

January 2, 2025

Dear Fiber Broadband Association Members,

As 2024 comes to a close, I am proud to say we have completed the best year in the Fiber Broadband Association's history. Our industry set a record in fiber deployment, passing 10.3 million homes in 2024; surpassing the 2023 record deployment of 9.1 million homes. We now have 76.5 million unique U.S. homes passed with fiber, with a total of 88.1 million fiber-to-the-home (FTTH) connections, including homes with more than one fiber passing. After 18 months of slow sales on the supply side of our membership, service provider fiber and fiber-related equipment inventories have now normalized.

Further, NTIA has approved the initial NTIA BEAD proposals for all 56 states and territories. Louisiana has already submitted its final proposal to NTIA, awarding 95.4% of its BEAD unserved and underserved locations to fiber projects, 2% to fixed wireless, 2% to Low Earth Orbit (LEO) satellite, and 0.4% to cable. Louisiana's strong priority to fiber sets a strong precedent for the rest of the nation, as remaining states and territories begin to award BEAD grants in the coming months. If you are interested in hearing more about Louisiana's process and plans, join me on "[Fiber for Breakfast](#)" on Wednesday, January 8, at 10AM ET, where I will be speaking with Veneeth Iyengar, the Broadband Director for ConnectLA.

Similarly, Nevada is also making significant progress, allotting 80% of its NTIA BEAD funding locations to fiber deployment projects.

Our insights on LEO Satellites

FBA continues to work with state broadband offices to explore the pros and cons of LEO satellites as a complementary broadband solution. We partnered with research firm Cartesian and leading industry partners to launch a LEO capacity study. Given Starlink currently has the largest constellation, the quick key findings are:

- Today, Starlink has the capacity to support 1.7 million subscribers in the U.S.
 - Starlink currently has 1.4 million subscribers
 - 215,000 of these locations are BEAD eligible
 - The available spectrum today supports one housing unit per square mile
 - The opportunity for incremental BEAD is limited to 180,000 locations

- By 2030, Starlink will have a larger, more capable fleet, but spectrum constraints will remain even if additional allocations are granted by the FCC

In short, LEO satellites are a complementary alternative broadband technology, limited to remote, hard to reach, low-density housing locations, and/or for quick service restoration where physical infrastructure has been destroyed due to natural disasters.

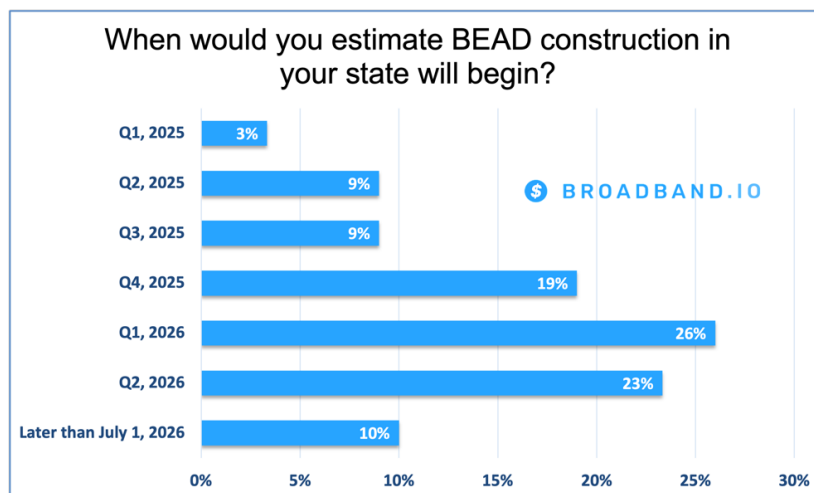
Clear market decision is to deploy fiber broadband

The preference for fiber within the state broadband offices remains clear. Just recently, Doug Adams issued a State Broadband Director survey which received responses from 31 states. The state directors remain very bullish on fiber, with verbatim comments including:

- *Fiber deployment is the most reliable technology, future proof, and provides the most benefit and value”*
- *States are running their own programs, LEO may be needed where fiber doesn't make economic sense, but there isn't enough LEO capacity to cover every location”*
- *We will continue to prioritize fiber and will do everything in my power to keep that priority.”*

When asked if the new Administration will make the NTIA BEAD deployment process better or worse, 80% responded “Better or Much Better” or “The Same.”

The survey also provides some estimates from states on when they believe NTIA BEAD Funding construction will begin:



Private Investment will fuel fiber deployment

While \$42.45 NTIA BEAD funding is important, it represents only an estimated 5.5 million locations – a small fraction of the overall CapEx investment in fiber broadband infrastructure. Approximately 90% of fiber build out is funded through private investment. In November, John Stankey, CEO of AT&T, presented the company’s plan to pass 50 million homes with fiber. As of the end of 2024, AT&T has passed 29 million locations and is on track to pass an additional 15 million homes with fiber by the end of 2029. These 45 million fiber homes passed, coupled with more than 5 million homes passed through their Gigapower joint venture with Blackrock Ventures, will achieve AT&T’s target. Stankey also delivered a compelling case to Wall Street, demonstrating how fiber investment perfectly aligns with the new administration’s objectives. He masterfully highlighted how fiber’s faster penetration, higher ARPU, lower churn, and greater convergence has accelerated the fiber return business case by two years. I can cite similar stories and successes from many of our fiber network operator members. Fiber is good for investors, good for communities, and good for generations to come. The market has spoken: Where fiber leads, the future follows.

Strengthening our advocacy efforts for the new administration

While we feel the fiber industry is on strong footing heading into 2025, we are taking nothing for granted. In anticipation of the new Administration and leadership in Congress, the Fiber Broadband Association has strengthened its public policy and advocacy efforts as we meet with the transition team, members of the new congress, NTIA, and the FCC. We have the FBA policy summit scheduled in Washington, D.C., for February 26-27, and we will hold our annual Fiber Day on the Hill on April 9. We will continue to meet with individual offices on a regular basis as the new Congress begins on January 3 and the new administration inauguration on January 20.

FBA Performance

In 2024, the Fiber Broadband Association’s growth continued to accelerate. Membership grew to a record level, growing nearly 20% year-over-year. Revenue for the year is projected to finish at a record level, up 19.5% year-over-year. And our revenue diversity continues to be strong with 53% coming from our annual conference, 21% from membership dues, and the remainder from new initiatives. Tight expense control has enabled the organization to be within 6% of budget while growing revenue by 26% favorable to budget.

While financial metrics are important to the health of our organization, we are also pleased with membership engagement in 2024. During the year, 1,020 individuals from member

companies participated and contributed in one or more of FBA's 17 committees, working groups, and roundtables. During the year, FBA's committees, working groups and research partners published the following notable studies and industry best practices:

- *Fiber Installation Constraints Study*" (FBA/RVA)
- *"Fiber Broadband Scalability and Longevity"* whitepaper (FBA Technology Committee)
- *Fiber Deployment Annual Study*" (RVA/FBA)
- *Fiber Deployment Cost Annual Study*" (FBA/Cartesian)
- *National Permitting Summit and Report*" (FBA/Benton Institute/Georgetown Law School)
- *Economic Impact of Fiber*" (Brattle (former FCC Chief Economist))
- *The Role of Broadband in Rural Economic Growth and Resilience*" (CORI/FBA/NTCA/Calix)
- *Gigabit Fiber is All About Productivity*" (RVA/FBA)
- *Broadband Market Workforce Needs*" (Continuum Capital/PCCA/FBA)
- *Fiber Deployment Is Paramount to Zero Carbon Footprint*" (FBA Sustainability WG)
- *Enhancing Timeliness in Locating Underground Utilities*" (FBA Deployment Specialists)
- *Benefits of Retiring Copper Today*" (FBA Tech Committee)
- *Fiber 101 Series: 1. Aerial Drop, 2. Lash & Strand, 3. Splitter Architecture* (FBA Tech Committee)
- *Fiber Anchors Sustained Economic Development*
- *Charlottesville, Virginia Economic Impact Study*

Bold goals for 2025

As we move into 2025, the following are our top-level goals:

1. Protect "Fiber Preference"
 - Promote NTIA Technology Waterfall (*Fiber First*)
2. Maintain and accelerate NTIA BEAD Funding and Deployment
 - Make BEAD a "WIN" for the new Administration
3. Strengthen Public Policy "–*Keep the Hill*" [Policy Summit, Fiber Day on the Hill, Exec Fly-Ins]
 - Stay active on key policy proceedings / "Go To" resource in D.C.
4. Develop FBA's Digital Opportunity and Workforce Development offerings for states
 - Drive Fiber Adoption

5. Propel Fiber Connect 2025 to become the top Fiber Broadband conference in the world
 - Take the attendee's experience to the next level
6. Expand FBA's Regional Fiber Connect workshops to seven cities, including Toronto and Anchorage
7. Expand FBA LATAM's Fiber Connect event to four cities

And a vision for the future

While 2024 was the best year of the Fiber Broadband Association by any measure, 2025 will be the defining moment in our industry. Over the next five years, FBA must:

- Ensure our nation's critical infrastructure is built with fiber
- Unleash a paradigm shift in technology innovation
- Empower our members to deliver robust Digital Opportunity programs
- Shape the narrative for the critical role a fiber infrastructure plays in supporting innovation, economic opportunity, and growth
- Close the Digital Equity Gap, once and for all

I must credit much of this past year's success to our 2024 Chair, Jimmy Todd, CEO of Nex-Tech. Jimmy has been highly engaged, joining me in traveling around North America, Latin America, and abroad. As you witnessed when Jimmy's entered the stage at Fiber Connect 2024 on his chopper, affectionally named "The Big Dog," he is deeply passionate about rural broadband, precision agriculture, and anything "techie." I have learned so much over the past year and applaud all that was accomplished during Jimmy's tenure as chair.

As we transition, I'm excited to welcome Ariane Schaffer, Head of Federal & State Policy, Google Fiber, as FBA's 2025 Chair. As a public policy and advocacy pundit, Ariane is the perfect fit for FBA as we focus on policy and advocacy this coming year. Ariane joins a very strong board in supporting the organization. The FBA staff continues to hit on all metrics, we have amazing and passionate strategic partners, and our volunteer leadership continues to strengthen. The Fiber Broadband Association will hit the ground running in the new year.

Again, the Fiber Broadband Association is committed to making 2025 the defining moment for our industry – and I could not be more excited. As always, you can reach me 24/7 on my cell phone (listed below) or by email. If I or anyone on my staff can help you and your company accelerate the deployment of fiber, please do not hesitate to reach out.



From the Office of the President & CEO

Sincerely,

A handwritten signature in black ink that reads "Gary Bolton". The signature is fluid and cursive, with a long horizontal stroke at the end.

Gary Bolton
President and CEO
Fiber Broadband Association
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