



General Policy Committee Meeting
August 11, 2016

What is GRUCom?

GRUCom is the Gainesville area's only all-fiber-optic network, with more than 500 miles of fiber in Alachua County

- Business to business provider for small businesses, up to large multi-location corporations
- Own and operate 13 cell towers
- Licensed CLEC in State of Florida
- Local Network Operations center assures customer connections are always supported and protected
- Our network is trusted by some of the most respected organizations in the area and is the backbone of all public safety communications in the county

How is GRUCom Different from the rest of GRU?

- GRUCom service is discretionary; no one is obligated to purchase GRUCom services
 - There are ~10 viable alternative competitors operating in Gainesville
- GRUCom operates within an open and competitive market
 - Direct competitors are Cox Communications and AT&T (f.k.a. Bellsouth)
- GRUCom rates are market-based and are negotiable
 - Pricing is quoted from a “standard” rate sheet but we will move based on competitive pressure
- GRUCom is a contract service with fixed pricing and term requirements
 - It is not a pay-as-you-go, consumption based service
- All sales and most customer service matters are handled directly by GRUCom staff
 - Two dedicated GRUCom Account Managers provide majority of customer account support
- Most billing and A/R matters are handled directly by GRUCom staff
 - Separate dunning process in SAP for all GRUCom accounts
- GRUCom maintains three unique marketing brand logos and web page domains
 - www.grucom.com
 - www.gator.net
 - www.gru.net

GRUCom's Standard Service Portfolio

- Data & Telecommunications Services
 - Carrier Access Services (Interexchange, Local Access & Cell Site Backhaul)
 - Commercial Data Transport Services (Private Line & Special Access Service)
 - Commercial Internet Access Services (Enterprise and Business Class)
 - Residential Internet Access Services (GatorNet Wholesale and GatorNet Retail)
 - Dial-Up Internet Access Service (GRUNet Internet)
 - Central Office Data Center Co-Location Services
- Communications Tower Leasing
- Trunked Radio Services (Public Safety Radio System)

What Makes GRUCom's Network Unique?

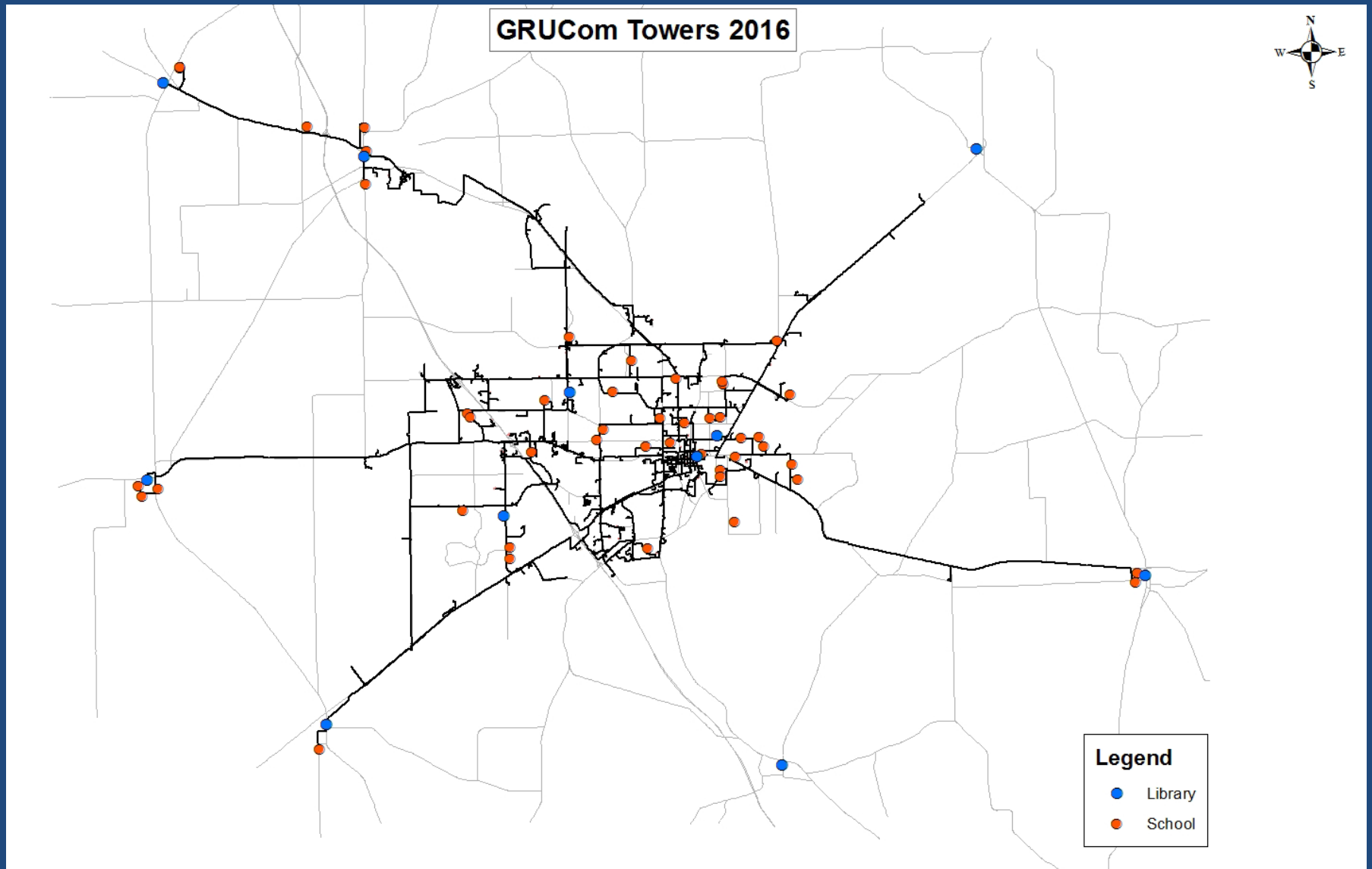
- All fiber network
- Design focus is on moving data
- Network design insures capacity and reliability through route diversity
- Route diverse Internet connectivity to Atlanta and Miami with multiple Internet providers
- Established peering arrangements with major content services (Netflix, Google, YouTube, Apple, Amazon)
- Strategic partnerships with National, regional and local transport providers expands service capability beyond the physical network

GRUCom Customers

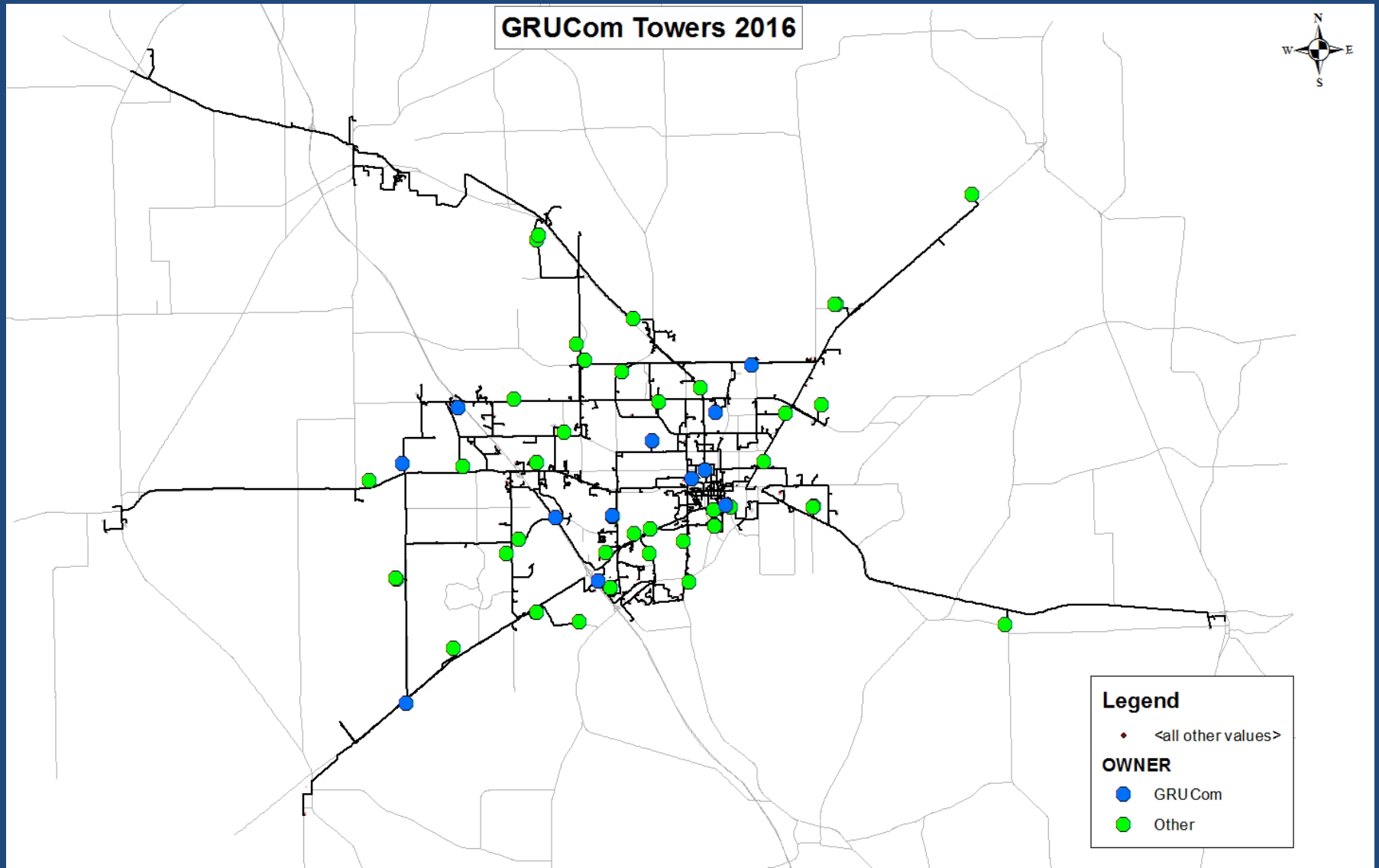
ALACHUA COUNTY
VERIZON WIRELESS
GRU OPERATIONS
AT&T MOBILITY
SPRINT
EARTHLINK
CITY OF GAINESVILLE (G.G.
ALACHUA COUNTY PUBLIC
SCHOOLS
T-MOBILE
CABANA BEACH

VA MEDICAL CENTER
GRU INFORMATION TECHNOLOGY
METROPCS
FLORIDA PHONE SYSTEMS
SHANDS TEACHING HOSPITAL AND
CLINICS INC
UNIVERSITY OF FLORIDA
NORTH CENTRAL FL HOSPICE INC
ACCELERATIONNET
TRIMARK
WEST 20 Student Housing

How & Where are Services Delivered?

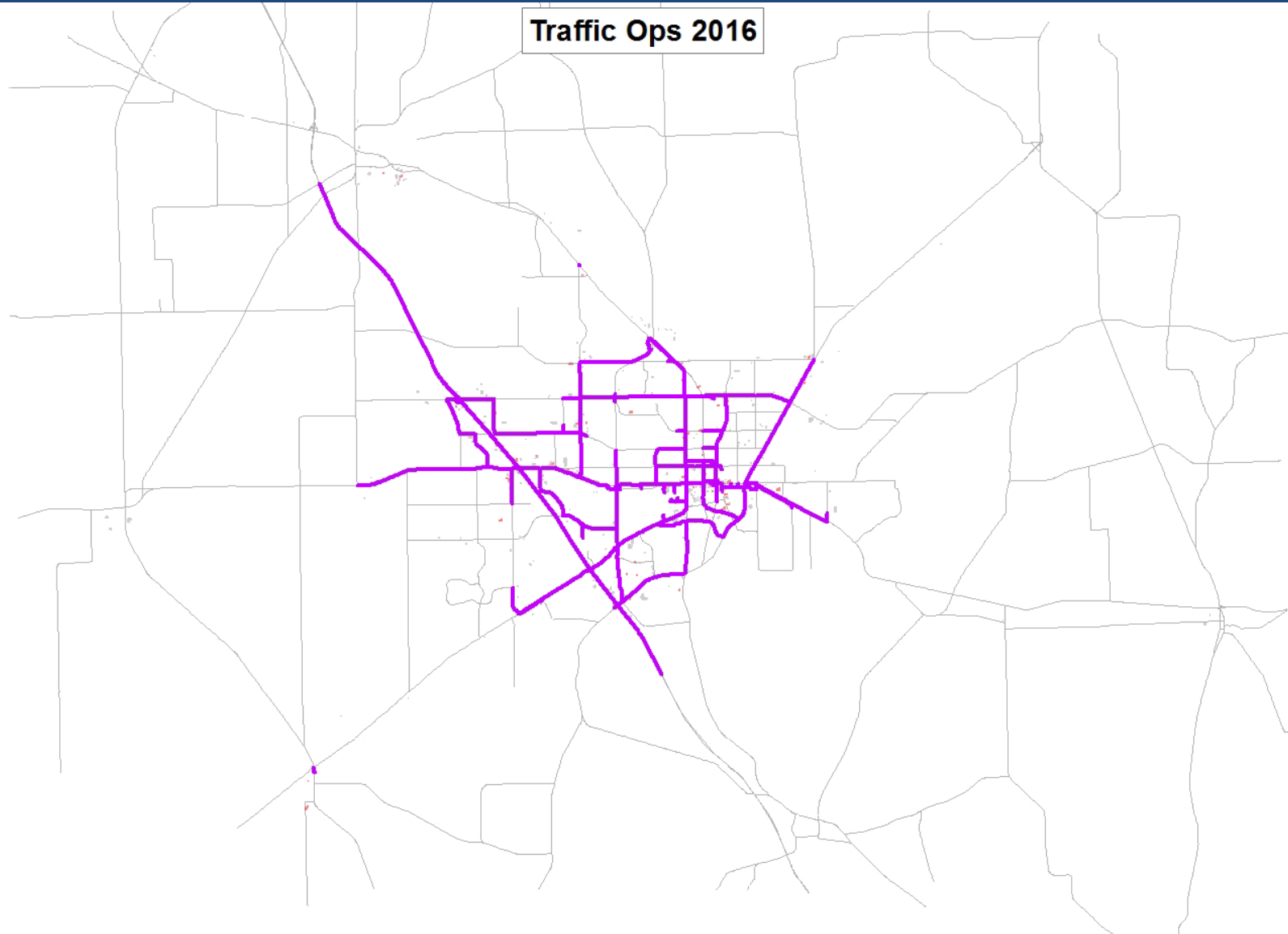


How & Where are Services Delivered?



Traffic Management Fiber

Traffic Ops 2016



GRUCom Revenues

<u>Revenue Item</u>	<u>Projected FY16</u>
Telecommunications	\$7,494,448
Public Safety Radio	\$1,736,265
Tower Lease Rental	\$1,752,138
Other Income	\$735,846
Total	\$11,718,697

Strategic Goals

- Revenue
 - Target new customers in expansion areas (SBAC)
 - Evaluate residential service options
 - Increase revenue from existing customers
 - Invest in proactive buildout of commercial zones
- Expenses
 - Identify/eliminate/reduce unnecessary direct/indirect expenses
 - Reduce capital budget and expenses
 - Restructure debt
- Business Development
 - Identify product bundling opportunities
 - Articulate value proposition (local, reliable, accessible, technologically superior, high-capacity)
 - Identify standards and process for on-net, near-net, and off net quoting

Questions from Commission...

- **Expand Connectivity**
 - 2009 study found that 99% have access to Broadband
 - Residential provider states speeds up to 150 mbps in service area
 - In many cases LTE service in the area exceeds 25 mbps
- **Lower Prices**
 - **CONNECT2Compete:**
 - for families participating in SNAP, TANF and the National School Lunch Program (\$9.95 for 5 mbps, no deposit required, contracts to sign, installation or modem rental fees)
 - for families living in HUD-assisted housing with school-age children (\$9.95 up to 10 Mbps, free WiFi, free installation)
 - **FCC Lifeline:**
 - discount on phone service for qualifying low-income consumers
 - 2016 Lifeline Modernization Order included broadband as a support service in the program
- **Increase Speeds**
 - GRUCom offers speeds up to 1 Gbps (since 2005), and can offer up to 10 Gbps
- **End the Digital Divide**
 - SBAC: GRUCom provides 10 Gbps enabled service to each school, scalable 20 Gbps
 - Alachua County Library District: GRUCom provides broadband service to every library branch throughout the county
 - GRUCom capability and sales drove 4G/LTE service implementation in Alachua county a year or more before similar sized markets

EVERY BUSINESS COUNTS SINCE YOUR BUSINESS IS ON THE LINE.



"In this business – speed counts."

Proctors, a Tennessee start-up that prints photos on glass, knew their unique technology and customer demand required substantial bandwidth. That's why they selected GRUCom for their internet services. "We needed the reliability that only an all-fiber network could deliver. The speed is tremendous and the customer service is second to none!"

—Alex Reardon, Co-Founder
—Alex Luskoff, Co-Founder
Proctors
www.proctors.com

GRUCom offers:

- ✓ The fastest all-fiber network in North Central Florida
- ✓ Local help desk and support
- ✓ Scalable solutions to fit YOUR business and budget

Call 352-334-3200 today for your free business consultation.



Internet access, Data transport, Secure collaboration.
352-334-3200 | www.grucom.com

EVERY BUSINESS COUNTS SINCE YOUR BUSINESS IS ON THE LINE.



"In our business, collaboration is crucial."

Charles Perry Partners, Inc. is one of Florida's leading general contractors, construction managers and design-builders, known for their expertise in project planning and modeling, budget estimating and cost management, project scheduling and construction. GRUCom's Internet, Data Transport and collaboration services help keep the CPM team in touch 24/7. "GRUCom ensured our employees—in the office, in the field and on the road—can access our mission-critical information whenever they need it. With it, we are always connected."

GRUCom offers:

- ✓ The fastest all-fiber network in North Central Florida
- ✓ Local help desk and support
- ✓ Scalable solutions to fit YOUR business and budget

Call 352-334-3200 today for your free business consultation.

"GRUCom has helped us improve our productivity and collaboration, so we can continue to offer our clients the impressive array of services they expect from CPM."

—Brad Ricketts, IT Manager and
—Alex Biles, Senior Project Manager
Charles Perry Partners, Inc.



Internet access, Data transport, Secure collaboration.
352-334-3200 | www.grucom.com

EVERY BUSINESS COUNTS SINCE YOUR BUSINESS IS ON THE LINE.



"You get a great value with GRUCom."

The live online training products that New Horizon Learning Centers offer demand the fastest Internet available. That's why they selected GRUCom for their internet services. "Bandwidth is everything. Every business wants an Internet provider that delivers reliability and consistency with immediate response and excellent by our people. It gives our company confidence."

GRUCom offers:

- ✓ The fastest all-fiber network in North Central Florida
- ✓ Local help desk and support
- ✓ Scalable solutions to fit YOUR business and budget

Call 352-334-3200 today for your free business consultation.

"With GRUCom you really get a great value for your investment."

—Tom Brown, Senior Vice President (Computer Learning Centers of North Florida is a Division of Education.com, LLC)
—Don Hord, Owner of Education.com, LLC
www.education.com



Internet access, Data transport, Secure collaboration.
352-334-3200 | www.grucom.com

Get GRUCom for Your Business!

Want to learn more? A GRUCom account manager will be happy to answer your questions and develop a customized networking solution for your business. To get started, please call **352-334-3200**