

Sale of Continuum FAQs

March 18, 2019

Why now?

Mooreville:

The time is right. Continuum has grown to become a competitive digital network, making it attractive to potential buyers. Continuum's value, coupled with the Town of Mooreville's desire to invest in new infrastructure for its growing population, makes it a very good time to pursue a sale.

Davidson:

The time is right. Continuum has grown to become a competitive digital network, making it attractive to potential buyers. The Davidson Board of Commissioners' 2018-2019 Strategic Plan has a focus on sound financial management and examining of future options for Continuum.

Who initiated the sale?

The Towns initiated the sale process based on the ongoing success of Continuum and our desire to have financial flexibility with the ability to invest in new infrastructure and other projects.

What is the likelihood Continuum sells?

Our potential customer base is growing fast, and our network has never performed better. The business is in excellent shape and overall market conditions are highly favorable. We expect there will be vibrant competition to purchase Continuum. That said, market conditions can change, and it is possible we will not receive a satisfactory offer.

What happens if Continuum doesn't sell?

If Continuum doesn't sell, then it will continue to grow and become an even stronger community asset. The company is planning many new and exciting technologies this year, including introducing the fastest internet speeds in the area, installing even more fiber to the home and expanding into more neighborhoods.

What impact might this sale have on me as a taxpayer?

The Towns' Board of Commissioners do not anticipate a change in the tax rate related to the sale of Continuum.

What is the potential timeline for this process?

The Towns of Mooreville and Davidson have retained RBC Capital Markets as their exclusive financial advisor for the sale. They have a robust process for outreach and marketing to potential buyers and negotiation of a deal. The anticipated date of a completed transfer of ownership is the end of November 2019.

How is the value of the system calculated?

Continuum is a growing asset, which is a rare accomplishment in this business, and we have continued to make significant investments in its infrastructure and service offerings. As a result, we expect it to achieve a very strong valuation. The value of the business will be determined by an active, full bidding process and we expect many interested buyers.

Who do you predict will make a bid?

We will be soliciting bids from many parties, including service providers similar to Continuum, as well as financial investors. We expect a high level of interest from both categories.

Will town residents get to vote on the sale?

Yes, if the towns accept a bid, per state statute, a referendum will be on the November ballot asking Mooresville and Davidson voters to approve the sale of Continuum.

What will happen to Continuum between March and November while it is on the market?

Continuum customers will continue to receive their voice, internet and video services, pricing, and customer service to which they are accustomed during this period.