

Wi-Fi From the Sky

Before this June, about the only way Gregory Lynch could send email and download files was from his laptop at home or at his office, plugged into a high-speed Internet connection. But by summer, the director of operations for Cisco Systems was accessing spreadsheets from the comfort of *It's All Good*, his 47-foot motor yacht at Newport Dunes Waterfront Resort in Newport Beach, California, thanks to HNS' DIRECWAY Wi-Fi Access service.

Launched in August 2003, DIRECWAY Wi-Fi Access was piloted earlier in the year at a variety of locations, including Newport Dunes, one of Southern California's most visited RV parks and marinas. Lynch's new Wi-Fi satellite access at his home-away-from-home has much enriched his lifestyle. Responsible for Cisco's commercial sales and engineering services in the western U.S., he explained, "My job is based on mobility and being connected to the Web at all times. Now I have the same high quality of service and level of connectivity on my boat as I do in my office and at home." Added Newport Dunes General Manager Andrew Theodorou, "DIRECWAY Wi-Fi Access has exceeded our expectations. The response from our visitors has been overwhelming."

Lynch and Theodorou aren't alone in their praise. DIRECWAY Wi-Fi Access was one of only three new San Diego telecommunications products recently selected as finalists for the "Most Innovative New Product" award from the University of California, San Diego CONNECT program. The honor came on the heels of DIRECWAY Wi-Fi Access being chosen as a winner of *Broadband Business Report's* "top deployments" for August 2003.

Wi-Fi, or wireless fidelity, is an acronym for high-speed wireless access using the IEEE 802.11b global standard. Any computer or PDA with built-in Wi-Fi functionality and within the range of typically a few hundred feet of an Access Point can take advantage of broadband Internet access. Although the growth of high-speed Internet access continues, less than 20% of the continental U.S. is covered by 2.5G or 3G cellular data services, and between 40 and 50% of all telephone lines are beyond the reach of DSL service.

"DIRECWAY broadband satellite coverage is continent-wide, which means our managed service offering is uniformly available to the more than 16,000 RV parks and 13,000 marinas throughout the U.S.," explained James Gandolfi, senior vice president and general manager for HNS in San Diego. "No cellular or wireline provider or cable company can match the overall scope and coverage of DIRECWAY Wi-Fi Access."

Gandolfi added that enterprises targeting the leisure travel market can realize many benefits by bundling Wi-Fi Access with their existing DIRECWAY corporate networks. Incremental cost is low and enterprises can launch a suite of distinctive value-added offerings, such as affinity and cross-selling programs, to create new revenue streams and increase customer loyalty.

DIRECWAY Wi-Fi Access solves a problem RV parks and marinas have struggled with for years: how to deliver high-speed Internet access to those that live in a "home on wheels." Since March, Theodorou said his

park visitors have been spending about 1,000 minutes per week on the Internet from their RVs or boats. More than 50 percent of guests use their laptops to check email, weather, movie listings, and travel directions, and to conduct on-line banking and stock trades. Over the busy holiday and winter months, Theodorou anticipates usage will increase dramatically as snowbirds head south—with their laptops!

In large part because of the wireless connectivity available at Newport Dunes, Melinda Alger recently relocated full-time to the RV resort. "We can now operate our business away from our home PC," said Alger, who owns a contracting business with her husband. "We travel in our RV quite a bit, so it's really comforting to return to the resort knowing our email will be waiting for us, just like at home, plus all the conveniences of a typical business office. Our lifestyle has been enhanced tremendously."

Now instead of having to check email at a common area on park grounds, often waiting in line and enduring slow dial-up speeds, Newport Dunes guests surf the Web wirelessly, at broadband speed, in the comfort of their "mobile homes." And as a fully managed service offering, it's set up for guests to self-subscribe and log on easily, paying \$4.95 daily or \$24.95 monthly, which is typically less than what Californians pay for broadband access via DSL or cable modems.

Barry Shore, director of MDU Programs at G&K Management Company, whose company co-owns Newport Dunes, says he now has an additional service amenity to differentiate his locations from competitors. "We have seen higher take-up rates than we expected at the initial roll-out," said Shore. G&K has also piloted DIRECWAY Wi-Fi Access at two other locations. "I think the seeds that have been spread in the RV niche have taken root, and the demand for this service is growing faster than many expected."

The research firm Gartner Group predicts a total of 150,000 hotspots by 2005, up from 20,000 in 2002, and over 75 million users by 2008. Karl Littman, general manager of Candy Hill Campground and RV Park in Virginia, said guests are extending stays at his RV park because of DIRECWAY Wi-Fi Access. Littman explained this trend to more than 150 park owners attending the November 2003 National Association of RV Parks & Campgrounds InSites Show. Following Littman's endorsement, HNS' booth was flooded with RV park owners. "Wi-Fi is growing because we live in a world of mobility yet connectivity," Shore added. "Our visitors want to stay connected when they're away from home. Now they can anytime—right from the comfort of their RVs or boats."

The wireless connectivity has enabled Lynch to work three days of the week from his boat. In addition to accessing email and business

