

Connecting the Heartland

broadband helps rural Missouri thrive in a 21st century economy

By Richard Telthorst

PROVIDERS ARE WORKING TO OVERCOME CHALLENGES TO MAKE RURAL BROADBAND SERVICES AVAILABLE AND AFFORDABLE.

Chances are your grandfather would have a hard time recognizing the sophisticated agricultural operation you run today. But he would understand the common challenge you both have faced – how to use the resources you have to get the best return on them from the field and at market.


The rural telecommunications industry faces the same challenge. Getting the most “bang for the buck” from our available resources determines how and where our network gets built and extended. While virtually every “anchor institution” (schools, hospitals, government offices and financial facilities) has high-speed broadband available, it is no secret that many areas of rural Missouri are sparsely populated.

Fewer customers mean lower returns on the investments we make in fiber, hardware, equipment, manpower, engineering and the like. The average residential density for telecom providers serving rural America is about seven customers per mile, but network deployment costs remain much the same regardless of the size of the potential customer base. Of course, not all potential customers will purchase broadband service. Some may not be able to afford the cost, while others don't see the value.

Uncertainties in a federal program designed to support voice service in rural America is also impacting broadband providers in Missouri. The federal Universal Service Fund reimburses rural telecom companies that provide voice service in certain defined “high cost” areas. The program is now in flux, with federal regulators trying to revise the program to support “stand alone” broadband service. Getting this important federal program refocused on meeting today's demand for broadband in rural America will go a long way in connecting Missouri's heartland.

Despite the challenge, Missouri's telecommunications providers are deploying and upgrading high-speed broadband networks all across Missouri. Here are some of our ‘pride points’ from around the state:

- GRM Networks, a telecommunications cooperative serving northwest Missouri, upgraded more than 900 rural customers with high-speed fiber connections in the last two years. By the end of this year, GRM will bring high-speed connections to an additional 1,300 homes, allowing video streaming and other advanced services.
- NEMR Telecom, serving customers in northeast Missouri, has steadily worked toward a fiber-to-the-home network for all of its 1,400 square mile service area. More than 60 percent of their customers now have the high-speed broadband service, and engineering is completed to extend the network.
- Granby Telephone Company, a family-owned provider serving communities in southwest Missouri since 1904, plans to complete its fiber-to-the-home project to all its service area next year.
- CenturyLink, a major telecommunications provider serving rural Missouri, has accepted \$446 million from the federal Connect America Fund to bring broadband service to nearly 160,000 unserved Missouri households in high-cost areas over the next six years.

Missouri's telecommunications providers are working every day to improve the broadband networks needed to connect rural Missouri to the world. Our investment will help ag communities across the state thrive in the 21st century economy. 



Richard Telthorst is president and CEO of the Missouri Telecommunications Industry Association.