

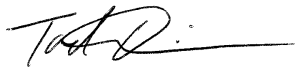
Dear MBC Member:

I don't ever remember a year that went by as quickly as this one. We are so proud of what the MBC team has accomplished this year, and look forward to even more good things in the coming year. You can read about the highlights in "The Year in Review" segment in this newsletter issue.

We're thankful for another year of member success stories and positive growth in new jobs and investments. We're also thankful for the support of the Virginia Tobacco Commission, which has continued to play an instrumental role of regional revitalization and promoting technology infrastructure projects that benefit both Southern and Southwestern Virginia.

On behalf of the MBC staff and board of directors, I want to wish you, your families, companies and colleagues the best of holiday seasons.

Best Regards



Tad Deriso, President & CEO

MBC Success Story– VDOT

(Virginia Department of Transportation)



Over the past few years, the MBC Cooperative Connection newsletter has highlighted the successes of a number of MBC Member companies. They have usually been telecom service providers – Class B Members of MBC. MBC also has a Class C membership classification that includes governmental and public sector providers. VDOT is one of the Class C Members.

The Virginia Department of Transportation (VDOT) is responsible for building, maintaining and operating the Virginia state roads, bridges and tunnels. Through funding from the Commonwealth Transportation Board, VDOT provides funding for airports, seaports, rail and public transportation in Virginia. Virginia has the third largest state-maintained highway system in the United States.

VDOT and MBC

VDOT became an MBC member when they entered into a fiber resource sharing agreement with MBC in April 2005. This agreement allows MBC to place fiber optic cable along limited access right-of-ways where utilities typically are not allowed to install fiber. In exchange, MBC provides VDOT with two fibers throughout the MBC network.

Through a relatively small investment, VDOT has been able to create a network from Salem to Richmond to support its Intelligent Transportation System (ITS) Network across the southern portion of the state where VDOT previously did not have any fiber. This network connects Transportation Operation Centers (TOCs) in Salem and Richmond that are responsible for incident management. There are 13 signal systems and a number of cameras along this network to alert the operators at the TOCs of current traffic conditions. VDOT is in the process of adding additional traffic control devices to this network.

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MBC Success Story (continued)

VDOT's Impact on Southern Virginia

Having this fiber optic network in Southern Virginia is a valuable resource for VDOT. By sharing opportunities with MBC and other partners in Southern Virginia, VDOT is able to provide reliable, high-bandwidth communications to traffic control devices such as cameras and signs in areas that previously did not have these resources due to the investment needed. This saves VDOT thousands of dollars in monthly-leased service costs while providing incident management in remote areas.

VDOT's Employment Impact in Virginia

VDOT employs approximately 6,800 employees throughout the state. The Southern districts provide a number of jobs. The breakdown for some of the larger locales is as follows:

Lynchburg	517 employees
Bristol	590 employees
Salem	733 employees
Richmond	810 employees

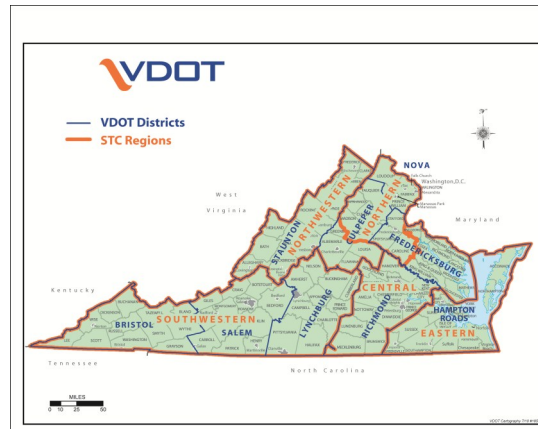
The Future for VDOT and MBC

VDOT greatly values their relationship with MBC. They are excited to be working closely with MBC on future network expansions. VDOT is evaluating how to make the best use of their fiber strands on the new network to support their ITS network in those areas. Many of the new routes will benefit their ITS program by providing redundant routes and allowing for additional traffic control devices to be converted from existing leased lines onto this network.

"MBC is a valuable resource to VDOT's Intelligent Transportation System (ITS) and Operations Program. Without MBC and other resource-sharing partners, VDOT would not have the extensive communications network that allows us to provide better traffic operations and incident management to Southside Virginia."

-- Melissa Lance, ITS Communications Manager, VDOT Operations & Security Division

For more information, contact Melissa Lance, ITS Communications Manager, Operations & Security Division at Melissa.Lance@vdot.virginia.gov or visit the VDOT website at www.virginiadot.org.



The MBC Year in Review

As the old song says, "It was a very good year" – and an extremely busy one for MBC. On any day of the work week, the MBC staff is occupied with price quotes for new circuits, connectivity requirements and options for some of our Members, turning up new circuits, broadband stimulus project related activities, data center marketing, keeping communities informed about MBC's network and more. There are also regularly scheduled meetings with the MBC Board of Directors and several board committees. Here are just some of the highlights of our 2010 activities:

January

- MBC made a presentation on the subject of "Build vs. Buy vs. Lease Vs. Acquire vs. Outsource" at the Capacity Metro Connect Conference. This is always a great conference for networking with wholesale telecom industry players from the United States and around the world.

February

- MBC provided a presentation on the MBC Network Model and Success Story at an Infinera meeting with broadband leaders and California officials.

March

- MBC held our annual Board Retreat in South Boston. It brought senior staff, key consultants and the MBC Board of Directors together to discuss new industry and technology trends. A wide range of topics was discussed. The group also focused on how to position MBC to take advantage of industry trends and to continue to create value for MBC Members and our communities.



The MBC Year in Review (continued)

- On March 3, MBC participated at the Datacenter Dynamics New York Conference & Expo. Over 1,000 people were in attendance including enterprise data center operators, real estate developers and a variety of vendors. This was a great opportunity to promote GigaParks.
- On March 18, MBC supported Virginia's rural telehealth efforts by speaking at the Virginia Rural TeleHealth Summit. A few days later, MBC participated on a panel discussing "Steering Jobs and Economic Opportunities to Underserved Communities" at the EDA Regional Economic Development Training Conference.
- MBC was highlighted in an article in the March issue of *Capacity Magazine*, which is read by the global carrier industry.

April

- A new MBC Member benefit was introduced. It is an Interactive Mapping Tool that resides on the MBC website. It enables MBC Members to identify MBC facility locations relative to an opportunity they may have to serve potential customers.
- Signs at the 60 Southern Virginia GigaParks were installed. These signs support the GigaPark branding campaign by providing a presence at each of the GigaParks, along with contact information.
- On April 29, MBC made a presentation at the Internet 2010 Conference: The Next Billion Users. MBC highlighted technologies that can be used to reach the unconnected and the challenges to accomplishing this goal.
- MBC sent a survey to all of our Members to solicit their input on potential professional services that MBC might add to our Member services offerings. Based on the survey results, the MBC Board of Directors and staff planned accordingly for MBC's immediate and future services.

May

- MBC's President & CEO Tad Deriso served as the keynote speaker at the Region 2000 Technology Council's 9th Annual Awards Dinner on May 11.
- MBC participated in a panel discussion about broadband initiatives at the Virginia Telecommunications Industry Association Annual Meeting.
- MBC received several mentions in the press. *The Cape Cod Today* online blog wrote about the OpenCape regional middle mile open-access infrastructure project. MBC provided some consulting expertise to the OpenCape group. MBC was mentioned as an example of a successful middle mile project. Later in May, MBC was highlighted in the *delmarvanow.com* online newsletter in an article about broadband construction across the Chesapeake Bay Bridge Tunnel.
- MBC had an opportunity to present a brief overview of our network, broadband initiatives and the GigaPark marketing effort to Virginia Lt. Governor Bolling and several members of his team at a roundtable event held in Keysville, Virginia.

June

- A BIG foam check was presented to MBC on June 2 in Rustburg, Virginia by Congressman Tom Perriello (D-VA). The check represented the \$16 million NTIA award for the MBC broadband project. The check was graciously received on behalf of MBC by MBC Board member Bryan David. This event was included in an article in the June 2 *Lynchburg news.advance.com* publication.
- The June 2 issue of the telecommunications publication *Connected Planet* included an interview with MBC President & CEO Tad Deriso. It focused on the actions MBC had taken as a result of the NTIA \$16 million grant.
- MBC expanded the Infinera DTN network on our 800-mile network to deliver network equipment guaranteed in the NTIA-BTOP grant.
- MBC participated at the 7x24 Data Exchange Annual Meeting, the Carolina-Virginias Telephone Membership Summer Conference and the IIR Managed Services and Networks Conference.



The MBC Year in Review (continued)

- MBC was featured in the YouTube video “The Middle Mile That Works: Bringing Broadband to Southern Virginia.”
- An article by MBC President & CEO Tad Deriso and Robert Picchi, a consultant to MBC, appeared in the July issue of the OPASTCO award-winning *Roundtable Magazine*. The article was entitled, “Congratulations, you have been awarded a stimulus grant! Now what?”

August 2010 was one of the most exciting months in MBC’s history. Two important events occurred:

- On August 18, MBC was awarded a Federal Broadband Stimulus Program Round Two grant of \$10 million to extend our fiber network to Eastern Virginia. Old Dominion University and MBC provided the matching funds to successfully secure the grant. The network will enable ODU to expand their research, education and development mission in the region. MBC was one of a select few companies that were awarded broadband stimulus grants in both rounds, which shows confidence in our business models and sustainability to support our members.
- On August 27, Microsoft announced that they are locating their next generation data center at a Southern Virginia GigaPark, located in Boydton in Mecklenburg County, Virginia. Microsoft’s half a billion dollar investment represents the largest private sector investment project in the history of Southern Virginia. MBC was proud to play a part in convincing Microsoft to locate here. The availability of the MBC network at the Boydton GigaPark was one of the important factors in Microsoft’s decision. This announcement was featured in a number of ways in the media, including the front page of *The Richmond Times-Dispatch* newspaper, *Forbes Magazine*, *Reuters*, *BizJournal.com*, *datacenterknowledge.com* and several NBC, CBS and ABC affiliates.

September

- MBC participated at the Comptel Plus Fall Convention and Expo, the Customer Empowered Fibre Networks Workshop, the Data Centre Expo, the Virginia Utility Protection Service Conference, the Data Center Dynamics Show and the National Telecommunications Cooperative Association Fall Conference.
- MBC sent a survey to all of our Members to obtain feedback on our various services, industry challenges, etc. The results were presented at the MBC Annual Membership Meeting in October.

October

- MBC exhibited and sponsored at the AFCOM Data Center World Expo. We also sponsored the Web Host Industry Review (WHIR) Networking Event and attended the Capacity North America Wholesale Telecommunications Conference and a Southside Economic Development Committee meeting.
- MBC held its 2010 Annual Membership Meeting on October 20 at our headquarters in the Riverstone Technology Building in South Boston, Virginia. Over 40 MBC Members attended this fourth annual meeting. Topics discussed were economic developments, the GigaPark Marketing Initiative, Member survey results, MBC’s Interactive Mapping Tool, the new MBC quote process, an Enterprise Resource Planning System, MBC staff additions, MBC board policies, an MBC Financial Report, the MBC Last Mile Grant Program and MBC’s future plans.
- MBC distributed our *2010 MBC Annual Report*. It was also made available on the MBC website.
- MBC met with the Virginia Economic Development Partnership (VEDP) to coordinate our marketing messages for GigaParks. We work closely with VEDP on a variety of economic development projects for Southern Virginia.
- MBC distributed a Request for Proposal (RFP) for 50/50 matching grant funds to all MBC Class B Members. The RFP is for the development of last-mile high-speed data solutions for Southern Virginia communities; funding is from the Virginia Tobacco Commission.

November

- MBC hosted the “MBC Network Broadband Strategy Day” conference, with sponsorship by Infinera, in conjunction with the NTIA-BTOP Round Two Workshop.
- David Hudgins, MBC’s Board Vice Chairman, was featured in an article by *Connected Planet*. He provided insights on how broadband can enhance community businesses and lure new employers.



- MBC participated at several industry meetings in November, including the IMN Forum on Financing, Investing & Real Estate for Data Centers; the Rural TeleCon Conference Annual Meeting; the 7x24 Data Center Meeting; and the State Corporation Commission/Virginia Telecommunications Industry Assn. Telecommunications Summit.

December

- MBC staff met with the Virginia Congressional delegation to update them about the latest developments with the MBC network and GigaParks.
- MBC attended several industry meetings in December, including the Data Center Dynamics Conference and the Fourth Annual Broad Group Finance and Investment Forum for Data Centers.



MBC Broadband Networks Strategy Day

MBC hosted a half-day meeting on November 8 in Northern Virginia. Infinera, MBC's supplier of digital optical network systems, was the event sponsor. The attendees were winners of broadband stimulus grants for middle mile projects. The date was tied to the National Telecommunications Information Administration (NTIA) Round Two Recipient Workshop on November 9-10. This pre-conference provided an opportunity for these grant recipients to gain unique insights into the challenges of building and operating a broadband network.

The meeting kicked off with remarks by Tad Deriso, MBC's President & CEO and Jeff Ferry, Infinera's Director of Broadband Marketing. The keynote speaker was Tony Wilhelm, Program Director of the Broadband Technology Opportunities Program (BTOP) at NTIA. He spoke about the federal government's goals and objectives for the U.S. Broadband Stimulus Program.

Three panel discussions followed. The first panel focused on "Meeting the Business Challenges of a Stimulus Network." Topics included regulatory and compliance issues; governance, contracts, boards and finances; and marketing of the network.

The second panel discussed "Pioneering Applications for a Broadband Network." Three examples were highlighted, including a presentation about MBC's role in bringing economic development to Southern Virginia, provided by David Hudgins, MBC's Board of Directors Vice Chairman.

The final panel focused on three case studies of successful middle-mile broadband networks. Attendees heard from MBC, UTOPIA and AXIA Net Media about their open-access networks.

The MBC project management team was in attendance to meet and greet the attendees. Infinera parked their tractor trailer showcase outside the meeting site to provide a state-of-the-art hands-on exhibit of their digital optical networking equipment.



Broadband Word of the Day - Mission

One of the speakers at the *MBC Broadband Networks Strategy Day* was Craig Settles, a telecom/marketing consultant and author. He provides the following insights into the importance of knowing the mission of one's company/organization:

Mission. This word gets a lot of broadband initiatives into trouble. Not because project teams don't know the meaning of the word, or even what their mission is. Problems stem from those who can't articulate what the mission is in such a way that the project gets critical local support, particularly from local and regional government officials.



Broadband Word of the Day– Mission (continued)

We - the true believers - are very happy to lay out the whole array of benefits broadband can help achieve. But the average local government official and many constituents (read: potential subscribers) have so much to deal with, they can only focus on one or two of those benefits before they become overwhelmed with all of the particulars.

Subsequently, you have to find one or two benefits that will be significant in their impact, popular among all political persuasions and fairly easy to measure. Make this the altar upon which you sing the praises of broadband and move your project forward, even if you plan to tackle the rest of the laundry list in time. Keep that main point front and center. Once you have people on board, the network gets built and people see the promised benefits, then you have political clout and leverage to fulfill the rest of the broadband dream.

To read more of Craig Settles' "Broadband Word of the Day" tips, visit his blog at <http://roisforyou.wordpress.com>. He also helps broadband project teams be more successful with his on-site workshops and training sessions. For more details visit his website www.successful.com/services/speaker.html.



MBC RFP

On October 28, 2010, MBC sent a Request for Proposal (RFP) to all MBC Class B Members. The RFP is for the development of last-mile high-speed data solutions for Southern Virginia communities. This initiative was made possible by a \$1 million grant from the Virginia Tobacco Commission (VTC) that seeks to provide matching grants (50/50) to private sector telecom service providers for funding last-mile broadband projects. Only the counties and cities in the Tobacco Commission footprint are eligible for projects.

The VTC tasked MBC with leading the initiative because of MBC's demonstrated success in managing large complex technology projects and the synergies between the MBC regional backbone and this last-mile effort.

Recipients will be announced in January 2011.



Gray Ramsey Is Appointed to the Halifax County Economic Development Council

MBC is pleased to announce that MBC General Manager Gray Ramsey has been appointed to the Halifax County Economic Development Council. He will be a valuable asset for the Council.



MBC in the News

- ◆ The *SoVaNow.com* newsletter, which covers Halifax and Mecklenburg Counties, recently ran a story about the Microsoft Generation 4 cloud computing data center that will be locating in the Boydton GigaPark. The article detailed the construction update that was recently given to the members of the Boydton Town Council by Microsoft's senior program manager, Jens C. Housley.

Housley also provided information on future hiring. He stated that the promised 50 new jobs will include many local hires. It will take two to three years for the data center to be completely operational.

Housley told the meeting attendees that the availability of fiber optics at the site was "one of the major reasons we selected that site."

- ◆ David Hudgins, MBC's Board Vice Chairman, was featured in an article in the *Connected Planet* newsletter. He provided insights on how broadband can enhance community businesses and lure new employers.



MBC in the News (continued)

- ◆ An article in late November in the *Danville Register and Bee* discussed the benefits that the federal broadband stimulus grants received by MBC will bring to the schools in Southside Virginia.
- ◆ An article on data centers in the December issue of *Global Corporate Xpansion* magazine mentioned the Microsoft data center being built at a Virginia GigaPark in Mecklenburg County. The article explained that GigaParks provide access to multiple telecom and optical fiber providers through MBC's open-access fiber network – and that it was one of the key components in Microsoft's decision to locate in Mecklenburg County.



MBC Members in the News

AboveNet

AboveNet plans to extend its network with three new fiber loops into the Baltimore-Washington corridor.

Allied Fiber

Allied Fiber secured funding arrangements for the first phase of their nationwide carrier neutral dark fiber network that is designed to provide wholesale services to wireline and wireless vendors. They are already seeing healthy demand for their network services and are accepting agreements for fiber and colocation.

CenturyLink

CenturyLink exceeded analyst expectations in the third quarter of 2010 due to strong broadband gains.

Cox

- Cox Communications is the first U.S. cable company to offer a mobile-phone service. It will be able to compete more effectively in the marketplace by bundling this service with Web and television offerings. It will start its consumer mobile service in three markets – one in California, one in Nebraska and the third in Hampton Roads, Virginia.
- Cox is preparing for the transition to IPv6 addresses by conducting trials with its Cox Business customers. It plans to add residential trials in the future. IPv6 consists of 128 bits, compared to 32 bits in IPv4. Cox's core network is now fully IPv6-compliant.

FiberLight

On November 18, 2010 FiberLight held a ribbon-cutting ceremony at the Baltimore Technology Park in Maryland to launch a new \$20 million 104-mile fully diverse fiber optic network. This new network will augment their existing networks.

Level 3 Communications

Due to customer demand, Level 3 has increased their capacity and added five new network locations to its content delivery network (CDN). They have now added 1.65 Terabits per second of globally available Level 3 CDN capacity.

nTelos Network, Inc.

- On December 1, 2010, nTelos closed its acquisition of the FiberNet business unit from One Communications Corp. The acquisition includes approximately 30,000 customers across six states, including Virginia.
- nTelos plans to separate its wireless and wireline businesses. The wireline business will be spun off into a publicly traded company in 2011.

Verizon

- On November 22, Verizon announced its new 150/35 Mbps speed FiOS Fiber to the Premises speed tier. This will leverage an Ethernet connection instead of Multimedia over Coax to connect to the home network's Actiontec Broadband Home Router. Verizon will initially target the 12.5 million residences that are passed by the FiOS network. This new tier costs about \$200 per month for consumers, depending on the length of the contract and if the subscriber buys Verizon's phone service.
- In partnership with VERSUS, Verizon announced the first 3D broadcast of a college football game. Verizon is the first customer of Avail-TVN's 3D video-on-demand service. This new 3D service does not require Verizon to significantly upgrade any equipment.



There were several recent press releases distributed by the Office of the Governor of Virginia that highlighted economic development news in Southern Virginia.



FOR IMMEDIATE RELEASE

November 5, 2010

Governor McDonnell Announces \$5 Million in Grant Awards to Facilitate Job Creation in Rural Virginia *Virginia's First Mega Project Site Planning Grants Aimed at Boosting Regional Economic Development Efforts*

RICHMOND - Governor Bob McDonnell today announced Virginia's first Major Employment and Investment (MEI) Project Site Planning Grant Fund program recipients. The Danville-Pittsylvania Regional IDA, Martinsville-Henry County and Wythe County will receive funding to assist with site planning and improvements to help attract "mega projects," or projects that involve more than \$250 million in capital investment and the creation of more than 400 new full-time jobs.

Speaking about the announcement, Governor McDonnell noted, "We are doing everything we can to recruit high quality jobs and investment to the Commonwealth. To be successful, we must build upon our portfolio of properties to provide larger-scale, shovel-ready sites to attract companies that will have a transformational impact on the Commonwealth of Virginia and the future of our economy."

"Our economic development allies across the state have done an excellent job of making sites available for marketing to business prospects," said Jim Cheng, Virginia Secretary of Commerce and Trade. "The MEI Grant program provides an opportunity for the Commonwealth to lend its support toward enhancing those efforts and continue to expand upon the many reasons why Virginia is the best place to do business."

The Danville-Pittsylvania Regional IDA will receive the \$500,000 maximum amount established for planning grants. The funding will be used for planning activity associated with Berry Hill Mega Park, which is currently under construction on 3,700 acres in southwestern Pittsylvania County. The grant can be used for conducting environmental and geotechnical reviews and for tackling infrastructure challenges to make the site competitive in the marketplace.

Martinsville-Henry County will receive a \$1.5 million site improvement grant. The site improvement grant will be used toward enhancing Commonwealth Crossing Business Centre, a planned 730-acre business park on U.S. 220 South at the Virginia-North Carolina border. The grant can be used for a variety of activities, including but not limited to site grading, utilities and transportation improvements.

Wythe County will receive a \$3 million site improvement grant. The funding will be used to continue development of Progress Park, a 1,210-acre industrial park located at the intersection of Interstates 81 and 77, client-ready. Progress Park is home to PepsiCo's Blue Ridge Gatorade Plant.

Because initial funding for the grant program is being provided by the Virginia Tobacco Indemnification and Community Revitalization Commission, grant recipients are limited to communities located in the Tobacco Commission's service area. The program is designed to be statewide should additional funding sources be made available in the future.



Governor McDonnell Announces Southern Finishing Company to Consolidate Eastern U.S. Operations in Martinsville

– Company's Decision Creates 67 New Jobs, Saves 137 Additional Jobs, Features \$1.7 million Investment in City – Will Move Manufacturing and Distribution Operations to Martinsville as part of Consolidation

NOVEMBER 30, 2010 - RICHMOND - Governor Bob McDonnell announced today that Southern Finishing Company, Inc., a manufacturer of prefinished components for the cabinet industry will invest \$1.7 million to consolidate its eastern U.S. operations to the City of Martinsville. The project is a result of the consolidation of the company's North Carolina and Virginia operations as a means of achieving greater efficiency, economies of scale and improving logistics in an effort to reduce costs. The consolidation to Martinsville includes the company's manufacturing and distribution operations that are currently located in North Carolina. The company will occupy the former Hooker Manufacturing building, located across the street from Southern Finishing's existing Martinsville location. The project will save 137 jobs and create 67 new jobs. Speaking about today's announcement, Governor McDonnell said, "Southern Virginia has a rich history in the furniture industry, and Southern Finishing Company has thrived in Martinsville. The fact that a former furniture manufacturing facility was available and equipped to meet the company's needs ensured Martinsville as Southern Finishing's pick for the consolidation of its eastern U.S. operations. This consolidation will mean the retention of 137 jobs in Martinsville, and the creation of 67 new ones. Today's announcement is a Southern Virginia success story."

"The retention and expansion of Southern Finishing Company in Martinsville is significant," said Jim Cheng, Virginia Secretary of Commerce and Trade. "Southern Finishing is able to benefit from the region's history of success in the furniture sector, and I am confident in the trained labor pool available to fill the new jobs."

Southern Finishing Company was founded in 1978 and has more than 240 employees. The privately-owned company specializes in prefinished wood moldings (manufacturing 35 million linear feet per year), accessories, panels, doors, kitchen and bath cabinet components, and bedrails. They offer industry-leading turn-around times and excel in meeting exacting customer specifications for color match and quality. Key partners include American Woodmark, Marsh Furniture, Armstrong Cabinets, Thomasville Furniture, Empire Today, Yorktown, Masco Builders Cabinet Group, Salamander, Hooker Furniture and PlyGem.

"Southern Finishing has a 32 year history in the wood industry in Virginia, so this is a logical step for us," said Ed Brown, President & CEO, Southern Finishing Company. "Many of our customers and suppliers have facilities in Virginia. We currently have a manufacturing facility here. This background, the availability of affordable space and a labor force with wood industry experience in the area make this an ideal site for Southern Finishing. This move will allow us to consolidate our manufacturing base, reduce overhead, save existing manufacturing jobs and concentrate on future growth. We appreciate the opportunity that the state of Virginia, the City of Martinsville and Henry County is affording us."

The Virginia Economic Development Partnership worked with the City of Martinsville and the Martinsville-Henry County Economic Development Corporation to secure the project for Virginia. Governor McDonnell approved a \$135,000 grant from the Governor's Opportunity Fund to assist Martinsville with the project. The Virginia Tobacco Indemnification and Community Revitalization Commission approved \$380,000 in Tobacco Region Opportunity Funds for the 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. 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.

"On behalf of the Virginia Tobacco Commission we congratulate the City of Martinsville on a great win," said Terry Kilgore, Chairman, 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."

"Today's announcement is wonderful for the citizens of Martinsville-Henry County," said Mayor Kim Adkins. "The retention of 137 jobs with an addition of 67 new jobs and a capital investment of \$1.7 million is great news. It is extremely rewarding when an existing industry has the confidence in your community to expand their operations. This announcement is a testament to the hard, loyal workers living in our community."



Governor McDonnell Announces 80 New Jobs in Franklin County

– Solution Matrix to Move Headquarters and Manufacturing Operation from Pennsylvania to Virginia –

DECEMBER 8, 2010 -- RICHMOND - Governor Bob McDonnell announced today that Solution Matrix, Inc. (SMI), a leader in cold-therapy products for the health care industry, will invest \$2.25 million to relocate its headquarters and manufacturing operations from Pennsylvania to Franklin County. The company will construct a 25,000-square-foot facility in the Franklin County Commerce Center, creating 80 new jobs within three years.

"Solution Matrix is a great addition to the corporate partners located in the Franklin County Commerce Center," said Governor McDonnell. "After a competitive search the company determined that Franklin County offered the right business climate and access to its target market. I am pleased that the company will offer 80 new jobs that pay above the average prevailing wage for the locality."

"The Commonwealth is fortunate to gain another health science company's headquarters and manufacturing operations," said Jim Cheng, Virginia Secretary of Commerce and Trade. "SMI's products are instrumental in the recovery and progress of orthopedic patients, and will soon be reaching patients in Franklin County."

SMI is a women-owned, veteran-operated manufacturer of the highest quality cold therapy products for the orthopedic community. Recognized as the "Gold Standard" for patient rehabilitation in treating post-surgical procedures and acute injuries, the company's long-lasting, 3.5-hour Gel Bag Compression Bandage Wrap System is designed specifically for hospital total joint and sports medicine centers.

"This decision is critical to the future of our company, and our analysis proved that Franklin County, Virginia is the right partner to help us meet our growth goals," said Keith Marshall, President and CEO of Solution Matrix.

The Virginia Economic Development Partnership worked with Franklin County and the Roanoke Regional Partnership to secure the project for Virginia. The Virginia Indemnification and Community Revitalization Commission approved \$150,000 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.

"Solution Matrix is a growing business and market leader," said Charles Wagner, Chairman of the Franklin County Board of Supervisors. "It is the kind of state-of-the-art company we seek to attract to Franklin County, and our community is pleased to welcome another health science company to the Commerce Center."

"I am honored to be a part of the Tobacco Commission," said David Cundiff, a member of the Virginia Tobacco Indemnification and Community Revitalization Commission. "As an organization that strives to bring jobs and revitalization to the areas of the state that are declining and deserving of these monies, it is gratifying to help win companies such as Solution Matrix."

In other economic development news in Southern Virginia:

- Danville and Pittsylvania County announced that United States Green Energy Corp., a solar building products company, will move its headquarters and operations to an industrial park just east of Danville. The company plans to invest \$30 million and create 372 jobs within three years. The Virginia Tobacco Commission provided a \$1.6 million grant for this deal.



2010 MBC Staff Additions

MBC added a number of talented staff members in 2010 to deal with new projects and Member services. There are numerous compliance, reporting and procurement requirements that accompany our grant awards. The MBC staff has been doing a terrific job making sure that our internal management processes comply with the grant requirements and provide the most benefit for each dollar invested in the new fiber backbone builds.

Our new 2010 staff members are:

Doug Herrin, Senior Project Manager

Doug came to MBC with 37 years of telecommunications experience in outside plant engineering, network design, repair and maintenance, customer service, budgeting and cost control, contract administration, planning, and project management. He is responsible for overseeing the day-to-day operational and tactical aspects of extensive and complex fiber-optic network projects.

Greg Lytz, CPA, CMA, Controller

As the MBC Controller, Greg directs the finance, accounting, tax, control and financial reporting functions for MBC. His responsibilities include ensuring appropriate, cost effective management policies and procedures are in place that control operations, protect corporate assets, meet corporate goals and provide accurate and timely reporting to MBC Management and the Board. Greg came to us with a background in public accounting, consulting, and VP and CFO roles in large and small organizations.

Stephanie Neal, Director of Human Resources

Stephanie came to MBC with a diverse background in human resources management. She previously served as Director of Human Resources for Virginia Baptist Homes; a large, multi-location, health care organization. For the past eleven years, as a consultant with SESCO Management Consultants, she delivered high-level human resources solutions to small and large organizations. Her professional experience comes from a number of industries, including telecom and utility related services. Stephanie's expertise includes organizational development, training and instructional design, HR governance and compliance, compensation development and administration and policy and practice development.

Liz Trickey, Project Manager I

Liz is a recent graduate from Virginia Polytechnic Institute & State University, where she received her BS in Marketing Management. Liz served her internship with MBC in 2009, where she was instrumental in the preparation of the application for the NTIA federal grant that was awarded to MBC in 2010. She is responsible for providing a range of technical and administrative day-to-day support to the Senior Project Manager and the project team in the implementation and coordination of various fiber-optic network projects.

The two NTIA grants require a lot of expertise in the field. MBC has been fortunate to hire two well-qualified Inspectors:

Don Kendrick and Billy Call - Quality Assurance Inspectors for the MBC NTIA Grant Projects

Billy possesses over forty years of experience in the telecommunications industry. His expertise in communications systems installation and repair as well as construction supervision make him an ideal inspector to oversee the installation of MBC's new fiber optic lines under the NTIA federal grants. Don, with his forty years in the field, has ample experience in outside plant (OSP) and network engineering, where he is very skilled in producing work plans for the construction and installation of phone lines, poles, and fiber optic cable. Both Don and Billy will be responsible for the development and oversight of quality assurance measures associated with our NTIA federal grants. They will also be providing technical guidance in the interpretation and implementation of project specifications to selected contractors.



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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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