AWARD NUMBER: 21-43-B10546 DATE: 02/10/2011

| ANNUAL PERFORMANCE PROGRESS REPORT FOR SUSTAINABLE BROADBAND ADOPTION | | | | | | |
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| General Information | | | | | | |
| 1. Federal Agency and Organizational Element to Which Report is Submitted Department of Commerce, National Telecommunications and Information Administration | 2. Award Identification Number 21-43-B10546 | | →r | 3. DUNS Number 086130007 | | |
| 4. Recipient Organization | - | | | <u>.</u> | | |
| Connected Nation, Inc. 1020 College St, Bowling | 3 Green, KY 4210 | 12137 | | | | |
| 5. Current Reporting Period End Date (MM/DD/YYYY) | | 6. Is this th | 6. Is this the last Annual Report of the Award Period? | | | |
| 12-31-2010 | | ◯ Yes ● No | | | | |
| 7. Certification: I certify to the best of my knowledg purposes set forth in the award documents. | e and belief that th | nis report is c | orrect and com | plete for performance of activities for the | | |
| 7a. Typed or Printed Name and Title of Certifying O | 7 | 7c. Telephone (area code, number and extension) | | | | |
| Bernie Bogle | | | | | | |
| | | 7 | d. Email Addre | ?SS | | |
| | | | bbogle@conne | ectednation.org | | |
| 7b. Signature of Certifying Official | | 7 | 7e. Date Report Submitted (MM/DD/YYYY): | | | |
| Submitted Electronically | | 02-10-2011 | | | | |
| | | | | | | |

RECIPIENT NAME:Connected Nation, Inc.

AWARD NUMBER: 21-43-B10546 EXPIRATION DATE: 12/31/2013 DATE: 02/10/2011 **PROJECT INDICATORS** 1. Does your Sustainable Broadband Adoption (SBA) project foster a particular broadband technology or technologies? If so, please describe this technology (or technologies) (600 words or less). No, Connected Nation's Sustainable Broadband Adoption project does not foster a particular broadband technology. Rather it focuses on encouraging adoption of any form or variation of broadband technologies, including but not limited to, DSL, Cable, Wireless, Mobile, and Satellite. 2a. Please list all of the broadband equipment and/or supplies you have purchased during the most recent calendar year using BTOP grant funds or other (matching) funds, including any customer premises equipment or end-user devices. If additional space is needed, please attach a list of equipment and/or supplies. Please also describe how the equipment and supplies have been deployed (100 words or less). Unit Cost Number of Manufacturer Item per Item Units Narrative description of how the equipment and supplies were deployed N/A NA 0 0 N/A 0 0 Totals Add Equipment **Remove Equipment** 2b. To the extent you distribute equipment/supplies to beneficiaries of your project, please describe the equipment/supplies you distribute, the guantities distributed, and the specific populations to whom the equipment/supplies are distributed (600 words or less). No equipment will be distributed through this project. 3. For SBA access and training provided with BTOP grant funds, please provide the information below. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the most recent calendar year. For each type of training (other than open access), please count only the participants who <u>completed</u> the course. Number of People Types of Access or Training Number of People Targeted Participating **Total Training Hours Offered** 0 0 0 **Open Lab Access** 0 0 0 Multimedia 0 0 0 **Office Skills** 0 0 0 ESL

| 0 | 0 | 0 |
|--------|-----------------------|-----------------------------|
| 0 | 0 | 0 |
| 20,644 | 27 | 306 |
| 0 | 0 | 0 |
| 0 | 0 | 0 |
| 20,644 | 27 | 306 |
| | 0 20,644 0 0 | 0 0 20,644 27 0 0 0 0 |

4. Please describe key economic and social successes of your project during the past year, and why you believe the project is successful thus far (600 words or less).

Infrastructure has been developed to ensure a successful foundation for training in 2011 and 2012, including a SharePoint system and self-paced curriculum portal. Contracting with sub-recipients and stakeholders has been a key focus. Public Service Announcements are produced and ready for wider distribution. A call center was designed and is now up and running to guide participants to their local facilities. Curriculum is accessible and has been approved for all facilities. Instructors have been certified. A Compliance Coordinator has been hired as well as an Outreach & Awareness Specialist and other various staff assigned to the program. A train-the-trainer and an Operations Manual have been developed and distributed to all sub-recipients. Other infrastructure, such as a facility locator, and accompanying maps are deployed as well. Surveys to measure success are developed and ready. Regional meetings have taken place to ensure that all questions are answered by sub-recipients in advance of their training rollouts.

5. Please estimate the level of broadband adoption in the community(ies) and/or area(s) your project serves, explain your methodology for estimating the level of broadband adoption, and explain changes in the broadband adoption level, if any, since the project began.

| 5a. Adoption Level (%): | Narrative description of level, methodology, and change from the level at project inception (600 words or less). |
|-------------------------|---|
| 66 | At project inception, Ohio's adoption level is 66% of households. This number was derived from primary research conducted by Connect Ohio in 2010, through random surveys to more than 2,000 households. This is a baseline figure, which will be used to calculate change over the program's duration. |

6. Please describe the two most common barriers to broadband adoption that you have experienced this year in connection with your project. What steps did you take to address them (600 words or less)?

The primary barrier to adoption in Ohio is the perceived lack of need. Statewide, 67% of non-adopters cite this as their main reason for not subscribing. Second to that is the lack of affordable broadband service. 29% of non-adopters cite this as their main reason for not subscribing. By producing a large awareness campaign as part of the program, the first barrier is directly addressed. The training aims to identify value for each participant so that they will see a broadband investment as invaluable and more affordable based on its merits.

7. To the extent that you have made any subcontracts or sub grants, please provide the number of subcontracts or sub grants that have been made to socially and economically disadvantaged small business (SDB) concerns as defined by section 8(a) of the Small Business Act, 15 U.S.C. 647, as modified by NTIA's adoption of an alternative small business size standard for use in BTOP. Please also provide the names of these SDB entities. (150 words or less) N/A

8. Please describe any best practices / lessons learned that can be shared with other similar BTOP projects (900 words or less).

Preparation - We were able to start smoothly with initial training classes as a result of a concentrated period of preparation. Creating an Operations Manual and the infrastructure necessary to communicate, report, and inform sub-recipients has been a valuable investment. Holding individual, regional, and statewide forums to engage, inform, gather questions, and create practices that work best for those who will be implementing them across the state has been a good investment as well.

Public Service Announcements (PSA) were created with just a portion of the allocated funds, in order to measure and adjust the messaging and delivery for the program in the second round of production. Creating surveys for participants will ensure that we capture and can validate program metrics, but also gives us an early feedback loop from participants, to gage our quality and the value of the curriculum and its delivery.

By segmenting the state into regions, we are able to build a slate of best practices going forward, as well as to communicate more frequently with the sub-recipients.

Press releases are valuable awareness devices. We noticed significant increases in registrations in local areas just after we released news specific to an area, such as the local class schedule, the topics, and the local access numbers. These work in conjunction with the statewide PSA campaign and are being released periodically as news from each particular community is relevant.