

# **LARRY POWELL, Ph.D.**

**328 Shadeswood Drive  
Hoover, Alabama 35226  
(205) 822-1746**

**A Public Opinion Survey**

Prepared for

**Tennessee Cable Telecommunications Association**

Chattanooga, Tennessee

October, 2007

## METHODOLOGY

Five hundred (500) voters in Chattanooga, Tennessee were interviewed in a random sample taken October 19-22, 2007. The sample was balanced according to all known demographic factors. All interviews were conducted by telephone. The margin of error for this survey is  $\pm 4.4\%$ , with a 95% confidence level.

## QUICK SUMMARY

The public is generally unaware that EPB is owned by the city and do not realize that the public would be financially responsible for any loss that might be incurred (including the possibility of raising electric rates).

The attitude driving current support for the proposal is the possibility that increased competition could reduce cable rates. Opposition to the proposal centers around two arguments: (1) Memphis went bankrupt and loss \$30 million, and (2) if that happens in Chattanooga, electric rates will increase to cover the loss.

## SUMMARY

### *Current Support for Fiber-to-the-Home*

\* Fiber-to-the-Home is a relatively low priority for the voters. Education, particularly in terms of spending for school resource officers, is the top priority (48%), while police/fire protection ranks a distant second (28%). No other area reaches double-digit levels of concern. Cable/Internet services rank as a distant third with 8%.

\* The voters don't really understand that EPB is owned by the city. The responses to that question were statistically equal (43%-to-39%), indicating that most of the respondents were "guessing."

### *Analysis of Messages Supporting EPB*

\* The top argument in support of FTTH is "the addition of a new cable service will provide competition that could decrease the cost of cable service."

### *Analysis of Messages Opposing EPB*

The two top arguments against FTTH: (1) Memphis went bankrupt, with a \$30 million loss, and (2) if the proposal fails, electric rates could increase.

The following messages were also effective:

- Public funds should not be used against private industry
- EPB sued for using ratepayer money to subsidize FTTH
- EPB business plan is unrealistic, \$80 million high
- \$14-million in bond money is budgeted for covering losses
- Other cities with cable service unable to make money
- Cost \$200-million, supported by public money

### *Smart Meter Market Potential*

Less than one-third of the respondents would use the smart meter (31%).

## SUMMARY OF INDIVIDUAL QUESTIONS

### *Priorities for the City*

Which of the following should be the top priority for the city?

airport expansion,	7%
cable and Internet service	8%
library restoration,	5%
police and fire protection	28%
education, particularly for school resource officers	48%
unsure, other	4%

### *Perceptions of EPB Ownership*

As best as you can remember, is the Electric Power Board owned by the city of Chattanooga or by a private company?

City of Chattanooga	43%
private company	39%
unsure	18%

### *Analysis of Messages Supporting EPB*

Would you be more or less likely to support FTTH if . . .

The addition of a new cable service will provide competition that could decrease the cost of cable service.

more likely	81%
less likely	11%
no difference, unsure	8%

The EPB believes its new fiber optic service will be as important to the quality of life in Chattanooga as the introduction of electric power was in the 1930s.

more likely	48%
less likely	32%
no difference, unsure	18%

***Analysis of Messages Opposing EPB***

**A few other cities in Tennessee have already been providing cable service, and none of them have been able to make enough money to pay their bills.**

more likely	29%
less likely	46%
no difference, unsure	25%

**The proposal will cost 200-million dollars, that will be raised through a bond issue primarily supported by public money.**

more likely	40%
less likely	45%
no difference, unsure	15%

**Fourteen million dollars of that bond issue is budgeted to cover losses in the EPB's telecommunication businesses.**

more likely	28%
less likely	48%
no difference, unsure	23%

**If the proposal fails, the bill for the fiber optic service will be likely paid by raising the rate that people pay for EPB for electrical power.**

more likely	21%
less likely	66%
no difference, unsure	13%

**The EPB business plan has been sued for illegally using electric rate payer money to subsidize the new venture.**

more likely	21%
less likely	54%
no difference, unsure	24%

**When Memphis tried to offer fiber optic service, the program went bankrupt and lost \$30 million that had to be covered by people who used electricity in that area.**

more likely	14%
less likely	66%
no difference, unsure	20%

One expert says the EPB business plan is unrealistic because it's based on revenue projections that are \$80 million higher than the regional standards for the industry.

more likely	20%
less likely	57%
no difference, unsure	23%

### *Smart Meter Market Potential*

Would you be willing to use the smart meter if its cost were added to your monthly electric bill?

yes	31%
no	48%
unsure	21%

### *Attitudes Affecting the Issue*

Public funds should not be used to compete against private industry.

agree	59%
disagree	34%
unsure	7%

### *Prediction of Success*

The EPB's previous effort at providing cable an Internet service has been unsuccessful by industry standards. In your opinion, does this past track record make it more or less likely that they will be successful in providing fiber optic service?

more	30%
less	49%
no difference, unsure	21%

## VITA

**Larry Powell**  
328 Shadeswood Drive  
Hoover, AL 35226

Phone: 205/934-8784  
205/822-1746

### CURRENT POSITION

Professor of Communication Studies, University of Alabama at Birmingham.  
Associate chair. Teaching courses in Mass Communication and Communication Management. Courses taught included Communication Research Methods, Advanced Communication Theory, Broadcast Copywriting, Survey of Mass Communication, Organizational Communication, Communication and Social Movements. Interim Chair (2004-2006).

### PREVIOUS EMPLOYMENT HISTORY

Adjunct Professor, University of Central Florida. Teaching courses in Conflict Management and Professional Communication.

Owner, Powell Consulting, 1995-1998. Political consulting and market research work; free-lance writing.

Partner, Media Targeting, 1990- (current). Media placement service.

Partner, Kitchens, Powell & Kitchens, 1987-1995. In charge of conducting public opinion surveys and market research reports for a variety of political and commercial clients.

Professor, Mississippi State University, 1975-86. Director of Departmental Research for five years. Director of Graduate Students for four years. Director of the Basic Course for three years. Chairman of the School of Arts & Sciences Self-Study committee, 1982. Courses taught: Public Relations, Political Communication, Communication Theory, Small Group Communication, Persuasion, Interpersonal Communication, and Public Speaking.

Visiting Professor, Meisei University, Hino-shi, Japan, 1984-85. Initiated the first visiting professor relationship between Meisei University and Mississippi State University.

### EDUCATION:

Ph.D., University of Florida, 1975. B.A., M.A., Auburn University, 1970 and 1971.

## HONORS

Who's Who in America

Golden Key Honorary Member

Ranked as one of the top 75 communication researchers in the nation.

## PROFESSIONAL ASSOCIATIONS

Current memberships in the Speech Communication Association and the Southern States Communication Association (Lifetime member), the National Communication Association, the Religious Communication Association (Lifetime Member) and the Society for American Baseball Research.

Dozens of presentations at professional meetings, including meetings of the Speech Communication Association, Southern Speech Communication Association, the Eastern Communication Association, and the International Communication Association.

## RESEARCH PUBLICATIONS

More than 80 research articles published in *Southern Speech Communication Journal*, *Journal of Communication and Religion*, *Central States Speech Journal*, *Journal of Applied Communication Research*, *Communication Education*, *Perceptual and Motor Skills*, *Psychological Reports*, *Communication Quarterly*, *Journal of Communication*, *Communication Research Reports*, *Campaign & Elections*, and others. Complete list attached.