



MOBIUS
COMMUNICATIONS®

BUSINESS PLAN 2022

**LT GOVERNOR FOLEY
FIBER SPLICE LESSON**



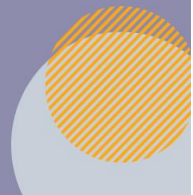
SEMI LOADS OF FIBER



PLOWING



**BRINGING FIBER TO THE HOME
ONE RURAL MILE AT A TIME**



Executive Summary

Mobius Communications Company was founded in 1997 and is a wholly owned subsidiary of Hemingford Cooperative Telephone Company which was established in 1931. Fiber infrastructure was installed in the exchange owned by Hemingford in 1998 and 1999. Following the strategic philosophy of Hemingford – which is to provide high quality telecommunications services to the customers through state-of-the-art facilities and dedicated personnel – Mobius began fiber deployment in 2010.

Mobius followed up the first rural overbuild of the Berea area in Box Butte County and expanded the fiber offerings into Dawes and Sioux Counties in a 50 mile stretch of deployment to provide over 35 customers high speed broadband and telephone services.

After the success of those builds, Mobius continued to expand on the fiber deployed and focused on those customers in rural areas outside of city and village limits. Fiber in rural Box Butte and Dawes continued plus Mobius also over built the City of Crawford and Whitney. Over the past six years, Mobius has been able to build more of the rural areas with the assistance of the Cares Act and most recently, the Nebraska Broadband Bridge Program. Mobius provides robust broadband, telephone and television services to over 550 customers on the current fiber infrastructure.

With a successful NBBP Grant for 2022 we will expand fiber to 148 homes and over 100 miles.

Our preference of burying the fiber helps to prevent many weather and animal related issues which would disrupt customers' service. We bury the fiber at a depth of 4 feet to mitigate cuts, however, when a cut does happen, we are on site immediately to complete repairs and to bring the customer's service back online.

Mobius Communications has 24 years of experience upgrading and maintaining fiber optic networks. Our staff is well versed in dealing with fiber optic installation, maintenance and repair. From initial contact through installation and beyond, each department strives to provide the best service possible.

Mobius has the privilege of partnering with Box Butte County to expand fiber deployment to additional areas in the county. Box Butte County Commissioners and Mobius have the shared desire to see the entire county fed by fiber optics. With the success of obtaining this NBBP grant, the county may be as much as 90% covered with fiber availability. The partnership with Box Butte County of deploying high speed internet has extended as far back as the early 90's.

Obtaining State and County easements to bury the fiber optic network in the right of way will be addressed to complete this project. Mobius' staff includes county road departments early in the grant process to assist them with any concerns and to ensure no conflicts arise with

deployment and road improvements. Mobius's staff is well versed in obtaining and recording these easements. Close partnerships with land owners, the county and state have assisted success in this area over the years of deploying fiber.

The financial viability for Mobius is very strong as the company has a variety of assets including cash reserves, inventory, investments, and fixed assets. Over the past few years, 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 has a strong customer demand for fiber services in this area. The past pandemic has catapulted the need for fiber – especially in the rural areas of the state and makes Mobius' marketing efforts even more effective. With the many projects already completed by Mobius help support the decision making in keeping this project sustainable. Additional areas expanded into also help create a ring topology and provides more redundancy of the services provided.

The Company is also diversified in that it 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.

Mobius provided speeds of 100/100 or faster in all markets with fiber optic infrastructure. Lower speeds are also available if requested.

Mobius has years of experience in Fiber to the Home and has proven success over the years. It is our desire to help the communities we serve to have the best possible connections available. Mobius wants to ensure the rural areas of the state connected, stay relevant and assist in growing the state.

Company Description

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, General Manager

Kory Haas, Director of Operations

Susan Morava, Chief Financial Officer

Chris Weber, Outside Plant Manager

Legal Structure

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

Company Locations & Facilities

Mobius Communications Company operates from our main office in Hemingford, Nebraska with a satellite office in Gering, Nebraska. The main office is the hub for all fiber-optic sales, service and support.

Market Analysis

Industry

Mobius Communications Company is part of the telecommunications industry. With respect to 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 continues to be growth in the demand for fiber products due to increased speed, reliability, and ability to carry more data than comparably sized standard wire/cabling.

Customers

The target audience for Mobius is Western Nebraska. We provide rural customers with access to phone, internet, and television service that might not otherwise be available.

In rural Box Butte County (this does not include customers in any town), we currently serve over 200 customers with fiber optic service to their homes or businesses. This project would add an additional 148 homes to that number.

Company Advantages

Mobius Communications Company is well acquainted with the demands of our rural customers and their fiber optic service needs. We have deployed over 700 miles of buried fiber since 2010 and add to that total every year.

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.

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.

Strategy & Implementation

Marketing Strategy

Marketing for this project will be a simple task due to it being an extension of our current Mobius Communications fiber optic network. There have been numerous requests for service from residents in the proposed expansion area. The remainder of those in this project area will be contacted via phone and mail.

Products & Services

Mobius Communications Company offers a wide variety of services including:

- Residential and Commercial internet: FTTH (fiber to the home), Wireless, DSL, Satellite
- Residential and Commercial phone service and various state of the art phone systems
- Managed IT
- Residential and Commercial monitoring and security systems
- Cellular service
- Television
- Data Cabling
- Computer Sales & Service

Pricing Structure

Pricing with regards to our broadband services is as follows:

Speed Tier	Price includes modem to connect devices to the Internet
25 Mbps	\$ 40.00
50 Mbps	\$ 60.00
100 Mbps	\$ 85.00
200 Mbps	\$115.00
300 Mbps	\$145.00
1 G	\$169.00

Legal Challenges

In all projects, easements of some type are needed. 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. 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 easement has been sought and 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.

PROJECT FINANCIAL MODEL – MOBIUS_NBBP BOX BUTTE 22

	Year 1	Year 5	Year 10	Year 20
TOTAL REVENUES	\$134,400	\$672,000	\$1,344,000	\$2,688,000
TOTAL EXPENSES	(\$225,534)	(\$1,127,670)	(\$2,196,232)	(\$3,840,892)
NET INCOME	(\$91,134)	(\$455,670)	(\$852,232)	(\$1,152,892)

*Financial Models do not include any grant monies that may be awarded. Without a successful NBBP Grant this project is not possible

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