Study: Broadband boosts South Carolina economy

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SENECA — Broadband is churning out $5.5 billion in annual online sales revenue in South Carolina and has become an important economic driver for businesses in the state.

The impressive revenue output linked to broadband is included in a survey unveiled this week by Connect South Carolina, a nonprofit organization dedicated to promoting widespread access, use and adoption of broadband to improve all areas of life.

Another key finding in the survey is that broadband-connected businesses rake in approximately $300,000 more in annual median revenues than businesses without it.

The survey finds that nearly three out of four rural South Carolina businesses (73 percent) advertise or sell their products online. However, the study reveals that 21,000 businesses in South Carolina are still not connected and unable to participate in the digital global economy.

Broadband download speed is generally slower and costs more in South Carolina than in most other states, the study concludes. The median download speed in the state is 3.7 megabits per second and the median cost is $72.61. Nationally, on average it costs $68.32 to have broadband with download capacity of 4.9 mbps.

Connect South Carolina's findings come as Oconee County continues to move ahead with its $14.3 million broadband project to establish a 270-mile fiber optic network. The project is mostly funded by a $9.6 million federal grant from the National Telecommunications and Information Administration.

The core purpose of the federal grant is to bolster critical anchor institutions in Oconee such as schools, the local hospital, public safety facilities and libraries.

The fiber backbone being installed in Oconee is entering its second stage, and if the third and final phase is completed, the fiber trunk would pass more than 25,000 homes and 2,230 businesses in the county.

Once in place, the fiber network would allow Internet service providers to contract with Oconee so they could make last-mile connections from the trunk to homes and businesses. The competition, according to supporters of the network, would increase competition and make the service more affordable.

Unfortunately, the county's website dedicated to the broadband project — www.oconeefocus.com — is reporting that legislation still winding its way through the South Carolina Legislature threatens to undermine the project.

James Baller of The Baller Herbst Law Group in Washington, D.C., is going to bat on behalf of Oconee against the legislation. AT&T and other telecommunication giants are opposed to governments such as Oconee County getting into their line of business.

Baller is urging state lawmakers to kill the bill.

"If enacted, H.3508 will be a job killer and a threat to South Carolina's economic development, educational opportunity, and quality of life," Baller said in an analysis of the legislation and amendments added to it.

AT&T and other telecommunication giants, however, support the bill. Oconee FOCUS is urging county residents to contact the Oconee Delegation — Sen. Thomas Alexander, R-Walhalla, Rep. Bill Whitmire, R-Walhalla, and Rep. Bill Sandifer, R-Seneca, and have them support the broadband project and vote against H3508.

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