

BURLINGTON TELECOM ADVISORY BOARD (BTAB)

Burlington Telecom Conference Room

February 6, 2013

Minutes

BTAB Members:

Present: David Parker, Joan Shannon, Pat Robins, David Provost, Vince Brennan, Karen Paul

Absent: None

Also in Attendance:

Burlington Telecom: Amber Thibeault

Burlington Telecom: Stacey Trudo

Dorman & Fawcett: Stephen Barraclough

Gary Evans via video conferencing

1. Convene meeting of BTAB at 5:07 p.m.
2. Approve minutes from last Burlington Telecom Advisory Board Meeting

No quorum at the last BTAB meeting therefore no meeting minutes to approve.

3. Public Forum

Bradley Holt spoke to the group regarding BTV Gig initiative and the work that he has done on educating the FCC and US ignite regarding BT's infrastructure. Discussion also ensued regarding the work that VTEL was conducting within the Burlington City limits.

4. Subscriber numbers for first half FY2013: residential and commercial

Trudo explained that BT is positive 162 residential customers at the end of the first half of the fiscal year and positive 26 commercial customers. BT has a goal of reaching 400 customers by the end of the fiscal year. At the end of January BT had 4000 customers.

Barraclough explained that this was the first time BT had reached 4000 customers since July 2010 with a low of 3669 in December 2011.

Robins: asked why customers were signing up for BT services. *Trudo* explained that customers were coming back to BT after rate increases from Comcast, after the expiration of the initial period in which rates are lower. Also landlords are referring their tenants to BT service.

Evans stated that BT needs a new value proposition which is not focused on price but rather service.

Parker: Discussion about residential pricing and the website. Pricing embedded too deep into the website and pictures were supposed to be updated from fall to winter.

The group discussed acquisition of customers and *Barraclough* explained that we have not been over aggressive in marketing due to significant tiling issues which we have resolved with the exception of the 540 tiling issue which we are still working on.

Parker suggested that we offer something like Apple TV and sign a customer up for Hulu Plus instead of the cable service. *Barraclough* said that we have been discussing this as a management team.

Provost summed up the discussion that the group wanted to see improvement to the website; there was no consensus on pricing; look into different packages of service; marketing needs to be improved and BT needs to decide if the focus will be on pricing or service.

5. Actual first half results for FY 2013 and FY 2013 outlook and full year forecast (handout)

Barraclough

- Estimated actuals in which BT is forecasted to be ahead of revenue targets. First time revenue has increased in awhile. ARPU is declining due to decrease in video packages. Currently at \$94.00.
- Operating costs are forecasted to be \$80,000 less.
- Marketing monies for second half of fiscal year.
- New positions built into the budget (3), have hired one but probably will not fill the other 2.
- Cash generation of \$670,000 which is \$220,000 more than original budgeted numbers.

Paul asked about May 2013 which shows higher than usual operating costs. *Barracough* explained that this is due to 3 pay periods in the month.

Robins asked about the head-end changes that were occurring (E7 and F5 upgrades). *Barracough* said that the F5 was purchased in October 2012 and is reflected in the actuals. Intent to bring on as little F5 customers as possible and focus on E7.

Provost asked for a copy of how BT is doing in regards to the budgeted amounts and *Parker* asked that we incorporate ARPU and sub counts. *Barracough* explained that he was concerned about competitive information being circulated. Suggestion of maybe going into executive session to discuss in more detail.

6. Gary Evans Key Priorities

1. Assist Nick Martin in generating additional business customers;
2. World-class customer service – how to win the war. *Evans* mentioned the Disney Partnership that HBC has and that he has been speaking to Disney to see what they can do for BT.
3. Showing BT the value that sits in the network such as delivering next generation applications. Part of this project is *Evans* focus on trying to get BT signed on as US Ignite provider. Need to convince the Mayor to launch initiative and have BT at the center of economic strategy.

Provost asked *Evans* to send links regarding US Ignite and Red Wing (no website available yet).

Robins suggested having a meeting with the CEDO director and BTAB to discuss strategy. *Thibeault* will send an e-mail to see what times might work for the group during the week of the 18th.

7. **MOTION** to adjourn meeting to go into executive session at 6:28 p.m. made by *Brennan*, seconded by *Shannon*.

