



OPENING REMARKS BY JIM HOOLIHAN

Thank you, Mayor Ness. Good morning Ladies and Gentlemen. I am Jim Hoolihan, President of the Blandin Foundation.

Thank you for coming today to experience the **Next Generation**:

- the Next Generation of people who are using information and communications technology in new ways for life and work, and
- Next Generation applications of broadband technology that are expanding boundaries and erasing barriers to participation in the new global economy.

We need to listen to and learn from the Next Generation because they and the technologies they are using have an important message for all of us:

In this new global world, if you're not plugged in, you can't play.

Three years ago the Blandin Foundation identified broadband as a key public policy challenge for rural Minnesota and launched a Broadband Initiative.

We believed then and we believe now that the Blandin Broadband Initiative supports our mission to strengthen rural Minnesota communities, through its focus on helping rural economies become full and equal players in the global economy.

We believe that broadband technology holds potential for rural communities to overcome the traditional disadvantages of rural places: a smaller labor force, fewer capital resources, reduced access to research institutions, and greater distances from markets and suppliers.

In the “wired world” of tomorrow, **quality of place** will replace location as a key driver of economic activities. In this new world in which distance from markets no longer matters, rural communities that have made the necessary investments in technology infrastructure, training and education, can turn their traditional challenges into advantages.

Nothing has happened to change those assumptions. They have grown stronger, in fact, as we witness the Next Generation’s creativity and innovation in creating new applications for broadband technologies, as you will hear today in the keynotes and panel discussions.

Our 20th century policies and attitudes aren’t adequate to address the challenges and expectations of the Next Generation who strutted their

stuff at the Power Users' Showcase last night. The "kids" ages 16 to 24 are pushing our current infrastructure capacity to the bleeding edge and our 20th century policies and attitudes can't cope with the speed of change around us.

As a member of the Baby Boomer generation, I'm speaking personally when I say that it's a challenge to keep up with a Future that's beating down our doors TODAY.

I thought I was pretty hip being able to tell my twenty-something college student daughter that I had recorded a "pod cast" for this conference. And I'd read about MySpace in Time Magazine.

But when I first heard about how the conference was planning to use YouTube to collect and post community videos about broadband, I had to ask, "What's YouTube?"

Now YouTube has made headlines in the Wall Street Journal and everywhere else... And "Network Neutrality" has become one of the hottest policy debates in Washington. Whew – I'm hanging on by my fingernails trying to keep up.

As leaders, we have to do better. Our challenge is not just to keep up, but to ensure that our communities and our state are supporting the Next Generation policies, practices, and people we need to thrive in the new information-and-communication-driven global economy

Last week I had the opportunity to hear a presentation by our State Demographer and State Economist – Tom Gillespy and Tom Stintson – about points of convergence and divergence in rural and urban Minnesota. They pointed out that in many ways Minnesota – as Garrison Keillor says – is “above average.”

- Over the past 50 years Minnesota has successfully transitioned from a largely resource-based economy to a diversified service and manufacturing economy;
- Minnesota’s economic growth has exceeded the national average;
- Our per capital personal income exceeds the national average;
- Our population growth leads that of other states in the “frost belt”; and
- Minnesota ranks among the top states on a range of social and economic indicators.

The “two Toms” pointed out that these successes didn’t just happen on their own. In a way, they are surprising, for a cold state in the middle of the Continent far from major markets.

We have enjoyed these successes because the leaders who came before us made wise, forward-looking investments in education and infrastructure. Investments that laid a foundation that allows us to be “above average” today.

And least we think “above average” is good enough, let’s not forget that our competitors today are not Iowa and Wisconsin and the Dakotas, but Singapore and Finland and China.

And while Minnesota may be “above average” compared to other US states, we are below average in a number of key indicators compared to other developed (OECD [*Organization for Economic Co-operation and Development*]) nations. Including, importantly, public and private investments in ultra high-speed broadband infrastructure.

I don’t know about you, but I am not accustomed to seeing the United States rank in 13th or 16th place in any global economic rankings. But that is where we are when it comes to broadband utilization. We need to jolt ourselves out of complacency. The United States is the only major industrialized nation without a national policy to promote ubiquitous use of ultra high speed next generation broadband.

That is why last year the Foundation’s Broadband Initiative’s Strategy Board developed a broadband vision for Minnesota, and why we continue to encourage people to collaborate together to achieve it.

In order to ensure a high quality of life and a globally competitive future for its citizens, our vision statement calls on Minnesota to make the necessary investments to become a world leader in the universal deployment and use of ultra high-speed next generation broadband.

The challenge to keep up and stay competitive is only getting tougher. Gillespie and Stintson point out that the forces that will shape the future of Minnesota's economy – Aging, Diversity, Globalization, and Technology – portend dramatic changes in Minnesota's future work force. The tough truth is that we will need to recruit to get the labor force we need in Minnesota – and that's a challenge for a cold state at the end of the road. People don't make it to Minnesota by accident – you have to have a reason to be here.

To attract and retain a Next Generation workforce we need to plan and act today to ensure that all Minnesotans can “plug and play” in the new global economy.

Today we are going to learn from the Next Generation, and the people who teach them. We will also hear from candidates for Governor of Minnesota, to find out how they view these Next Generation challenges and opportunities.

We hope you will leave here “up to speed” on broadband policies, practices and people, with eyes wide open to the possibilities and to the preparations we need to make NOW to keep Minnesota, especially rural Minnesota, economically vibrant and socially sustainable.

As we hear from Onvoy, one of our major telecommunications service providers in Minnesota, “Welcome to the Future.” The Next Generation is here and we must move NOW to accept the responsibilities and the opportunities it brings us.

Last year at this conference, we talked about a sense of urgency for action. The action is happening on the application side, as you will see today (and saw last night, I hope) with the Power Users' lab and demonstrations.

You will also see what our *Get Broadband* communities have accomplished as they pursue these social and economic goals with broadband as a tool in their hip pocket. To date, 27 communities from across the state are participating in the program.

As is true in many areas of public policy, it is often easier to agree on shared goals than on the best means to reach those goals. So is it true here. But in this case I would argue that PRACTICE and PEOPLE are pushing policy to catch up. And that will be good for Minnesota, because we have always been an innovative state, and we will have to continue to be to attract the workforce we will need to keep our economy strong and vibrant and retain our "above average" quality of life.

At this year's conference, we will continue to pursue our Broadband Vision for Minnesota by showcasing and promoting innovation in policy and practice. The Future is NOW, and we are simply compelled to respond by the imperative of staying globally competitive.

Successful approaches will require broad engagement from industry, public sector leaders, the business community and consumers. We have to decide together that we are in charge, together, and with the help of Next Generation thinkers and doers, get moving and up to speed. Because the world won't wait for us to figure out how we are going to catch up.

So thank you again for coming and thank you for joining us and our conference partners and co-sponsors in listening to the Next Generation's message. The Future is NOW. Let's get on with it already!