Executive Summary

This Broadband Assessment was authorized by the St. Mary's County Board of Commissioners to evaluate options for improving the regional broadband infrastructure. It combines publicly available information with results from the St. Mary's County Household Broadband Survey, which received almost 2,600 responses, the Employer Broadband Survey, which included 99 local employers, and the Broadband Assessment RFP, which compiled pricing and availability data for 50 local employers.

These sources deliver a timely perspective on the strengths and weaknesses of the regional broadband infrastructure along with a roadmap for making improvements. Key findings are summarized below:

Conclusions about Supply

- The competitive environment in St. Mary's County is adequate but can be improved:
    - The local phone company has extensive facilities but is disengaged from the retail market.
    - The two local cable companies are well-established and dominate the market.
    - Competitive telecom companies are poised to gain market share w/owned & shared assets.
    - Cellular service is mixed with decent coverage overall but with notable dead-cell-zones.
    - Other wireless providers, especially satellite, have a greater than typical share of market.

- County-wide service availability is near-ubiquitous, but the gaps are loudly noted:
    - The wholesale market has adequate fiber available to service existing requirements.
    - Enterprise services are available from multiple providers almost everywhere.
    - Small business access is okay with notable deficiencies in certain areas.
    - Residential coverage is better than people appreciate, but some places lack viable options.

- There is a broad divide between perception and reality when it comes to broadband pricing:
    - The cost for enterprise service is reasonable, and most big businesses agree.
    - The cost for small business access is reasonable, but most businesses disagree.
    - The cost for household broadband is reasonable, but residents strongly disagree.

Conclusions about Demand

- The demand for broadband can be stimulated by policy changes at all levels:
    - Enterprise demand is non-local and does not impact local demand or infrastructures.
    - Small business demand can be improved through purchasing of upgraded services.
    - Residential demand can be encouraged with organized efforts to improve access.

- Some sectors of the economy are not doing their part to address the local broadband problem:
    - Government and healthcare users are underinvested in broadband access.
    - Education users do not use their considerable purchasing power to help local users.
    - Healthcare users are not optimizing high-speed telecommunications services.
    - Business demand is strong but limited by the relatively small size of most local companies.

- o   Non-profit organizations are just buying what they can afford.

- Unusual dynamics are upending demand and presenting unique challenges and opportunities:
    - o   The move to at-home work and learning has been extremely disruptive for many residents.
    - o   Demographics are less important than attitudes for trends in broadband demand.
    - o   For thousands of St. Mary's households, broadband is now a critical, essential service.

Recommendations

Based on what is known about broadband supply and demand in St. Mary's County, Dellicker recommends ten practical and achievable action items that can be implemented within a reasonable time. If implemented, these recommendations will help local employers and households purchase more bandwidth, at higher quality, for a lower price.

1. **Distribute RFP results to local employers.** Right now, St. Mary's County employers can purchase affordable ultra-high-speed access from various providers with no new infrastructure required.

2. **Extend residential and small business cabling initiatives.** St. Mary's County should keep using DHCD grants and other supplemental funding sources to expand the existing cable plant to new neighborhoods and households.

3. **Evaluate the cellular tower make-ready proposal from TCG.** The proposal appears sound, its financials are reasonable, and its solutions are creative.

4. **Assist Talkie Fiber with its deployment.** County leadership should meet with Talkie Fiber to optimize the impact of the FCC grant, accelerate deployment, and find ways to leverage the results.

5. **Help municipalities and non-profits improve their connectivity.** The county should continue sharing its considerable broadband deployment and applications experience with other local organizations.

6. **Approach enterprise users about local telecom aggregation.** Getting these organizations to work together on a competitive procurement might improve their own access while helping the rest of the county too.

7. **Seek additional Covid-19 discounts from local telecom providers.** County leaders should meet with the local cable provider to discuss options for improving temporary Covid-19 related programming.

8. **Expand the County work/learn from home relief initiative.** St. Mary's County can improve and expand its current broadband programming to focus on urgent household and employer needs.

9. **Keep engaging the community.** We encourage the County to continue its outreach with its citizens to share ideas and solutions and optimize the broadband initiatives the county supports.

10. **Keep marketing your broadband programs.** St. Mary's County should continue telling its constituents what it is doing to improve the broadband infrastructure throughout the county.

Contact Dellicker Strategies with questions about the report. E: info@dellicker.com Ph: 484-788-1221