

Thought Leadership Point of View

Wireless Industry



"As part of a data organization we want to talk about the relationship of the document and how any small change can greatly affect others."

- Thomas Wade

66 Realize the value of your deals.

Verify. Validate. Identify Risk.



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For more information, read our blogs:

- Best Practices for Effective Management of Your Post- Acquisition Data Integration
- WDNI Blog: The Towering Truth
- WDNI Blog: Tracing Paper
- WDNI: Let's Travel to Lease Renewal Land



EXECUTIVE SUMMARY

The post integration of data during the knowledge transfer phase is complicated. Reconciling millions of records with the original source is challenging, making the consolidation of tower lease portfolios complex.

The risk of not having accurate information available due to lack of verification and validation of data includes making costly business decisions and can even result in a disruption to your infrastructure.









GOALS AND AUDIENCE

This DatumNexus® Thought Leadership Point of View provides the rationale regarding using technology to reduce the risk associated with inaccurate data because of the knowledge transfer phase through an independent data verification and validation process.



This Point of View is designed for directors, CIOs, CFOs, and executives in the wireless industry to educate how our data governance solutions can identify risks associated with the complex data issues presented by cell tower leases.

DATUMNEXUS EXPERIENCE

DatumNexus provides unmatched expertise auditing leases in the wireless industry. No one else has the breadth and depth of expertise examining the intricacies of the impact data integration and accuracy has on the business performance and future of participants in the this industry.

With more than 20 years of experience, the DatumNexus team helped create this industry which makes them uniquely qualified to address the risk associated with leases. DatumNexus was founded specifically to address this risk with our team building ValiDatum® – an innovative solution built with tacit knowledge of the wireless industry.

Thomas Wade had the original vision for DatumNexus nearly ten years ago. Prior to that he worked in M&A, specifically in the wireless industry. As an attorney, he saw the need for verified, validated and accurate data in every legal transaction or venture. Mr. Wade "packaged" his experience and knowledge into a comprehensive data verification, validation and migration strategy for Mergers and Acquisitions. With the advancement of technology and the ability to automate the process, Thomas established DatumNexus - the only company specifically designed to solve the data integration and knowledge transfer problem.



DATA MANAGEMENT CHALLENGES

The cell tower industry is valued at 39.47 Billion in the U.S. and is projected to reach \$114.06 Billion by 2026. The total number of cell tower sites in the United States is 3.2 million representing 2.5 million leases for Tower Companies and Carriers. With the launch of 5G, long-term demand for communications towers is expected to drive growth in this industry for another 5-10 years.

With growth comes acquisitions. And with acquisitions comes the transfer and integration of data. Data is the driving force behind a company's strategic business decisions and the way they manage and navigate associated processes. However, many companies today overlook this fundamental and crucial understanding of data. Many companies do not have an adequate document strategy, data strategy, or data management system in place to accommodate the complex relationships that exist between the diverse types of leases involved in this industry.



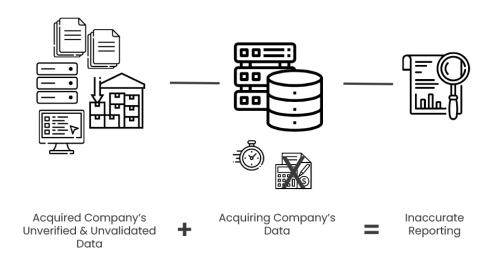
The relationships between the many types of leasing documents present several subtle issues that can have a dramatic effect on the bottom line of any organization that has to administer leases, whether you are a major tower company or a carrier.

When managing portfolios of several thousand leases, a number of issues related to the integration and management of the data can arise.



Due to the lack of standardized form fields in leases, when merging data, critical fields of data can be missed, entered incorrectly, or even duplicated. These issues can translate into hundreds, thousands or even millions of dollars in unnecessary costs to these entities.

Integration of Inherited Data



Data comes from a variety of sources. There are no standards with regard to data fields in leases. Integrating data at the time of acquisition needs to happen within a very short time frame making checks and balances challenging. The result leads to inaccurate reporting.

Without an adequate strategy, and the ability to execute that strategy effectively and accurately, it is easy to overlook provisions for rent increases based upon how many sites are attached to a Master Lease Agreement (MLA). Any independent validation and verification process applied to leases must have a reliable method of relating documents together. This ensures a complete file encompassing all the relevant lease documents pertaining to a particular site. See Figure 1.

¹Verified Market Research



TTA M&A TowerCo **Ground Owner** Site Tenant nd Tenant, To Landlord) BTS MLA Colo Ground Lease MLA Site List ASSIGNMENT AMENDMENT ASSIGNMENT NOTICE SLA NOTICE App NOTICE **DEFAULT**

Wireless Ecosystem

Figure 1

Any change associated with a document can cause a change in another document.

This lack of planning is costing many companies millions of dollars annually. Inaccurate data is one of the top contributors to failed projects; is often identified as a root cause for process failures and is a major cause of poor decision making within an organization. One recent survey found that 75% of companies interviewed said they found "significant problems due to defective data." An inadequate document strategy, data strategy, or data management system can result in lost opportunities, delayed benefits, increased costs, unmanaged risks, and eroded shareholder value.



DATA STRATEGY

The solution that gets to the core of the data management problem for companies begins with having a data strategy.

An ideal data strategy will allow for

- 1. Increased data accuracy leading to better decision-making
- 2. New insights that create new business opportunities
- 3. Reduced overhead costs through the elimination of nonvalue-added activities for data entry, correction, and rework
- 4. Avoidance of legal and regulatory noncompliance with the attendant risks and costs
- 5. Better alignment of IT resources to business objectives through an integrated data management strategy and architecture.

At the crux of an effective data strategy is data accuracy. Moreover, if a company's data cannot be depended upon, then that company will not be trusted as a trading party. It is imperative that a company's data be as accurate as possible to have an effective data strategy.

How do you ensure your data strategy is sound?





DATUMNEXUS' APPROACH

For a company's lease portfolio to consistently maintain accurate data, it is imperative that their data repositories are audited periodically against a repository that contains accurate, static data to ensure continual data integrity in a lease management system. Many of the issues affecting the wireless industry can be resolved using DatumNexus' solution.

DatumNexus has a proprietary automated risk identifying process that is specifically designed to address complex data issues relating to leases in the wireless industry. As an independent validation competency center, we can provide services that will continually allow an organization to have an accurate repository of data to audit against to ensure the accuracy of the information in their data systems of record.



DATUMNEXUS' SOLUTION VALIDATUM®

DatumNexus brings state-of-the-art technology to our processes with ValiDatum. Because this process is automated, we can quickly accommodate any auditing needs that you may have.

Our main purpose in auditing your documents is to provide you with accurate data to ensure that you have correct information to function and work with every day. The byproduct of our audit will be the portfolio organization of all your documents. Amendments can have a significant impact on lease agreements and need to be documented correctly so that all applicable changes are made. With our portfolio organization process you will have all the relevant documents together. This will ensure that all the material provisions for a site are correct.

DatumNexus® Solution







We **verify** the provenance of the data

We **validate** the accuracy and consistency of the system of record

We identify risk



The checks and balances within our audit system make certain that the information we provide you is accurate, and it is easily obtainable through our portfolio organization system. By automating labor-intensive processes, critical data is available immediately for review. The time and effort required to manually abstract data from documents is an expensive part of the audit process. Automating manual labor associated with documents and files makes DatumNexus' ValiDatum® essential to any data strategy.

The benefits of a ValiDatum include the following:

- · Ability to capture critical data upfront and introduce it to the workflow quickly
- Reduction of labor and its associated costs
- · Acceleration of overall time to complete the audit
- Ease in scaling business to match volume of processing (growth or natural peaks and valleys) without increasing labor cost
- · Reduction in number of people handling data in the project
- Assist in record retention policies

Our competency center is staffed with experts that have experience working in the wireless industry in a legal and operational capacity. We are familiar with your document and data concerns, as well as costs that are often associated with an audit process.

VERIFY.
VALIDATE.
IDENTIFY RISK.



DATUMNEXUS' MISSION

DatumNexus® was built with the mission to help organizations in the wireless industry make better business decisions through the verification and validation of data with technology.

CONCLUSION

DatumNexus' vision is to enable participants in the wireless industry to conduct an independent verification and validation of their lease data in an expeditious manner resulting in more accurate information. The goal is to reduce risk during the knowledge transfer phase of an acquisition. The outcome is designed for companies to achieve higher shareholder value.

DatumNexus has expertise in information technology solutions and does not create risk management or compliance policy. DatumNexus will take no responsibility for ensuring that any organization is compliant or risk averse. This is the responsibility of the organization's risk, compliance officers and board of directors working with expert advisers.

To learn more about DatumNexus and their ValiDatum solution, go to: www.datumnexus.co.



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