

Fiber Is on the Rise, Reports Fiber Broadband Association

Deployments of fiber to the home in North America reached record levels in 2017, and according to all indications, they will continue to increase in 2018.

By Heather Burnett Gold / *Fiber Broadband Association*

President Trump recently issued a memorandum that opened up broadband infrastructure access on Department of the Interior lands. He also signed an executive order that compelled the General Services Administration to standardize the process for attaching communications equipment to federal buildings. This is great news for fiber – these actions should streamline and accelerate the fiber broadband deployment process, particularly in rural areas, clearing the way for fiber broadband access for more people across the country.

“Those towers are going to go up,” the president said as he announced the executive order, “and you’re going to have great, great broadband.”

I am delighted to note that the Fiber Broadband Association (FBA) just released research commissioned from RVA LLC that shows fiber broadband is already on the rise in North America. Fiber network growth resulting from President Trump’s actions in January will join an existing upward trend in North America.

Though Canada led North America in the rate of fiber growth, with 45 percent growth in homes marketed in 2017, 2017 was also a landmark year for growth in the United States. Annual fiber deployment in the United States hit a new record with 35 million homes passed. That’s a whopping 4.4 million increase – the most ever in a single year – and 15 percent growth over 2016. About 15.4 million U.S. households now take all-fiber broadband.

This rapid growth in fiber networks is due, in large part, to the increased role of smaller providers. Smaller providers grew their networks at a rate of 16.5 percent, compared with 14.1 percent growth from the largest providers. In addition, a rise in consumer demand, reflected in fiber’s continued progress despite a lack of specific government funding, helped stimulate the rollout of fiber.

CONSUMERS ARE SATISFIED WITH FIBER BROADBAND

Consumers, rural and urban alike, want fiber, which is at least eight times faster than the best available DSL. Consumers express satisfaction with fiber at a rate 50.7 percent higher than with DSL and cable services, and people living in fiber-fed buildings report that they are satisfied with the property nearly 17 percent more than people living in non-fiber-fed buildings do.

Beyond just wanting fiber, consumers have also proved they are willing to pay for it – people are willing to pay, on average, 8 percent more to rent and 2.8 percent more to buy an apartment equipped with fiber. It’s no wonder fiber providers have been ramping up their efforts and investing in future services. More than half the fiber providers in North America currently expect to offer gigabit speed within the next five years.

Consumers and broadband providers aren’t the only ones paying attention to fiber’s growing importance. This year, corporate giant Amazon included fiber connectivity in its list of requirements for the site of its new headquarters. High-speed internet is a factor for 88 percent of people deciding where to buy a home and for 91 percent of people deciding which community to live in; offering fiber is one way companies such as Amazon have begun to attract top-notch talent.

It remains to be seen how the president’s actions and other factors, such as the impending impact of 5G wireless, which will require a robust fiber backbone, will contribute to this historic rise in fiber deployment. However, if this past year is any indication, the fiber future looks bright. ❖

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