



New Report Shows Broadband is Crucial to Business Revenue, Potential Job Creation

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Survey of Iowa businesses establishes link between high-speed Internet use and bottom line

Des Moines, IA — A new report by Connect Iowa shows businesses with a broadband connection are likely to generate more revenue and jobs. State businesses with high-speed Internet connections report having median annual revenues \$300,000 more than businesses without broadband.

“In today’s global economy, it is important to have the resources and technology needed to have a competitive advantage. Quality high-speed Internet service is not only an integral component in any business but it also spurs job creation and innovation,” said Iowa Governor Terry E. Branstad.

The new survey is the first of its kind and takes an in-depth look at all sectors of the state’s economy. A new interactive application is now available on the [Connect Iowa website](#) that allows you to see the impact on specific sectors of the state’s economy, from healthcare and manufacturing, to tourism and education.

“Access to broadband Internet is key to economic development,” said Iowa Department of Economic Development Director Debi Durham. “Providing existing businesses and new investment to the state with a robust Internet infrastructure will be critical to their success and the overall economic climate of Iowa.”

Connect Iowa is a statewide public-private partnership working on broadband expansion. The new [Business Technology Assessment](#) reveals how technology is being used by businesses and where gaps still remain across the state. The assessment is designed to measure technology adoption and the awareness of

available broadband service among state businesses, and establish benchmarks for these metrics.

“In the digital economy, businesses must embrace broadband, and other transformative technologies like it, in order to survive,” said Brian Mefford, CEO of Connected Nation, Connect Iowa’s parent organization. “The Internet is driving products and services to the marketplace in an environment where creativity and innovation are both reinforced and rewarded.”

Findings from this survey illustrate a significant correlation between high-speed Internet adoption and a business’s bottom line. Specific examples include:

- Businesses with high-speed Internet connections report having median annual revenues \$300,000 more than businesses without broadband.
- More than one-half (52%) of Iowa businesses (approximately 43,000) have a website. Median annual revenues among businesses that use broadband and have a website are double the state average.
- Broadband can enable job creation and enhance quality of life. Eighteen percent of state businesses let employees telework.

Other key highlights:

- Nearly three-fourths of Iowa businesses (72%, or approximately 60,000) subscribe to broadband.
- Twelve percent of broadband-connected businesses say they need more bandwidth.
- The median monthly cost that Iowa businesses pay for broadband is \$62.
- The average download speed among broadband-connected Iowa businesses is 7.2 Mbps (though, only 40% of broadband-connected businesses knew their advertised download speed).

Increasing broadband capacity among businesses is just one area that Connect Iowa is focused on. Across the state, the initiative is collaborating with local partners to increase broadband accessibility and use in vulnerable areas.

Connect Iowa is partnering with the Iowa Department of Economic Development (IDED). The initiative has already created the first [broadband inventory maps](#) and continues to engage in research in order to better understand broadband adoption across the state. The project is focused on gathering accurate and reliable data on the broadband market to aid in planning, the creation and

facilitation of regional technology planning teams, and the establishment of computer ownership and Internet access programs.

The program is funded by the National Telecommunications and Information Administration (NTIA) under the State Broadband Data and Development (SBDD) grant program. Connect Iowa's broadband mapping efforts are reflected in the [national broadband map](#).

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Related Links:

Press Release: [Groundbreaking New National Broadband Map Features Connect Iowa Contribution](#)

Press Release: [Iowa Gets \\$3.5 Million to Improve Statewide High-Speed Internet Service and Use](#)

Press Release: [Iowa Announces Major Step Forward in Iowa's High-Speed Internet Expansion Effort](#)

Press Release: [Iowa Unveils Detailed Assessment of State Broadband Market](#)

About Connect Iowa: Connect Iowa is a subsidiary of Connected Nation and operates as a nonprofit in the state of Iowa. The Iowa Department of Economic Development (IDED) is leading the initiative to increase broadband Internet access throughout rural Iowa. Connect Iowa was commissioned by the state to work with all broadband providers in the state of Iowa to create detailed maps of broadband coverage in order to accurately pinpoint remaining gaps in broadband availability in Iowa. This work will support developing a statewide plan for the deployment and adoption of broadband in the state. For more information visit: www.connectiowa.org.

About Connected Nation: Connected Nation is the broadband mapping agent in twelve states and territories under the NTIA's State Broadband Data and Development grant program. This work comprises approximately 42 percent of the country's landmass and encompasses approximately 39.5 million households. Connected Nation is a national nonprofit 501(c)(3) organization that expands access to and use of broadband Internet and the related technologies that are enabled when individuals and communities have the opportunity and desire to connect. Connected Nation effectively raises the awareness of the value of broadband and related technologies by developing coalitions of influencers and enablers for improving technology availability and use. Connected Nation works with consumers, community leaders, states, technology providers and foundations, including the Bill & Melinda Gates Foundation, to develop and implement technology expansion programs with core competencies centered around a mission to improve digital inclusion for people and places previously underserved or overlooked. www.connectednation.org.