

CEO

Barbara DeGarmo / barbara@bbcmag.com

PUBLISHER

Nancy McCain / nancym@bbcmag.com

EDITOR-IN-CHIEF

Masha Zager / masha@bbcmag.com

EDITOR-AT-LARGE

Steven S. Ross / steve@bbcmag.com

ADVERTISING SALES ACCOUNT EXECUTIVE

Irene Prescott / irene@bbcmag.com

EVENTS COORDINATOR

Dennise Argil / dennise@bbcmag.com

COMMUNITY NEWS EDITOR

Marianne Cotter / marianne@bbcmag.com

DESIGN & PRODUCTION

Karry Thomas

CONTRIBUTORS

Rollie Cole,

Sagamore Institute for Policy Research

David Daugherty, Korcett Holdings Inc.

Heather Burnett Gold,

Fiber Broadband Association

Joanne Hovis, CTC Technology & Energy

Michael A. Kashmer, Digital Broadband

Programming Consultant

W. James MacNaughton, Esq.

Christopher Mitchell, Institute for

Local Self-Reliance

Henry Pye, RealPage, Inc.

Bryan Rader, UpStream Network

Craig Settles, Gigabit Nation

Robert L. Vogelsang, Broadband

Communities Magazine

BROADBAND PROPERTIES LLC

CEO

Barbara DeGarmo

VICE PRESIDENT, BUSINESS & OPERATIONS

Nancy McCain

CHAIRMAN OF THE BOARD

Robert L. Vogelsang

VICE CHAIRMAN

The Hon. Hilda Gay Legg

BUSINESS & EDITORIAL OFFICE

BROADBAND PROPERTIES LLC
1909 Avenue G • Rosenberg, TX 77471
281.342.9655 • Fax 281.342.1158

www.broadbandcommunities.com

Broadband Communities (ISSN 0745-8711) (USPS 679-050) (Publication Mail Agreement #1271091) is published 7 times a year at a rate of \$24 per year by Broadband Properties LLC, 1909 Avenue G, Rosenberg, TX 77471. Periodical postage paid at Rosenberg, TX, and additional mailing offices.

POSTMASTER: Please send address changes to **Broadband Communities**, PO Box 303, Congers, NY 10920-9852.

CANADA POST: Publications Mail Agreement #40612608. Canada Returns to be sent to Bleuchip International, PO Box 25542, London, ON N6C 6B2. Copyright © 2017 Broadband Properties LLC. All rights reserved.



Community Broadband Is a Local Choice

Citizens and local elected officials should be able to control their communities' broadband destinies.

This issue presents the magazine's annual listing of community fiber networks – a listing that grows longer each year. At least 216 municipalities, or groups of municipalities, are building fiber to the premises of residents and/or businesses.

Many citizens and elected officials don't believe their communities should enter the telecom business. That's a legitimate opinion. There are any number of good reasons not to build a broadband network. But it's a mistake to think that community broadband represents creeping socialism: Nearly 20 of the networks are owned in collaboration with private enterprises, about half engage private companies to operate them or provide services, and nearly all the communities are motivated by the desire to support local businesses. In fact, most of the communities would have preferred private providers to build their networks – community broadband is nearly always a last resort.

ARE COMMUNITY NETWORKS A BAD DEAL FOR TAXPAYERS?

The other criticism leveled at community networks is that they're a "bad deal for taxpayers." Most of these criticisms are spurious. For example, a study published earlier this year by Professor Christopher Yoo and student Timothy Pfenninger of the University of Pennsylvania that claimed several well-known community networks were financial failures received a great deal of press. This report was swiftly debunked by the network owners themselves as well as many independent experts, including Blair Levin of the Brookings Institution and Christopher Mitchell

of the Institute for Local Self-Reliance. The UPenn authors made serious factual errors and, more important, did not understand the networks' financial models or take account of many of their community benefits.

It is true that some – not many – community broadband networks failed and proved burdensome to taxpayers. Some were sabotaged by political opposition, and others suffered self-inflicted wounds. Still others, though not outright failures, had disappointing results.

However, private companies fail, too. When multiple financial institutions collapsed in 2008 and had to be bailed out by taxpayers to the tune of at least half a trillion dollars, no one suggested that private companies didn't belong in the banking business. Generalizing from isolated examples is always dangerous.

The community networks that succeed perform an important function: They introduce competition where there was none before. This results in lower broadband costs and better broadband service. In many documented instances, community broadband strengthens local economies and enables more efficient government service delivery.

Because the potential benefits are so great, each community must be allowed to decide for itself whether to invest in this essential infrastructure. Only the community can determine whether it needs a network and has the capacity to build and manage it. ❖

Masha Zager

masha@bbcmag.com