

Inc.

The Handbook of the American Entrepreneur

March 16, 2009

TECH TALK: COTTON FIRM GETS SATELLITE INTERNET

By Elizabeth Wasserman

A cotton producer in rural Alabama couldn't get high-speed Internet from telephone or cable companies so the company opted for broadband Internet from a satellite provider.

Producers Gin Co. is a cotton producer with 51 employees in Theodore, Ala., outside of Mobile. The company was still using dial-up Internet to file commodities reports with the U.S. Department of Agriculture (USDA) and conduct other business online, office manager Georgi Starr tells IncTechnology.com, until subscribing to a satellite broadband Internet service.

Elizabeth Wasserman: Why does a cotton producer need Internet access?

Georgi Starr: We're a cotton gin. We take cotton from the field and process it by taking the seeds and trash out, cleaning it up and sending it to the mill. Right now, we're approaching 30,000 bales per year, but we've been as high as 35,000 bales and as low as 12,000 bales. It varies every year. When we gin the cotton creating bales it becomes a commodity that's traded on the commodity markets. When we birth those bales, we attach a receipt to it that has to be transferred to the USDA, just like with sugar or peanuts or corn — it's sort of like our currency. We have a specialized program through a company called eCotton to create those receipts through the Internet and make a successful transmission, either by selling the cotton, putting the cotton up for bid if not already presold, and transmitting the receipts to the new owner. If we don't transmit those receipts in a timely man-

ner to the USDA, we can face potential fines or lose our license.

Wasserman: Why couldn't you get broadband Internet service before?

Starr: We're located in a rural area. We continued to hope that companies would bring DSL or cable Internet here, but there are just not the lines for it. Originally we were on dial-up, which was hideous. After Hurricane Katrina it was so horrible we were seeking anything to help us. In the summertime, when our business picks up moving the cotton and selling the cotton, we would have trouble with connection speeds. We couldn't transmit those receipts at all sometimes because of the weather. Or in the middle of a transmission we would lose all of our data. It was horrible to have to go back and recreate all of those big files. It also took up three days to update our program with the eCotton software. That was just unacceptable.

We heard about satellite and subscribed to HughesNet. We have the Business Internet 400 plan with speeds that go up to 2 megabytes per second for \$119 per month.

Wasserman: What have the results been?

Starr: Great. The good thing I've noticed that's very different is that even in inclement weather we still have a connection. We have yet to lose service during inclement weather. Also the speed is impressive. To update the software and send the receipts it's just seconds now compared to minutes and hours and days before. ●

HUGHES.

www.hughes.com