These products from EcomNets include tools for new product development, product evolutions strategies and product customization strategies. They also have Green Technology Platforms and Business Management Solutions. For more details, contact Raj Kosuri at rkosuri@ecomnets.com or 703.574.2768. Check out their website at www.ecomnets.com.

Rev.net Technologies, Inc.

Rev.Net is the only dial-up/broadband Internet access provider with its headquarters in the Roanoke Valley, Virginia. For the past 10 years, Rev.Net has provided Internet services to businesses and residents in the area. Rev.Net won the *Torch Award for Ethics* from the Roanoke Better Business Bureau in 2003 and the *Small Technology Company of the Year Award* from the Roanoke Chamber of Commerce in 2004. Roanoke County and Roanoke City rely on Rev.Net to stream their council meetings to anyone connected to the Internet. For more information, contact Doyle Edgerton, Jr. at ede@rev.net or 540.772.3282 ext. 710. Visit their website at www.rev.net.

Zayo Group

Zayo Group is a provider of bandwidth infrastructure solutions and carrier neutral colocation. Zayo has autonomous business units that support customers who require lit and dark fiber services and carrier neutral colocation. Their bandwidth infrastructure solutions are provided over their regional, metro and fiber-to-the-tower networks that cover 153 national markets. For more information, contact Scott Reardon at sreardon@zayo.com or 303.381.3284. Visit their website at www.zayo.com.



MBC was pleased to announce grant awards to three MBC Member companies for last-mile projects. The details were included in a press release sent on January 20, 2011.

The announcement was picked up by several media outlets, including online telecom industry publication *TMCnews*, *The Chatham Star Tribune*, *Times-Virginian*, *Altavista Journal* and *Union Star* Virginia newspapers.



For Immediate Release January 20, 2011

Contact: Tad Deriso, President & CEO
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MBC Announces Grant Awards for Last-Mile Broadband Projects

The Mid-Atlantic Broadband Cooperative (MBC), a successful open-access fiber optic backbone provider in rural markets, is pleased to announce that over \$750,000 has been awarded to three MBC Members as part of a last-mile matching grant program, funded by the Virginia Tobacco Commission (VTC). These awards will enable deployment of broadband services for residential and business customers in unserved communities in Southern Virginia.

The 50/50 matching grants were awarded to:

- **RAF Wireless**, for WiMAX deployments in the town of Boydton and the Baskerville community and their surrounding areas in Virginia;
- **CenturyLink**, for ADSL broadband service in areas currently supported by dial-up access, located in portions of Buckingham, Campbell, Henry, Lunenburg, Mecklenburg, Nottoway, Patrick and Pittsylvania Counties in Virginia; and
- **Kinex**, for WiMAX deployments in the Yogaville community in northwest Buckingham County and in Drakes Branch, Charlotte County, Virginia.

“The first two rounds of MBC matching grant awards were very successful. This third round of matching grant awards will bring additional broadband services to unserved areas in Southern Virginia” said Tad Deriso, MBC’s President & CEO. “We’re glad to see our members investing their capital dollars into the region, and look forward to more projects that expand the reach of affordable last-mile broadband services.”

Ed Owens, Chairman of the Southside Economic Development Committee for the VTC, was impressed with the MBC Member proposals. He stated, “The VTC has seen broadband access for Southern Virginians improve with each round of matching grants. The VTC is pleased to fund this important activity.”

The matching grant awards will leverage over \$1 million in private sector capital in the region. This will enable over 3,800 residential and business customers in the Southern Virginia areas mentioned to have access to high-speed Internet services.

MBC Vice Chairman David Hudgins Appointed to VEDP Board of Directors

Governor Bob McDonnell announced appointments to 17 Virginia boards and commissions on January 7, 2011. Mid-Atlantic Broadband Cooperative (MBC) Vice Chairman David Hudgins was appointed to the Virginia Economic Development Partnership (VEDP) Board of Directors. David is the Director of Member and External Relations for the Old Dominion Electric Cooperative in Richmond.

David Hudgins has worked tirelessly to improve economic development in Virginia, with an emphasis on Southern Virginia. He was instrumental in the creation of MBC and continues to provide visionary leadership in his role as Vice Chairman on the MBC Board of Directors.

The Virginia Economic Development Partnership, a marketing organization, was created by the Virginia General Assembly in 1995 to encourage, stimulate, and support the development and expansion of the economy of the Commonwealth. The Partnership is a state authority, which is governed by a 22-member Board of Directors appointed by the Governor and the Virginia General Assembly. To accomplish its objectives of promoting economic expansion within the Commonwealth, the Partnership focuses its efforts on business recruitment, expansion and international trade. VEDP has offices in Virginia, Belgium, Hong Kong, Mexico and Japan.

Meet the New MBC Staff Members

MBC's primary focus remains on bringing economic development solutions to Southern Virginia. To achieve our mission, we have recently hired a few new staff members to help us achieve our goals.

Lawanda D. Fountain -- Administrative Coordinator

Lawanda@mbc-va.com; phone 434.570.1313

Lawanda is responsible for providing executive/administrative support for the MBC staff, oversight of office supplies and equipment, coordination of meeting and conference logistics and general reception duties.

Lawanda is from Southern Virginia. She most recently worked in South Boston for the Carlbrook School, serving as the Administrative Assistant FOR Alumni Services. She brings terrific computer, office and other business skills to MBC.

Laura Lee – Director of Outreach and Special Projects

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Laura is leading the charge in identifying opportunities where MBC's network can be utilized in further exploration of new uses of technology delivery systems. MBC's goal is to create awareness among business leaders and decision makers about the capability of the MBC network to host new and emerging technologies, and eventually recruit those technology companies to be home-based on the MBC network.

Laura is familiar with the region, having worked as the Deputy Chief of Staff for former Congressman Rick Boucher. Her position involved extensive work on broadband projects in Virginia's 9th district.

Jeremy Satterfield – Business Development Manager

jeremy@mbc-va.com; phone: 434.570.1315; mobile: 434.517.1704

Jeremy is responsible for the development and execution of MBC's marketing plan, with a focus on MBC's regional community outreach activities. Jeremy will be involved in all 24 Chamber of Commerce organizations in the southern Virginia region, and will work with our localities to promote the network and our members.

Jeremy is a native of Southern Virginia, and is a graduate of Longwood University



MBC Industry Meetings

MBC will be participating in a number of industry conferences and events in 2011. The list includes:

February 15

Data Center Dynamics - Atlanta – Exhibitor (GigaParks)

www.datacenterdynamics.com

February 22-23

Capacity Media's Metro Connect USA 2011 Conference – Speaker

www.capacitymedia.com/conferences-events

March 10

Data Center Dynamics – New York – Exhibitor (GigaParks)

www.datacenterdynamics.com

March 20-23

COMPTEL PLUS Spring Convention & Expo – Speaker

www.comptel.org

April 26-28

Broadband Properties Summit – Speaking on a rural broadband panel

www.bbpmag.com/2011s

May 17

Data Center Dynamics – Seattle – Exhibitor (GigaParks)

www.datacenterdynamics.com

May 9-12

IIR Telecom Cloud and Data Center Services – Speaker

www.iir-telecoms.com/division/telecoms

May 23-25

Virginia Telecommunications Industry Assn. (VTIA) Annual Meeting

www.vtia.org

June 30

Data Center Dynamics – San Francisco – Exhibitor (GigaParks) www.datacenterdynamics.com



MBC in the Media

- The February 27, 2011 *Richmond Times-Dispatch* newspaper featured an article on broadband coming to Surry, Virginia. The article mentioned that MBC and MBC Member Buggs Island Telephone Cooperative will be expanding broadband capabilities to some areas of Surry. (*Note: MBC provides the fiber infrastructure only; it does not provide end-user services. Buggs Island will provide end-user services.*)

MBC in the Media (continued)

- On February 22, the *Danville Register & Bee* had an article about the possibility of a broadband service provider bringing broadband service to Climax, Virginia. MBC General Manager Gray Ramsey was quoted in the article. The *Star-Tribune* also covered this story on February 23, 2011.
- On February 7, 2011, the WCVE public radio station news broadcast in the Richmond area mentioned the recent MBC 50/50 grant awards. The story mentioned MBC, and stated that over \$750,000 had been awarded to three MBC members. Over 3,800 customers in Southern Virginia will gain access to high speed Internet service, thanks to the Virginia Tobacco Commission grants.
- In late December, MBC was mentioned in an article in the *Telecompetitor* industry publication. The article was about Axxess Ontario's new middle mile open-access network in Ontario County, New York. The article highlighted MBC as "one organization that has had success with an open access middle mile approach." The article went on to mention that MBC had been recognized by President Obama as an example of how a public-supported middle-mile broadband network can bring economic and social benefits to unserved, underserved and economically disadvantaged communities.

MBC Members in the News

Cox Communications Participates in a Recycling Event

Cox and Synergy Recycling invited businesses to participate in the recycling of their old electronics at their "Business E-Waste Recycling Event" held in Roanoke in February.

FairPoint Communications, Inc. Reaches Broadband Regulatory Commitments

FairPoint has met its commitment of making broadband service available to more than 83% of homes and businesses in its Maine service area. The company also reached its regulatory commitments for broadband access in New Hampshire and Vermont.

FiberLight launches a separate IP network for enterprise and government customers.

FiberLight's new IP network for enterprise and government customers recognizes that these types of businesses are more prone to denial-of-service attacks. By providing a unique IP network for these customers, FiberLight expects to be able to offer a more secure network experience and better performance for these IP infrastructures.

nTelos

- nTelos has upgraded its central Virginia network with four new cell sites. The new sites will improve in-building wireless service in their coverage areas. These locations serve areas in Chesterfield County, Hanover County, Prince George County and New Kent and James City Counties.
- nTelos was featured in an article in the February 2011 issue of *Virginia Business* magazine.

Level 3 Communications

- Level 3 has been selected to provide content delivery network (CDN) services to support live, 24/7 streaming of Wealth TV's lifestyle channel content over the Internet to Roku's Web-enabled TV set-top boxes nationwide. This will allow Wealth TV to expand its audience reach and monetize its content in new ways.
- Level 3 was selected by the North Florida Broadband Authority to improve broadband connectivity for Florida businesses.

New College Institute

The New College Institute was recently mentioned in an article in the *Richmond Times-Dispatch*. The New College Institute (NCI) is a state funded educational entity that provides degree completion at the bachelor's and master's levels. They offer programs that meet the needs of the region, are in high demand throughout the Commonwealth, or are niche programs drawing upon the special resources of the area. The article focused on the efforts of the Institute to find a funding partner to help it to become a branch campus of an existing public university. The Martinsville area considers higher education to be essential for economic development in the area.



MBC Members in the News (continued)

Shenandoah Telecommunications Company to build a fiber-optic network in Page County, Virginia

Shenandoah Telecommunications Co. has been hired to build a fiber-optic network for broadband services in Page County, Virginia. The Page County Broadband Authority says the 39-mile network will stretch from Rileyville to Shenandoah. It's scheduled to be completed in 2012. Capacity will be leased to institutions and service providers.

Verizon

- Starting February 10, 2011, the Apple iPhone became available to Verizon users.
- Verizon said it invested more than \$814 million in its Virginia landline communications network and IT infrastructure in 2010.



Southern Virginia GigaPark News— A Daytona 500 Connection

The surprise winner of the February 20, 2011 Daytona 500 car race was Trevor Bayne, from Stuart, Virginia in Patrick County.

Bayne drives for the Wood Brothers Racing, the oldest continuously operating NASCAR Cup team. Their racing operation is located in a GigaPark.



Southern Virginia Economic Development News



Governor McDonnell Announces 28 New Jobs in Sussex County

Wood Fuel Developers to invest \$8.6 million in second Virginia operation

RICHMOND – January 27, 2011 -- Governor Bob McDonnell announced today that Wood Fuel Developers, LLC, an affiliate of Chester, Virginia-based Industrial TurnAround Corporation (ITAC), will invest \$8.6 million to begin wood pellet manufacturing operations in Sussex County. The project will create 28 jobs. Virginia successfully competed with Georgia for the project.

Speaking about today's announcement, Governor McDonnell said, "Just one year ago Wood Fuel Developers announced plans for the start-up of the company in Greensville County. Now they are opening a second operation in Sussex County. Virginia's dependence on imported energy is reduced by corporate partners that manufacture renewable resources here at home. Wood Fuel Developers provides a needed service and will continue to strengthen the Commonwealth's wood products industry."

"Sussex County offered an existing facility that suited Wood Fuel Developers' needs for its newest Virginia operation," said Jim Cheng, Virginia Secretary of Commerce and Trade. "The company will offer 28 valuable employment opportunities to help the region continue its economic rebound."

Wood Fuel Developers, LLC is a renewable fuels company that specializes in developing and operating wood fuel and pellet production plants to serve the residential, industrial and power generation markets. Its parent company, ITAC, has been in business for more than 22 years providing engineering, design, and construction management services in the industrial and manufacturing-related markets.



"The Sussex County Project offered a unique opportunity that enabled us to expedite our business and marketing objectives by acquiring an existing facility including site infrastructure, buildings, machinery and the purchase and installation of new equipment," said Steve Gordon, President and CEO of Wood Fuel Developers.

The Virginia Economic Development Partnership worked with Sussex County and Virginia's Gateway Region to secure the project for Virginia. Governor McDonnell approved a \$75,000 grant from the Governor's Opportunity Fund to assist Sussex County with the project. The Virginia Tobacco Indemnification and Community Revitalization Commission approved \$110,000 in Tobacco Region Opportunity Funds for the project. Through its Virginia Jobs Investment Program, the Virginia Department of Business Assistance (VDBA) will provide funding and services to support the company's recruitment and training activities.

"Sussex County is pleased with Wood Fuel Developers' decision to invest in the County and we look forward to assisting the company with this project," said The Honorable Harris L. Parker, Chairman of the Board of Supervisors. "Wood Fuel Developers' decision to locate in the Town of Waverly within Sussex County strengthens the Board of Supervisors' commitment to economic development and job creation for our citizens. This investment will diversify the County's tax base as well as provide much needed employment opportunities for our citizens."

"On behalf of the Virginia Tobacco Commission we congratulate Sussex County on a great win," said Senator Frank Ruff, Member, Virginia Tobacco Indemnification and Community Revitalization Commission. "We are pleased that the Tobacco Commission could offer assistance to ensure that Southern Finishing Company will stay and thrive in Virginia."



Governor McDonnell Announces Two New Virginia Enterprise Zone Designations

~Pittsylvania County and the City of Norfolk receive enterprise zones to attract new businesses and jobs~

RICHMOND – February 1, 2011 --Governor Bob McDonnell today announced Virginia Enterprise Zone (VEZ) designations in Pittsylvania County and the City of Norfolk. Each locality will use state and local enterprise zone incentives to create new jobs, promote private investment and support the overall growth of the local economy. The Governor has proposed \$1 million in his budget to take additional steps toward fulfilling Virginia's commitment to the Enterprise Zone program – an effective incentive for job creation and real property investments in distressed communities.

Speaking about today's announcement, Governor McDonnell remarked, "Enterprise zones are an essential economic development tool in our effort to grow Virginia's economy. With the designation of these two enterprise zones, it is our hope businesses will choose to expand and locate in these localities, bringing new jobs and revenue to the regions. This is another important step toward creating more jobs and opportunities in distressed areas of the Commonwealth."

The Virginia Department of Housing and Community Development (DHCD) administers the VEZ program. VEZ supports job creation and private investment by providing state and local incentives such as grants and tax relief to qualified businesses and investors in enterprise zones. The program has supported more than \$1 billion in investment and the creation of more than 40,000 jobs since 1995.

"The Commonwealth's low tax rate, skilled workforce and smart incentives like those offered in enterprise zones all contribute to making Virginia the best place in America in which to do business," said Secretary of Commerce and Trade Jim Cheng.

DHCD received applications from three localities during the competitive application process. The designations will be retroactive back to January 1, 2010.

"The Virginia Enterprise Zone program has a long and successful history in business growth and job creation," said DHCD Director Bill Shelton.

For more information about the VEZ program call (804) 371-7030 or visit: www.dhcd.virginia.gov.



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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 network from Atlanta, GA, to Washington, DC.

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