

# Carrier Cooperation

Carriers already share many network assets, but they aren't always forthcoming about these relationships. Why not accept the inevitable?

By Steven S. Ross / *Broadband Communities*

**W**elcome to a wild future – for both network operators and deployers – and to more choices for consumers. Consider these trends:

- Major carriers have sold their cell towers.
- Companies have sprung up to build and rent cell sites on towers, on rooftops and soon on telephone poles.
- Carriers have always shared major network trunks (generally, between peering points) and, with increasing frequency, they lease space on metro loops. Since they began building out 4G networks, they have leased wireless backhaul from local exchange carriers, local wireless providers, CLECs, dark fiber providers, municipalities and even electricity providers. With the advent of 5G, that strategy will bring shared network deployments to within a few hundred feet of potential customers.
- Network monitoring and operations, billing, physical maintenance, and customer installations are increasingly provided by third parties.
- Big carriers, seeing the data center business dominated by Amazon and well-heeled, cash-rich competitors such as IBM, Apple, Microsoft and Intel, are selling off data center assets.
- Carriers are investing in content and in online services and seem willing to compete on the basis of content more than on access itself. Carriers have gone beyond buying

TV networks and movie libraries. Verizon is about to own Yahoo and AT&T will likely soon own Time. Google has emerged as a major (if not truly national) carrier and of course already owns YouTube and other social media. Comcast showed the way by buying NBC in 2011.

The scale of investment seems far beyond what is necessary for carriers to adjust to the cable-cutting, over-the-top world.

There are already some clear losers, such as ESPN (like ABC, owned by Disney) and the sports leagues it enriched with megadollars for viewing rights. It looks as though local TV stations will see less opportunity for “must carry” extortion as well, after a tenfold run-up over the past decade (to almost \$10 billion a year – about one-sixth what carriers spend every year to expand or improve broadband access).

## THINKING LONG-TERM?

All this comes at a time when major carriers lobby Congress, the FCC and states for laws and regulations that prevent (or at least impede) municipalities and others from providing residents and businesses with broadband access. The Republicans promised help to rural areas, but in January, Virginia and Missouri moved to tighten their restrictions on municipal broadband.

Even FCC regulations for easing access to existing poles to string fiber are in question as the commission moves to end Title II regulation of data carriers.

Yet the carriers themselves could just continue evolving so that leasing access from these emerging entities –

even from municipalities – will soon be normal.

Why should restrictions exist for stringing fiber even as the carriers fight to gain short-term freedom to mount 5G sites on any available pole? Fiber lines go almost unnoticed from pole to pole and are immune to lightning; 5G sites can be bulky and can block views in densely populated areas. Yes, this problem will go away as electronics inevitably shrink. But it is an issue now. Why not a regulation allowing any pole attachment smaller than, say, two cubic feet and weighing less than 200 pounds?

On January 31, Ajit Pai, the new FCC chair, established a Broadband Deployment Advisory Committee to help address these issues. The committee is not expected to meet often, and the amount of staff support is unclear but seems small. As of early May, there were an unwieldy 29 appointees. But four of them spoke at the **BROADBAND COMMUNITIES** Summit in May and impressed many with their ideas and forward thinking.

I have documented that more than half of all rural population loss since 2010 is likely due to lack of broadband access. The easiest, fastest, cheapest way to stem rural job loss is to encourage rural broadband access.

Large carriers may be working with municipalities and other, smaller, fiber deployers in a few years anyway. Why not start now? ❖

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