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Toy story
The advocate
Consummate
volunteer

Do it yourself

Manitoba's
 Andrew boys
 take on
 the telcos

RIMS
Canada

Secret of
my success

Without
a net

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COVER STORY



Blair, Brock and Scott Andrew (pictured). Phone rates offered by RFNow will be competitive and probably more cost-effective than what the current carriers charge, the Andrews believe. Long-distance service will also be available.

was connecting three Andrew Agencies insurance offices – in Virden, Man. and Moosomin and Carlyle, Sask. – with seven RFNow locations. Today there are 13 Andrew Agencies offices – six in Manitoba and seven in Saskatchewan – that are connected, and RFNow has 18 distribution locations.

"I would suggest that other businesses are still challenged by the bandwidth offered by Manitoba Telephones and SaskTel," Andrew says. "If RFNow didn't exist, Andrew Agencies would still be having communications difficulties. We had to build it ourselves."

Putting the business together, Andrew explains, took a little bit of leg work. He studied technical manuals, browsed the Internet and talked to people who understood the telecommunications business, folks who knew about things like bandwidth, towers and frequencies. Curiously, Andrew also had a little help from a most unlikely source – Hedy Lamarr, the late film actress (see sidebar). It's not widely known, but Lamarr co-invented a communications system

called frequency-hopping, the forerunner of today's spread spectrum communication technology used in wireless network connections and some cordless and wireless phones.

"Every time I did an Internet search on frequency-hopping and spread spectrum, I was getting hits on Hedy Lamarr," Andrew says. "She's the person credited with coming up with frequency-hopping and spread spectrum radios during the Second World War. The whole idea was to do secure radio communications."

To launch RFNow, Andrew and his partners set aside \$140,000.

"We did rooftop agreements to put some equipment on high structures like grain handling facilities and agricultural feed mills. Where there weren't any high

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Do it yourself

RFNow was launched a dozen years ago as a do-it-yourself attempt to establish an independent microwave operation capable of transmitting data between the Prairie offices of Andrew Agencies. Its founders' ambitions were that it would at least provide some "beer money." It now employs 10 people, offers data transmission, Internet and – coming soon – telephone service to more than 1,300 clients and, yes, earns enough coin to pay for a round or two. **By Ron Shorvoyce**

Back in 1999 Andrew Agencies, the Virden, Man.-based brokerage, started looking for a more efficient way to transmit data between its offices in Manitoba and Saskatchewan. Telephone companies in the two provinces – Manitoba Telephones and SaskTel – didn't offer the bandwidth the agency needed.

So Scott Andrew, president and CEO, began exploring the possibility of establishing an independent microwave network. A year later Andrew and his partners – friends, colleagues and family members – created RFNow, which originally stood for Radio Frequency Now. Today its 10 employees and \$3 million in infrastructure serve southwestern Manitoba and southeastern Saskatchewan.

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structures, we built towers. Members of our partner-group actually erected them, which we buy in Russell, Manitoba."

Andrew said that in the beginning RFNow offered an eight-megabyte service. It's now at 100 megabytes. Currently it's laying fibre optics cable to go along with the microwave links that allow for gigabytes and even terabytes of capacity.

The company has some major customers, including a sodium chlorate plant at Hargrave, Man. and – its first commercial client – the Louis Dreyfus inland grain terminal, also in Hargrave. The PCS potash plant at Rocanville, Sask. is also on board.

One of the biggest partners in southwestern Manitoba is The Fort La Bosse School Division, which has 1,400 students in 11 schools.

"They put up some cash; we built towers and some links and brought high-speed Internet to their schools. In return we used that same infrastructure for distribution and sold some services. With fibre optics, we just did a deal with them whereby they put up \$300,000 in capital to connect all the schools in their division.



Pitz

The superintendent of the school division, Barry Pitz, said the arrangement with RFNow is much better than anything that was available through the primary telecommunications carrier in the province.

"What we have is very reasonable," he said. "Prior to this project we struggled to obtain 20 megabytes. Now, for a fraction of the cost compared to what other providers could deliver, RFNow, through fibre optics, has enabled us 100 megabytes, with the capability to grow."

Pitz also says the school division is able to hook up schools in its rural areas much easier.

For \$52.95 a month RFNow provides an Internet service with three megabytes download and two megabytes upload capacity.

"That kicks the other services," Andrew says. "It's a little less than DSL, but provides substantially more

upstream capability. Anybody moving lots of data is migrating to us, if they're not with us already."

Specialized users transmitting a lot of data and using a large volume of voiceover on their links pay about \$1,500 a month.

Telephone service, using the Voice over Internet Protocol (VoIP), is to be launched sometime this year throughout RFNow's coverage area.

"We registered with the CRTC to become a non-dominant carrier and are now negotiating inter-connection agreements with the local telephone companies. What we want to do is offer local dial tone to our existing customer base. If you want a VoIP phone, you just plug into your Internet router and you're off and running."

Andrew said the phone rates will be competitive and probably more cost-

effective than what the current carriers offer. Long-distance service will also be available.

"There are some really interesting long-distance solutions out there. We're shopping those right now."

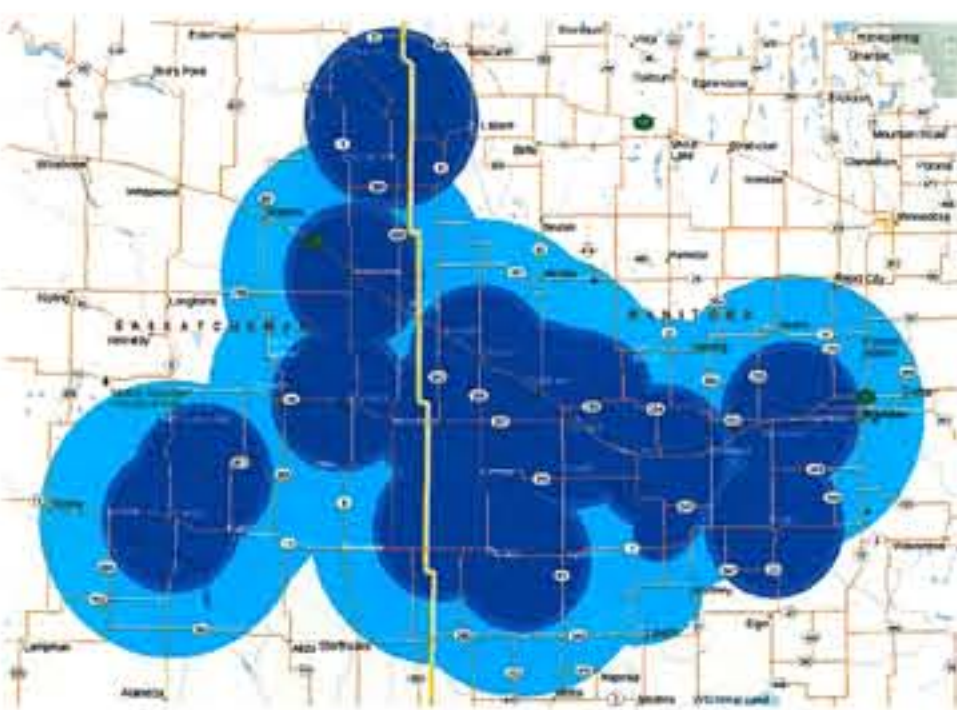
Andrew's younger brother Blair, who oversees the insurance operations of Andrew Agencies, is also an RFNow shareholder, as is brother Brock, the youngest, a former pilot in the military and member of the famed Snowbirds precision flying team.

"Scott is the visionary," Blair says. "He seems to see the future ahead of the rest of us. He's always been that way. When we got into it, he talked about this re-selling of services to clients. We were looking at it as a small return, but it has gone way beyond our initial expectations."

There are lots of opportunities to grow the business, Blair says. People are looking for solutions to their communications issues.

"We specialize in the rural marketplace and there are always needs in rural Manitoba and rural Saskatchewan. For example, we're asked if we can do cellphone technology. Maybe someday, as things progress, cellphones will be able to take advantage of an alternative network like ours."

For now, though, the company will focus on its service area in Manitoba and Saskatchewan. But there's nothing preventing it from expanding elsewhere. **iw**



The firm's wireless network coverage area.

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Lamarr the inventor

The Austrian-American actress Hedy Lamarr – a stage name – was born in Vienna in 1913. A major contract star with MGM, she was typically cast in seductive roles in pictures such as *Algiers*, *White Cargo*, *Tortilla Flat* and *Samson and Delilah*. Her film debut in the 1933

preferred *Ecstasy* was the most risqué. A director offered to her as "the most beautiful woman in Europe."

In 1941 the mathematically gifted actress co-invented with the avant garde composer George Antheil an early technique for spread spectrum communications and frequency-hopping, which is necessary for wireless communication. Their version of the technique used a piano roll to change between frequencies and was intended to make radio-guided torpedoes harder to detect or jam.

The idea was not used until 1962, when the patent had expired and the U.S. Navy blockaded Cuba. In 1997, her co-inventor deceased, Lamarr was awarded for her contribution and received some financial compensation.

Lamarr, who passed away in Orlando, Florida at the age of 86, had an unsettled private life. She was twice arrested for shoplifting and married and divorced six times. Her final husband had been her divorce lawyer. **iw**

