

**PREPARED TESTIMONY OF CONNECTED NATION  
DIRECTOR OF STATE/FEDERAL POLICY & BROADBAND PLANNING  
PHILLIP BROWN  
OHIO HOUSE OF REPRESENTATIVES ECONOMIC DEVELOPMENT AND  
REGULATORY REFORM COMMITTEE  
“H.B. 292 – AEROSPACE AND TECHNOLOGY STUDY COMMITTEE”  
TUESDAY, NOVEMBER 12, 2013**

Chairman Baker, Vice Chairman Terhar, and Ranking Member Driehaus: thank you for the opportunity to testify today on HB 292, which will create a Joint House and Senate Aerospace and Technology Study Committee.

My name is Phillip Brown, and I currently work as the director of state/federal policy & broadband planning on behalf of Connect Ohio and its parent national non-profit organization, Connected Nation. Connect Ohio is a nonprofit organization that has been working with Ohio, its local communities, and technology providers to increase digital literacy and broadband access, adoption, and use for all Ohioans – both urban and rural. Connect Ohio has worked to build a public-private partnership to identify gaps in broadband service; understand broadband and computer adoption barriers in communities; develop grassroots technology planning teams in communities for improved broadband adoption, and provide computers along with technology literacy programs for low-income and disenfranchised people. Connect Ohio has also worked on behalf of Ohio's consumers to provide digital literacy training through the Every Citizen Online program, a targeted focus on broadband access through the Connect Appalachia Broadband Initiative, and technology job training through its Digital Works job training facilities in Zanesville, and Logan, with new jobs training centers in Portsmouth, Woodsfield, and Carrolton.

As Representative Perales has correctly identified through the goals of H.B. 292, which would create an Aerospace and Technology Study Committee, technology and the technology industry are key to the future of Ohio's economy and jobs outlook. Already a major element of Ohio's economy, the aerospace and technology sector can and will continue to grow, and an Aerospace and Technology Study Committee would help the state's policy makers work together to ensure that growth takes places here.

I will keep my remaining remarks centered on the importance a widespread broadband adoption have on the economy, and on the importance a skilled workforce will play in Ohio's efforts to grow its aerospace and technology sector.

Connected Nation regularly collects and aggregates broadband technology adoption data from several states, and is able to use these data to estimate broadband and technology trends for the nation as a whole. For example, the number of businesses using broadband is growing, with an estimated 76% of businesses now using broadband for everything from inventory and sales to online sales growth.<sup>1</sup>

Within the High-Tech sector, broadband usage is higher still, with 88% of businesses adopting broadband, compared to 81% in the Manufacturing sector or 75% of Small Businesses.<sup>2</sup>

But there are challenges that remain. In 2010, Connect Ohio's data indicated there were 88,948 businesses in Ohio alone (compared to 1.8 million nationwide) that were not using broadband technology, even when businesses in Ohio with broadband reported an average of \$188,000

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<sup>1</sup> 2013 Connected Nation Business Technology Assessment

<sup>2</sup> 2013 Connected Nation Business Technology Assessment

more in annual revenue than businesses without. In Ohio, our data indicated that there were close to 9,000 technology intensive businesses not connected to high-speed internet, and 3,564 manufacturing businesses not utilizing broadband to grow and create jobs.<sup>3</sup>

Our challenge also extends to ensuring that Ohio has the skilled workers advanced industry and manufacturers require to fill their workforce needs. 40% of businesses surveyed by Connected Nation this year told us that it is “difficult or very difficult to find employees with the necessary technical skills.”<sup>4</sup>

A report released on November 4<sup>th</sup>, 2013 by The Economist Magazine’s Business Intelligence Unit titled “Redefining the Digital Divide,” included survey research from 166 telecommunications executives and 52 government policy-makers from six world countries including the United States. In this survey, 39% of respondents believe that digital skills will be “a lot more” important to their organizations three years from now, with 48% indicating digital skills will be “more important.” Further, 52% agreed that training and education of digital skills in their countries were insufficient. Finally, the ability and skills to use information and communications technology is believed to be the second greatest contributor to the digital divide, with the second largest potential for economic impact.<sup>5</sup>

As our research and that of others shows, the availability of a skilled workforce, which is a necessary input for the high-tech sector, is a challenge faced here in Ohio, in the United States, and in other developed countries. The Aerospace and Technology Study Committee, with its focus on the important roles these industries have in Ohio’s economy, can help Ohio ensure it is studying this issue and crafting policies that will grow its workforce and keep Ohio competitive.

I thank Chair Baker for allowing me this opportunity to provide Connect Ohio’s insight into the technology landscape of Ohio and how HB 292 can impact that to the Economic Development and Regulatory Committee. Connect Ohio looks forward to supporting that work in any way possible, and I would be happy to answer any questions you may have. Thank you.

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<sup>3</sup> <http://connectohio.org/survey-results/business>

<sup>4</sup> 2013 Connected Nation Business Technology Assessment

<sup>5</sup> [http://www.economistinsights.com/analysis/redefining-digital-divide?utm\\_campaign=Huawei\\_amp&utm\\_medium=social&utm\\_source=EIUsocial](http://www.economistinsights.com/analysis/redefining-digital-divide?utm_campaign=Huawei_amp&utm_medium=social&utm_source=EIUsocial)