

ORIGINAL

317 Centre Street
Amelia Island, FL 32034
(904) 261-4334
www.beta-1.com

June 11, 2002

Mr. Tom Williams
Florida Public Service Commission
Division of Regulatory Oversight
Certification Section
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Dear Mr. Williams:

020506-TX

Enclosed please find the original application, copies and associated check for Laser Telecom for an Alternative Local Exchange Carrier.

I will be glad to answer any questions you may have and will come over to meet with you at your convenience to discuss this application. We appreciate your help in getting us through this process. Please let me know if you need any additional information. Thank you.

Sincerely,

Raymond M. Chauncey

Raymond M. Chauncey
CEO
Ray Chauncey@BETA-1.com

Check received, filing and forwarding to FPSC for deposit.
FPSC to forward a copy of check to RAO with proof of deposit.
[Signature] in person who forwarded check.

02 JUN 12 AM 10:55

DISTRIBUTION CENTER

Business Confidential

DOCUMENT NUMBER-DATE

06112 JUN 12 02

FPSC-COMMISSION CLERK

**** FLORIDA PUBLIC SERVICE COMMISSION ****

DIVISION OF REGULATORY OVERSIGHT
CERTIFICATION SECTION

APPLICATION FORM
for
AUTHORITY TO PROVIDE
ALTERNATIVE LOCAL EXCHANGE SERVICE
WITHIN THE STATE OF FLORIDA

020506-TX

Instructions

This form is used as an application for an original certificate and for approval of the assignment or transfer of an existing certificate. In the case of an assignment or transfer, the information provided shall be for the assignee or transferee (See Page 12).

Print or type all responses to each item requested in the application and appendices. If an item is not applicable, please explain why.

Use a separate sheet for each answer which will not fit the allotted space.

Once completed, submit the original and six (6) copies of this form along with a non-refundable application fee of **\$250.00** to:

Florida Public Service Commission
Division of Records and Reporting
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
(850) 413-6770

If you have questions about completing the form, contact:

Florida Public Service Commission
Division of Regulatory Oversight
Certification Section
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
(850) 413-6480

APPLICATION

1. This is an application for (check one):

- Original certificate (new company).
- Approval of transfer of existing certificate: Example, a non-certificated company purchases an existing company and desires to retain the original certificate of authority.
- Approval of assignment of existing certificate: Example, a certificated company purchases an existing company and desires to retain the certificate of authority of that company.
- Approval of transfer of control: Example, a company purchases 51% of a certificated company. The Commission must approve the new controlling entity.

2. Name of company:

LASER TELECOM, LLC

3. Name under which the applicant will do business (fictitious name, etc.):

4. Official mailing address (including street name & number, post office box, city, state, zip code):

317 CENTRE STREET
AMELIA ISLAND, FL 32034

5. Florida address (including street name & number, post office box, city, state, zip code):

317 CENTRE STREET
AMELIA ISLAND, FL 32034

6. Structure of organization:

- () Individual () Corporation
() Foreign Corporation () Foreign Partnership
() General Partnership () Limited Partnership
(X) Other LIMITED LIABILITY COMPANY

7. If individual, provide:

Name: _____

Title: _____

Address: _____

City/State/Zip: _____

Telephone No.: _____ Fax No.: _____

Internet E-Mail Address: _____

Internet Website Address: _____

8. If incorporated in Florida, provide proof of authority to operate in Florida:

(a) The Florida Secretary of State corporate registration number:

L 0100001554

9. If foreign corporation, provide proof of authority to operate in Florida:

(a) The Florida Secretary of State corporate registration number:

10. If using fictitious name-d/b/a, provide proof of compliance with fictitious name statute (Chapter 865.09, FS) to operate in Florida:

(a) The Florida Secretary of State fictitious name registration number:

11. If a limited liability partnership, provide proof of registration to operate in Florida:

(a) The Florida Secretary of State registration number:

12. If a partnership, provide name, title and address of all partners and a copy of the partnership agreement.

Name: _____

Title: _____

Address: _____

City/State/Zip: _____

Telephone No.: _____ Fax No.: _____

Internet E-Mail Address: _____

Internet Website Address: _____

13. If a foreign limited partnership, provide proof of compliance with the foreign limited partnership statute (Chapter 620.169, FS), if applicable.

(a) The Florida registration number: _____

14. Provide F.E.I. Number(if applicable): 82-0547345

15. Indicate if any of the officers, directors, or any of the ten largest stockholders have previously been:

(a) adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings. Provide explanation.

NONE

(b) an officer, director, partner or stockholder in any other Florida certificated telephone company. If yes, give name of company and relationship. If no longer associated with company, give reason why not.

NONE

16. Who will serve as liaison to the Commission with regard to the following?

(a) The application:

Name: RAYMOND M. CHAUNCEY
Title: CEO / MANAGING MEMBER
Address: 317 CENTRE STREET
City/State/Zip: AMELIA ISLAND, FL 32034
Telephone No.: (904) 261-4334 Fax No.: (904) 261-8566
Internet E-Mail Address: RAYCHAUNCEY@BETA-1.COM
Internet Website Address: WWW.LASER-TELECOM.COM

(b) Official point of contact for the ongoing operations of the company:

Name: RAYMOND M. CHAUNCEY
Title: CEO/MANAGING MEMBER
Address: 317 CENTRE STREET
City/State/Zip: AMELIA ISLAND FL 32034
Telephone No.: (904)261-4334 Fax No.: (904)261-8566

Internet E-Mail Address: RAYCHAUNCEY@BETA-1.COM
Internet Website Address: WWW.LASER-TELECOM.COM

(c) Complaints/Inquiries from customers:

Name: CLIFF HOLT
Title: PRESIDENT
Address: 3010 SOUTH THIRD STREET
City/State/Zip: JACKSONVILLE BEACH, FL 32250
Telephone No.: (904)993-6257 Fax No.: (904)261-8566

Internet E-Mail Address: CLIFFH@CONNEXSYS.COM
Internet Website Address: WWW.LASER-TELECOM.COM

17. **List the states in which the applicant:**

(a) has operated as an alternative local exchange company.

NONE

(b) has applications pending to be certificated as an alternative local exchange company.

NONE

(c) is certificated to operate as an alternative local exchange company.

NONE

(d) has been denied authority to operate as an alternative local exchange company and the circumstances involved.

NONE

(e) has had regulatory penalties imposed for violations of telecommunications statutes and the circumstances involved.

NONE

(f) has been involved in civil court proceedings with an interexchange carrier, local exchange company or other telecommunications entity, and the circumstances involved.

NONE

18. Submit the following:

A. Managerial capability: give resumes of employees/officers of the company that would indicate sufficient managerial experiences of each.

B. Technical capability: give resumes of employees/officers of the company that would indicate sufficient technical experiences or indicate what company has been contracted to conduct technical maintenance.

C. Financial capability.

The application **should contain** the applicant's audited financial statements for the most recent 3 years. If the applicant does not have audited financial statements, it shall so be stated.

The unaudited financial statements should be signed by the applicant's chief executive officer and chief financial officer **affirming that the financial statements are true and correct** and should include:

1. the balance sheet:
2. income statement: and
3. statement of retained earnings.

NOTE: *This documentation may include, but is not limited to, financial statements, a projected profit and loss statement, credit references, credit bureau reports, and descriptions of business relationships with financial institutions.*

Further, the following (which includes supporting documentation) should be provided:

1. **written explanation** that the applicant has sufficient financial capability to provide the requested service in the geographic area proposed to be served.
2. **written explanation** that the applicant has sufficient financial capability to maintain the requested service.
3. **written explanation** that the applicant has sufficient financial capability to meet its lease or ownership obligations.

THIS PAGE MUST BE COMPLETED AND SIGNED
APPLICANT ACKNOWLEDGMENT STATEMENT

1. **REGULATORY ASSESSMENT FEE:** I understand that all telephone companies must pay a regulatory assessment fee in the amount of .15 of one percent of gross operating revenue derived from intrastate business. Regardless of the gross operating revenue of a company, a minimum annual assessment fee of \$50 is required.
2. **GROSS RECEIPTS TAX:** I understand that all telephone companies must pay a gross receipts tax of two and one-half percent on all intra and interstate business.
3. **SALES TAX:** I understand that a seven percent sales tax must be paid on intra and interstate revenues.
4. **APPLICATION FEE:** I understand that a non-refundable application fee of \$250.00 must be submitted with the application.

UTILITY OFFICIAL:

RAYMOND M. CHAUNCEY

Print Name

Ray Chauncey

Signature

CEO

Title

JUNE 10, 2002

Date

(904) 261-4334

Telephone No.

(904) 261-8566

Fax No.

Address:

317 CENTRE STREET

AMELIA ISLAND, FL 32034

THIS PAGE MUST BE COMPLETED AND SIGNED

AFFIDAVIT

By my signature below, I, the undersigned officer, attest to the accuracy of the information contained in this application and attached documents and that the applicant has the technical expertise, managerial ability, and financial capability to provide alternative local exchange company service in the State of Florida. I have read the foregoing and declare that, to the best of my knowledge and belief, the information is true and correct. I attest that I have the authority to sign on behalf of my company and agree to comply, now and in the future, with all applicable Commission rules and orders.

Further, I am aware that, pursuant to Chapter 837.06, Florida Statutes, "Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082 and s. 775.083."

UTILITY OFFICIAL:

RAYMOND M. CHAUNCEY
Print Name

Rm Chauncey
Signature

CEO
Title

JUNE 10, 2002
Date

(904) 261-4334
Telephone No.

(904) 261-8566
Fax No.

Address:

377 CENTRE STREET
AMELIA ISLAND, FL 32034

INTRASTATE NETWORK (if available) N/A

Chapter 25-24.825 (5), Florida Administrative Code, requires the company to make available to staff the alternative local exchange service areas only upon request.

1. **POP:** Addresses where located, and indicate if owned or leased.

1) _____ 2) _____

3) _____ 4) _____

2. **SWITCHES:** Address where located, by type of switch, and indicate if owned or leased.

1) _____ 2) _____

3) _____ 4) _____

3. **TRANSMISSION FACILITIES:** POP-to-POP facilities by type of facilities (microwave, fiber, copper, satellite, etc.) and indicate if owned or leased.

POP-to-POP

OWNERSHIP

1) _____

2) _____

3) _____

4) _____

CERTIFICATE SALE, TRANSFER, OR ASSIGNMENT STATEMENT

I, (Name) _____
(Title) _____ of (Name of Company)

and current holder of Florida Public Service Commission Certificate Number # _____
_____, have reviewed this application and join in the petitioner's request for a:

- () sale
- () transfer
- () assignment

of the above-mentioned certificate.

UTILITY OFFICIAL:

Print Name

Signature

Title

Date

Telephone No.

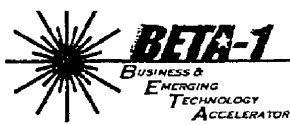
Fax No.

Address: _____

Managerial Capability

The resumes/biographical summaries of the management team and advisors of Laser Telecom, LLC, are included as follows:

Raymond M. Chauncey	Chief Executive Officer/Manager of LLC/ Member
M. Clifford Holt	President and Member
Gary D. McManus	CFO and Member
John Pasieka	Technical Advisor and Member



Raymond M. Chauncey- Bio

Raymond Chauncey is co-founder, President and CEO of *BETA-1*, the **Business and Emerging Technology Accelerator** on Amelia Island, Florida. *BETA-1*, which is privately funded, equips emerging technology innovators with critical entrepreneurial resources, including an appropriate operating environment and 21st Century technical and communications services. The accelerator also provides proactive business mentoring combined with timely capital assistance through its seed capital fund.

Before founding *BETA-1*, he was President of Benchmark Consulting Corp, which specializes in business development and expansion for technology entrepreneurs. The company service and expertise included management assistance, business planning, market analysis, e-business strategy, technology licensing and venture financing.

Ray was previously Vice-President and Chief Operating Officer of Enterprise North Florida Corporation (an Enterprise Florida affiliate), a business incubator and consulting firm for start-up companies. As a founding member in 1995, he had responsibility for the development and operation of the Innovation and Technology Commercialization programs, which assisted over three- hundred businesses during his tenure. Ray helped develop the North Florida Venture Capital Forum and the North Florida Venture Capital Network and served as Forum Presenter Committee Chairman in both 1998 and 1999.

Prior to his entrepreneurial experiences, he was involved in the commercialization of more than thirty products and processes representing \$430 Million in annual sales. These projects were completed on six different continents for multi-national giants Union Carbide Corporation and Rhone-Poulenc, Inc., of France. Mr. Chauncey had responsibility for Process/Product Development/Pilot Plant Operations for North, Central and South American regions, as well as support for his counterparts in Asia and Europe on new start-ups. Ray has held a variety of key positions in functional areas including, engineering, research and development, manufacturing and commercial operations. His experience includes patent conception, product and process development, plant design, operator training, start-up, production, marketing, venture finance, strategic planning, and e-business applications. These experiences give him a unique perspective on global technological, economic, political, and cultural environments, as well as the many obstacles involved in the process of technology commercialization and operations.

Raymond holds a Bachelor's degree in Industrial Technology and a Master's in Business Administration from the University of North Florida. Ray is a member of the American Institute of Chemical Engineers, Licensing Executives Society, National Business Incubation Association, and Small Business Resource Network. He has also served on several Northeast Florida regional economic development Boards and committees, including Chair of the Nassau County Economic Development Board, Chairman of the Amelia Island Chamber of Commerce's Economic Development Committee and member of the Small Business Council, and the UNF Small Business Resource Network. Ray also was appointed to the WorkSource Regional Board, and the WorkSource High Skills/High Wage Committee. In addition he is on the Board of Directors or Advisors of several expanding and emerging companies on the First Coast.

RAYMOND M. CHAUNCEY

9517 Spring Blossom Court
Amelia Island, Florida 32034
(904) 261-4334

RayChauncey@BETA-1.com www.BETA-1.com

Summary:

An effective manager and entrepreneur who has successfully championed the development, technology transfer and international commercialization of 32 new products and processes. Project responsibilities have included the full scope of activities from patent conception, process and facilities definition, training and operations, quality control, product packaging and recycle. Experience includes technology evaluation, strategic market planning, economic and financial analysis, business plan development, budget preparation, and general business consulting. Uniquely qualified in the following areas:

- * Process Development
- * Market Analyses
- * International Technology Transfer
- * Pilot Plant Operations
- * Project Management
- * Product Development
- * e-Business Strategy
- * Venture financing
- * Operations/Production Management
- * Small Business Start-up/consulting

Previous Positions

1999-2000: President, Benchmark Technology Enterprise Consulting Corp., Amelia Island, FL

1996-1999 Vice President/COO - Innovation and Technology Commercialization, Enterprise North Florida Corporation, Jacksonville, Florida

1995 Project Manager- University of North Florida, Small Business Development Center- Enterprise Florida Innovation and Commercialization Center development

1993-1995: Co-Owner/Manager of Garden Art, Fernandina Beach, Florida

1987-1994: Manager - R & D Formulations Pilot Plants, Principal Scientist/Senior Process Development Engineer with Rhone-Poulenc Inc.

1977-1987: Process Development Engineer, Pilot Plant Engineer, Associate Chemist with Union Carbide Corporation

Process Development

- * Managed multiple scale-up projects for new agricultural formulation types including water dispersable granules, sprayable powders, flowables, baits, and emulsifiable concentrates.
- * Developed mathematical computer models for size reduction, drying and separation processes used in production of several commercial products.

Pilot Plant Operations

- * Managed formulations pilot plant and process development operations for new products. Supervised staff of twelve engineers, chemists and operating personnel. Prepared and administered \$1.4 million operating budget. Developed training for full-scale plant personnel.

Product Development

- * Evaluated alternatives for new product commercialization, including development of strategic marketing plans, product costing and manufacturing options.
- * Coordinated sample/prototype production and field testing program for candidate formulations.

International Technology Transfer

- * Led team in identifying and developing new pesticide formulation and water-soluble packaging technology to resolve worker exposure and contaminated container disposal issues. Several patents filed and granted worldwide.
- * Defined facilities and process for a "modular" plant to produce flowable suspension concentrates. Accountable for assembly, delivery, start-up, personnel training and initial operations of units in Mexico, Columbia, Brazil, and Indonesia.

- * Provided sole technology support for introduction of multi-million dollar product in Australia and Argentina. Activities included contract formulator selection, plant retrofit, start-up, personnel training and quality monitoring.

Operations Management

- * Coordinated contract formulator production including qualification trials, process safety and start-up reviews, facility modification requirements, quality assurance monitoring and statistical process control, TQM, and ISO 9002 training support.
- * Participated in various teams in R & D, manufacturing and engineering. Also a member of the Emergency Response Team, Managers Safety/Health and Environment Committee, Innovative Ideas Forum.

Project Management

- * Designed, installed, maintained, and operated several pilot plant units for process development activities. Also included laboratories for formulation development and analytical chemistry.
- * Managed technology support to new formulation plant construction, expansions, retrofit, relocation, and shut down projects.

Environmental Technology

- * Prepared application and obtained permits for R & D pilot plants. Maintained waste disposal permits and evaluated alternate treatment methods. Installed, operated and maintained new equipment.
- * Modeled biological treatment plant and provided training to plant operators to increase and monitor capacity.

Small Business Development

- * Conceptualized, started, and managed, a greenhouse/landscaping business. Duties included all financial, marketing, technical, and management decisions.
- * President of a consulting practice specializing in technology commercialization, business development, electronic commerce and venture financing.

Education:

Bachelor of Science, Industrial /Systems Technology (Summa Cum Laude 3.84/4.0)	1981
Master of Business Administration (3.83/4.0)	1995
University of North Florida, Jacksonville, Florida	
Post Graduate, Industrial Engineering, Graduate level, (Distance Learning Program)	
University of South Florida, Tampa, FL	Present
e-Business/e-Commerce Series	
Electronic Commerce Resource Center- Eckerd College, Largo ,FL	Present

Professional Affiliates/Community Services/Awards:

- * American Institute of Chemical Engineers
- * American Management Association
- * Economic Development Committee Chair, Amelia Island Chamber of Commerce
- * Florida Business Incubation Association
- * Florida Nurserymen & Growers Association - Certified Horticultural Professional
- * Institute of Packaging Professionals
- * Licensing Executives Society
- * Nassau County Economic Development Board, Chairman
- * National Business Incubation Association
- * North Florida Venture Capital Network
- * Small Business Resource Network- University of North Florida
- * Small Business Council-Amelia Island/Fernandina Beach/Yulee Chamber of Commerce
- * Worksource Board of Directors (Workforce regional development)
- * Prix d'Excellence Orchidee-Creativity/Innovation, Rhone-Poulenc, Inc.

References : Available upon request

M. Clifford Holt

SUMMARY OF QUALIFICATIONS

Have made significant contributions to the bottom line profitability as a business building senior level manager with a strong technical and general business management background. As a key member of a corporate management team, worked with the financial underwriters in achieving a very successful public stock offering. Have also developed and executed strategy for successful sale of a business for a then record per share price for the type of company and industry.

Developed business practices for quality, on time delivery of complex systems. Authored the software factory process and the Evolution® methodology as high productivity approaches for component-based development (CBD) of distributed, multi-tier systems. Recently pursued expertise in delivering distributed Internet based systems using the latest standards in Web Services. Expert in several industry standard methodologies and in several computer aided software engineering systems development tools.

PROFESSIONAL EXPERIENCE

CEO

Oct 2001-Current

Oversees marketing, product/services development, production, finance, and client service of this computer networking specialists & high-speed wireless Internet provisioning company. Develops and makes certain that the business plan is up to date and used throughout the year as corporate governess in all business operations. Seeks and applies advice and council from the board of directors and outside business advisors. Develops and maintains synergistic strategic business alliances that improve technology knowledge, create revenue potential, and/or increase profitability. Is focused on making certain that the company fulfills its obligation to all shareholders and provides a reliable pay back/ exit strategy for its outside investors.

COMPUTER ASSOCIATES, INTERNATIONAL (CA)

VP of Business Development

Jan 1998 – Oct 2001

Established and managed the Business Practice Office (BPO) to ensure operational efficiency of internationally based Service Delivery Centers (Outsourcing Centers). Activities in this position and resulting benefits to company included:

- Formation and management of teams to develop and maintain infrastructure support systems, ISO 9000 compliance procedures, web based communication of procedures, and refinements of the Evolution® methodology and software factory process. Procedures and systems improved operational efficiencies of over 1500 systems developers worldwide.
- Authored web-based Project Management Office procedures resulting in establishment of best practices in project management and corresponding improvement in quality and on time delivery.
- Developed audit guidelines and helped conduct audits of projects, resulting in better customer relations and enabling early corrective actions to ensure project success and improved profitability.
- Developed web based workflow (process maps) for procedures in compliance with all clauses of the ISO 9000 standard. Graphical process maps resulted in improved training because of easier comprehension.
- Developed expertise in delivering distributed Internet based systems using the latest standards in XML and SOAP with J2EE compliant application servers using CA's COOL: Plex and COOL: Gen system development tools.

COMPUTER MANAGEMENT SCIENCES, INC. (CMSI)

VP of Business Operations

Nov 1992 – Jan 1998

Held various management positions to assist company in strategic market positioning of consulting services business and in new business development. Activities in this position and resulting benefits to company included:

- Authored, published and trademarked the Evolution® methodology, which is a comprehensive systems development approach, based on incremental development of software components and integrated use of high productivity tools, resulting in efficiencies and quality improvement. Also provided marketing edge over competition.
- Developed guidelines for presenting company credentials and in development of proposals. Improved procedures resulted in 25% increase in wins and better positioning of the company to compete with large consulting companies.
- Worked with management to define and establish Systems Outsourcing Centers. Developed procedures called Software Factory Process, which enabled assembly line software development and reuse of components to improve

productivity and profitability. Estimated 50% increase in productivity and improved employee job satisfaction and retention.

- Established line of business in data migration called DM Solution. Authored all procedures and staffed team to perform large data migration, resulting in most profitable service in CMSI history. Published paper on Data Migration.
- Served as technology advisor in corporate strategic planning for taking the company public. Worked with underwriters to communicate the services and products in the business plan, resulting in one of most profitable stock offerings in history of software consulting.
- Help in positioning of company for sale of all assets to Computer Associates, Inc. Obtained very profitable stock price resulting in yet another round of millionaires within the ranks of CMSI due to liquidation of ESOP.

JAMES MARTIN AND COMPANY (JM&C)

Senior Consulting Manager

July 1984 – Nov 1992

- Worked directly with James Martin in the development of the Rapid Application Development (RAD) version of the Information Engineering Methodology (IEM). RAD became one of the most widely used methodologies in the software industry in the 1980s and resulted in tens of millions in additional revenue to JMC.
- Successfully managed complete life cycle from pre sales through deployment of over \$50 million in projects.
- Engaged as principal consultant with a variety of fortune 500 companies in their migration from legacy to client/server technology.

ADDITIONAL RELEVANT EXPERIENCE

President and CEO of American Dataware, Inc.

Developed general applications development tool that contained its own language and compiler. Helped build this company to national recognition before selling product and business to Sage Systems, which later became Intersolv.

Director of Product Development for Survival Technology

Designed the prototype and worked on the development team to develop one of the first alternatives to the Holter monitor (an ambulatory cardiac tape recorder). Device achieved wide recognition in medical field as being revolutionary in design. Also consulted with companies in the implementation of FDA regulated good manufacturing practices for medical devices. Managed team in the systems integration within hospitals of various medical vendor products.

U. S. NAVY

Naval Flight Officer, Division Officer for over 100 personnel in the Avionics Division. Achieved rank of Lieutenant.

EDUCATION

The George Washington University, Washington DC

Masters degree in Biomedical Engineering

Auburn University, Auburn Alabama

Bachelor of Science in Electronics Engineering

National Honor Society of Electronics Engineers (ETA KAPPA NU)

Have authored and published several white papers on various subjects. Have presented technology as speaker in several industry seminars in computer industry.

P.O. Box 399, Catawba , NC
28609

Phone 828-241-9780

Gary D. McManus

Experience

1987-2001 Prodelin Corporation -Worlds leading
manufacture of receive/transmit small aperture satellite earth station
antennas Conover, NC

V.P Finance /Administration (CFO)

- Responsible for all accounting,/financial functions, Human Resources and Information Technology. Retired in 2001 to pursue investment opportunities.

1982-1987 Comm/Scope Corporation-One of the largest
manufacture of coaxial cable for the telecommunication industry Hickory, NC

Project Accounts Manager

- Worked on various internal projects and assisted with potential company acquisition opportunities.

1979-1982 Rubbermaid Applied Products -Industrial project
division of the best known consumer oriented products, Rubbermaid
Corporation Statesville, NC

General Accounting Manager

- Responsible for all accounting functions other than cost accounting.

Education

University of South Carolina Columbia, SC
BS Business Management
Master Business Administration

John F. Pasieka, Advisor

John is a seasoned executive with over forty years of experience in founding, directing and managing profitable technically based organizations. He is currently involved as a consultant and advisor to various profit and nonprofit entities.

His experience includes 28 years in various executive assignments with Polaroid Corporation. Operationally, John has been responsible for development, start up and manufacturing support for all of the corporation's hardware products which include sophisticated cameras manufactured in volumes of more than four million units per year as well as the entire broad based line of lower volume industrial products. In that role he also negotiated and managed several large electronic supply contracts with major global vendors and directed the in house engineering efforts to achieve computer controlled, automated product assembly.

Commensurately, he has also been operationally responsible for the 650-member organization which designs and implements Polaroid's worldwide facilities, equipment and processes. In this role he led the successful worldwide efforts to implement core-manufacturing technologies in electronic and semi conductor assembly and in advanced high speed coating technology.

Additionally, as a member of Polaroid's Corporate Headquarters Staff, John has conducted specifically directed programs designed to advance strategies for corporate growth and profitability. These have included the development of an ongoing five-year capital plan, within prescribed bank covenant limits, through negotiations with internal functional groups and involving careful risk analysis. In this assignment John also managed a diversity of one time activities ranging from the divestiture of specific businesses to the development of strategies for exploiting and growing new businesses in the commercial and industrial product markets.

Prior to his Polaroid career John was a member of Wolf Research and Development Corporation, one of the first software/hardware consulting companies, which pioneered the development of interactive software operating programs, where he managed product development for orbital analog display systems and related system work directed at calibrating radar using satellite photogrammetry. He was also Vice President of Engineering for Eastern Technical Associates, a company specializing in engineering consulting, prototype fabrication and product development.

John is the holder of nine US and Foreign patents. He is the recipient of a Bachelor of Science Degree in Mechanical Engineering and Economics from the Massachusetts Institute of Technology and of a Master of Science Degree in Engineering Management from Northeastern University.

Technical Capability

The technical services for Laser Telecom have been contracted to Connexsys, Inc. a local provider of managed network services, wireless networks and systems engineering. Laser Telecom has also contracted with DVVCom Technology Group to provide guidance in operating as a telephone company.

Resumes of the technicians from those companies that will be working on this project are included in this package.

Jason Decker	Chief Technology Officer
Jim Ferguson	Telecom Consultant
Beth Kiem	Systems Engineer
Brian Beardsley	Systems Engineer
Marc Cantelmo	Systems Engineer

P. Jason Decker

EDUCATION

UNIVERSITY OF FLORIDA

Bachelor of Science in Civil Engineering

May 1997

MICROSOFT CERTIFIED SYSTEMS ENGINEER (MCSE)

MICROSOFT CERTIFIED PROFESSIONAL + INTERNET (MCP+I)

COMPUTER SKILLS:

- ❑ **OPERATING SYSTEMS:** Windows NT/2000 Server, Advanced Server, WorkStation, and Terminal Server Edition v3.51/4.0/2000, Windows9x, windows3.x, DOS, Linux.
- ❑ **SOFTWARE:** MS Active Directory Services, MS Exchange Server v5.5/2000, MS Internet Information Server v4.0/5.0, MS Proxy Server v2.0, Citrix XP, MetaFrame and Winframe, Seagate BackupExec, ArcServe, Sophos Anti-Virus, Trend Micro Office Scan Anti-Virus, HP OpenView Network Management, MS Office 9x & 2000, WordPerfect Suite, Visio Professional, AutoCAD R12-R14, Microstation 95/J.
- ❑ **PROGRAMMING:** HTML, Java Script, Visual Basic, C++, Fortran, and Pascal
- ❑ **NETWORKING:** Advanced TCP/IP functionality and configuration including LAN/WAN Switching and routing, OSPF, RIP, DNS, DHCP, WINS, FTP, Telnet, Frame-Relay, T1, Ethernet/Fast Ethernet.
- ❑ **OTHER:** Cisco Catalyst 4000/5000/6000 series switches, Cisco 2500/2600/3000/7000 Series Routers, Avaya (Lucent) Cajun 550/580/880 Series Switches. Firewall / VPN design and configuration utilizing, Cisco PIX, Raptor, Watchguard, Sonicwall and RadWare.

WORK EXPERIENCE

CONNEXSYS INC. – Jacksonville, FL – April 1999 – Present

SENIOR NETWORK ENGINEER / CONSULTANT: Network design and implementation for Connexsys internal systems, and various clients. Developed Network management architecture for Connexsys Client networks to facilitate Managed Network Services offered by Connexsys. Provide general network services and administration to Connexsys clients.

WIRELESS NETWORK ENGINEER: Design and implementation of indoor/outdoor wireless networks for multi-tenant buildings and hotels. Complete Wireless ISP design and build-out for Connexsys in Jacksonville Beach, FL. Design and implementation of a commercial outdoor wireless network for a 7000 user ISP in Douglas Georgia.

WORK EXPERIENCE (Continued)

MINDPOWER! CONSULTING INC. – Jacksonville, FL – October 1999 – April 1999

SENIOR NETWORK ENGINEER: Support and maintain a LAN/WAN network consisting of 700+ local users and 2000+ remote users/devices for Landstar Systems Holdings, Inc. Developed a Citrix MetaFrame/Terminal Server solution to support 1000+ external customers across connections including Dial-Up, Frame relay, and public Internet service. Designed and implemented a load balancing and fail-

over system for Terminal Services and the \$500 Million dollar corporate e-commerce site. Utilized Eco-Tools and MRTG to setup real-time bandwidth, health monitoring and notification services for all critical-path network and Internet links.

FLORIDA NETWORK CONSULTING INC. – Jacksonville, FL – April 1999 – October 1999

SENIOR NETWORK ENGINEER: Supported seventy-five software developers and thirteen Compaq servers in a multi-site, multi-domain Windows NT Environment. Architected a network restructuring and multiple NT domain collapse for Information Systems of Florida, Inc. Migrated corporate email from cc:Mail to Microsoft Exchange Server 5.5. Fully documented the design and maintenance procedures for the network.

CONNELLY & WICKER INC. - Jacksonville Beach, FL - June 1997 – April 1999

NETWORK ENGINEER: Designed and deployed a two office LAN/WAN migration from a peer-to-peer LANtastic network to a switched, Fast-Ethernet WinNT client/server environment. Implemented Exchange Server v5.5, Internet Information Server v4.0, Microsoft Proxy Server 2.0, Two Dedicated Frame Relay Circuits, and VPN utilizing Cisco 1601 routers. Network services include: secure interoffice communication via the Internet, single point administration, File and printer sharing, Web server, Browsing, FTP, and email.

CIVIL ENGINEER: Utilize computer-aided-design and modeling tools to develop roadway construction plans for the Florida Department of Transportation and the Jacksonville Transportation Authority. Also, write project proposals, layout project schedules, and perform cost estimates.

JAYNET CONSULTING SERVICES - Gainesville & Jacksonville, FL - January 1994 – May 1997

CONSULTANT: Design, recommend, and implement network infrastructure. Provide corporate Web site hosting and design. Support desktop hardware and software products under DOS, Windows 3.x, Windows 9x, Windows NT, and Unix.

SPECTRUM TECHNOLOGIES - Jacksonville, FL - March 1991 - December 1993

Company Partner/technician: Designed and built personal computers for sale in the mail order market. Responsible for design, testing, purchasing, marketing, sales, and customer support.

REFERENCES

Available Upon Request

James W. Ferguson
10961 Burnt Mill Road #311
Jacksonville, FL 32256
(904)-620-9442
Email jimferguson84@msn.com

Objective:

Seeking a high impact sales or management position with a growth and results-oriented company.

Career Summary

Dynamic professional with 20 years progressive successful experience in sales, account and wide area network management, and technical solution selling. Skilled strategist adept at maximizing high performance business by successfully identifying and defining cost effective methods to utilize current data networking technologies and achieve higher efficiency. Proven managerial ability to assemble, organize and lead productive teams. Ability to give outstanding company presentations. Exceptional qualifications and skills include:

- . Regional Branch Management
- . National Account Management
- . Strategic Account Planning
- . Relationship Management
- . Motivational and Product Knowledge Training
- . Sales/Marketing Strategy and Analysis

Professional Experience

Branch Manager (September 1999-October 2001)

ITC DeltaCom, Jacksonville, Florida.

Managed 58 personnel in the North Florida Region. Primary responsibilities included the acquisition of sales, design, installation and customer service of voice and data products and equipment. Increased the revenue base by 350% in 24 months, received Branch Manager of the Month award 5 times out of 46 offices.

Sales Engineer (March 1999-September 1999)

Florida Digital Network, Jacksonville, Florida

Responsible for identifying appropriate applications, design, layout, proper installation and provisioning of Dial-tone, PRI, Bundled T, ADSL, IDSL, Internet, and long distance technologies for start up clec within 6 months. Conducted on-site surveys, implemented sales and technical training for all sales and support staff.

Director Alternate Channels (May 1998-March 1999)

Logix Communications, Oklahoma City, Oklahoma.

Implemented new procedures for startup Company to include business plan, financial margins, training and marketing strategies. Responsible for the supervision of 12 managers and support staff to run Direct Agent Program, Referral Program, and the Association Program.

National Account Manager (June 1996-May 1998)

Intermedia Communications, Inc. Jacksonville, Florida

Promoted from Major Account Manager to National Account Manger, Strategic Initiatives group, provided complete telecommunications and network solutions to a select and targeted market segment. Responsible for identifying appropriate applications; recommend integrated solutions, and coordinate/manage sales support resources. Provide Network Access, Voice, Data, and Collocation solutions. Consistently exceeded quota, and was awarded the CEO's plaque for exceeding 100% of plan for 1997, also recognized for 314% of plan for 1st Qtr 1998

Senior Account Executive (November 1995-June 1996)

LDDS WorldCom, Jacksonville, Florida

Job duties include sales, service, retention, direct marketing and cold calling, achieved monthly quotas at 115%. Products included switched, dedicated, voice, and Internet. Responsible for the maintenance and revenue growth for the University of Florida Alumni Association.

Territory Sales Representative (May 1994-October 1995)

MCI, Jacksonville, Florida

Job duties include sales, service, retention, direct marketing and cold calling. Consistently exceeded monthly quota for new and existing customers by 156%

Master Sergeant (January 1977-September 1994)

United States Army, Fort Rucker, Alabama

Highly successful military career, numerous positions with varying degrees of duties and responsibilities. Culminated career managing an organization of 38 people who were responsible for providing a program of specialized academic instruction for Army helicopter pilot candidates. Assigned responsibilities, set standards of performance, evaluated performance and wrote performance reports. Maintained accountability of training resources valued in excess of \$60 million. Mentored 3 personnel from a highly competitive pool of 650+ instructors, leading to post instructor of the quarter three times and instructor of the year once.

Elizabeth A. Kiem

RELEVANT CERTIFICATIONS:

Microsoft Certified Systems Engineer + Internet Specialist, 4.0 with electives in Internet InformationServer and TCP/IP, SMS, SQL, Exchange
Microsoft Certified Trainer
Cisco Certified Network Administrator
Citrix Certified Administrator
Certified Novell Administrator, 4.11
A+ Certified Technician

TECHNICAL EXPERIENCE: 5/88- 2/97

United Parcel Service, Bradenton, Orlando, Florida
Technical Analyst, Technical Trainer

- built, installed, and supported computer systems and networks, hardware, software, media
- designed applications to interface with and automate customer's procedures
- trained customer's employees to use, administer and maintain custom computer systems
- launched and administered intranet in central Florida
- developed online process training library
- implemented division-wide internal email system
- administered and supported multi-site Novell WAN with mainframe and AS400 connectivity
- installed and maintained multiple network topologies with Ethernet, token ring, cellular and RF transmissions
- coordinated internal and external customer project implementation
- monitored data capturing methods and developed report generation tools
- administered and executed 3 district-wide technical training program to employees of varying technical exposure
- developed numerous procedural and technical training programs and documents
- project manager for 18 district-wide systems rollout projects
- implemented backup and restore policies and procedures
- consolidated support sites and procedures for 4 states
- managed migration of Central Florida district from Novell 3.x to 4.1, OS2 to windows 3.11

3/97-4/97

Transport South, Montgomery, Alabama
Terminal Manager/Field Support

- managed business/technical operations at 5 sites in 3 states
- setup Lotus Notes database connectivity for all sites to corporate headquarters
- installed mobile communications/monitoring equipment in service units
- configured network connectivity at all supported sites
- upgraded voice integrated work distribution application
- trained associates to administer and operate technical systems
- thoroughly tested upcoming release of remote software

5/97-8/99

Datacom Computer Services, Jacksonville, Florida
Senior Systems Consultant, Lead Technical Trainer

- handled 'point man' position for 2000 desktop Win95/Exchange conversion project
- created and tested disk images for desktop standardization
- provided basic NT administration and complete workstation support for 750 user network running legacy hardware
- facilitated 1300 desktop SMS implementation
- instructed all MCSE core classes and several electives as well A+, Networking Essentials
- managed 200 desktop Win3.11 alternate location move with TCP/IP migration
- developed requirements for, administered, implemented enterprise helpdesk package
- provided documentation for problem resolutions, systems documentation for

third-party offsite support, and complete network documentation for server migration
-participated in presentation of technical opportunity seminars, system overviews for potential customer's management teams, and training overviews
-facilitated 10 server Novell to Windows NT server migration
-formatted and populated Intranet site, developed maintenance procedures, security
-automated escalation procedures via CAUnicenter
-created paperless support environment by developing technical tools
-reduced reporting procedure times by 90% via automation
-rolled out numerous departmental software systems on NT platform

9/99-3/00

MindPower Consulting Group, Jacksonville, Florida
-designed 75 user SMS implementation
-implemented project plans to streamline corporate domain structure
-managed Metaframe migration for remote agent connectivity via the Internet
-coordinated *tcpip* print services migration with site relocation
-provided stability testing for application and data failover solutions

**MANAGEMENT
EXPERIENCE:**

United Parcel Service, Bradenton, Orlando, Florida
Preloader, Preload Supervisor, Preload Manager, Training Manager
-implemented safety program which reduced lost time injuries by 90%
-initiated cross-training technique which allowed more flexibility to cover business fluctuations
-generated 17% increase in overall production levels by streamlining the dispatch plan
-effectively managed between 28-80 employees in a grievance-free union environment
-decreased employee turnover rates by 73% with new-employee information program
-established Safety Committee and Quality Team to promote employee interest
-devised customer service controls which reduced customer complaints by over 65%

3/97-4/97

Transport South, Montgomery, Alabama
Terminal Manager
-familiarized myself with the intricacies of the petroleum industry
-documented procedures concerning the operations technicalities of a hazardous materials environment
-performed financial analysis and prepared goal strategy for growth
-organized equipment maintenance so costs could be controlled
-structured billing procedures to ensure accuracy and timeliness
-substantially improved employee morale by creating culture of optimism and awareness
-developed aggressive contract negotiation skills

**RELEVANT
EDUCATION:**

8/85-12/91
1/92- 12/93
1/94- 8/95
1/94-8/95

Associate of Arts General Studies- Manatee Community College
Bachelor of Arts PreLaw- University of South Florida
Associate of Science Systems Analysis and Design- Manatee Community College
Bachelor of Science Management Information Systems- University of South Florida

REMARKS: Software knowledge includes: DOS, Windows, Windows 95, Windows NT, Internet Information Server, Novell OS/2, Lotus, Microsoft Office, Corel Draw, Adobe PhotoShop, Netscape, Dbase, Basic, VisualBasic, C, Extra, IBM PC3270, HTML, Crystal Report Writer, Front Page; Capable of working with most types of hardware including desktop and laptop PCs, servers, printers, scanners, bar code scanners, electronic clipboards, handheld and wristworn data collectors, cabling, and hubs, with some exposure to bridges and routers.

Brian Beardsley

Certifications:

MCSE (Microsoft Certified Systems Engineer)
CCNA (Cisco Certified Network Associate)
MCT (Microsoft Certified Trainer)
A+ Certified Technician

Network Related Skills:

Network administration skills consist of creating peer-to-peer and multi-domain networks, multiplatform environments; managing subnets using TCP/IP and other related protocols, and name resolution using Host, LMHost, DNS, and Wins Servers; implementing fault tolerance systems; creating and managing trusts, installing and troubleshooting network printers, creating computer and user policies, and using Event Viewer, and Performance Monitor to troubleshoot problems; and creating images using Norton Ghost and Power Quest Disk Image.

Experience in building new PCs and servers, installing new components such as Ethernet and token ring network cards, ram, motherboards, processors, sound and video cards, and SCSI cards; Also, some experience configuring and troubleshooting routers, switches, and fire walls.

Network Qualifications:

- Windows 2000, Windows NT 4.0, Windows 9x, NetWare 4.11 & 5.0, Windows Terminal Server, Citrix Metaframe, TCP/IP, MS Office Professional Suite, Visio, Extra, IBM PC3270.
- Microsoft Office 97 and 2000, FrontPage 2000, Visio 5.0 and 2000, Norton Ghost, Drive Image, Partition Magic, Wingate, Seagate Backup Exec, Hyena, What's Up Gold, and Cisco Config Maker.
- Knowledgeable with routers, switches, hubs, CSU/DSU, LAN/WAN infrastructure, VLANS, firewalls, RAS, and VPNs.
- TCP/IP (DNS, WINS, DHCP), IPX, NETBEUI, AppleTalk, Ethernet, Fast Ethernet, Gigabit Ethernet, Token Ring, RIP, IGRP, EIGRP, OSPF, Frame Relay, and ISDN.

Work Experience:

***Connexsys
Network Consultant
Jacksonville, FL
April 2001 – Present***

Sunbelt Rentals / BPS

- Participated in the Windows NT 4.0 to Windows 2000 Active Directory upgrade.
- Provide operation support for daily activities at Sunbelt's corporate office.
- Support system backups and inventory management for Client.

Hamburg Sud Logistics

- Oversaw statewide network operations.
- Supported NDS Tree and NetWare Servers.
- Provided onsite support to user community.
- Managed system backups and maintained system infrastructure.
- Participated in the extraction of HSAC Logistics from Crowley Maritime network.

***Columbus Line USA, Inc.
Support Technician
Jacksonville, FL
March 2000 - March 2001***

- Responsible for implementing and supporting Jacksonville and Miami's network operations.
- Managed all aspects of administration and support of the NDS Tree and NetWare servers.
- Insured backup solutions using HP Sure Store external tape drives and ArcserveIT 6.6
- Provided basic user support for Unix clients
- Diagramed network infrastructure and desktop layout.
- Documented network infrastructure, software implementation procedure, and desktop support policies.

The Jacksonville and Miami portions of Columbus Line's network included; Two NetWare 4.11 file and print servers, two communications servers, HP ProCurve 2424 switches, Cisco 3600 and 1600 routers, Laser Jet printers, and over 150 desktops and Notebooks

***Datacom Computer Services
Network Support Consultant
Jacksonville, FL
July 1998 – March 2000***

Crowley American Transport

- Functioning as Domain Administrator for a single domain of over 100 users.
- Responsible for supporting over 500 users on multiple domains.
- Responsible for problem resolution in the user environment on PC desktop and network support.
- Involved in the transition of the current user environment to an acquiring company.

Florida Rock and Tank Lines

- Oversaw installation of East Coast NT network rollout.
- Functioned as the onsite liaison for delivery and deployment of new PC's.
- Responsible for problem resolution of the newly installed systems at remote locations.
- Involved in onsite user education of Citrix and Windows system software.

MediaOne

- Responsible for installing, configuring, and troubleshooting the internal SURFboard, external SB1200, and the LANcity cable modems.
- Install PCI, ISA, and PCMCIA network cards in various models of home PC's, troubleshoot dial-up connectivity, use TCP/IP tools (ping, tracert, etc.), and also troubleshoot problems with IRQ usage, I/O and memory ranges.
- Installations and troubleshooting done on the Windows '95 operating system, all versions and upgrades, NT Workstation 4.0, and NT Server 4.0, and Mac OS.

Prudential

- Responsible for the upgrade of 170 client computers from NT 3.51, Windows 3.1/95, and Windows for Workgroups to Windows NT Workstation 4.0.
- Replaced all hardware that wasn't company standard (Hard Disks, RAM, NICs, Floppy Drives).
- Attached users and computers to the appropriate domain, groups, and both network and local printers.
- Downloaded and installed all client software from a network share, also demonstrated the new software to the users.

Citibank Universal Card Services

- Responsible for the Y2K upgrade and testing of approximately 1500 Client and Server computers running Windows 95, Windows NT Workstation 4.0, and Windows NT Server 4.0.
- Replaced all hardware that wasn't company standard (Hard Disks, RAM, NICs, Floppy Drives).
- Worked with Desktop Support to replace or repair any hardware or network connectivity problems encountered.
- Tracked and reported progress and results via Excel spreadsheets.

***Metro Information Services
Professional Staff Recruiter
Jacksonville, FL
February 1998 – July 1998***

- Candidate identification via Internet and proprietary Metro applications.
- Candidate behavioral interviews and reference checks.
- Compensation negotiation and benefit overviews with candidates.
- Updates to proprietary Metro applications on new candidate information.

***Landstar Ranger
Automotive Coordinator
Jacksonville, FL
1997 – 1998***

- Coordination of automotive freight via AS/400 and telephone.
- Delegation and resolution of Customer service issues.
- Monitoring and enforcing safety standards and compliance.
- Qualification and distribution of company allotted advances.

***Florida Army National Guard
Combat Engineer
Jacksonville, FL
1994 – Present***

References Available Upon Request.

Marc A. Cantelmo

-
- Processors:** 86 Based Processors, 3B2/4000, 3B2/1000, Altos X86, Vax 1170, Sun Workstation, Micron, NCR Towers, IBM Risc 6000, Dec Alpha, HP Workstations and all Sun Enterprise Server
- Languages:** “C”, Basic, Fortran, Cobol, Pascal, C++, System V Shell (KSH), SQL, BSD Shell (CSH), Small Talk, Visual Basic, Perl, Tcl/TK, Access Basic, PLB Databus, Assembler 390, Object Vision, Multiplan, Lotus, Excel, PLC
- Networks:** TCP/IP, Starlan, SNA, LU6.2, Token Ring, DataKit, DataKit II, UUCP Networks, Ethernet, FDDI, Microsoft Workgroups, NDM (Direct:Connect), Cisco routers
- Operating Systems :** Solaris, AIX, Unix System V, System III, System 7, BSD Unix, Sun OS, MS Dos (3.0 & greater), Win9X, Windows NT, Window 2000, Citrix Server and Client Software, Alpha True64, SCO Unixware 7, FreeBSD, Linux, BSDi, Windows 3.X, Coherent (Unix clone)
- Databases:** Informix, Tuxedo, Sybase, DBASE II, III+ and IV, Fox Pro 2.0, Unify, PC Focus, Access 1.1, 2.0, 95, 97, Paradox, DB2, Oracle 7.X 8.X
- Software:** NFS, AT&T RFS, NIS (Yellow Pages), 6500 Controller, Qualex (High availability software), Full Time, First Watch, Veritas Clustering software, Jumpstart, NDM (Connect Direct System), X11, CDE (Common Desk Top), Openview, CA Unicenter, BMC Patrol, Symon, Legato, Netbackup, VNC, SMS 1.2, Capstone Data System. EMC PowerPath, EMC SRDF, Veritas Volume Manager, Solstice Disk Suite. Apache, Netscape Web Server, Squid Proxy Server, Big Brother, Web Admin, StarOffice
- Disks, Other & Tape Drives:** EMC, Hitachi, Sun A5000, Storage-Tec 9710, 9714. Data Centrex, Various DLT7000 Tape Drives, Norand RF System, Compaq 4mm auto-changers

Licenses & Certificates: SEC Series “7” Stockbroker, Mortgage Brokerage, Sun Internals

EXPERIENCE:

- 2000-2001: Verizon, Tampa, FL - Currently administering local Unix server farm and responsible for remote administration of Unix configurations in India.
- 1999-2000: UCS Citicorp, Jacksonville, FL - Reviewed and assisted in reconfiguring Sun Starfire with EMC for Citibank UCS. Installed software (NDM) and created front end for the product in tcl/tk.
- 1998-1999: TDSI (CSX), Jacksonville, FL - Created and designed an RF system (*Norand Handheld*) on a SCO Unixware 7 system (Compaq Hardware) to track automobiles at a rail yard.
- Served as UNIX administrator for TDSI Y2K upgrade. Developed installation script for SCO Unixware 7, Oracle, Developer 2000, and numerous utilities. Modified operating system kernel to replace application interface functionality that had been retired in Unixware 7.
- 1998-1999: SEALAND, Jacksonville, FL - Developed MS Access database product to display information about projects and CPU hardware.
- 1998-1999: ATC Communications, Alma, GA – Participated in a task force to reconfigure an ISP. Resolved problems at both the router level (Cisco) and server level (FreeBSD).
- 1998-1999: CSX/SEALAND, Jacksonville, FL – Served as NT Administrator to resolve server issues, design architectures, and provide instruction on enterprise techniques to new NT administrators.
- Developed SMS system to track software and hardware inventory.

- 1997-1999: CSX, Jacksonville, FL – Configured and tracked performance of Sun E10000/E6000.
Configured systems such as Squid and Apache for several projects.
- 1996-1999: CSX, Jacksonville, FL – Administered multiple systems for multiple departments using Jumpstart, fail over software, Patrol, CA, NFS automounter, and NIS.
- 1996 - 1997: Jacksonville, FL - Purchased a failing childcare center and instituted managerial changes to make it financially secure. Created software package utilizing Microsoft Access.
- 1993 - 1998: Jacksonville, FL - Purchased a failing restaurant. Designed and implemented a POS and computer system.
- 1992 - 1996: Cantelmo & Associates, Inc., Howell, NJ & Jacksonville, FL - Created a custom system to maintain and track financial information for client base using Access database.

Provided financial planning and portfolio management to the general public.
- 1991 - 1992: Bell Atlantic, Freehold, NJ - Created automated testing software of a DBMS transaction layer. Architecture was based on X Windows system running on Sun and HP Unix platforms.
- 1990 - 1991: AT&T Communications, Piscataway, NJ - Designed and implemented a large scale billing system to enhance current invoice information for customers.

Designed and developed network software. The software product would carry a request for DBMS services, traveling over multiple types of networks, to a mainframe processor that would return a data packet via the same path of networks.
- 1989 - 1990: AT&T Bell Labs, Holmdel, NJ - Designed, implemented, and maintained a software package that would separate physical dependencies of data layer and the application layer. The package camouflaged the location of the database, the database structure, database modifications, and type of database utilized from the application programmer.
- 1987 - 1989: AT&T, Freehold, NJ – Designed, developed, and implemented a MR tracking system. The system accepted modification requests from 40 to 50 users in a hotline environment.

Managed the implementation of a test environment that mirrored a sale site to ensure software integrity, compatibility of multiple applications, and standardized functionality.
- 1986 - 1987: Mt. Sinai Hospital, New York, NY - Created a software system that would analyze the data captured by an ultrasound test. The analysis would trend a woman's pregnancy in terms of development and categorize the fetus by percentile.
- 1985-1986: Micro Business Associates, New York, NY - Consulted at a reinsurance firm, completing several projects using Altos and Informix 3.3.

EDUCATION:

- Northeastern University, Boston, Massachusetts
- AT&T Software Development
- Openlook X-Windows
- Data Kit and Tuxedo
- Sun Solaris Internals

REFERENCES FURNISHED UPON REQUEST

Financial Capability

Laser Telecom LLC is a start-up company which was legally formed in September 2001 for the purpose of providing internet access and telecommunications services. The targeted customers are tenants of BETA-1, a full service business incubator for technology business start-ups (Attachment 1 Florida trend article, and Attachment 2 BETA-1 website www.BETA.1.com). The new facilities are currently under construction in the Gateway to Amelia Business Park.

Since there have not been operations within Laser Telecom, there are no audited financials available. Pro-Forma Balance Sheet, Income Statement and Cash Flow are included and represent the collective wisdom and experience of the managers and advisors involved. BETA-1 has committed \$235,000 in start-up funding for operations, is providing the converged network equipment (>\$600,000) and will host Laser Telecom LLC in its new facilities. The company will be the IT/communications service provider required for the high-tech client companies in BETA-1. These clients are in the medical device, software, and bio-tech fields and require state-of-the-art communications infrastructure to interact with colleagues around the globe through video-conferencing, file-sharing, etc. The existing Gateway to Amelia Park does not have DSL service available. The only option for the tenant companies is T-1 lines, currently sold at about \$1200/month, which is more than many start-up businesses can afford. Laser Telecom is committed to provide competitive rates over those offered by BellSouth, more unbundled options and offerings, and superior services. This service can also be offered to other tenants in the business park, as the developer has requested, when we receive our Alternative Local Exchange (ALEC) certificate. The lack of high-bandwidth telecommunications access has been and continues to be a critical concern (ranked 1st) for Nassau County businesses. This is described in the attached reports by the Nassau County Economic Development Board (Attachment 3 and 4). It also appears as a goal for improvement in the Amelia Island-Fernandina Beach-Yulee Chamber of Commerce Plan of Action-2001 (Attachment 5) by the Business Development Committee, and continues as a goal this year. The requirements for the BETA-1 facilities, and the community demand for improved access, justify the need for Laser Telecom's services. We also believe it presents an opportunity to repay the costs of our initial investments in infrastructure, and provide some sorely needed competition to Bell South, the incumbent LEC.

Laser Telecom LLC is financially capable of servicing the tenants of the BETA-1 accelerator, and those of the Gateway to Amelia Business Park. BETA-1 Capital LLC (a group of private investors) has committed to invest up to \$100,000(Attachment 6), and Morrow Insurance Group (investors) has committed (Attachment 7) to provide an additional \$150,000 in support of the BETA-1 Distance Learning Center. In addition, BETA-1 Management will also provide \$350,000 required to purchase and install the equipment for the converged network, as indicated in Attachment 8, and an additional \$60,000/year in continued operating funding for the initial 4 years. This project is just another driver of the need for high-speed communications at our facilities, and in Nassau

County, and we have committed a total of about \$600,000 for our converged network. BETA-1's DLC will be providing entrepreneurial training to the community at large as well as accelerator client companies. We have applied to the United States Department of Agriculture's Rural Utilities Services division for partial funding (\$397,000) of the Distance Learning Center, and have passed all of the initial phases of review. We fully anticipate a favorable decision in a few weeks. An Executive Summary, project budget, self-sustainability discussion and letters of community support are included in Attachment 9.

We will be able to sustain the Laser Telecom services based on the accelerator alone, and will make a reasonable profit with only a modest share of the park. This is further augmented with the start-up funding, and continued operating subsidy by BETA-1 and its investors, as required to meet steady-state operations.

The lease and ownership obligations of Laser Telecom are met by the provision of the required operating space within the BETA-1 facilities. Additional rack space in the Village Center will provide redundancy and diversity, to improve QOS levels.



June 2002

Preliminary Financials for Laser Telecom

This document contains confidential and proprietary information
belonging exclusively to Laser Telecom, LLC.

<http://www.beta-1.com/>

This Business Plan is for informational purposes only. It is neither an offer to sell nor a solicitation of an offer to buy any securities. In all cases, interested parties should conduct their own investigation and analysis of Beta-1 and Laser Telecom and the information included in this document. The management of Laser Telecom makes no representation or warranty as to the accuracy or completeness of the Business Plan and shall have no liability for representations (express or implied) contained in, or omissions from, this Business Plan.

Table of Contents

Balance Sheet	1
Budget	3
Cash Flow	7
Income Statement	9

Balance Sheet**Laser Telecom**

10-Jun-02

Assets

	Fiscal Year 1	Fiscal Year 2	Fiscal Year 3	Fiscal Year 4	Fiscal Year 5
<i>Current Assets</i>					
Cash	\$113,057	\$651,246	\$2,041,015	\$4,107,549	\$6,896,453
Investments	\$0	\$0	\$0	\$0	\$0
Accounts Receivable	\$30,033	\$60,640	\$125,743	\$126,603	\$164,584
Notes Receivable	\$0	\$0	\$0	\$0	\$0
Inventory	\$0	\$0	\$0	\$0	\$0
Other Current Assets	\$0	\$0	\$0	\$0	\$0
Total Current Assets	\$143,090	\$711,886	\$2,166,758	\$4,234,152	\$7,061,037
<i>Plant & Equipment</i>					
Land	\$0	\$0	\$0	\$0	\$0
Buildings	\$0	\$0	\$0	\$0	\$0
Building/Leasehold Improvements	\$0	\$0	\$0	\$0	\$0
Machinery & Equipment	\$0	\$0	\$0	\$0	\$0
Office Equipment	\$0	\$0	\$0	\$0	\$0
Automobiles	\$0	\$0	\$0	\$0	\$0
Accumulated Depreciation	\$0	\$0	\$0	\$0	\$0
Total Net Plant & Equipment	\$0	\$0	\$0	\$0	\$0
Other Assets	\$0	\$0	\$0	\$0	\$0
Total Assets	\$143,090	\$711,886	\$2,166,758	\$4,234,152	\$7,061,037

Liabilities & Owners' Equity*Current Liabilities*

Short Term Debt	\$0	\$0	\$0	\$0	\$0
Accounts Payable	\$0	\$0	\$0	\$0	\$0
Other Payables	\$0	\$0	\$0	\$0	\$0
Accrued Liabilities	\$0	\$0	\$0	\$0	\$0
Total Current Liabilities	\$0	\$0	\$0	\$0	\$0

Long Term Debt	\$0	\$0	\$0	\$0	\$0
Total Liabilities	\$0	\$0	\$0	\$0	\$0

Owner/Stockholder Equity

Common Stock	\$235,000	\$235,000	\$235,000	\$235,000	\$235,000
Retained Earnings	(\$91,911)	\$476,886	\$1,931,758	\$3,999,152	\$6,826,037
Dividends Payable	\$0	\$0	\$0	\$0	\$0
Total Owners' Equity	\$143,090	\$711,886	\$2,166,758	\$4,234,152	\$7,061,037

Total Liabilities & Equity	\$143,090	\$711,886	\$2,166,758	\$4,234,152	\$7,061,037
---------------------------------------	------------------	------------------	--------------------	--------------------	--------------------

Budget

10-Jun-02

Years 1-5 by Year

Laser Telecom

Revenue	<i>% of Total</i>		<i>% of Total</i>		<i>% of Total</i>		<i>% of Total</i>		<i>% of Total</i>	
	Fiscal Year 1	Sales	Fiscal Year 2	Sales	Fiscal Year 3	Sales	Fiscal Year 4	Sales	Fiscal Year 5	Sales
Managed Network Services	\$105,000	31.4%	\$516,814	28.5%	\$1,013,976	28.5%	\$1,318,169	28.5%	\$1,713,619	28.5%
Onsite Consulting	\$88,000	26.3%	\$413,451	22.8%	\$811,181	22.8%	\$1,054,535	22.8%	\$1,370,895	22.8%
Internet Subscriber - Commercial	\$23,500	7.0%	\$129,204	7.1%	\$253,494	7.1%	\$329,542	7.1%	\$428,405	7.1%
Internet Subscriber - Residential	\$250	0.1%	\$130,000	7.2%	\$257,664	7.2%	\$334,963	7.2%	\$435,452	7.2%
Hardware & Software Sales Commission	\$25,350	7.6%	\$126,620	7.0%	\$248,424	7.0%	\$322,951	7.0%	\$419,837	7.0%
Phone Services	\$47,000	14.1%	\$245,487	13.6%	\$481,639	13.5%	\$626,130	13.5%	\$813,969	13.5%
Cable TV Service Commercial	\$44,650	13.4%	\$245,487	13.6%	\$481,639	13.5%	\$626,130	13.5%	\$813,969	13.5%
Cable TV Service Residential	\$225	0.1%	\$3,371	0.2%	\$6,613	0.2%	\$8,597	0.2%	\$11,176	0.2%
Other Services	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
Total Revenue	\$333,975	100.0%	\$1,810,433	100.0%	\$3,554,629	100.0%	\$4,621,017	100.0%	\$6,007,322	100.0%
Fixed Expense Allocation										
Facility Buildout (Cabling)	\$80,000	24.0%	\$144,141	8.0%	\$244,141	6.9%	\$305,176	6.6%	\$381,470	6.4%
Facility Maintenance Expense	\$3,000	0.9%	\$12,000	0.7%	\$16,000	0.5%	\$18,000	0.4%	\$20,000	0.3%
Facility Equipment Rental	\$2,000	0.6%	\$6,000	0.3%	\$8,000	0.2%	\$10,000	0.2%	\$12,000	0.2%
Office Equipment	\$2,000	0.6%	\$4,000	0.2%	\$4,000	0.1%	\$5,000	0.1%	\$5,000	0.1%
Network Operating Center	\$75,000	22.5%	\$60,000	3.3%	\$75,000	2.1%	\$93,750	2.0%	\$117,188	2.0%
Lease for Phone Lines	\$30,000	9.0%	\$108,105	6.0%	\$263,929	7.4%	\$329,912	7.1%	\$412,390	6.9%
Cable TV Service Provider	\$12,000	3.6%	\$43,242	2.4%	\$105,572	3.0%	\$131,965	2.9%	\$164,956	2.7%
Other Fixed Expenses	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
Total Fixed Expenses	\$204,000	61.1%	\$377,488	20.9%	\$716,642	20.2%	\$893,802	19.3%	\$1,113,003	18.5%

<i>% of Total Sales</i>	61.1%		20.9%		20.2%		19.3%		18.5%	
Gross Profit	\$129,975	38.9%	\$1,432,945	79.1%	\$2,837,987	79.8%	\$3,727,215	80.7%	\$4,894,320	81.5%
<i>% of Total Sales</i>	0.00%		79.1%		79.8%		80.7%		81.5%	
Operating Expense Assumptions										
<i>Sales & Marketing</i>										
Advertising	\$5,000	1.5%	\$12,000	0.7%	\$20,000	0.6%	\$20,000	0.4%	\$20,000	0.3%
Incentives and Bonuses	\$4,000	1.2%	\$17,297	1.0%	\$42,229	1.2%	\$52,786	1.1%	\$65,982	1.1%
Marketing Rep	\$25,000	7.5%	\$86,484	4.8%	\$211,143	5.9%	\$263,929	5.7%	\$329,912	5.5%
Entertainment	\$750	0.2%	\$5,766	0.3%	\$14,076	0.4%	\$17,595	0.4%	\$21,994	0.4%
Literature	\$950	0.3%	\$3,000	0.2%	\$3,000	0.1%	\$4,000	0.1%	\$4,000	0.1%
Promotions	\$4,500	1.3%	\$20,000	1.1%	\$20,000	0.6%	\$25,000	0.5%	\$30,000	0.5%
Technical Advisor for Telecom	\$12,500	3.7%	\$54,053	3.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
Trade Shows	\$1,500	0.4%	\$6,000	0.3%	\$6,000	0.2%	\$3,000	0.1%	\$3,000	0.0%
Travel	\$2,000	0.6%	\$6,000	0.3%	\$6,000	0.2%	\$7,000	0.2%	\$7,000	0.1%
Other Sales Expenses	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
Total Sales & Marketing	\$56,200	16.8%	\$210,600	11.6%	\$322,448	9.1%	\$393,311	8.5%	\$481,888	8.0%
<i>% of Total Sales</i>	16.8%		11.6%		9.1%		8.5%		8.0%	
<i>General & Administrative & Support</i>										
Management - Salary	\$52,500	15.7%	\$113,141	6.2%	\$137,523	3.9%	\$144,399	3.1%	\$151,619	2.5%
Accounting (CFO)	\$24,375	7.3%	\$78,794	4.4%	\$88,884	2.5%	\$93,328	2.0%	\$97,994	1.6%
Network Technicians	\$34,375	10.3%	\$88,896	4.9%	\$100,279	2.8%	\$105,293	2.3%	\$110,558	1.8%
Customer Service Reps	\$15,000	4.5%	\$64,652	3.6%	\$72,930	2.1%	\$19,144	0.4%	\$20,101	0.3%

Bad Debts	\$2,000	0.6%	\$4,000	0.2%	\$4,000	0.1%	\$4,000	0.1%	\$4,000	0.1%
Depreciation	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
Equipment Rent/Small Purchases	\$2,000	0.6%	\$8,000	0.4%	\$8,000	0.2%	\$8,000	0.2%	\$8,000	0.1%
Insurance	\$3,000	0.9%	\$6,000	0.3%	\$6,000	0.2%	\$7,000	0.2%	\$7,000	0.1%
Legal Fees	\$5,000	1.5%	\$8,000	0.4%	\$8,000	0.2%	\$8,000	0.2%	\$8,000	0.1%
Licenses and Permits	\$2,500	0.7%	\$6,000	0.3%	\$6,000	0.2%	\$6,000	0.1%	\$6,000	0.1%
Office Expenses	\$600	0.2%	\$1,200	0.1%	\$1,200	0.0%	\$1,200	0.0%	\$1,200	0.0%
Office Rental	\$15,000	4.5%	\$30,000	1.7%	\$32,288	0.9%	\$33,902	0.7%	\$35,597	0.6%
Taxes (non-Income Taxes)	\$3,000	0.9%	\$6,000	0.3%	\$6,000	0.2%	\$6,000	0.1%	\$6,000	0.1%
Regulatory Assesment Fees & Taxes	\$4,536	1.4%	\$23,689	1.3%	\$46,478	1.3%	\$60,422	1.3%	\$78,548	1.3%
Telephone	\$600	0.2%	\$1,200	0.1%	\$1,200	0.0%	\$1,200	0.0%	\$1,200	0.0%
Utilities	\$1,200	0.4%	\$3,600	0.2%	\$3,780	0.1%	\$3,969	0.1%	\$4,167	0.1%
Other G & A	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
Total General & Administrative	\$165,686	49.6%	\$443,173	24.5%	\$522,562	14.7%	\$501,857	10.9%	\$539,986	9.0%
<i>% of Total Sales</i>	49.6%		24.5%		14.7%		10.9%		9.0%	
Total Operating Expenses	\$221,886	66.4%	\$653,773	36.1%	\$845,011	23.8%	\$895,168	19.4%	\$1,021,874	17.0%
<i>% of Total Sales</i>	66.4%		36.1%		23.8%		19.4%		17.0%	
Income From Operations	(\$91,911)	-27.5%	\$779,172	43.0%	\$1,992,976	56.1%	\$2,832,047	61.3%	\$3,872,446	64.5%
<i>% of Total Sales</i>	-27.5%		43.0%		56.1%		61.3%		64.5%	
Interest Income	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
Interest Expense	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
Income before Taxes	(\$91,911)	-27.5%	\$779,172	43.0%	\$1,992,976	56.1%	\$2,832,047	61.3%	\$3,872,446	64.5%

Taxes on Income	\$0	0.0%	\$210,376	11.6%	\$538,104	15.1%	\$764,653	16.5%	\$1,045,560	17.4%
Net Income After Taxes	(\$91,911)	-27.5%	\$568,796	31.4%	\$1,454,872	40.9%	\$2,067,394	44.7%	\$2,826,886	47.1%
% of Total Sales	-27.5%		31.4%		40.9%		44.7%		47.1%	

Cash Flow 10-Jun-02	Years 1 - 5 Laser Telecom				
	<u>Fiscal Year 1</u>	<u>Fiscal Year 2</u>	<u>Fiscal Year 3</u>	<u>Fiscal Year 4</u>	<u>Fiscal Year 5</u>
Sources of Cash:					
Operations During the Year					
Net Income After Taxes	(\$91,911)	\$568,796	\$1,454,872	\$2,067,394	\$2,826,886
Add items not decreasing cash					
Depreciation	\$0	\$0	\$0	\$0	\$0
Increase in Accounts Payable	\$0	\$0	\$0	\$0	\$0
Increase in Other Payables	\$0	\$0	\$0	\$0	\$0
Increase in Accrued Liabilities	\$0	\$0	\$0	\$0	\$0
Deduct items not increasing cash					
Increase in Accounts Receivable	\$30,033	\$30,607	\$65,103	\$860	\$37,981
Increase in Inventory	\$0	\$0	\$0	\$0	\$0
Cash from Operations	(\$121,944)	\$538,189	\$1,389,769	\$2,066,534	\$2,788,905
Financing & Other					
Sale of Stock	\$235,000	\$0	\$0	\$0	\$0
Proceeds from Short Term Loans	\$0	\$0	\$0	\$0	\$0
Proceeds from Long Term Loans	\$0	\$0	\$0	\$0	\$0
Sale of Investments	\$0	\$0	\$0	\$0	\$0
Collection of Notes Receivable	\$0	\$0	\$0	\$0	\$0
Reduction of Other Current Assets	\$0	\$0	\$0	\$0	\$0
Reduction of Other Assets	\$0	\$0	\$0	\$0	\$0

Cash / Operations & Financing	\$113,057	\$538,189	\$1,389,769	\$2,066,534	\$2,788,905
--	------------------	------------------	--------------------	--------------------	--------------------

Applications of Cash

Payment of Dividends	\$0	\$0	\$0	\$0	\$0
Purchases of Fixed Assets	\$0	\$0	\$0	\$0	\$0
Repayment of Short Term Loans	\$0	\$0	\$0	\$0	\$0
Repayment of Long Term Loans	\$0	\$0	\$0	\$0	\$0
Purchase of Investments	\$0	\$0	\$0	\$0	\$0
Increase in Notes Receivable	\$0	\$0	\$0	\$0	\$0
Increase in Other Current Assets	\$0	\$0	\$0	\$0	\$0
Increase in Other Assets	\$0	\$0	\$0	\$0	\$0

Increase/(Decrease) in Cash	\$113,057	\$538,189	\$1,389,769	\$2,066,534	\$2,788,905
------------------------------------	------------------	------------------	--------------------	--------------------	--------------------

Change in Cash Balance

Ending Cash Balance	\$113,057	\$651,246	\$2,041,015	\$4,107,549	\$6,896,453
Beginning Cash Balance	\$0	\$113,057	\$651,246	\$2,041,015	\$4,107,549
Increase/(Decrease) in Cash	\$113,057	\$538,189	\$1,389,769	\$2,066,534	\$2,788,905

Income Statement

Years 1 - 5

Laser Telecom

10-Jun-02

	<i>% of Total</i>		<i>% of Total</i>		<i>% of Total</i>		<i>% of Total</i>		<i>% of Total</i>	
	Fiscal Year 1	Sales	Fiscal Year 2	Sales	Fiscal Year 3	Sales	Fiscal Year 4	Sales	Fiscal Year 5	Sales
Sales										
Managed Network Services	\$105,000	31.4%	\$516,814	28.5%	\$1,013,976	28.5%	\$1,318,169	28.5%	\$1,713,619	28.5%
Onsite Consulting	\$88,000	26.3%	\$413,451	22.8%	\$811,181	22.8%	\$1,054,535	22.8%	\$1,370,895	22.8%
Internet Subscriber - Commercial	\$23,500	7.0%	\$129,204	7.1%	\$253,494	7.1%	\$329,542	7.1%	\$428,405	7.1%
Internet Subscriber - Residential	\$250	0.1%	\$130,000	7.2%	\$257,664	7.2%	\$334,963	7.2%	\$435,452	7.2%
Hardware & Software Sales Commission	\$25,350	7.6%	\$126,620	7.0%	\$248,424	7.0%	\$322,951	7.0%	\$419,837	7.0%
Phone Services	\$47,000	14.1%	\$245,487	13.6%	\$481,639	13.5%	\$626,130	13.5%	\$813,969	13.5%
Cable TV Service Commercial	\$44,650	13.4%	\$245,487	13.6%	\$481,639	13.5%	\$626,130	13.5%	\$813,969	13.5%
Cable TV Service Residential	\$225	0.1%	\$3,371	0.2%	\$6,613	0.2%	\$8,597	0.2%	\$11,176	0.2%
Other Services	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
Total Revenue	\$333,975	100.0%	\$1,810,433	100.0%	\$3,554,629	100.0%	\$4,621,017	100.0%	\$6,007,322	100.0%
Total Fixed Expenses	\$204,000	61.1%	\$377,488	20.9%	\$716,642	20.2%	\$893,802	19.3%	\$1,113,003	18.5%
Gross Profit	\$129,975	38.9%	\$1,432,945	79.1%	\$2,837,987	79.8%	\$3,727,215	80.7%	\$4,894,320	81.5%
<i>Operating Expense Assumptions</i>										
Sales & Marketing	\$56,200	16.8%	\$210,600	11.6%	\$322,448	9.1%	\$393,311	8.5%	\$481,888	8.0%
General & Administrative & Support	\$165,686	49.6%	\$443,173	24.5%	\$522,562	14.7%	\$501,857	10.9%	\$539,986	9.0%
Depreciation	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
Total Operating Expenses	\$221,886	66.4%	\$653,773	36.1%	\$845,011	23.8%	\$895,168	19.4%	\$1,021,874	17.0%

Total Expenses	\$425,886	127.5%	\$1,031,261	57.0%	\$1,561,653	43.9%	\$1,788,970	38.7%	\$2,134,877	35.5%
Income From Operations	(\$91,911)	-27.5%	\$779,172	43.0%	\$1,992,976	56.1%	\$2,832,047	61.3%	\$3,872,446	64.5%
Interest Income	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
Interest Expense	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
Income before Taxes	(\$91,911)	-27.5%	\$779,172	43.0%	\$1,992,976	56.1%	\$2,832,047	61.3%	\$3,872,446	64.5%
Taxes on Income	\$0	0.0%	\$210,376	11.6%	\$538,104	15.1%	\$764,653	16.5%	\$1,045,560	17.4%
Net Income After Taxes	(\$91,911)	-27.5%	\$568,796	31.4%	\$1,454,872	40.9%	\$2,067,394	44.7%	\$2,826,886	47.1%

Growth Analysis

Sales Growth			442.1%		96.3%		30.0%		30.0%
Gross Profit Growth			1002.5%		98.1%		31.3%		31.3%
Income from Operations Growth			947.8%		155.8%		42.1%		36.7%
Net Income After Taxes Growth			718.9%		155.8%		42.1%		36.7%

ATTACHMENT 1

Florida Trend Article

Reasons

- New Visions
- Workforce
- Education
- Global Trade
- Transportation
- Infrastructure
- Incentives
- Quality Living
- Rural Florida
- Metro Advantages

Regions

- Northwest
- North Central
- Northeast
- Tampa Bay Region
- Mid-Florida
- Space Coast/E. Central
- Treasure Coast
- Southwest
- Southeast

Leaders

- Public Companies
- Private Companies
- Daily Newspapers
- Accounting Firms
- Law Firms
- Minority Businesses
- Women-owned Businesses
- HMOs and PPOs
- Commercial Real Estate
- Banks

Resources

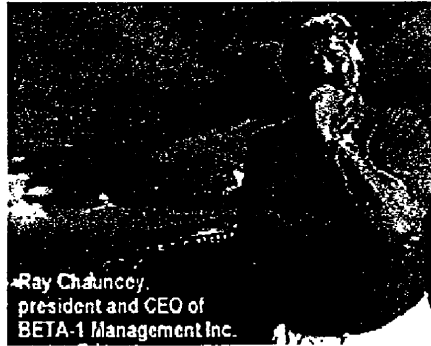
- EDCs by County
- Regional EDCs
- Consular Corps
- Information Resources

For More Info...

[Back to Home Page](#)



Click image to order the print edition.



Ray Chauncey, president and CEO of BETA-1 Management Inc.

northeast region

Broadband, Broad Shoulders

In Northeast Florida, traditional business and the digital economy blend to create a dynamic climate for growth.

Years ago, Northeast Florida was best known for its shipyard muscle and Jacksonville's signature image: a neon Maxwell House Coffee sign, with

the huge cup aglow above downtown.

Now, from downtown Jacksonville's bustling office towers to Putnam County's manufacturing centers, Northeast Florida presents a rich business tapestry of information technology, healthcare, heavy industry, banking, insurance and other segments.

Also called the First Coast, the six-county area anchored by Jacksonville has nearly 1.2 million people (median age: 35), about 575,000 jobs, and a broadband-and-broad-shoulders dynamic that encourages rapid business growth.

A high-tech hot spot, Jacksonville ranks first in Florida in both e-commerce usage and in bandwidth per 1,000 population.

"Northeast Florida is just becoming discovered globally," says Ray Chauncey, president and chief executive of BETA-1 Management Inc., which is building a private, for-profit business incubator in Nassau County.

BETA-1's 30,000-square-foot facility will mix office, manufacturing and laboratory space, and will have a scorching fast 100 megabit-per-second Internet connection to help launch new economy firms.

Navy Influence

Jacksonville is widely known as a "Navy town" for good reason. With nearly 57,000 active personnel and a payroll of \$1.5 billion, the region's four Navy bases pump about \$6 billion per year into the area economy.

"There are a lot of highly trained Navy personnel who have retired or completed their tours of duty," says Mark Butterworth, operations assistant vice president for BellSouth Wholesale Services. "That has been a large percentage of our hiring."

Butterworth is in charge of BellSouth's new \$35 million tech support and customer service center in Clay County, southwest of Jacksonville. When built out over coming years, the center will employ 1,000 people at salaries of \$29,000-\$47,000.

The strong workforce was also a major lure for Wal-Mart Inc. The retailer is building an 800,000-square-foot distribution center west of Jacksonville in Baker County that will employ 600 people.

"The quality workforce in Baker County really made the difference," says John Hay, real estate manager for Wal-Mart.

Strong Education

The region boasts a first-rate education system that includes the public University of

North Florida in Jacksonville, two community colleges and private colleges.

The emphasis is on high tech. Florida Community College at Jacksonville will open its \$24 million Advanced Technology Center at its downtown campus in early 2002, for instance.

Graduates often find jobs with corporations in downtown Jacksonville, where many big projects are under construction.

A \$190 million courthouse and a \$95 million library are funded by the \$2.2 billion to be generated by the Better Jacksonville Plan. Voters passed the plan's half-cent sales tax, which was effective in January 2001.

Recreational attractions abound in Northeast Florida. Ponte Vedra Beach on the Atlantic Ocean boasts 20 outstanding miles of beach, upscale resorts and excellent golf; The Players Championship at Sawgrass PGA event is held there in March.

Serene Amelia Island, the northernmost barrier island on Florida's coast, offers 13 miles of beaches, a lush natural setting and live oaks draped in Spanish moss. Amelia was named "Queen of the Summer Resorts" in 1896 — and a century later remains a beautiful Florida destination.

In St. Augustine, World Golf Village's amenities caught the eye of actor Bill Murray. The star of the legendary "Caddyshack" movie opened a Murray Bros. Caddyshack restaurant at World Golf Village in 2001.

A very noteworthy sports event is on tap for February 2005, when Super Bowl XXXIX will be played at Alltel Stadium. — *Catherine Deans*

Northeast Facts & Figures

Population: 1,176,600

Jobs: 575,200

Households: 447,100

Household EBI: \$46,683

Consumer Spending: \$15.85 billion

Total Retail Sales: \$15.32 billion

Sources: 2000 Demographics USA—County Edition; University of Florida, Bureau of Economic and Business Research; Florida Trend magazine. Jobs data measure the number of positions, not employed persons, and exclude agricultural and military jobs and self-employment. EBI=disposable income.

Universities/Colleges:

Edward Waters College, Flagler College, Jacksonville University, University of North Florida

Community Colleges:

Florida Community College at Jacksonville, St. Johns River Community College

Airports:

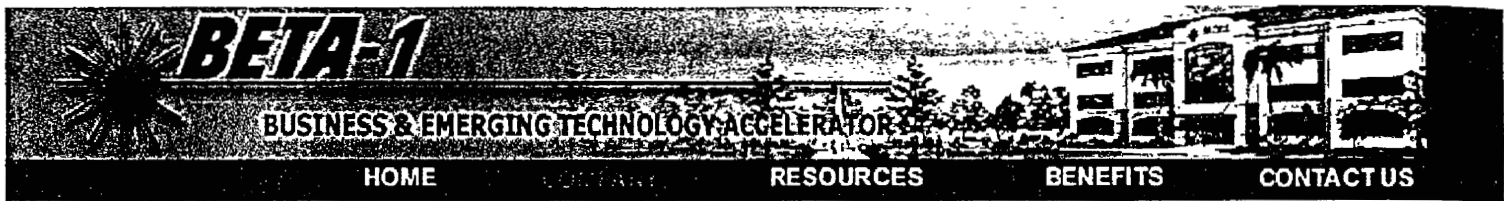
Jacksonville International Airport

Seaports:

Port of Fernandina, Port of Jacksonville

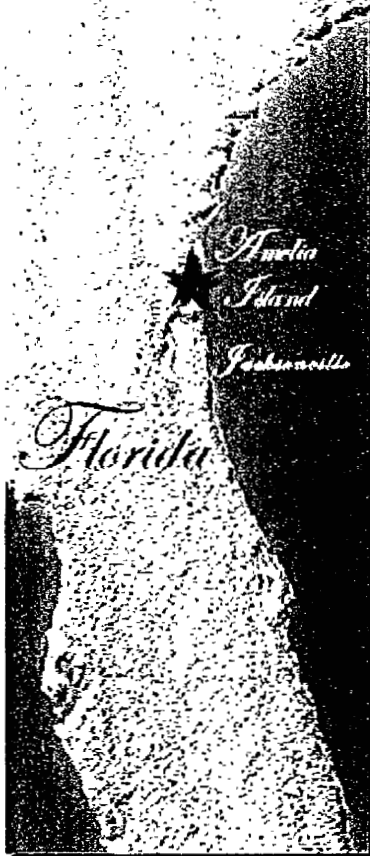
ATTACHMENT 2

BETA-1 Website Pages



Company

- ▶ Mission
- ▶ Management
- ▶ Links



Beta-1 Company Profile

BETA-1 is a privately funded emerging technology accelerator that helps entrepreneurial innovators translate their globally marketable concepts into commercially viable ventures.

Conceived in 1999 by successful North Florida business and community leaders, the Business and Emerging Technology Accelerator (BETA) is a for-profit model that funds, houses, supports and attentively monitors entrepreneurs with globally marketable technology innovations.

BETA-1 equips emerging technology innovators with critical entrepreneurial resources, including an appropriate operating environment, 21st Century technical and communications services, relevant and proactive business mentoring, and timely capital assistance.

For each client, BETA-1 assembles a tailored project team. This team provides management support and resources the business needs to succeed. Clients of BETA-1 benefit from access to core innovation resources including:

- Colleges & Universities
- Workforce Training
- Mentors & Partners
- Funding & Investors

BETA-1 positions clients to develop effectively, graduate swiftly, and move on to their next phase as sustainable, value-creating enterprises.

BETA-1 helps bridge the gap between innovative concepts and successful commerce.





Resources

- ▶ Technology
- ▶ Management Services
- ▶ Advisors
- ▶ Capital
- ▶ Facilities

BETA-1 Resources - Facilities

Imagine the best possible environment for building an emerging technology business, and you will see the BETA-1 client campus. The ideal facility would be built from the drawing board with innovators' needs in mind. Its surrounding area would offer a desirable lifestyle and be in close proximity to a growing, dynamic urban center.

The BETA-1 Facility is under construction with a projected completion date of August 2002.

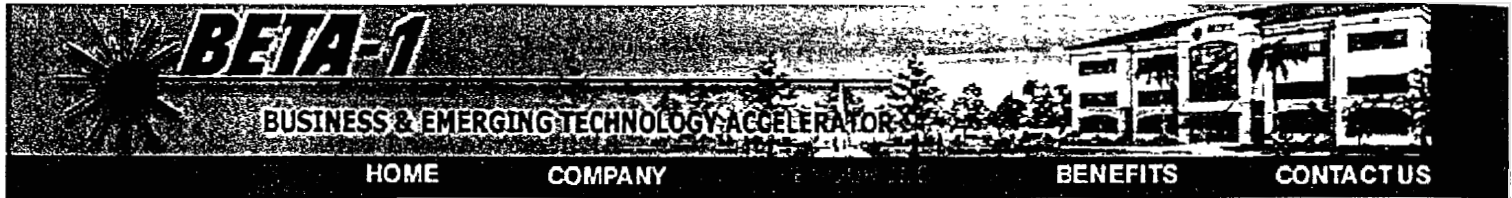
The BETA-1 client campus features:

- 30,000 square feet of operating space
- R&D and prototype Wet Labs
- Pilot manufacturing facilities
- High speed telecommunications gateway
- Nearby hotel, restaurants, services, airport, marina and fitness center

Only moments from the Atlantic sunrise, top-notch golf courses and waterfront recreation, the BETA-1 client campus is also a 30 minute drive from the sophisticated urban center of Jacksonville, FL, and its international airport, progressive universities and two deepwater seaports.

The BETA-1 campus is linked electronically to other regional resources that provide critical support to the expanding businesses. Client companies also have access to core resources such as high-speed networking and internet access, video-conferencing, copiers, fax, printing, reception, bookkeeping, student interns, and staff support.

If you're looking for an innovative partner in one of the above categories or another one not listed, [contact us](#) today for more information.



Resources

- ▶ Technology
- ▶ Management Services
- ▶ Advisors
- ▶ Capital
- ▶ Facilities



BETA-1 Resources - Management Services

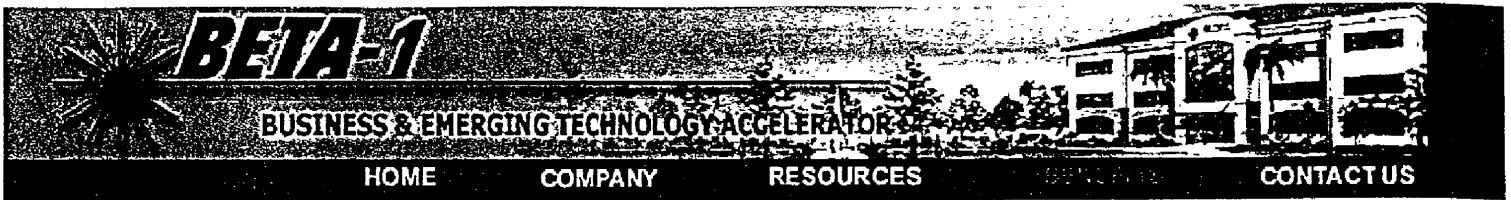
The surest way to advance entrepreneurial innovation rapidly from concept to commerce is to focus on getting it right from the start. That means having access to the best minds and the best advice.

BETA-1 has assembled a valuable pool of human resources for its clients. Our diverse intellectual network of experienced professionals represents a broad cross-section of disciplines. We select the right team for each client situation, creating a flexible, customized management services framework including:

- Executive management;
- Entrepreneurial development;
- Business mentors, advisors and board members;
- Strategic and business planning;
- Finance and accounting;
- Legal advice;
- Sales and marketing;
- Project management; and
- Industry specific expertise.

If you're looking for an innovative partner in one of the above categories or another one not listed, contact us today for more information.





Benefits

Benefits of Working with BETA-1

BETA-1 provides benefits that innovative entrepreneurs require: early investment, a well-equipped place to call home, a "roll up your sleeves" business partner, and a game plan that includes creating a credible valuation and accelerated market entry according to plan.

BETA-1 opens doors to entrepreneurs, investors, and business resources. We offer emerging technology entrepreneurs what they need most to build a viable enterprise including:

- Financial Assistance
- Pilot manufacturing, lab and office facilities
- 21st century communications
- Product Development Assistance
- Professional service assistance
- Proactive executive mentoring
- Collaborative management insight
- Valuable partnership and networking opportunities

BETA-1 service resources include: technology, management, capital and facilities.

If you are interested in learning more about the BETA-1 resources complete our on-line inquiry form.



ATTACHMENT 3

**Nassau County Economic Development Board
Nassau County Business Retention Program Report
Phase I**

Nassau County Business Retention Program – Phase I
Executive Report
April 27, 2001

Introduction

The Nassau County Economic Development Board, in partnership with the Cornerstone Regional Partnership for Economic Development and the Regional WorkSource Board, started a formal Business Retention Program in Nassau County. Nassau County was one of six counties in Northeast Florida to participate in the WorkSource sponsored program that was coordinated through the Cornerstone Partnership. The grant from WorkSource commenced on March 1, 2000 and closed on February 28, 2001. In the initial stage, the Synchronist Software Database was purchased and installed by the Nassau County Economic Development Board. Next, a series of Human Resource conferences were organized and a Regional Human Resource Guide was prepared and distributed in Nassau County by the Nassau County Economic Development Board during individual business meetings.

During Phase I of the Nassau County Business Retention Program, forty meetings were scheduled from September 26, 2000 through February 13, 2001. Mr. Ken Willette, the Executive Director of the Nassau County Economic Development Board, personally met with the senior executive from each of the forty Nassau County companies. These forty companies were specifically chosen to represent the Nassau County business community. These companies were selected based upon geographic diversity in Nassau County, industry diversity and size diversity. These companies were located in Fernandina Beach, Amelia Island, Yulee, Hilliard and Callahan. The personal interviews generally lasted from 60 to 90 minutes. A series of uniform questions covering a wide variety of categories were discussed in detail and recorded into the Synchronist Database.

Following is a summary report of the varied business issues discussed during these forty interviews. From these interviews, we are able to monitor the Nassau County economy, better understand local economic trends and identify some positive issues that will provide future opportunities and some relevant issues that need to be addressed in Nassau County.

Evaluation of Nassau County Economy

Based on the input of the forty companies visited, it is easy to see that economic conditions in Nassau County are very strong. Generally, companies are doing well. Most Nassau County companies are tracking positively. The economic base in Nassau County is growing and will produce additional economic growth and job creation during the next three years. This is an extremely positive sign and produced more positive results than anticipated.

Summary of Findings

The companies visited are experiencing strong economic stability. The survey showed that 97.5% of the businesses are secure and stable at the present time and 72.5% of the businesses plan to expand during the next three years. In order to expand their businesses, 37.5% will need to increase their business space requirement. As a result of these planned economic expansions, the businesses expect to increase employment by 22.9% and create 512 new jobs in Nassau County during the next three years. During the past three years, these businesses created a net new 581 jobs in Nassau County. These facts obviously demonstrate many very positive factors regarding the economic base in Nassau County during the past few years and in looking forward to the next three years.

Another positive trend is that 93% of businesses visited have and will continue to use and introduce new technologies that will keep them competitive in the new global marketplace.

Community Support

Of the executives interviewed, 93% strongly support the Nassau County community as a place to do business. Their overall evaluation of services provided to the business community by Nassau County and the three municipalities are generally very positive. Police protection, fire protection, ambulance/paramedic service, sewage treatment, water quality, property tax assessment and overall County and City services are rated good to excellent. The majority of businesses interviewed feel the school system K-12 has improved during the past years to above average but also feel there continues to be a critical need for continued improvements in the Nassau County education system. Many businesses offered support for school administrators and teachers. There appears to be a real opportunity and interest for members of the Nassau County business community to take a more active role in local education. It was also clear that the Nassau County business community strongly supports the County Government initiatives to improve community planning, regulatory enforcement, growth management planning and the control of traffic.

Workforce Evaluation

All forty companies presently provide some type of employee training. The survey provided that 87.5% are increasing spending on employee training and 12.5% are stable in their spending on employee training. Only 12.5% of businesses interviewed have employees represented by unions. All of these companies report a very positive working relationship between management and the union.

Availability of labor is the workforce issue of greatest concern to the businesses interviewed. The survey showed that 50% of the companies rated availability of labor as terrible to poor. The remaining 50% rate availability good to excellent. The businesses rate the quality of the workforce as 80% good to excellent and 20% terrible to poor. Workforce stability is rated by 90% as good to excellent. Workforce productivity is rated by 95% as good to excellent.

Another important issue identified during the interview was the gap of available people with certain key skills. The workers skill gaps covered a very diverse spectrum, from medical aides and LPN's to culinary and hospitality; from information technology to skilled maintenance, electrical and welders; from sales people to truck drivers; and from journalists and skilled computer operators to skilled general manufacturing laborers.

The highest concentration of industry needs for training programs in Nassau County are:

Medical – LPN's, Nurses, Medical and Healthcare Aides

Hospitality – Culinary, Support Staff

Technology – CADD Operators, Computer Graphics, Basic Computer Administrator

Mechanical/Maintenance – Electric, Welders, Fabricators, Technicians

One other general need that was brought up continually was the need to improve the “soft skills” of people entering the workforce. These varied skills include, basic discipline, knowledge of the basic workplace protocols, cleanliness, interviewing skills and the ability to interact with a diverse group of people either co-workers or clients.

Summary

Based upon the comments of the forty companies visited, economic conditions in Nassau County continue very strong. In addition, many of the companies plan to expand and create new employment during the next three years. The extent of the economic growth potential from within Nassau County far exceeded expectations.

Despite this very positive report, there remain a few critical issues that need improvement.

- Increased availability of high-speed data telecommunication lines. In the survey, 77.5% of the companies rate telecommunications as their fastest growing infrastructure need for the future. The lack of access to high-speed data infrastructure in many areas of Nassau County has already caused some problems and a loss of a few opportunities. Our companies are convinced that their needs will continue to increase dramatically. If continued upgrading and expansion of high-speed data infrastructure in Nassau County is not accelerated, our business community fears a serious problem in the future. Nassau County must address this critical need with the telecommunication providers and assure our continued ability to compete in the global economy. The Nassau County Economic Development Board has already started discussions with the appropriate service providers and the first formal meeting to discuss this matter in detail is being scheduled for May, 2001.
- Labor force availability, skills and training. The workforce in Nassau County rated extremely high in quality, stability and productivity. The availability of labor has started to become a problem for some businesses in Nassau County. The second critical issue is the availability of key skills in the workforce. These labor force issues are not unique to Nassau

County or Northeast Florida. These are national trends. Our ability to work with our business community and our training providers at WorkSource and Florida Community College is more important than ever before. It is critical for the Nassau County Economic Development Board to continue to provide that critical link between the Nassau County business community and our training providers. From the workforce data in the survey, WorkSource and Florida Community College have already taken aggressive steps to begin to fill the skill gaps outlined above.

- **Cost of Worker's Compensation Insurance in Florida.** The State of Florida is aware of this critical issue. However, the Nassau County Economic Development Board will continue to communicate the seriousness of this issue to state officials. The survey results will now give us more concrete data to help focus the statewide discussions of the Worker's Compensation issue and ultimately to reduce the cost of Worker's Compensation in the State of Florida.

Nassau County Business Retention Program – Phase II

The second phase of the Nassau County Business Retention Program commenced on January 1, 2001. With the completion of the report, we will now commence a detailed board analysis of the results of the Phase I program and then define an action plan of work for the Nassau County Economic Development Board. This work will be completed and submitted by October 31, 2001. In addition, the Nassau County Economic Development Board has started to assemble a list for the Phase II Business Retention Program. The actual meetings are scheduled to commence during May, 2001 and will be completed by October 31, 2001.

Respectfully Submitted By:

Kenneth J. Willette
Executive Director
Nassau County Economic Development Board

ATTACHMENT 4

**Nassau County Economic Development Board
Nassau County Business Retention Program Report
Phase II**

Nassau County Business Retention Program – Phase II

Executive Report

November 30, 2001

Introduction

The Nassau County Economic Development Board, in partnership with the Cornerstone Regional Partnership for Economic Development and the Regional WorkSource Board, started a formal Business Retention Program in Nassau County. Nassau County was one of six counties in Northeast Florida to participate in the WorkSource sponsored program that was coordinated through the Cornerstone Partnership. Phase I of the grant from WorkSource commenced on March 1, 2000 and closed on February 28, 2001. In the initial stage, the Synchronist Software Database was purchased and installed by the Nassau County Economic Development Board. Next, a series of Human Resource conferences were organized and a Regional Human Resource Guide was prepared and distributed in Nassau County by the Nassau County Economic Development Board during individual business meetings. Phase II of the grant from WorkSource commenced on January 1, 2001 and closes on December 31, 2001.

During Phase II of the Nassau County Business Retention Program, thirty meetings were scheduled from June 28, 2001 through November 19, 2001. Mr. Ken Willette, the Executive Director of the Nassau County Economic Development Board, personally met with the senior executive from each of the thirty Nassau County companies. These thirty companies were specifically chosen to represent the Nassau County business community. These companies were selected based upon geographic diversity in Nassau County, industry diversity and size diversity. These companies were located in Fernandina Beach, Amelia Island, Yulee, Hilliard, Callahan and Bryceville. The personal interviews generally lasted from 60 to 90 minutes. A series of uniform questions covering a wide variety of categories were discussed in detail and recorded into the Synchronist Database. Of the thirty interviews, fourteen were conducted prior to September 11, 2001 and sixteen were conducted after September 11, 2001. This is important in attempting to analyze the specific economic impact in Nassau County resulting from the September 11th terrorist attacks.

Following is a summary report of the varied business issues discussed during these thirty interviews. From these interviews, we are able to monitor the Nassau County economy, better understand local economic trends and identify some positive issues that will provide future opportunities and some relevant issues that need to be addressed in Nassau County.

Evaluation of Nassau County Economy

Based on the direct input of the thirty new companies visited, economic conditions in Nassau County remain very strong despite a national recession and the impacts of the September 11th terrorist attacks. Generally, the thirty companies are doing well. All the companies visited

during this phase are tracking positively. The economic base in Nassau County continues to grow and will continue to produce additional economic growth and job creation during the next two to three years. This continues the extremely positive trends from our Phase I project and again produced more positive results than anticipated especially with the continued down turn in the national economy.

Summary of Findings

The companies visited are experiencing strong economic stability. The survey showed that 100% of the businesses are secure and stable at the present time and 63% of the businesses plan to expand during the next three years. As a result of these planned economic expansions, the businesses expect to increase employment by 55% and create 601 new jobs in Nassau County during the next three years. During the past three years, these businesses created a net new 209 jobs in Nassau County and presently have 1,082 employees. These facts demonstrate many very positive factors regarding the economic base in Nassau County during the past few years and in looking forward to the next three years. These findings are consistent with the results reported from the Phase I analysis completed on April 27, 2001.

Another positive trend is that 90% of businesses visited have and will continue to use and introduce new technologies that will keep them competitive in the new global marketplace.

Community Support

Of the executives interviewed, 98% strongly support the Nassau County community as a place to do business. Their overall evaluation of services provided to the business community by Nassau County and the three municipalities of Fernandina Beach, Hilliard and Callahan remain very positive. Police protection, fire protection, ambulance/paramedic service, sewage treatment, water quality, property tax assessment and overall County and City services are rated very good to excellent.

Of the executives interviewed, 93% feel the school system K-12 has improved during the past few years to a good to excellent rating but also feel there continues to be a critical need for continued improvements in the Nassau County education system. Many businesses continue to offer support for school administrators and teachers. As reported in the first study, this second phase appears to offer a real opportunity and interest for members of the Nassau County business community to take a more active role in local education.

The Nassau County business community strongly supports the County Government initiatives to improve community planning, regulatory enforcement, growth management planning, the permitting process and continued control of traffic.

Workforce Evaluation

All thirty companies presently provide some type of employee training. The survey provided that 93% are increasing spending on employee training and 7% are stable in their spending on employee training. Of the businesses interviewed, 6.6% have employees represented by unions. All of these companies report a very positive working relationship between management and the union.

Availability of labor is the workforce issue of greatest concern to the businesses interviewed. The survey showed that 33% of the companies rated availability of labor as terrible to poor. The remaining 67% rate availability good to excellent. The businesses rate the quality of the workforce as 93% good to excellent and 7% terrible to poor. Workforce stability is rated by 93% as good to excellent. Workforce productivity is rated by 100% as good to excellent.

Another critical issue identified during the interview that was consistent with the first study was the gap of available people with certain key necessary skills. The workers skill gaps covered a very diverse spectrum, from medical aides and LPN's to culinary and hospitality; from information technology to skilled maintenance, electrical and welders; from sales people to truck drivers; and from journalists and skilled computer operators to skilled general manufacturing laborers.

The highest concentration of industry needs for training programs in Nassau County are:

Medical – LPN's, Nurses, Medical and Healthcare Aides, Pharmacists

Hospitality – Culinary, Support Staff

Technology – CADD Operators, Computer Graphics, Basic Computer Administrator, Software Developers, Network Administrators

Mechanical/Maintenance – Electric, Welders, Fabricators, Technicians

Sales/Marketing – Sales Skills, Interpersonal Skills, Customer Service Skills

Professional Management – Finance, Accounting, Human Resource

One other general need that was brought up again was the need to improve the “soft skills” of people entering the workforce. These varied skills include, basic discipline, knowledge of the basic workplace protocols, cleanliness, interviewing skills and the ability to interact with a diverse group of people either co-workers or clients.

Summary

Based upon the comments of the thirty companies visited, economic conditions in Nassau County continue very strong despite the worsening national economy and the impact of the terrorism attacks. In addition, many of the companies interviewed plan to expand and create new employment during the next three years. The extent of the economic growth potential from within Nassau County continues to exceed reasonable expectations.

Despite this very positive report, there remain a few critical issues that need improvement.

- Increased availability of high-speed data telecommunication lines. In the survey, 67% of the companies rate telecommunications as their fastest growing infrastructure need for the future. The lack of access to high-speed data infrastructure in many areas of Nassau County has already caused some problems and a loss of a few opportunities. Our companies are convinced that their needs will continue to increase dramatically. If continued upgrading and expansion of high-speed data infrastructure in Nassau County is not accelerated, our business community fears a serious problem in the future. Nassau County must continue to address this critical need with the telecommunication providers and assure our continued ability to compete in the global economy. The Nassau County Economic Development Board has already started discussions with the appropriate service providers and a series of meetings has been held over the last few months with BellSouth and Alltel Communications. In addition, the Nassau County Board of County Commissioners has taken a leadership role in working with the telecommunication providers in Nassau County to facilitate continued improvements to the system.
- Labor force availability, skills and training. The workforce in Nassau County rated extremely high in quality, stability and productivity. As compared to the previous study, the availability of labor has slightly improved to where 33% of the companies interviewed rated availability as terrible to poor. The most critical labor force issue is the availability of key skills in the workforce. These labor force issues are not unique to Nassau County or Northeast Florida. These are national trends. Our ability to work with our business community and our training providers at WorkSource and Florida Community College is more important than ever before. It is critical for the Nassau County Economic Development Board to continue to provide that critical link between the Nassau County business community and our training providers. From the workforce data in the survey, WorkSource and Florida Community College continue to take aggressive steps to train perspective employees to fill the skill gaps outlined above.
- Cost of Worker's Compensation Insurance in Florida. The State of Florida is aware of this critical issue. However, the Nassau County Economic Development Board will continue to communicate the seriousness of this issue to state officials. The survey results will now give us more concrete data to help focus the statewide discussions of the Worker's Compensation issue and ultimately to reduce the cost of Worker's Compensation in the State of Florida.

ATTACHMENT 5

**Amelia Island Fernandina Beach Yulee
Chamber of Commerce
Plan of Action 2001**

plan of *action*

2001



Amelia Island • Fernandina Beach • Yulee
Chamber of Commerce



THE
CHAMBER

Amelia Island • Fernandina Beach • Yulee

102 Centre Street
Fernandina Beach, FL 32034
(904) 261-3248 voice
(904) 261-6997 fax

visit us on the web at
www.aifby.com

2001 President's Message

On behalf of the Chamber committees, and Board of Directors, I am pleased to present you with the 2001 Plan of Action.

You will see a few changes this year. First, the Small Business Council has merged with the Economic Development Committee to form the Business Development Committee. This committee will be the advocate for all businesses large and small, new and well established. Second, a new committee, Member Services, will explore ways of providing "value added" features to your Chamber membership. Next, the Education Task Force will continue their work from last year. Finally, a standing committee of select Chamber members has been established to develop a long-range plan for the Chamber as a whole; then continually review, update and make recommendations to the Board of Directors.



Michael Lamb

Please take a few minutes to familiarize yourself with the committees and their goals. They have developed an aggressive agenda this year, and I am sure they would welcome your participation.

Best regards,

Michael Lamb

2001 Plan of Action

Ambassadors

Chair, Trish Bohannon

Purpose:

Promote the chamber through visible participation in Chamber sponsored events and assist in recruitment/retention efforts.

Goals:

- Provide personal contact to retain-existing members and increase new memberships by participation in the "Chamber Friends" program and assisting in welcoming and registration at Chamber functions.
- Broaden community visibility and publicity to include the Annual Holiday Celebration and maintain a presence at Chamber events by wearing official Ambassador attire.
- Host the Amelia Island Teacher's Appreciation Breakfast.

Business Development Committee

Chair, Wayne Stubbs

Purpose:

Preserve a balanced economy on Amelia Island and the Yulee area, and increase awareness of local small business through educational opportunities.

Goals:

- Preserve and increase economic diversity within the county by using a targeted approach to new business attraction including minority businesses. Assess the technology needs of local businesses, incorporate findings into a proposed plan for telecommunications infrastructure improvements
- Explore new opportunities for economic development on Amelia Island through better utilization of airport and downtown waterfront areas.
- Preserve access to island, downtown, mills and port.
- Monitor & make suggestions on improvements to the permitting process for new business
- Assess the technology needs of local businesses, incorporate findings into a proposed plan for telecommunications infrastructure improvements
- Provide Business to Business networking opportunities
- Develop a plan to support local businesses
- Develop plan to attract small high tech companies and professional groups to Amelia Island/Fernandina Beach/Yulee.

Community Development Committee

Chair, John Zona

Purpose:

This committee serves as a catalyst to make our community a better place to live and work through a partnership of businesses, citizens and government.

Goals:

- Provide leadership for growth planning in order to grow responsibly and maintain character of the community. Identify key growth issues.
- Define needs and develop plans for improvements to transportation (parking, highway access, and traffic congestion)
- Educate member businesses on trends and potential impact
- Identify key growth issues
- Monitor the Quality of Life indicators
- Monitor/Advocate downtown master plan for traffic & parking
- Monitor Affordable Housing

Education Task Force

- Investigate Work Keys Program and determine if implementation should be endorsed.
- Work with the School Board, Nassau Co. Economic Development Board and FCCJ on education improvements.
- Inventory existing business workforce needs - coordinate necessary improvements with education and training providers to produce a workforce that meets the needs of existing and future businesses.

Public Affairs Committee

Chair, Charles Shelton

Purpose:

Promotes public/private partnerships assisting the Chamber in achieving its mission. The committee stresses increased awareness of regulatory and legislative issues affecting members by encouraging input and participation in local/state committees and boards.

Goals:

- A1A Corridor – key area of focus.
- Insure that FLDOT priorities are funded for Nassau County.
- Encourage city/county government staff to participate in Chamber activities.
- Develop implementation strategies related to improving government communications and relations with the business community
- Become familiar with city and county comprehensive plans.
- Increase the visibility of the Chamber of Commerce at government and public meetings.
- Develop alliances with other entities/organizations that track government policies
- Monitor government policy.
- Recommend Chamber's Legislative Agenda.
- Develop and support voter education and participation from a business perspective.

Long Range Planning Committee

Chair, Jim Mayo

To address longer term (3 to 5 years) issues of the Chamber and make recommendations to the Board.

Member Services Committee

Chair, Gerry Clare

Purpose:

Identify & implement membership needs, and review current membership services.

Goals:

- Canvas each of the other committees for questions to conduct a member survey.
- Identify membership needs, implement bottom-line benefit programs to address needs.
- Continue with ongoing member events
- Oversee the BellSouth Grant
- Business of the Quarter and Business of the Year Awards

Tourism Advisory Committee

Chair, Sandy Price - Vice-Chair, Marianna McIntyre

Purpose:

Works to enhance the community as a travel destination; fosters awareness of tourism's vital contributions; and makes recommendations to the Tourist Development Council.

Goals:

- Identify, initiate and support projects that directly affect tourism.
- Review tourism study and make recommendations in regard to the study.
- Continue evaluation of feasibility of "Off Season Event" and make recommendations.

Yulee Area Council

Chair, Jim Stephens

Purpose:

Promotes Yulee as a center of commerce and opportunity. This committee provides impetus for community projects affecting the Yulee area.

Goals:

- Enhance identity of Yulee as part of Nassau County.
- Work with Chamber's committees to ensure that needs of Yulee area businesses are identified and presented in appropriate form.
- Keep existing programs such as the Teacher's Appreciation Breakfast and Christmas Parade in place.
- Increase participation and attendance by Yulee Chamber members.

ATTACHMENT 6

BETA-1 Capital LLC
Letter of Support for Distance Learning Center



180 Mariner's Landing
St. Mary's, GA 32258
(912) 729-1278

May 8, 2002

RM Chauncey, President
BETA-1 Management, Inc.
317 Centre Street
Amelia Island, FL 32034

Dear Ray:

This letter is to confirm the support of the investors and members for your application to the USDA Rural Utilities Service for a Distance Learning grant to develop a rural distance learning network for Nassau County. We whole-heartedly support your efforts in developing entrepreneurs and extending training to the underserved areas by implementing state of the art technology for distance learning. Accordingly, we are pleased to commit up to \$100,000 in matching funds for this grant for 2002.

Sincerely,

A handwritten signature in black ink, appearing to read "Rodney E. Bennett", is written over a faint, larger version of the same signature.

Rodney E. Bennett
Managing Member and Secretary
Rodney@satillacommunitybank.com

Business Confidential

ATTACHMENT 7

**Morrow Insurance Group (Investors)
Letter of Support for Distance Learning Center**



MORROW INSURANCE GROUP, Inc.
of Fernandina Beach

8.4

1896 S. 14TH STREET, SUITE FIVE
FERNANDINA BEACH, FL 32035
PH (904) 261-0707 FAX (904) 261-2694

May 13, 2002

Raymond Chauncey, President
BETA-1 Management, Inc.
317 Centre Street
Amelia Island, FL 32034

Dear Ray,

Morrow Insurance Group, Inc. is pleased to commit up to \$150,000 in matching funds in support of the USDA Rural Utilities Service for a Distance Learning Grant for 2002.

We support BETA-1's efforts in developing and training entrepreneurs in this area by implementing state of the art technology.

Sincerely,

MORROW INSURANCE GROUP, INC.

Edward E. Wilson
President

ATTACHMENT 8

**BETA-1 Management
Project Budget for Distance Learning Center**

BUDGET

BETA-1 Distance Learning Network Budget

Description	Unit Cost	Extended Cost	RUS Funds	Matching Funds	Other
BETA-1 Facility					
Lease or Purchase of Eligible Equipment					
1 Routing and Switching	\$209,689	\$209,689	\$100,000	\$109,689	\$0
1 LAN, IP telephony, messaging	\$142,000	\$142,000	\$0	\$142,000	\$0
1 Video Capture, Storage & Streaming	\$90,000	\$90,000	\$50,000	\$40,000	\$0
1 IP Based ITV Room Connectivity	\$75,000	\$75,000	\$50,000	\$25,000	\$0
1 ITV Room Equipment	\$53,215	\$53,215	\$53,215	\$0	\$0
Site Cost		\$569,904	\$253,215	\$316,689	\$0
FCCJ-Nassau Center					
1 Routing and Switching	\$45,000	\$45,000	\$0	\$45,000	\$0
1 IP Based ITV Room Connectivity	\$15,000	\$15,000	\$0	\$15,000	\$0
Site Cost		\$60,000	\$0	\$60,000	\$0
Hilliard High School					
Lease or Purchase of Eligible Equipment					
1 ITV Room Equipment	\$53,215	\$53,215	\$53,215	\$0	\$0
Site Cost		\$53,215	\$53,215	\$0	\$0
WestNassau/Yulee/Bryceville					
Lease or Purchase of Eligible Equipment					
1 ITV Room Equipment	\$53,215	\$53,215	\$53,215	\$0	\$0
Site Cost		\$53,215	\$53,215	\$0	\$0
Additional Project Costs					
Design of System (By Contract)	\$75,000	\$75,000	\$0	\$75,000	\$0
Installation of Equipment at Three End-User Sites (By Contract)	\$96,000	\$96,000	\$0	\$96,000	\$0
Training on Use of Equipment/System	\$18,000	\$18,000	\$18,000	\$0	\$0
Instructional software and materials	\$20,000	\$20,000	\$20,000	\$0	\$0
Additional Costs	\$209,000	\$209,000	\$38,000	\$171,000	\$0
Total RUS Eligible purposes		\$945,334	\$397,645	\$547,689	\$0
Ineligible Purposes					
4 Recurring line costs /year	\$13,200	\$52,800	\$0	\$0	\$52,800
1 Instructor/admin salaries	\$48,000	\$48,000	\$0	\$0	\$48,000
Project Grand total		\$1,046,134	\$397,645	\$547,689	\$100,800

Regulatory Specifications and Matching Funds Allocation:

The applicant must match a minimum of 15 percent of the Federal funds requested for **allowable purposes**:

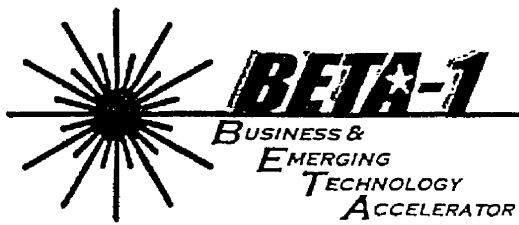
RUS Grant Request	\$397,645	
Matching (cash and in-kind)	\$547,689	137.73%
TOTAL	\$945,334	

Up to ten percent of the costs associated with the initial capital assets associated with the technical assistance and instructional programming (7CFR 1703-121) can be financed by RUS grant requests:

Initial Installation and Training	\$ 38,000
Total Allowable RUS Purposes	\$397,645

Matching Fund Allocation

- BETA-1 Management, Inc. – See Letter Page 8.2
- BETA-1 Capital, LLC – See Letter Page 8.3
- Morrow Insurance Group – See Letter Page 8.4



317 Centre Street
Amelia Island, FL 32034
(904) 261-4334
www.beta-1.com

May 13, 2002

Orren E. Cameron
Director, Advanced Services Division
Rural Utilities Service
U.S. Department of Agriculture
STOP 1550, Room 2845
1400 Independence Avenue, SW
Washington, D.C. 20250-1550

Dear Mr Cameron:


On behalf of the Board of Directors I am pleased to provide financial commitments in both the capital and operating budget areas in support of the application for a Rural Utilities Service Distance Learning Grant. The grant will allow the leveraging of significant private capital that can build a model distance learning network for our rural community, that can be emulated in other areas.

Accordingly, we are committing to matching the grant funds as follows:

- | | |
|---|---------------|
| 1) Capital investment for network build-out in 3 rd and 4 th quarters of 2002 | \$350,000 |
| 2) Ongoing operating contributions for years 2002-2005 (4 years) | \$60,000/year |

We look forward to your favorable review and approval of the application for this innovative approach to provide distance training and economic opportunities for our rural community.

Sincerely,


Raymond M. Chauncey
President and CEO

ATTACHMENT 9

Distance Learning Center Executive Summary, Financial Information and Letters of Support

Executive Summary

BETA-1 (Business & Emerging Technology Accelerator) Distance Learning Network

An innovative approach to deliver education and training for students, entrepreneurs, small businesses and the community in rural north Florida.

1. Description of why the project is needed

BETA-1, a rural business incubator, is applying for a US Department of Agriculture Rural Utilities Service Distance Learning and Telemedicine Grant, with the support of Florida Community College at Jacksonville (FCCJ), the Nassau County Public Schools, and the community to further develop the distance learning capabilities in rural Nassau County, Florida. A recent in-depth study was conducted by the Nassau County Economic Development Board of over seventy businesses in the county to identify the most pressing issues. The major issues, by far, were lack of access to high-speed telecommunications services, and increased needs for worker training. The development of these capabilities will enable the public community college and the public school system to expand the educational offerings within and between institutions. The business development laboratory, created by BETA-1, is designed to provide a setting for advanced technology and entrepreneurial firms to develop products, and improve skills of existing businesses. The distance learning and on-site student internships and mentoring, offered through BETA-1, will provide much needed enriching experiences for high school and community college students both in business development and in the use of technology. Entrepreneurial training, offered through distance education, will benefit students and the small business community at large.

The distance learning network, created by adding an additional three distance learning classrooms/community rooms in Nassau County, is needed in order to provide the county public high schools locations where they can communicate with FCCJ, BETA-1 and each other through strategically located Interactive Television (ITV) classrooms/community rooms. The ITV rooms, located in the center of the county in Yulee at the Florida Community College Nassau Center (existing), at Hilliard High School in the west side of the county and at the BETA-1 facility in the east side of the county will enable cross county distance learning opportunities. An innovative Portable ITV Laboratory (PITVL) will also be built that will allow the network to be accessed from other schools/sites on a class or project basis. This portable technology has been successfully deployed by FCCJ at the Cecil Commerce center in adjacent Duval County and could serve as a model for other projects. The technology funded through this grant will also link these rooms to the ITV rooms located at an additional six Florida Community College at Jacksonville campuses in adjoining Duval County, thus creating a linked network of ten ITV sites. The distance learning network created will allow point to point and multipoint

transmission and reception from all sites. At the present time there is only one FCCJ ITV room in Nassau County. There are no other ITV sites to connect to in Nassau County. The present FCCJ connection allows only point to point connectivity with its' other sites. The technology specified in this grant, in addition to adding three ITV sites in Nassau County, will also enable multipoint connectivity, which is currently not possible. Finally, the ability to communicate via the internet (using H.323 videoconferencing) will reduce the costs associated with leased lines, and provide pressure on the incumbent local exchange carriers to improve services in this rural area.

The residents in Nassau County will, for the first time, be able to communicate via interactive television across the county and to the community college servicing their district. This will increase the ability to offer dual enrollment college classes and other enriching experiences for all involved. This is a significant milestone in a county that spans 652 square miles, has no public transportation system, requires long distance telephone service to call residents across county, and had a population of 57,663 in the 2000 Census.

The addition of a Hilliard High School ITV Room, another ITV Room at the BETA-1 facility in Fernandina Beach and the ITV Lab, along with an advanced internal telecommunications infrastructure at BETA-1, will enable the entire community to benefit from the technology that will be made possible through the distance learning grant.

2. Needs, financial assistance requirement, educational services offered and benefits to rural residents

The project is needed in order to increase the level of educational opportunities available to the residents and businesses in rural Nassau County. The Nassau County School District serves approximately 10,316 students in a 15 school district throughout the county. The three district high schools are located at opposite ends of the county thus making it logistically not feasible to share resources and combine small enrollment programs. Fernandina Beach High School, with an enrollment of 1638, offers a curriculum that is more diverse and comprehensive than the other two smaller high schools. West Nassau High School, with a population of 944, and Hilliard Middle/Senior High School, with an enrollment of 850 (includes grades 6-12), are more limited in the curriculum options offered to their students. Our students in Nassau County do not have the breadth and depth of curriculum options a student would have in a school district with larger schools.

The Florida Community College at Jacksonville serves both Nassau County and the more urban Duval County to the south. This multi-campus institution has a series of ITV classrooms (7) throughout its system. One of these classrooms is located at the recently

opened (Fall 2000) Betty P. Cook Nassau Center in Yulee, FL. The technology for the ITV classrooms currently supports only single point to single point transmissions.

The addition of ITV rooms on the east side and west sides of the county, in addition to adding the capability for multipoint reception and transmission will greatly enhance the educational and training opportunities offered to public school students and the small business community.

The opening of the Business and Emerging Technology Accelerator's (BETA-1) new facilities--in the fourth quarter of 2002--is serving as a catalyst for this project. BETA-1 has been developed and funded through private investment, and presents a unique and timely opportunity to leverage public funds to create a distance learning network that can serve as a model in a rural community. The business incubator is a laboratory for small technology businesses to create and develop new products, particularly in the medical device area. The incubator will also prove to be an asset to the community as it will serve as a site for student interns, small business training, and will also provide employment for area residents. The educational component of BETA-1, focused on development of entrepreneurship and small business, will serve to significantly upgrade the scope of training offered by linking the proposed system with the ITV network already in place through the Florida Community College at Jacksonville.

There are no funds available within the Nassau County School District, FCCJ or the BETA-1 project to fund the installation of the equipment necessary to create the additional ITV sites in Nassau County. The financial assistance requested will provide the technology required to install the equipment necessary to establish these ITV end user sites. The ongoing costs associated with their use will be absorbed by BETA-1 and FCCJ as they have the technical staff for their own network operation and training.

Distance learning programs in college credit classes, postsecondary adult vocational classes, small business training, and training for product development will be offered in the ITV network. Community groups and governmental groups will also have access to the ITV rooms for routine cross county meetings/communication.

The residents of rural Nassau County will benefit greatly from the ITV network being developed through this grant. Public school students will benefit from the increased educational offerings and access to other classes. The community will benefit from the ability to communicate cross county with others through scheduled seminars and classes, especially those related to entrepreneurship and business management, the foundation of the county's economy. The expansion of the classes offered by Florida Community College at Jacksonville, through the ITV network, will enable the college to expand the instructional offerings in Nassau County. The combination of college credit, postsecondary adult vocational, seminars, and small business training will enrich the communities and also make education/training much more accessible to residents who

otherwise would have to travel as much as 100 miles round trip to take advantage of the same opportunities.

3. A description of the applicant documenting eligibility based on CFR 1703.103

BETA-1 is a privately funded emerging technology accelerator (incubator) that helps entrepreneurial innovators translate their globally marketable concepts into commercially viable ventures.

Conceived in 1999 by successful North Florida business and community leaders, the Business and Emerging Technology Accelerator (BETA) is a for-profit model that funds, houses, supports and attentively monitors entrepreneurs with globally marketable technology innovations.

BETA-1 equips emerging technology innovators with critical entrepreneurial resources, including an appropriate operating environment, 21st Century technical and communications services, relevant and proactive business mentoring, and timely capital assistance.

For each client, BETA-1 assembles a tailored project team. This team provides management support and resources the business needs to succeed. Clients of BETA-1 benefit from access to core innovation resources including:

- Colleges & Universities
- Workforce Training
- Mentors & Partners
- Funding & Investors

BETA-1 positions clients to develop effectively, graduate swiftly, and move on to their next phase as sustainable, value-creating enterprises.

BETA-1 helps bridge the gap between innovative concepts and successful commerce. A copy of the Certificate of Incorporation for BETA-1 Management Inc., are located in Tab-16.

4. Total project cost

The BETA-1 facility is designed to provide support to developing and emerging businesses while also serving as a center to facilitate distance education and training in a real life business development laboratory. The total cost of the project follows with a brief explanation of the line items needed in order to properly outfit the ITV rooms at the

BETA-1 facility, the Hilliard High School and the Portable ITV Lab, and make them compatible and designed for multipoint transmission/reception:

Summary of total project cost

ITEMS	GRANT	*MATCHING
Routing and Switching	\$100,000	\$154,689
WLAN, IP Telephony,		\$142,000
Video capture, Storage and Streaming	\$ 50,000	\$ 40,000
IP Based ITV Room Connectivity	\$ 50,000	\$ 40,000
ITV Room Equipment	\$159,645	
Design, labor, installation	<u>\$ 38,000</u>	<u>\$171,000</u>
Total Grants/Matching	\$397,645	\$547,689**
Total Project Cost	\$944,334	

* BETA-1 Capital, an angel investor network managed by BETA-1, will make matching contributions.

** Matching funds are 137% of requested Grant funds.

Routing and Switching:

The BETA-1 facility requires switches in 2 locations that support 96 connections, each with inline power and QOS for phones, and Layer 3 standard routing capability.

\$254,689 (\$100,000 Grant and \$154,689 Match)

Internet Protocol - IP Telephony, messaging, and W-LAN:

IP Telephone PBX, phones, and voice gateway. This will provide 24 simultaneous voice connections out bound, 8 fax machine or modem lines and 20 phones with voice mail.

Unified Messaging Software and licenses for 10 concurrent licensed connections to voice mail. **\$142,000 (Match)**

Video Capture, Storage and Streaming:

IPTV Control Server, Broadcast server, Archive Server, Content Manager, distribution Manager, and Content Engine to create the ability to encode MPEG1-4 video in real time and either stream it across the network or store the files and distribute them for later playback. Includes video camera, microphone and PC with DVD. **\$90,000 (\$50,000 Grant and \$40,000 Match)**

IP Based ITV Room Connectivity:

Videoconference Gateway, MCU, and 16 Terminal Adapters that will tie in with seven existing FCCJ ITV rooms and enable multipoint transmission. **\$90,000 (\$50,000 Grant and \$40,000 Match)**

ITV Room Equipment:

Three each (BETA-1, Hilliard High School, and West Nassau/Yulee) of PictureTel 970, Canon Digital Document Camera, SONY 4 Head VCR, ParkerVision Presenter System, ParkerVision Student Camera System, AMX Switching Controller, Uninterrupted Power Supply, Adtran Multiplexer includes installation and one year parts and labor on-site warranty. **\$159,645 (Grant)**

Related Design and Installation:

Projected costs of designing, installing, and training individuals to manage equipment efficiently, program materials, software. **\$209,000 (\$38,000 Grant and \$171,000 Match)**

5. Project Purpose

The project is for distance learning. The project will enable ITV instruction to occur within Nassau County, between Nassau County and Duval County through the FCCJ ITV rooms, or to other parts of the country and world. The project will serve as a model for private/public educational and training partnerships. The network has the potential to grow to serve portions of the other 23 rural counties located in the Jacksonville, FL – SE Georgia Bureau of Economic Analysis Area, where BETA-1 will eventually expand.

6. Telecommunications Systems

The project will provide state of the art connectivity in the BETA-1 facility to support the several small high technology businesses that it will serve. These businesses will utilize a wireless LAN networking system with IP telephones to provide a working facility that will serve as an excellent internship site for high school and postsecondary students. The ITV equipment located at BETA-1 and at Hilliard High School will consist of Picture Tel 970 cameras and related equipment, Canon Digital Document Cameras, Sony VCR's and ParkerVision Presenter and student camera equipment.

Three ITV sites will be developed in Nassau County, Florida, as a result of this grant. The BETA-1 user site in Fernandina Beach and the Hilliard High School site in Hilliard will be developed within existing facilities. A portable ITV Lab will also be built that can be moved among other school sites in the county to allow access on a class or project basis. These sites will be linked to the FCCJ site in Yulee to provide a total of four ITV rooms across Nassau County, to enrich and enhance the communication, education, and training offered to the public schools, community college, community groups, and governmental groups. Policies and practices will be developed to give each entity access to the sites. The ITV sites will also be linked to the Duval County FCCJ sites that will allow multiple site transmission, with the addition of the equipment provided in this

grant. The sites will be capable of transmitting to other point to point sites in the world through ISDN telephone lines, and also by virtual private networks.

7. Participating Hubs

A total of two new hubs will be added as a result of this grant. The BETA-1 hub is located in the eastern section of Nassau County, in Fernandina Beach. This hub will serve as the site for Fernandina Beach High School, community, and governmental groups. The Hilliard High School hub is located in the western part of Nassau County in Hilliard. This hub will serve as a site for Hilliard High School and community and governmental groups. The Nassau County FCCJ site is located in the center of the county, at the Betty P. Cook Center in Yulee. The fourth site is served by the PITVL and covers areas as required by class/seminar demand in the southwest and remainder of the county. The geographical locations of these sites across rural Nassau County would make these learning opportunities available to the entire Nassau County population. The 2000 Census population figure for Nassau County is 57,663, but as the fastest growing county in the state is expected to reach 75,000 by the end of the decade. The ability to provide multipoint transmissions and connectivity between rooms will be coordinated by FCCJ who will utilize some of the grant equipment to develop these features.

8. Certification of non-duplication

The two hubs (BETA-1 and Hilliard High School) and the PITVL added through this grant do not duplicate already existing distance learning facilities or sites.

9. Location of each end user site

<i>County and State</i>	-	<i>Nassau County, Florida</i>
Site 1 location	-	BETA-1 in Fernandina Beach, FL
Site 2 location	-	Hilliard High School in Hilliard, FL
Site 3 locations Portable ITV Lab	-	West Nassau High School, Callahan, FL Yulee Middle School, Yulee, FL Bryceville Elementary School, Bryceville, FL
Existing Site	-	Florida Community College Betty P. Cook Nassau Center in Yulee, FL
Six Existing Sites	-	Located at FCCJ Campuses in Jacksonville

Financial Summary and Documentation

Background

The opening this fall of the permanent facilities for the Business and Emerging Technology Accelerator (BETA-1) represent a unique opportunity to enhance the educational progress in Nassau County, Florida. BETA-1 will provide entrepreneurs with the critical resources required to successfully launch and grow their firms, allowing them to reach positive cash-flow and a liquidity event as quickly as possible. Start-up or expanding businesses selected for admission into BETA-1 will benefit from operating space and business, technical and capital assistance available on a coordinated and efficient basis. A structured business training and mentoring process will be provided to insure that the businesses can develop effectively, graduate, and move into the communities as sustainable enterprises. BETA-1 will be linked by state-of-the-art high bandwidth communications to other regional and international resources, which will also provide critical support to the expanding businesses. This includes colleges, universities, federal labs, workforce training, small business development centers, mentors, investors, other incubators and consultants. The businesses will have access to core resources such as high-speed networking and Internet access, video-conferencing, copiers, fax, printing, reception, bookkeeping, student interns, and staff support.

The leveraging of the business, technical and financial resources of BETA-1 with funds from the Rural Utilities Service will create a rural distance learning network that can become a model for public-private partnerships. The cash matching funds provided by BETA-1 and its investors, equal to 137% of requested grant funds, is further leveraged by the ongoing public relations value. As companies are graduated out of BETA-1, and community workers efficiently trained to fill the jobs as they are being created by those businesses, the long-term impacts will become apparent. A recent in-depth study was conducted by the Nassau County Economic Development Board of over seventy businesses in the county to identify the most pressing issues. The major issues, by far, were lack of access to high-speed telecommunications services, and increased needs for worker training.

In addition to the capital committed as matching cash, BETA-1 has committed to funding the DLN at a minimum of \$60,000/year for the next four years. We are convinced that we can leverage our annual investment with the community college, private business, Nassau County school system, and program revenues to achieve a sustainable operation. The members of the DLN Project Team have experience in managing, and successfully completing, capital projects ranging in size from \$100,000 to over \$60 million. In addition, key members of the team have experience managing operating budgets of from \$100,000 to over \$10 million, including private, public and public-private and non-profit entities.

The President of BETA-1, Raymond M. Chauncey, served as the Vice President of one of Enterprise Florida's six Innovation and Commercialization Corporations (ICC) from 1995-1999. Enterprise Florida is the state's public-private organization responsible for coordinating Florida's economic development activities. In that role, Mr. Chauncey was responsible for setting-up, operating, and maintaining a video-conferencing center to collaborate with the other ICC's and the state coordinating office. In addition, he has counseled over 400 businesses in start-up and expansion, and was certified as an instructor in FastTrack, a business education program similar to NxLevel, which BETA-1 plans to offer through the DLN this fall. Our DLN community college partners include Don Hughes, Director of Florida Community College at Jacksonville-Nassau Center. Don presently operates one of the ITV rooms/distance learning centers in Yulee, that we will be able to access. Sharyl Wood is the Director of Adult and Vocational Education at the Nassau County School District, and a former principal and guidance counselor. Both Mr. Hughes and Ms. Woods are creative and experienced educators and will ensure that this innovative program is successful.

Financial assumptions and pro-forma cash budget

No escalation of revenues or expenses for this purpose.

Revenues for the DLN will come from the following sources;

1. Program/class revenues-
 - a. NxLevel for start-ups 4 sessions/year, \$200/student, 160 students/year, \$32,000/year
 - b. NxLevel for existing business, 3 sessions/ year, \$250/student, 90 students/year, \$22,500/year
 - c. NxLevel Ag-business & e-business, 4 sessions/year, \$200/student, 160 students/year, \$32,000/year
 - d. FCCJ class share-\$10,000/year
2. Corporate fees- Meeting and conference use of network, off times- 4hours/week, \$200/hr, 50 weeks/year, \$40,000/year
3. Private contributions-cash or in-kind, assumed at \$60,000 BETA-1, only assumed, for first 4 years
4. Public contributions- cash or in-kind, assumed at \$0 in year one

Total Revenues in operating year \$186,500

Expenses for DLN

1. Instructional materials, (\$20,000 part of capital budget) \$10,000
2. Instructor fees \$48,000/year, most NxLevel sessions by BETA-1 staff, mentors, and service providers (pro-bono)
3. Recurring line costs – 4 @ \$13,200/year = \$52,800 planned. Attempting to get the lines donated by the telecom providers, but not completed at application deadline. Assume \$25,000 reduction in 4th year, \$50,000 in 5th year.

4. Maintenance-\$25,000/year
 5. Facilities- Donated by partners
 6. Marketing/public relations- \$30,000 (additional costs borne by partners)
 7. Miscellaneous-\$5,000
- Total expenses in operating year \$170,800

DLN planned to be self-sufficient by year 5.

BETA-1 Distance Learning Network Pro-forma Cash Budget					
	2003	2004	2005	2006	2007
Beginning cash	\$60,000	\$75,700	\$71,400	\$87,100	\$107,800
Revenues	\$186,500	\$186,500	\$186,500	\$186,500	\$126,500
Expenses	\$170,800	\$170,800	\$170,800	\$145,800	\$120,800
Increase(decrease) in cash	\$15,700	\$15,700	\$15,700	\$40,700	\$5,700
Ending cash	\$75,700	\$91,400	\$87,100	\$127,800	\$113,500
Capital expenses	\$0	\$20,000	\$0	\$20,000	\$0



FLORIDA
COMMUNITY
COLLEGE
★
AT JACKSONVILLE

May 6, 2002

Orren E. Cameron
Director, Advanced Service Division
Rural Utilities Service
US Department of Agriculture
STOP 1550, Room 2845
1400 Independence Avenue, SW
Washington, DC 20250-1550

Dear Director Cameron:

The Florida Community College at Jacksonville Betty P. Cook Nassau Center (FCCJ) is excited about the Rural Utilities Service Grant application being submitted by the Business and Emerging Technology Accelerator-1, Inc. (BETA 1). The BETA-1 technological laboratory will prove to be a great learning environment for businesses and for secondary and postsecondary students. It will be a terrific asset to our Nassau County community.

The student internships and mentoring relationships that will be established through BETA 1, combined with the wide introduction of Interactive Television (ITV) based instruction, will enrich the education and training that is presently offered in Nassau County. The Nassau County ITV rooms, which will include the two rooms requested through this grant and the existing ITV room at FCCJ, will create a mini network of ITV rooms across Nassau County. The technology requested through this grant will also enable these rooms to be linked with the existing six FCCJ ITV rooms in Duval County, thus creating a 9 unit network and numerous education and training options not otherwise available.

FCCJ has a proven history of establishing and technically supporting ITV rooms and ITV instruction. FCCJ will work cooperatively with BETA-1 to insure the proper operation, scheduling, and success of these new resources. The current ITV room at the FCCJ Nassau Center provides a proven model for the future ITV installations.

I am fully supportive of BETA-1 and their vision to increase the distance-learning infrastructure in Nassau County. I look forward to actively working with them to realize their dream.

Sincerely,

Donald J. Hughes
Nassau Center Director

The School Board of Nassau County, Florida Adult and Vocational Education

1201 ATLANTIC AVENUE
FERNANDINA BEACH, FLORIDA 32034
FAX # 904-321-5879
SUNCOM 8-848-5826

JOHN RUIS
SUPERINTENDENT OF SCHOOLS

SHARYL W. WOOD
DIRECTOR OF ADULT & VOCATIONAL EDUCATION
321-5826

PATRICIA YOUNG
SECRETARY - ADULT EDUCATION

J. KIM SWEAT
SCHOOL TO WORK / VOCATIONAL SECRET
321-5828

May 7, 2002

Orren E. Cameron
Director, Advanced Service Division
Rural Utilities Service
United States Department of Agriculture
STOP 1550, Room 2845
1400 Independence Avenue
Washington, DC 20250-1550

Dear Director Cameron:

On behalf of Nassau County School Board Adult and Vocational Education, I am in full support of the Rural Utilities Service Grant application that is being submitted by the Business and Emerging Technology Incubator-1, Inc. (BETA-1). The technological laboratory, which will assist start-up technologically-based manufacturing businesses in a business incubator setting, will be an asset to our Nassau County community.

Through future interaction via internships, mentoring, field trips and other activities with the technology and businesses at BETA-1, students in Nassau County will be exposed to potential careers and career paths they might not otherwise have considered. The Interactive Television (ITV) Network linking an ITV classroom at Hilliard High School and the BETA-1 facility in Fernandina Beach with the Florida Community College at Jacksonville classrooms at the Betty P. Cook Center in Yulee and throughout the Jacksonville area presents exciting possibilities for expanding the career and technical education offerings to the students of Nassau County. Students, entrepreneurs, community groups, teachers, and others can communicate through this network and collaborate on projects of educational and community benefit limited only by our imaginations. The students of Nassau County will also enjoy increased opportunities for participation in programs such as Dual Enrollment in high school and college through the ITV network.

I am committed to working in partnership with the staff at Hilliard High School, FCCJ, and BETA-1 in providing any assistance needed to increase opportunities for distance learning. I fully support the efforts of BETA-1 in increasing the distance learning infrastructure and capabilities in Nassau County.

Yours truly,



Sharyl W. Wood
Director of Adult and Vocational Education



NASSAU
COUNTY

ECONOMIC
DEVELOPMENT
BOARD

May 6, 2002

Mr. Orren E. Cameron
Director, Advanced Service Division
Rural Utilities Service
US Department of Agriculture
STOP 1550, Room 2845
1400 Independence Avenue, SW
Washington, DC 20250-1550

Dear Director Cameron:

The Nassau County Economic Development Board is in unanimous support of the Rural Utilities Service Grant application that is being submitted by the Business and Emerging Technology Accelerator-1, Inc. (BETA-1). The mixed-technology facility, which will assist in developing quality diverse start-up technology based industry in a business accelerator facility, will evolve into an important asset to the entire Nassau County population.

BETA-1 will establish itself as the nexus for entrepreneurial activity and culture in the North Florida region through the acceleration, creation and support of high-value entrepreneurial business opportunities. BETA-1 will assist these entrepreneurs in converting these innovative visions into profitable ventures by facilitating access to venture capital, business consulting, community resources and specialty infrastructure such as, laboratories, pilot manufacturing space and high-speed communications gateways.

BETA-1 will thus serve as a catalyst in the creation of new, high wage, high skilled employment and support opportunities in our community. The Interactive Television (ITV) Network, which includes an ITV room at Hilliard High School and at the BETA-1 facility in Fernandina Beach, is very exciting in that it will give adults and students more options to pursue their education. These two new facilities will be linked to the existing Florida Community College ITV rooms located in Yulee and throughout the greater Jacksonville area.

In conclusion, the Nassau County Economic Development Board is in unanimous support of the efforts of BETA-1 to increase the distance learning infrastructure and capabilities in Nassau County.

Thank you for your consideration of this important matter.

Sincerely,

Kenneth J. Willette
Executive Director

KJW/rcf

THE CHAMBER

Amelia Island • Fernandina Beach • Yulee

May 7, 2002

Orren E. Cameron
Director, Advanced Service Division
Rural Utilities Service
US Department of Agriculture
STOP 1550, Room 2845
1400 Independence Avenue, SW
Washington, DC 20250-1550


Dear Mr. Cameron:

The Amelia Island-Fernandina Beach-Yulee Chamber of Commerce supports the Rural Utilities service Grant submitted by the Business and Emerging Technology Accelerator-1, Inc. (BETA 1), located in Fernandina Beach, Florida. The innovative plans, developed by BETA 1 include developing two additional distance learning training sites within rural Nassau County. This project is critical in order to create a technologically viable business environment and also to give functioning businesses easier access to incumbent worker training opportunities.

Nassau County businesses suffer because of the inferior communication infrastructure in the County. It is a long distance call from Fernandina Beach to the west side of the county and to all of the adjoining counties. The BETA 1 plan will bring county entities and businesses closer together through the use of the Interactive Television (ITV) training rooms planned for Fernandina Beach and Hilliard. These rooms, when connected with the FCCJ network of ITV rooms in Yulee and Duval County, will open many opportunities for our approximately 650 members. It will also give us a closer link to the Greater Nassau Chamber of Commerce located on the west side of the county. The training options will be expanded dramatically due to the ITV rooms.

The Chamber is excited about BETA 1 and the innovations it is introducing into the community of Nassau County. We look forward to supporting their leadership efforts, especially in the area of improving the communication vehicles needed for education and training.

Sincerely,



Regina Duncan
President



Small Business Development Center Network
Florida's First Source For Business Assistance

May 10, 2002

Orren E. Cameron
Director, Advanced Service Division
Rural Utilities Service
US Department of Agriculture
STOP 1550, Room 2845
1400 Independence Avenue, SW
Washington, DC 20250-1550

Dear Director Cameron:

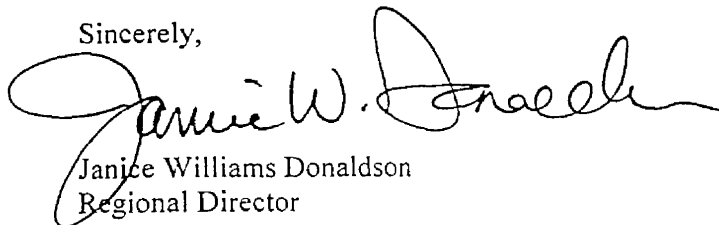
The University of North Florida Small Business Development Center (UNF SBDC) strongly supports the grant request from the Business and Emerging Technology Accelerator-1 (BETA-1), located in Fernandina Beach, Florida. BETA-1's plan to use a Rural Utilities Grant to develop two additional distance learning sites in rural Nassau County will facilitate delivery of technical assistance to potential and existing entrepreneurs in a most cost-effective manner.

The UNF SBDC has been providing business assistance in northeast Florida since 1976, but, with 17 counties to serve, the program has never been funded at a level to adequately satisfy the need for business start-up and management training in Nassau County. We are pleased to see that BETA-1 has taken the initiative to develop a facility and plan for the technology to better serve these entrepreneurs. We look forward to leveraging our resources with theirs to ensure that entrepreneurs in Nassau County receive the technical assistance and training that they deserve.

Even though BETA-1 itself is a new venture, those providing the leadership have considerable experience with new venture development. The UNF SBDC has been privileged to work with the principals in the past, and I am confident that they have the skill and motivation to create a facility that will be a success and a model for others to emulate.

I hope you will approve BETA-1's request for a Rural Utilities Grant.

Sincerely,



Janice Williams Donaldson
Regional Director