September 30, 2022

Dear FBA Members,

As we close the third quarter of 2022, I am pleased to report that our strong momentum continues. In addition to the Administration’s preference for fiber for the $42.45 NTIA BEAD broadband infrastructure funding, we are seeing significant private capital investment, with AT&T on track to cover 30M FTTH locations by year-end 2025, Lumen committing to pass 12M FTTH locations, Frontier plans to pass 10M FTTH locations by 2025, Altice is planning to add 2.5M FTTH locations by year-end 2023, and Brightspeed is investing $2B to pass 3M FTTH locations by 2028. Charter was awarded $1.2B in RDOF funding and they have committed to invest an additional $3.8B for a total of $5B for FTTH. Jefferies equity analyst George Notter noted in his September 27th SCTE readout that the “vast majority of U.S. Cable operators are applying for Federal funding grants and describing fiber as the ‘end game.’” Verizon, Comcast, Windstream, and numerous other operators are also investing heavily in fiber deployment as communities across the nation leverage government subsidies to ensure that every member of their communities is connected with broadband.

I also reported on August 10th that the FCC rejected Elon Musk and SpaceX’s Rural Digital Opportunity Fund (RDOF) long form application, denying the company of the $885.5M award announced on December 7, 2020. This is a huge victory for the 640,000 families that had been previously relegated to Low Earth Orbit Satellite service because of the 2020 RDOF auction results. This decisive action by the FCC provided clarity and a path forward for fiber and closing the digital divide, while returning $885.5M of this precious funding back into the RDOF fund for more appropriate broadband projects. Starlink is protesting this decision and we are keeping a careful eye on the Starlink Application for Review, but we are confident that the FCC will hold the line.

While fiber has been selected as the infrastructure of choice, we continue to face strong advocacy from Fixed Wireless, Cable and other technology supporters that are pressuring Congress, the Department of Commerce, NTIA, and the FCC with claims that NTIA has overstepped in prioritizing fiber and are pushing a false narrative under the veil of “technology neutral” messaging. In response, we recently met with key Republican and Democratic offices on the Hill to counter these false narratives, presenting facts and research that articulate the market, economic and social benefits of fiber. Given the stakes involved, both financial and the future of the American people, there still is a lot of misinformation and confusion. To better inform our Congressional representatives and their staff, FBA plans to hold a “Fiber Day” on the Hill in 1Q 2023 for the new Congress, which will include hands-on fiber demonstrations.
FBA continues to develop relationships within NTIA and the State Broadband Offices that will allow us to help shape policy and programs. NTIA invited FBA, along with 10 other Industry Associations to meet with NTIA and the State Broadband Leadership Network in Denver in July. During this workshop, we organized a consortium of these Industry Associations with a focus on rallying the industry to help ensure the BEAD program’s success. Part of this effort includes an industry educational webinar series for the State Broadband Offices and NTIA which kicked off on September 14th with Supply Chain, followed by Workforce Development in October. Other topics will include Permitting and Right of Ways, Cyber Security, and Affordability. We shared an updated Broadband Infrastructure Playbook, which was extremely well received by these offices. I am pleased to report that all 56 states and territories submitted their Letter of Intent to formally opt-in to the BEAD program.

On the Supply Chain front, FBA board member Scott Jackson (Graybar) led the FBA Supply Chain working group in a multi-stakeholder effort to develop a very useful and timely Fiber Industry Supply Chain Mitigation Strategy white paper. This paper was published in time for our industry webinar with the State Broadband Offices and FBA issued a press release on September 28 and will be holding a Supply Chain webinar on October 6 at 1pm ET. This initiative came out of our strategy session during the Premier Members annual meeting in December 2021.

Over the summer, we continued to make great progress in our workforce development efforts. We have announced signed agreements with the Learning Alliance Corp, Bossier Parish Community College, Northeast Mississippi Community College, and Old Dominion University, all of whom are adopting our OpTIC PATH™ Optical Telecom Installer Certification program. We are finalizing agreements with numerous schools in Louisiana, Mississippi, Vermont, Washington, Virginia, Ohio, and New York, as we work to deploy our fiber optic training to community colleges, veterans, and training institutes in all 56 states and territories. We also launched a user’s group forum which has been highly attended and interactive. As part of this effort, we are hosting our next live “Train-the-Trainer” workshop to expand the instructors for this program during our Regional Fiber Connect event in Columbus, Ohio on November 3.

From an operations perspective, the Association is extremely healthy because of our revenue diversification efforts. Our top line revenue is on track to grow 68% year-over-year and is projected to have nearly tripled over the past two years. The strength of our annual conference, robust membership growth, the addition of our successful regional events, the introduction of our Fiber Forward magazine, our research and economic impact studies, and the sponsorships of the over 70 webinars and Fiber for Breakfast episodes over the past three quarters have contributed to our record revenue growth. Going forward, we expect our revenue growth and diversity to include a material contribution from our workforce development training as we ramp up our OptIC
Path™ Optical Telecom Installer Certification training and launch derivatives of the program to further our commitment to training and building the fiber workforce.

Membership has grown by 113 net new companies in the first three quarters of 2022, including 34 net new Premier Member companies during the same period. We added 29 net new member companies in the third quarter alone. In addition to adding new members, our membership retention continues to be ahead of plan, and we have strong membership engagement. We now have over 350 individuals from member companies that are participating in at least one of our 14 committees, working groups, and roundtables. If you or anyone in your company would like to join a committee or working group at the Fiber Broadband Association, please drop a quick email to Jennifer Vassil (jvassil@fiberbroadband.org) and she would be happy to add you to the distribution list.

In August we held our third Regional Fiber Connect workshop at the Copper Mountain Resort in Colorado with record attendance. Our final Regional Fiber Connect workshop of 2022 will be held in Columbus, Ohio and this event is on track to set a record. These regional events attract community leaders and service providers that have not previously attended a Fiber Broadband Association event, allowing us to reach a new audience. As a result of our success in 2022, we plan to hold four Regional Fiber Connect workshops in 2023 in Raleigh, Oklahoma City, Lake Tahoe and in Minnesota.

The latest edition of Fiber Forward magazine is in the mail. This edition features “Fiber Across America” - a snapshot of eight fiber operators across the country along with a recap of Fiber Connect 2022, AT&T’s adoption of 25G PON, public safety’s fiber connections, and an examination of improving the in-home experience. As a quarterly publication, Fiber Forward provides a thoughtful, measured perspective on the news and issues involving our industry.

As we move into the final quarter of 2022, we are finalizing our 2023 plans and budget. Joseph Jones (JJ), our incoming 2023 chairman of the board, joined the FBA staff in Phoenix for our 2023 strategic planning. During this session, we reviewed our metrics and progress toward our 2022 goals, and we set our plans, goals, and objectives for 2023. We are also planning for our Premier Members meeting at the Don CeSar Resort in St Pete Beach, Florida on December 5 and 6. We have expanded this meeting to provide networking activities, and we will be bringing in keynote speakers on targeted topics, in addition to holding our annual board elections. As mentioned previously, Fiber Broadband Association has attracted 34 net new Premier Member companies since the beginning of the year, and we will be excited to see them in Florida in December.
Overall, our execution and results for the quarter continue to be exceptional. The following is the progress against our 3Q22 goals:

**Execution against our 3Q goals:**

- ✓ Execute a successful FBA LATAM regional conference in San José, Costa Rica on July 11-12
  - ○ Our revenue for Costa Rica (July) and Bogotá (November) are currently at 140% of target
  - ○ Strong attendance from senior level network operators
- ✓ Publish and promote the updated Broadband Infrastructure Playbook
  - ○ The updated Playbook was presented to the State Broadband Leadership Network in Denver in July and was extremely well received by NTIA and the State Broadband Offices
- ✓ Execute a successful FBA Regional Fiber Connect conference at Copper Mountain Resort in Colorado on August 23
  - ○ Record attendance with financial targets exceeded
- ✓ Continue to diversify the Association’s revenue and membership benefits
  - ○ In addition to significantly growing revenue from the FBA conference and membership, we have developed new sources of revenue that provide membership value
- ✓ Finalize the FBA OpTIC PATH™ Optical Telecom Installer Certification training program go-to-market plan and continue our nationwide launch
  - ○ During the quarter, we announced our first 4 schools and are finalizing agreements in 7 states

**Goals for 4Q22:**

- Meet and exceed FBA’s financial and operational goals for 2022
- Continue to secure college and training institutes across all 56 state and territories for the FBA OpTIC PATH™ Optical Telecom Installer Certification training program
- Execute a successful FBA Regional Fiber Connect conference in Columbus, OH on November 3
- Execute a successful FBA LATAM conference in Bogotá, Colombia on November 8 and 9
- Achieve our 4Q progress milestones for a successful implementation of our new Association management platform and website with a target completion date of March 2023
- Execute a world-class Premier Members meeting in St Pete Beach, Florida on December 5 and 6
Given the strong progress and momentum of the organization, and the continued industry focus on fiber broadband, we decided to move the dates for our 2023 annual Fiber Connect conference in Orlando from June to August 20-23 to accommodate the expected growth in attendance with larger meeting spaces and more onsite hotel rooms. Our exhibit space is largely sold out and our agenda will include some very powerful and timely keynote speakers to support our theme of “What Fiber Disrupts Next.”

The Fiber Broadband Association Team is very excited about the tremendous opportunity in front of us to connect our nation with fiber broadband and bring digital equity to all Americans. I would like to take this opportunity to thank our board, committee and working group leadership and members, strategic partners and the FBA staff for their passion, dedication, and countless hours of hard work. As I have said often over the past year, we are at the beginning of one of the most exciting times in our industry as we have a real opportunity to not only accelerate the deployment of fiber broadband networks to ensure digital equity, but to enable every community to leverage economic and societal benefits that only fiber can deliver.

Sincerely,

Gary Bolton
President and CEO
Fiber Broadband Association
919.349.1025
gbolton@fiberbroadband.org