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Broadband entrepreneur bridges the Arctic wilderness

By Julie Fortier, Ottawa Business Journal Staff Mon, May 7, 2007 12:00 AM EST

Over a crackly telephone connection, it is clear that Cambridge Bay is a world away from Ottawa.

"It's quite nice out there actually," says Darrell Ohokannoak, manager of Polarnet, a community service provider of broadband Internet for the Nanavut community and chairman of Nunavut Broadband Development Corp. (NBDC) when asked about the weather. "It's only about - 14, I think. The sun is out, but I think we're expecting a little bit of snow later on."

The hamlet of Cambridge Bay is located just north of the Arctic Circle on the south coast of Victoria Island, and is the largest community in the Kitikmeot Region of Nunavut with a population of around 1,350.

But it's not so different from Ottawa in terms of the population being tech savvy. A life-long resident of Cambridge Bay, Mr. Ohokannoak has been running Internet service in the region for about 10 years and started out with dial-up.

"A few businesses had accounts from the south in Yellowknife. They were racking up quite a few bills. The average person in an office here was racking up \$800 per month in Internet bills. With the wireless we have now, it's about \$60 per month," says Mr. Ohokannoak.

From Nunavut's biggest community, Iqaluit (population 7,500) to its smallest, Grise Fiord (population 200), all the villages are connected. With communities just outside of Ottawa still waiting for broadband, it seems almost impossible that it is being offered to these tiny northern hamlets, especially at such a reasonable price.

This feat was made possible with the tireless effort of Kanata resident David Smith, president of NBDC.

With years of experience in the government procurement sector and raising venture capital for start-ups, Mr. Smith's most recent achievement has been planning, obtaining financing for and managing the implementation of the Nunavut broadband network, Qiniq. Amazingly, this network provides wireless broadband service to every home and building in Nunavut. Qiniq is located in Yellowknife, managed centrally by SSI Micro, and its satellite broadband is linked with the NBDC primary control centre in Ottawa.

"Initially, I was hired by the government of Canada to set up communications and IT for the new government of Nunavut. I SUBSCRIBE TO E-NEWS

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spent a couple years travelling between Yellowknife and
Nunavut. It was a great experience because it is probably one
of the few governments recently created in the western world.

It was great fun."

Mr. Smith continued working with the government as an advisor, but it became evident that while government departments were set up with IT, the rest of the economy had nothing.

It may be hard to imagine the isolation of being in a northern, fly-in only community without Internet access.

"All of these are fly-in communities with one boat a year to bring in supplies," Mr. Smith said. "There are one or two stores and no banks in most of them. To run a business or do your banking or file your taxes, it's a necessity. If you have a job and your employer wants your bank account number, out of the 25 communities only three have banks. Typically it cost \$1,000 and more than a day of travel to get to a bank," Mr. Smith said. And even if residents could afford it, many of the older Nunavummiut don't speak English or have the two pieces of identification required to open an account.

"Things were happening, like insurance companies would say, 'We're not going to insure vehicles unless you send us a digital photo of any damage claims.' It's amazing how many times you need the Internet when you don't have it. To report anything, to run a business, to look something up, you need access."

In 2003, Mr. Smith started looking around to see how he could bring the Internet at an affordable price to Nunavut. He incorporated the NBDC, raised some money, picked a vendor and now has an active network.

Uniting communities

Mr. Ohokannoak said he has seen how the access is changing the community and bringing the vast region closer together.

"Not everyone has a computer at home, so artists and other business people will come to our office and ask us to place their items on the Internet for them. I have seen some people who have a polar bear or a musk ox hide for sale, place it on a bulletin board and they were quite surprised when they received a phone call at home from Yellowknife," he said. Yellowknife is around 630 kilometres away. Just the Kitikmeot Region alone covers over 446,727 square kilometres.

"This is different from the traditional way of writing that you have a pelt or a carving or a snowmobile for sale on a piece of paper and putting it up at the post office or the local store. That was only for the local community. It's reaching the whole region now," Mr. Ohokannoak said.

Mr. Smith said the primary obligation of the NBDC is to make sure every Nunavut community has the same Internet service at the same price point. "What often happens is that someone will come in and put in cell phone service in the capital and nowhere else. Our motto is if we can't do it in Grise Fiord, we're not going to do it. To do that we have to raise funds to level the playing field and make sure the services are priced for everyone in Nunavut. We're not giving it away, but we're trying to make sure that they get it," he said.

The success of the program has been overwhelming. The first round of funding had a goal of 2,000 subscribers at the end of nine years for the 8,600 households in Nunavut.

Special Projects



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"We were more optimistic, but no one believed us at the time. We aren't at the two-year mark and we are over 3,000 subscribers. It beat every optimistic projection we had and then some," Mr. Smith said.

For now, Mr. Smith is in the process of surveying users and potential users to learn what they need over the next few years. Based on that information NBDC will be prepare a new business plan and will revisit investors for new funds to allow the growth to continue. NBDC is also involved with training community leaders in new technologies such as multi-point videoconferencing, digital voice services, hotspots for visitors and low-cost workstations.

"We are now in the good – or bad – situation of having to very quickly go back and say, OK, we surpassed out nine-year target in under two years, let's start thinking of what we do next," Mr. Smith said. n





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