



**PROJECT**  
Commercial  
Fiber Diligence



**CLIENT**  
Infrastructure  
Investor



**OBJECTIVES**

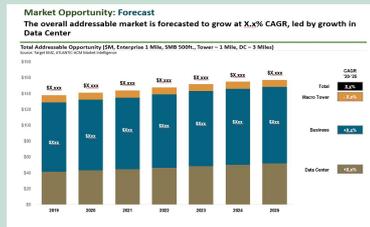
- An assessment of the national E-Rate opportunity
- A sizing of the Commercial and Residential opportunities in the Target's markets
- An assessment of competitive dynamics and Target positioning
- A review and validation of the Target's operating model

## CASE STUDY

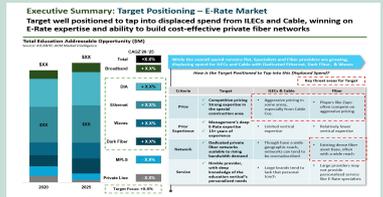
**ATLANTIC-ACM supported an infrastructure investor with commercial diligence on a potential acquisition of a regional E-Rate fiber provider**

### APPROACH

ATLANTIC-ACM took a deep dive into the E-Rate program, and produced a comprehensive sizing of key E-Rate data products



ACM reviewed and validated the inputs and assumptions of the Target's operational model, including assumptions for pricing, churn, and take rate



ACM sized the Commercial and Residential opportunities in the Target's markets, and determined the fair share given competitive dynamics

**Model Review: Commercial Model Validation – Target Inputs**  
ACM conducted an initial review of the operating model provided, and concluded the model passes for acceptability

| Assumption   | Input  | External / Document      | Validation |
|--------------|--------|--------------------------|------------|
| Take Rate    | 15%    | Target Operational Model | ✓          |
| Churn        | 10%    | Target Operational Model | ✓          |
| Target Class | 10%    | Target Operational Model | ✓          |
| CapEx        | \$1.5M | Target Operational Model | ✓          |
| OpEx         | \$0.5M | Target Operational Model | ✓          |
| Data         | 10%    | Target Operational Model | ✓          |

### OUTPUT

ATLANTIC-ACM provided the client with a compelling view of the Target opportunity driven by industry expertise and bottom-up analysis to help support internal strategic decision-making

