To all ATIC Board Members and Proxies:

This is a report on the conference call held Thursday, October 6th at 10:00 am to follow up on the Partnerships and Business Model Groups' reports presented at the September 14th Board Meeting and to discuss next steps.

Attendees: Brenda Beall, Mark Goldstein, Henry Goldberg, Mike Whipple, Steve Peters, Andy Phelan, Ron Schott, Bill Bolin, Mala Muralidharan, Michael Cohen, Oris Friesen.

Background: ATIC Board held an all-day strategic planning session led by Sharon Hill of the DANU Group (http://www.danugroupaz.com/) on July 7th at State Libraries facilities in Phoenix with remote access for those needing it. A variety of background and preparatory materials were sent to the Board prior and reports provided after by Sharon Hill. The various breakout groups took away consensus goals and tasks that will be undertaken and reported on periodically.

The teleconference discussion revolved around the following documents that were distributed prior to the conference call:
"ATIC Action Plan" dated July 2016;
"Proposal from the Partnerships Breakout Group" dated September 14, 2016;
"ATIC Business Model SWOT Tables 09_16 V1B."

1.  Partnerships Group

   a.  Template of Assets & Appendix A
      i.   Is the content acceptable?
         • Yes. The Template of Assets is essentially a Résumé that is to serve as a baseline introduction for ATIC.
         • We will add a few pre-2000 entries to Appendix A regarding the creation and early evolution of ATIC.
            ➔ Mark will send Oris the relevant data.

      ii.  What content should be included in Appendix B?
         • The general consensus seemed to be that the concept is a good idea but the content should resemble what we used to have on our roster list. Perhaps that should even be scaled down to only name, contact information and a pointer to more detailed information on the ATIC web site.
            ➔ This means we need a viable web site ASAP!
            **Ed. Comment:** Without a viable web site we are not credible as an organization and cannot visit potential partners. This is a very high priority for ATIC.

   b. What organizations (public and private) should be initial targets for Partnership visits?
      i. Appendix C contains a list of broadband service providers as engaged by the former Arizona Broadband mapping program.
- It was agreed that we need to identify and add public sector and nonprofit organizations to this list, as well as other private sector companies such as managed telecom services providers, data center/hosting companies, services/application layer companies and infrastructure companies.
- Some prospects are listed in the ATIC Action Plan.
- Mark suggested that we add other nonprofits such as the Arizona Wireless Association, the Arizona Bioindustry Association, the Arizona Technology Council and the Southwest Cable Communications Association. It was noted that partnership prospects are different from donor prospects.
- Steve suggested that we can draw upon our past activities where we solicited partnerships and sponsors for various ATIC events.
- Perhaps Ron Schott and Michael Cohen could provide a potential donor list or sponsorship sheet from which we could select candidates.

      ii. This needs to be discussed at further Partnerships/Business Models (strategy) committee and Board meetings.

   c. What ATIC services could be performed for potential partners? This includes listening to the prospects' proposed ideas for ATIC work.
      i. This will depend on the potential partner visited.
- ➔ This needs to be discussed at future Partnerships/Business Models (strategy) committee and Board meetings.

   d. Which ATIC Board Members would participate in these potential partner visits?
      i. ➔ This needs to be discussed at future Partnerships/Business Models (strategy) committee and Board meetings.

2. Business Model Group
Mark gave an overview of ATIC's situation: ATIC Board size has decreased and still underrepresents telecom providers and other key stakeholders, the website has been reworked several times but remains unsatisfactory, there is uncertainty about ATIC volunteer bandwidth sufficiency to perform activities, and we have arrived at a dangerously low level of sponsorship funding unable to refresh ongoing operations for the long term.

   a. Which of the 3 business models should ATIC pursue?
      i. Mark briefly described three options.

- Option 1 is essentially to continue operating "as is" refreshing Board membership, regaining sponsorships, refreshing the website, and continuing to seek and undertake initiatives where practical.
- Option 2 is to expand and reinvigorate somewhat by expanding and building our value proposition, seeking significant additional revenue base (membership fees, event fees, project management fees and expanded sponsorship base), incorporating professional paid staff and adding other support mechanisms.
- Option 3 is to join another organization along the lines of what the Arizona Optical Industry Association recently did by becoming a committee of the Arizona Technology Council. This is more likely a merging of ATIC with a stronger, more stable group, but depending on the organization, this could be a merging of equals.

   ii.   Some of the discussion comments are summarized below:

- Brenda observed that any of the three options seem viable.
- Michael Cohen said our focus is not well enough defined to carry out any of these options. Steve Peters stated whatever model is chosen we still need to decide who we are and what we want to do.
- Mike Whipple was underwhelmed with Option 3 and would prefer to pursue opportunities via Option 1. He cited a New Mexico membership nonprofit that we may wish to consider emulating.
- Steve suggested converting ATIC from a 501c6 nonprofit to a 501c3 organization, in part to avoid being considered a trade association, though lobbying would no longer be permitted.

b.  What are the market opportunities for ATIC?

   i.   We need to come up with a value proposition for each of the options if we are to make an informed decision.

- Oris suggested that as an organization we have lost our way. We should seriously address and take advantage of the "Information" aspect of ATIC. That's where the action is. Too often we constrain our thinking with an overemphasis on "telecommunications."
- ➔ This needs to be discussed at further Partnerships/Business Models (strategy) committee and Board meetings.

c.  Should the Business Model Group & the Partnerships Group collaborate? For example, to identify potential partners and market opportunities?

   i.   It was agreed that the two Groups should work together to define our market objectives and opportunities.

   ii.   Below are some of the salient points made during the discussion.

- Brenda noted that the purpose of having smaller Working Groups (WGs) was to provide an opportunity for other people, who normally do not provide input, to contribute.
  We need to decide what our objectives and purpose are and the WGs should contribute to that end.

- Bill related that the Arizona Commerce Authority recently contacted Cochise County and asked Bill to get a list of current broadband providers there. He couldn't find it on the NTIA Broadband Map or anywhere else. We could not help them out. But they really need it.
- Mark suggested that we contact Shea Lemar at ASU to see if we can pick up some of the abandoned Arizona Broadband Map activity and/or identify Arizona Geographic Information Council (AGIC) resources to integrate available FCC wireline and wireless GIS data for Arizona into a public facing portal with various available data sources/layers.
- Bill stated that the only way rural Arizona is going to get broadband is to line item it in their budgets so they have matching funds available.
- Steve reported that there is a WG within the Department of Education that is working with the Governor's Office and EducationSuperHighway (http://www.educationsuperhighway.org/) to deploy broadband for rural schools. ATIC should be included in these discussions. See http://education.azgovernor.gov/edu/blog/2016/03/governors-office-arizona-department-education-partner-increase-internet-access
- ➔Mark proposed that we should regularize this discussion on a monthly basis along the lines of the old strategy committee.

3. Steve raised some interesting points about a resurrection of the Strategy Committee.
    i.   Steve suggested that we should resurrect the strategy committee since we have not had a group focused on strategic directions for some time.
    ii.  Also, ATIC should pick up the Digital Arizona Council (DAC) "Arizona's Strategic Plan for Digital Capacity" and build on it.
    iii. Thirdly we need to stay abreast of and focus on ongoing state and federal government activities.

Regards,

—Oris, Henry, Mark.