

In Four Months: Fiber Gains 1 Million New Homes and a Quarter-Million New Customers

FTTH subs grew 70% and homes passed by more than a third, in last 4 months of 2005

BBP Staff Report

As we were going to press, two leading telecommunications industry organizations, the Fiber-to-the-Home (FTTH) Council and the Telecommunications Industry Association (TIA), issued new estimates showing FTTH deployments now passing over 3.6 million U.S. homes, an increase of almost 1 million in just four months.

Despite the sharp rise in homes passed, the proportion of homes actually taking service increased even faster, to 548,000 subscribers from 322,000.

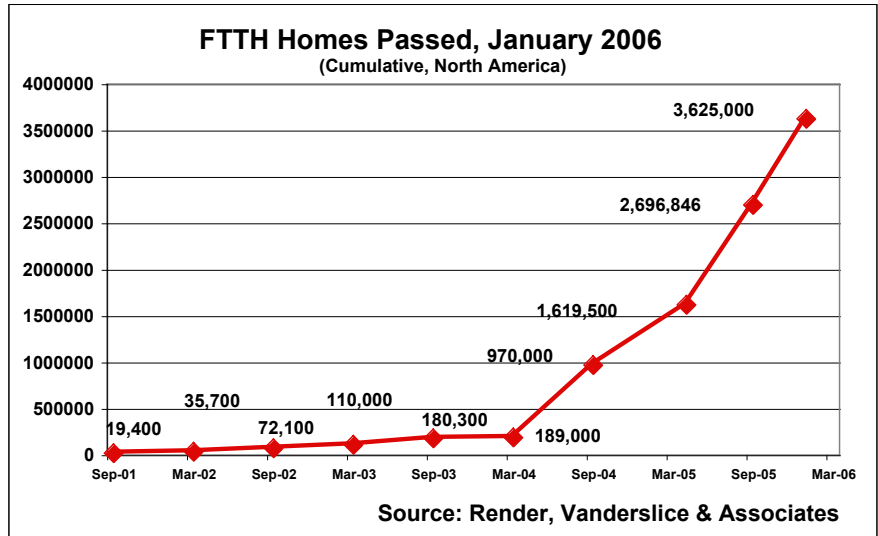
“Typically telecom construction slows in winter months,” said Michael Render of market research firm Render, Vanderslice and Associates, which prepared the estimates. “To see acceleration at this time of year indicates increased preference for FTTH as an infrastructure of choice.”

“FTTH deployments are increasing across all market segments,” said FTTH Council President Joe Savage. “Large communications companies, rural telephone cooperatives, real estate developers, and municipalities – are all turning to FTTH.”

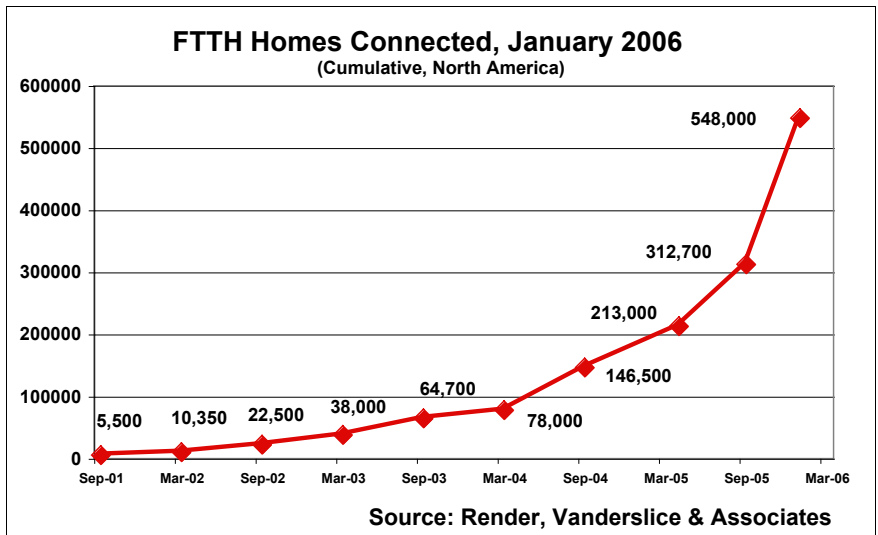
TIA President Matt Flanigan emphasized the importance of next-generation broadband to the United States economy.

Both organizations have urged policymakers to reduce barriers to next-generation broadband deployment, by streamlining cable television franchising processes and allowing municipalities to build broadband networks.

Fiber-to-the-Home (FTTH) Council members represent all areas of broadband industries, including telecommunications, computing, net-



Growth in homes passed by fiber has been explosive since early 2004, and shows no sign of letting up, according to RVA Render, Vanderslice & Associates. TIA and the FTTH Council, which pays RVA to keep track, commissioned an interim off-cycle report with the good news.



Despite the growth in homes passed, the percent of homes actually buying fiber services jumped even faster in the last four months of 2005. One reason: Relaxation of video franchise rules in Texas. Another: Consumer awareness of what fiber can bring them.

working, system integration, engineering, and content-provider companies, as well as traditional telecommunications service providers, utilities and municipalities. See www.ftthcouncil.org for details.

TIA is the leading trade association for the information and communications technology industry and represents the communications sector of the Electronic Industries Alliance See www.tiaonline.org. **BBP**