

General Manager's Report

With my second year as Richland-Grant Telephone's General Manager now completed, I can't help but think how different the second year was compared to the first. When a person takes over a position they naturally expect to get their "feet wet" learning the ins and outs of a different company. Well, my feet and actually about half my body literally did get wet as we battled flood waters at the office at LaValle Telephone in June of 2008. Meanwhile at Richland-Grant, the villages of Gays Mills and Soldiers Grove and outlying areas suffered their own devastation due to heavy rains.

So while that first year became a time of physical repair and rebuilding for the cooperative, 2009 was more of an opportunity to focus on positive changes that will keep the company advancing in the right direction. The country as a whole suffered from a severe economic recession beginning in 2008, which in turn affected how customers spent their telecommunication dollars. During 2009 the cooperative strived to continue providing needed services at a good value.

Positive changes have occurred with the video product. In early 2009, the first-ever rate increase for video services helped position the cooperative so it could continue offering a solid line-up of channels. High definition video was added during 2009 at an introductory price. More channels were added throughout the year, for a total of 21. Software and hardware updates continued to improve the service and resolve minor issues.

Fiber optics have been used in networks for more than 30 years, carrying communications traffic from city to city and between countries. Almost every country uses some fiber delivery due to its reliability and cost effectiveness. But fiber was rarely used to deliver services directly to homes and businesses until around 2002.

As demand for broadband services continues to grow, Richland-Grant is working to meet those future demands by making better choices today. Services such as HDTV, streaming video and music over the internet and online photo sharing are just a few of today's popular uses for the Internet which require larger amounts of bandwidth. Since fiber optic cable can best accommodate these rapidly changing requirements, construction will be planned accordingly.

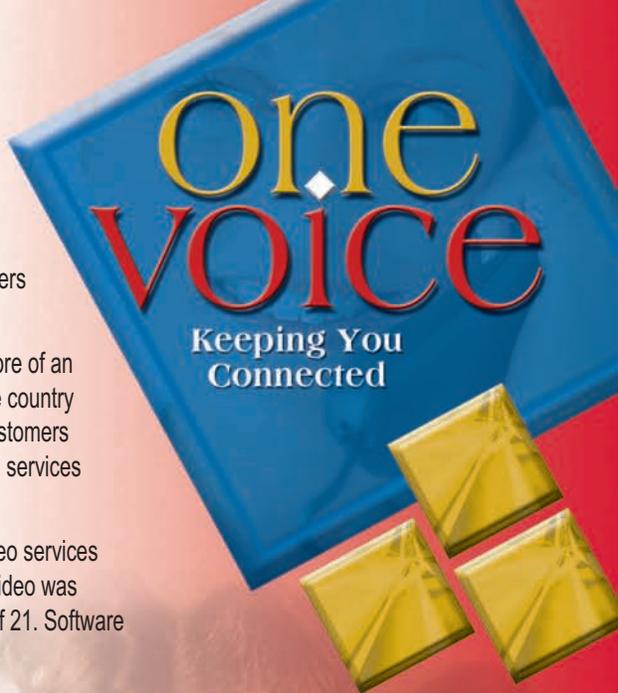
During 2009, two large fiber projects were initiated, with completion planned for 2010. Road construction and bridge replacement projects planned in the Village of Soldiers Grove required extensive changes in Richland-Grant's plant layout. With both issues in mind, fiber instead of copper was installed to homes and businesses in a large portion of Soldiers Grove affected by the construction. You may have noticed telecommunication work going on in your neighborhood as the fiber was buried and optical network terminals were installed. Richland-Grant installation technicians have been converting these locations the past few months. Thank you for your cooperation in this process.

Another fiber project is underway in the Village of Blue River, where a more densely populated area makes fiber a cost effective method for delivering services. Older copper feed cables in need of replacement and all drops to homes and businesses were changed to fiber. By the time this newsletter is printed many of the individual location conversions will have been completed. Again, thank you for allowing us in your homes and business to complete this process. We hope you will agree that this minor inconvenience is worth the added reliability and opportunities for more services.

The final fiber plan is perhaps the most exciting as it involves the relocation of the Village of Gays Mills, which of course, is a result of recurring floods. Since the relocation of Gays Mills involves all new construction, it only makes sense to install fiber cable from the beginning. Richland-Grant Telephone is working with village leaders and contractors as plans are formulated and construction begins.

As we look forward to 2010, plans will be implemented for needed upgrades to our plant which can be completed within budget limits. Our new telecommunication consulting firm is helping us evaluate the feasibility of the upgrades.

The 2010 annual meeting details are included elsewhere in the newsletter. I invite you all to attend and keep informed about what's happening at your telecommunications cooperative.



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Volume 4 • Issue 1

RESIDENTIAL & BUSINESS

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A sure sign of spring: The 2010 Cooperative Annual Meeting

The 2009 accounting books have been balanced and business plans are being outlined for the rest of 2010. Join us on Saturday, March 20, 2010 at the Blue River Community Building to find out what's happening at your cooperative.

As a member of the cooperative you are eligible to:

- Register for early bird drawings at 10:00 a.m.
- Participate in the business meeting which begins at 10:30 a.m.
- Vote in board of director elections.
- Enjoy a delicious lunch prepared by the Blue River United Methodist Church immediately following the meeting.



**Richland-Grant
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WWW.RGTC.COOP

Mikey got tired of waiting for slow downloads. School work, reference research, checking cultural resources, such as library and museum data bases, and taking advantage of distance learning opportunities, like online courses, all go better when you have high speed internet from Richland-Grant Telephone. The service is available for all our customers, even in remote locations, because your cooperative invested in the needed technology. Web surf without dialing or tying up your telephone line.

As of June 2007, more than 100 million broadband connections were deployed in the United States. **Join the crowd before March 31, 2010 and save the \$70.00 cost of installation.** Call 611 or 537-2461 to get the details and schedule your install. *

**No misleading monthly promotional fees. The normal monthly fee of \$44.95 includes a leased modem and doesn't go up after just a few months.*

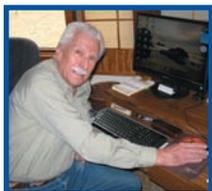
This is Mikey.



Using High Speed Internet – Let the Fun Begin!

In the January edition of the Richland-Grant Telephone newsletter, we featured customers who use their high speed internet for business, working from home. They often communicate with their customers or submit work done from their home office to the corporate headquarters.

We asked you to let us know how you were using high speed internet. Three lucky winners were drawn from the entries submitted. Each winner will receive a \$25 credit on their bill. Our first winner, Rudy Dienes, pictured at his computer, says one of the main reasons he uses the internet is to keep in touch with family. Proving that web use isn't just for teens, Rudy, emails on a regular basis, has a Facebook account, and even has a family blog.



Our second winner of \$25 wishes to remain anonymous, but reports that her favorite web site is foodnetwork.com, where she enjoys her online hobby of "finding good and different recipes." No wonder she wants to remain anonymous. We'd all be inviting ourselves over for dinner!

The third winner of \$25 is Ila Hagenston. Ila reports that she also has a Facebook account and uses her high speed internet for online classes at the University of North Dakota. The websites she uses most often to keep her informed of what's going on in our area are www.channel3000.com and the local funeral home web pages.

Thanks to all those who submitted entries. We appreciate your willingness to share how technology has made a difference in your life.

CBT Wear Parts: Successful Sales Business Operating in the Country

Mark Heffernan is part businessman, part philosopher and an avid reader. When you engage him in conversation you are as likely to hear his observations about world events and American History as you are about his business interests.

Heffernan is the owner of CBT Wear Parts, a company that sells new and used parts and equipment throughout the United States. If you know what roller mills, trash balers and plastic shredders are, then you may have an idea about his core business. The home office is nestled well off of USH 14 in Sylvan Township amid the rolling hills of Richland County.

The beginnings of CBT go back to the 1980s and the suburban Chicago area. Heffernan found himself driving a good part of the day from customer to customer to meet face-to-face and reasoned that there had to be a better way. "I don't need a car to sell things to people," he remembers thinking.

After transitioning to a telephone-based system of customer contact, he realized that he could operate from just about anywhere and sell coast-to-coast. After comparing land prices in Wisconsin and western Illinois, he decided to move here 13 years ago.

But that is just part of the story. While still in Illinois, Heffernan became interested in making energy from municipal waste stream products. He started a company with his brother in the early 1980s that began researching equipment that could break down waste stream products and turn them into energy. Their partner was world renowned PhD, Sam Ghosh. They learned a lot, but the company was broke by the end of the decade.

Fast forward to 2002. Heffernan continued to pursue his interest in viable waste-to-energy systems and found himself at an Upper Midwest Organic Farming seminar where "Urban Farming" was being discussed. He struck up a conversation with one of the presenters and the forerunner of Bio-Products Engineering was launched. Heffernan and his partners were awarded a \$100,000 grant to build a prototype "digerster" to demonstrate the concept in 2004.

A working 1/10th scale model was constructed and is still used to demonstrate the fundamental principals of the company's technology. A full-scale version would be capable of digesting 50 to 100



Pictured from left to right: Governor Bill Richardson of New Mexico, Mark Heffernan, owner and partner, Will Allen, owner and partner, and Governor Jim Doyle of Wisconsin.

tons of food waste per day and turning it into useable energy. Heffernan says they are probably a couple of years away from commercial viability.

One of the first things Heffernan acknowledges is the contribution that the Internet has made to his business and the world at large. "The information age has allowed us to grow," he notes, citing the enhanced ability to have an impact on a global scale. All of this from a scenic location in Wisconsin's "Driftless" area and away from the Chicago urban landscape. ♦

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