



Making the Most of Broadband: Think Small

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Three Lakes, Wisconsin, generated competition to get affordable broadband and now is maximizing its economic impact by drawing small businesses to town.

[By Craig Settles](#)



Peggy Bennett/Three Lakes School District Students in Mrs. Jacobsen's 4th grade write business letters to civic leaders in small towns throughout Wisconsin asking questions about local government via email. Three Lakes, WI, now has a strong broadband infrastructure and is making the most of technology to drive learning and the town's economy. The school's laptops have been in place since the fall 2010.

For some communities, the best path to broadband's economic benefits may be, rather than the art of grant writing, a more effective use of the art of persuasion. And the genius of thinking small.

The town of Three Lakes in northern Wisconsin relied on its powers of tech-persuasion twice: first to convince broadband companies to set up shop there, and a second time in using its broadband capacity to attract residents who would boost the local economy. It wasn't easy, but the community is already reaping rewards for both efforts.

On a mission for economic development

In 2006 Oneida County informed all of its towns, including Three Lakes, that they needed to create a 20-year comprehensive community improvement plan. The Three Lakes Town Board of Supervisors subsequently

appointed an economic planning committee, and early on that group determined that to maximize economic outcomes, broadband would have to be part of the strategy.

Three Lakes has about 2,200 full-time residents (10,000 at the height of summer tourist season). Until ten years ago, dial-up Internet was the best residents could get, and even some of that coverage was spotty. Verizon came to town in 2001 with 3.1 Mbps service, but only served areas where the population was dense; in other words, relatively few citizens benefitted from Verizon's arrival. It wouldn't be until 2010 that broadband competitors came to Three Lakes.



Some communities think big when they consider using the high-speed Internet to generate economic outcomes. For example, they try to entice large companies into the area, looking to emulate the success of mid-sized cities such as Lafayette, Louisiana, and Chattanooga, Tennessee, that respectively attracted a large call center and Amazon. Three Lakes, however, thought small.

Town Chairman Don Sidlowski states, “We decided the best strategy to boost our economy was to use broadband to turn home offices into global operations.” He believes that many broadband policymakers live in large metropolitan areas and that from perspective they assume the outcome of broadband efforts should be hundreds of new jobs. For a town his size, however, a business bringing three or four new jobs into the community is a big deal economically.

Research supported Sidlowski's assumptions. The town's seasonal population included a fair number of executives with annual salaries in the \$100,000 range. The committee calculated that one such individual's moving to Three Lakes and spending money all year would be significant.

“Every dollar they spend might exchange hands in town eight or nine times,” Sidlowski says. Furthermore, a high-level executive or department director could decide to set up a small satellite operation and hire several local people as support staff. “So we set a goal of getting five-to-ten such individuals to move here and telecommute.” This increase of satellites drives Three Lakes' strategy: to attract or grow locally several service businesses, which over the long term will lead to a strong local economy.

Clearing the broadband hurdle

The planning committee realized fairly soon that the only way to attract the kind of individuals they wanted was to have better and more widely deployed broadband. Executives would demand this so that they could effectively telecommute, provide for their children's education and make it easy for their spouses or partners to telecommute or start home-based businesses. By the end 2009, though, they were having little luck trying to convince service providers to bring service to the area. Providers felt Three Lakes was just too small.

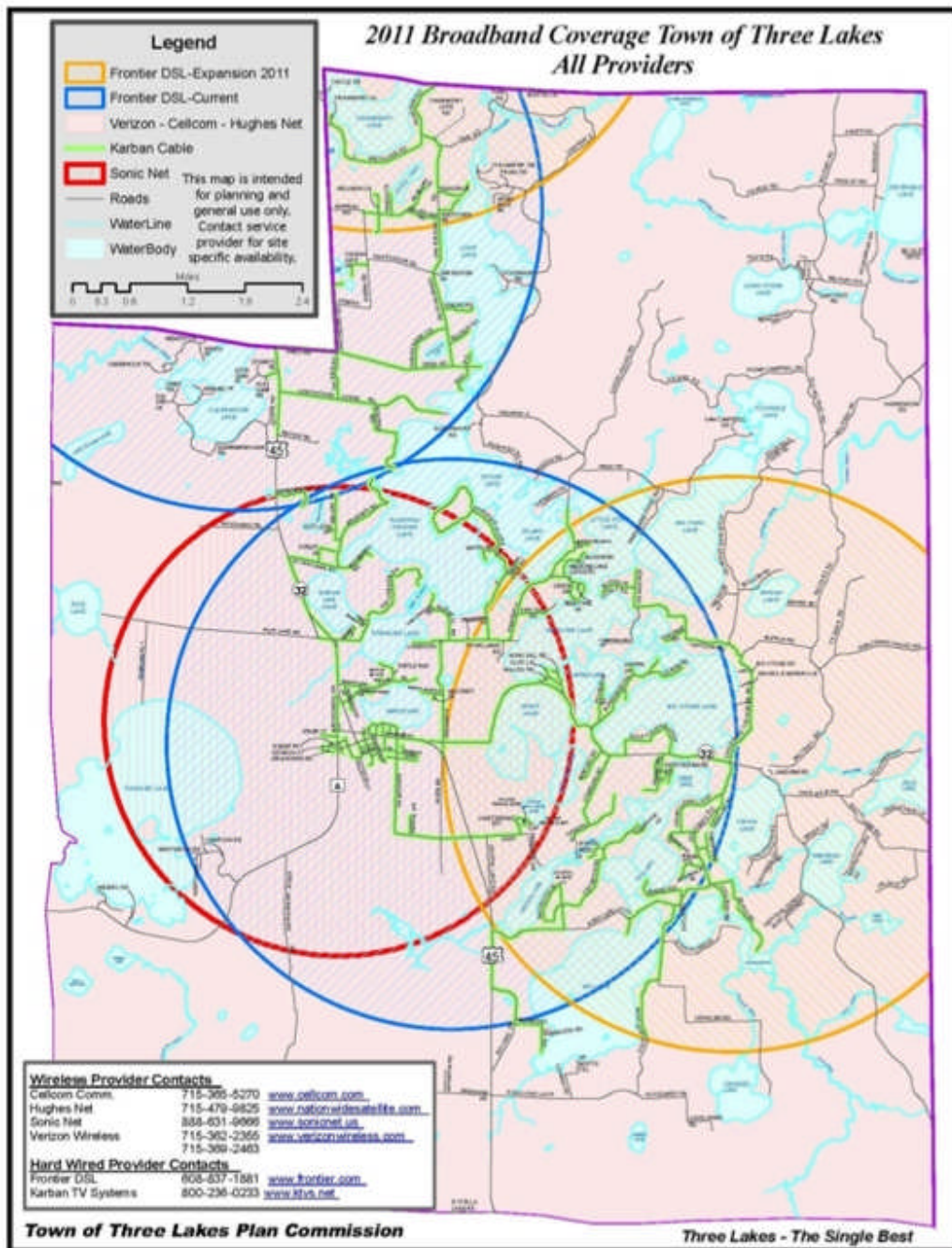


Mike Kwaterski Three Lakes has held Informational Technology Fairs both to inform residents about tech opportunities and to attract Internet providers to the area. This fair took place in July 2011.

Town fairs are a staple of small town life. So in 2010, Three Lakes put on a fair just to bring constituents together with the service providers based in their part of Wisconsin. The town made the case that, “Yeah, we’re small, but our corner stores, bakeries and doctors have business communication needs that aren’t massive but they are significant,” states Sidlowski. “Small or large, we’ll make it worth your while to come to Three Lakes.” Some 200 people attended the fair. And they were very, very persuasive.

Providers who showed up skeptical left the event thinking that maybe there was a valuable market here after all. Sidlowsky met with the broadband company reps one-on-one and laid out the numbers that had made him a believer.

Cellcom, the largest locally-owned and operated wireless communications services provider in Wisconsin, jumped on board. First they introduced 3G service, and now they’re rolling out 4G. Nearby cable service provider Karban TV Systems committed next with broadband services. The response was so great that they quickly had to hire customer support staff and technicians. “For big companies, our market represents an incremental increase,” comments Sidlowski, “But for local companies, getting just 50 new customers is huge and it sustains them.”



[Three Lakes Town Office](#)

Three Lakes mustered competition for its IT customers. Between 2008 and 2011, the number of local broadband providers increased from 2 to 6. All residents of the area now have options.

Today 88% of Three Lakes' residents within the town's 99 square miles receive service from one of the five wireline and wireless providers. 12 Mbps is currently the top speed and most residents and businesses consistently receive this speed. Prices for all subscribers, individuals and businesses, range from \$29/month for 1.2 Mbps to \$69 for 12.1Mbps. Individuals and businesses are offered the same service packages.

Ironically, Three Lakes broadband availability is a key element of the town's marketing messages to persuade executives and small business owners to move there, but the marketing messages themselves are very low tech. Billboards on key points of Highway 45 leaving town ask "Why are you going back to the City when you can live here?" A radio campaign in Milwaukee drives people to the town's website. Print materials in town co-brand the school, [Three Lakes](#) and their economic development plan, with the theme "Come to play, maybe to stay."



Mike Kwaterski A

southbound billboard "tugs on the heartstrings" of Three Rivers' weekend vacationers and seasonal residents as they head home to the Fox Valley, Milwaukee and Chicagoland. The website address listed on the billboard provides information on the 10 top reasons to live in Three Lakes.

In the campaign's first year, executives are deciding to re-locate to Three Lakes and telecommute, following in the footsteps of insurance company executive Bob Werner who moved his family here. Other local businesses have increased sales through their use of the Internet. And a couple of new small businesses have move to town.

The main takeaway from [Three Lakes' story](#)? Sometimes the problem isn't that stakeholders fail to think big enough. It's that they have to start thinking small enough. For small towns, it often doesn't take a lot to make to make a big difference.

[Craig Settles](#) is an Internet-technology consultant in Oakland, California. He also hosts [Gigabit Nation](#), a radio talk show that deals with broadband and community development.