



MOBIUS
COMMUNICATIONS®

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HEMINGFORD, NE 69348
308-487-5500 · BBC.NET

MOBIUS BUSINESS PLAN

Company Information

Mission Statement

We are a locally owned technology company providing high quality communications services to our customers through state-of-the-art facilities & dedicated personnel.

Principal Members

Tonya Mayer, CEO, General Manager
Years with Mobius -30

John Annen, Telecommunications Specialist
Years with Mobius - 30

Susan Morava, Chief Financial
Officer – Years with Mobius - 28

Nancy Swanson, Customer Service
Years with Mobius - 27

Kory Haas, Director of Operations,
Years with Mobius – 26

Chris Weber Plant Manager - 22
Years

Chery Linegar, Regulatory
Specialist/Executive Assistant
Years with Mobius – 21

Joni Jespersen, Grants
Years with Mobius - 21

Legal Structure

Mobius Communications Company is a for profit Nebraska Corporation created in 1997; as well as a Competitive Local Exchange Carrier (CLEC).

Locations

Mobius Communications Company is headquartered in Hemingford, Nebraska; Gering, Nebraska is a second location for technician deployment.

Executive Summary

Mobius is very strong, financially, it has a variety of assets including cash reserves, inventory, investments, and fixed assets. Mobius has made significant investments in upgrading their network to fiber by completing a portion of their long-range goals each year. A fiber network has a long useful life and the maintenance costs are minimal once the fiber is installed. Once the upfront costs of installing the fiber are completed, Mobius will be able to maintain good cash flows.

Mobius Communications Company is a wholly owned subsidiary of Hemingford Cooperative Telephone Company which was established in 1931; Mobius was founded in 1997, beginning in 1998 -1999, Mobius has buried over 850 miles to underserved and unserved residents. Mobius provides service to over 550 residents in rural Box Butte County.

To complete the Box Butte County project with the Bridge grant we will continue to use the same technologies we have used to deploy fiber in our other projects. Expanding on our previously completed projects; we will bring fiber optic service to over 23 rural residents of Box Butte County. We will deploy approximately 44 miles of fiber.

Mobius not only deploys fiber in rural remote areas; our company is diversified and provides telephone service, internet service, TV service, and networking/IT services. This diversity in services allows the company to be stable even when one segment may be underperforming.

Market Analysis

Industry

Mobius Communications Company is a proud member of the telecommunications industry; specializing in deploying broadband to remote rural areas and continuing the growth of fiber to the home in Box Butte County. Fiber optic specific data telecommunications will dominate the fiber optic market through 2030 according to a Fortune Business Insights report published in June of 2020. There is a continued desire for the huge demand for fiber products due to increased speed, reliability, and ability to carry more data than comparably sized standard wire/cabling.

Customers

Mobius targeted areas for deployment of buried fiber is western Nebraska. We provide rural customers with access to phone, internet, and television; the rural remote areas are the last sector to be served; the high costs to service these areas are not high on many telecommunications companies. The return on the cost to deploy fiber has a much longer return on the investment with most rural customers at 1 per square mile. We are unique to serving the unserved residents. We currently serve approximately 850 customers with fiber optic service to their homes or businesses. This project would add over 23 homes to that number.

Company Advantages

Due to our constant drive to expand our services, to the customers that need it most, we are well versed in obtaining the needed permissions from appropriate parties to complete additional projects with rarely any challenges.

Mobius Communications Company is well acquainted with the demands of our rural customers and their fiber optic service needs. We have deployed over 850 miles of buried fiber since 2010 and add to that total every year.

Strategy & Implementation

Marketing Strategy

Mobius is unique in its desire to reach the very rural and remote areas of Western Nebraska; this gives the rural residents an opportunity for broadband right to their home. We have long had waiting lists and people constantly calling to see when and if we will be bringing fiber to their home. Our strategy then is to work diligently to find funding to help make these customers served.

Products & Services



MOBIUS
COMMUNICATIONS®

- Security & Monitoring
- Business Phones
- Computer Sales & Service
- Managed I.T.
- Fiber Broadband
- TV Service
- Phone Service

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Pricing Structure

Pricing with regards to our broadband services is as follows:

Speed Tier	Price includes modem to connect devices to the Internet
25/25 Mbps	\$ 40.00
50/50 Mbps	\$ 60.00
100/100 Mbps	\$ 85.00
200/200Mbps	\$115.00
300/300Mbps	\$145.00
500/500MBPS	Call for Pricing
1 G	Call for Availability

**** Mobius customers that qualify for the Lifeline program will receive a Mobius Affordability credit of \$35.95 towards any data package offered.***

Legal Challenges

Mobius has been successful at both a county level and a state level in providing proper documentation and permits, working with the government entity for the area to provide minimal disruption; occurrences have happened where private easements have been sought; Mobius has worked with individual land owners to reimburse any crop damage and return the area to as normal a condition as possible. Mobius' staff is experienced in obtaining and recording these easements.

Mobius Communications requests County easements from County government and works with each county's road department to accomplish deployment goals and protect the county right of way. In cases where State easement is needed, Mobius receives a permit from the State Department of Roads which requires a deposit to be made upfront.

Box Butte County Project - Financial Model Summary without Grant Award

G6

	Year 1	Year 5	Year 10	Year 20
Data Revenue	\$ 16,560.00	\$ 82,800.00	\$ 165,600.00	\$ 331,200.00
Local Phone Revenue	\$ 7,800.00	\$ 39,000.00	\$ 78,000.00	\$ 156,000.00
Total Revenues	\$ 24,360.00	\$ 121,800.00	\$ 243,600.00	\$ 487,200.00
Backhaul & Maintenance	\$ 800.00	\$ 4,000.00	\$ 8,000.00	\$ 16,000.00
Billing & Cust Support	\$ 600.00	\$ 3,000.00	\$ 6,000.00	\$ 12,000.00
Mgmt & Tech Support	\$ 600.00	\$ 3,000.00	\$ 6,000.00	\$ 12,000.00
Depreciation	\$ 79,233.00	\$ 396,165.00	\$ 792,330.00	\$ 1,261,550.00
Total Expenses	\$ 81,233.00	\$ 406,165.00	\$ 812,330.00	\$ 1,301,550.00
Net Income	\$ (56,873.00)	\$ (284,365.00)	\$ (568,730.00)	\$ (814,350.00)

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Depreciation	\$ 12,394.32	\$ 61,971.60	\$ 123,943.20	\$ 247,886.40
Total Expenses	\$ 14,394.32	\$ 71,971.60	\$ 143,943.20	\$ 287,886.40
Net Income	\$ 38,754.32	\$ 193,771.60	\$ 387,543.20	\$ 775,086.40

Assumptions:

1. Take Rate is 100%. This is based on the connectivity data from our last three grants
2. New customers will have little impact on existing operational and billing expenses
3. Receipt of Grant dollars makes construction of Fiber to the Home possible in these remote areas of Box Butte County as it reduces the depreciation expense associated with the fiber project

Product Longevity

Mobius Communications fiber optic lines have a life span of 20-25 years minimum with an industry average being 40 years or more with properly installed lines.