ATLANTIC-ACM

PROJECT
FTTH Expansion Market Identification

CLIENT
Regional Fiber Operator

OBJECTIVES

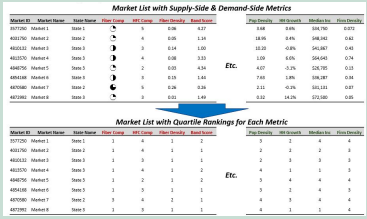
- Understand residential opportunity in all markets within 75miles of existing network
- Expected Take Rates based on competitor presence by technology (Fiber, FW, DSL, or Cable), and speed
- Identification of top expansion market opportunities with detailed market profiles

CASE STUDY

ATLANTIC-ACM leveraged an analytical approach to a rigorous regional market scan for a fiber operator to identify FTTH expansion opportunities

APPROACH

ACM leveraged internal mapping software and US Census Data to identify ~500 potential expansionmarkets



Market List with Supply-Side & Demand-Side Metrics

Market ID	Market Name	State Name	Fiber Comp.	Wf Comp.	Fiber Density	Fixed Accs		Pop Density	HH Growth	Median Inc	Firm Density
3577250	Market 1	State 1		5	0.06	0.27		3.68	0.6%	$34,790	0.072
4031750	Market 2	State 2		4	0.05	1.14		18.95	0.4%	$48,142	0.62
4620122	Market 3	State 3		3	0.14	1.00		10.20	-0.8%	$41,867	0.43
4813570	Market 4	State 3		4	0.08	3.33	Etc.	1.09	6.6%	$64,043	0.74
4848756	Market 5	State 3		2	0.03	4.34		4.07	-3.2%	$28,785	0.13
4854188	Market 6	State 3		3	0.15	1.46		7.65	1.8%	$36,287	0.94
4870580	Market 7	State 2		5	0.26	0.26		2.11	-0.3%	$61,181	0.87
4872982	Market 8	State 3		3	0.01	1.49		0.32	14.2%	$72,580	0.85

Market List with Quartile Rankings for Each Metric

Market ID	Market Name	State Name	Fiber Comp.	Wf Comp.	Fiber Density	Fixed Accs		Pop Density	HH Growth	Median Inc	Firm Density
3577250	Market 1	State 1	1	4	1	2		3	2	4	4
4031750	Market 2	State 2	1	4	1	1		2	2	2	3
4620122	Market 3	State 3	1	3	1	1		2	3	3	3
4813570	Market 4	State 3	1	4	1	2	Etc.	4	1	1	3
4848756	Market 5	State 3	1	2	1	2		3	4	4	4
4854188	Market 6	State 3	1	3	1	1		3	2	4	3
4870580	Market 7	State 2	1	4	2	1		4	3	4	4
4872982	Market 8	State 3	1	3	1	1		4	1	1	4

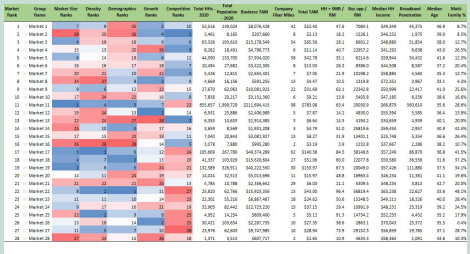
ACM used Census Block and FCC Form 477 Data to assess competitive presence and expected take rates

ACM combined data from several public, economic, and technical reports as scoring factors for expansion markets

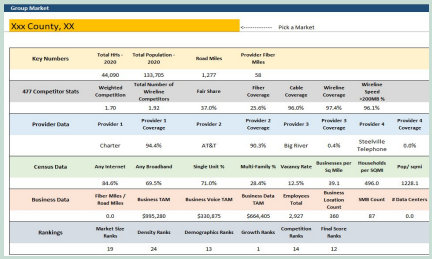
Provider Tech Type		Speed	Coverage %	Weight*	Notes
FTTH Provider		1 Gbps	**100%**	1	Full strength Fiber overbuilder with choice offerings
Fiber Key Providers	LUMEN / AT&T	<24 Mbps	**0.1%**	0.25	Most competitive segment, particularly among fiber-focused overbuilders
		25-49 Mbps	**0.1%**	0.5	Fiber competition low in existing markets
		50-99 Mbps		0.55	Company network presence and active growth plan means overbuilders unlikely to enter territory
		100-499 Mbps	**0.4%**	0.80	
		500-999 Mbps		1	
		1 Gbps	**24.9%**	1	
Cable Key Providers	Charter / Suddenlink	<24 Mbps	-	0.1	Cable weight adjusted slightly lower than pure Fiber based on lower upload speed / asymmetrical connections
		25-49 Mbps	-	0.2	Higher speed service areas are targets for focused marketing efforts and bundled services from major carriers
		50-99 Mbps	-	0.45	Subpar customer svcs drive consumers to evaluate options
		100-499 Mbps	-	0.70	
		500-999 Mbps	-	0.92	
		1 Gbps	**96.6%**	0.9	
DSL Key Providers	LUMEN / AT&T	<24 Mbps	**31.9%**	0.1	Legacy product, with limited growth/consumer demand; existing base of customers potentially unwilling to churn
		25-49 Mbps	**14.8%**	0.15	DSL considered generally weak comp, with no aggressive marketing efforts ongoing and perceived negatively by the large portion of customers still on these ILEC networks
		50-99 Mbps	**10.2%**	0.35	
		100-499 Mbps	**22.8%**	0.5	
		500-999 Mbps	-	0.5	
		1 Gbps	-	0.5	Complete, low speed coverage across entire footprint
Wireless (excl Satellite) Key Providers	WISPER / Broadband Now	<24 Mbps	**78.4%**	<0.05	Insiders note that fixed wireless offers can only compete where incumbents offer subpar DSL service
		25-49 Mbps	**83.9%**	<0.05	
		50-99 Mbps	**82.7%**	0.05	FW services do not compete well with cable or fiber services, particularly those below 100Mbps
		100-499 Mbps	**10.9%**	<0.1	
		500-999 Mbps	-	<0.1	
		1 Gbps	-	0.1	
Fair Share			**41.3%**		

OUTPUT

ACM provided the client with a database of expansion markets with a dynamic factor weighted scoring system to identify top markets, along with information on market dynamics for the highest rated areas



Market Rank	Group Name	Market Size Ranks	Density Ranks	Demographics Ranks	Growth Ranks	Competition Ranks	Total Hhs - 2020	Total Population - 2020	Business TAM	Company Fiber Miles	Total TAM	HH + SMB / RM	Rev opp / RM	Median HH Income	Broadband Penetration	Median Age	Multi-Family %
1	Market 1	7	9	25	5	10	51,514	139,024	$8,074,428	42	$52.40	47.4	7684.1	$49,349	46,375	46.9	8.7%
2	Market 2	26	20	28	4	3	2,461	8,165	$207,660	8	$2.13	18.2	1126.1	$46,252	1,675	39.0	8.3%
3	Market 3	4	18	19	9	6	65,535	169,010	$15,178,540	54	$65.56	28.1	8601.2	$49,880	51,854	38.0	12.7%
4	Market 4	15	13	20	24	3	8,262	18,431	$4,798,773	6	$11.14	40.7	12057.2	$41,261	9,658	43.0	35.5%
5	Market 5	6	14	19	6	12	44,093	155,705	$7,954,020	58	$42.78	35.1	8214.6	$59,944	34,432	41.8	12.3%
6	Market 6	24	14	17	19	7	30,496	27,482	$3,422,585	8	$13.03	26.3	8388.0	$43,508	8,987	37.2	20.4%
7	Market 7	20	21	19	23	1	9,434	12,816	$2,694,401	7	$7.05	21.9	10198.2	$58,884	6,560	35.3	12.7%
8	Market 8	24	27	8	7	9	4,669	16,156	$591,255	10	$4.47	10.5	1318.8	$72,351	3,967	38.1	4.3%
9	Market 9	9	8	12	22	15	27,870	62,043	$10,081,023	22	$21.68	42.1	22242.8	$53,998	22,417	41.0	20.4%
10	Market 10	17	24	22	15	8	7,838	20,217	$3,151,560	6	$8.21	13.9	5420.8	$47,185	6,256	38.6	16.6%
11	Market 11	3	4	7	7	22	655,857	1,909,720	$211,034,415	98	$783.06	65.4	20050.9	$69,879	500,613	35.8	28.8%
12	Market 12	19	24	19	1	14	6,931	25,886	$2,408,989	5	$7.87	14.2	4850.0	$55,394	5,565	36.4	19.9%
13	Market 13	22	26	27	28	3	8,395	16,933	$1,953,385	3	$8.66	10.3	6296.2	$56,639	6,939	40.1	20.9%
14	Market 14	26	18	8	17	16	9,869	8,569	$3,981,288	3	$6.79	51.0	28418.6	$94,634	2,957	40.9	42.8%
15	Market 15	17	15	22	19	11	7,940	20,843	$3,081,927	13	$8.27	31.9	13401.1	$25,748	3,354	36.4	26.4%
16	Market 16	26	24	28	14	3	3,078	7,882	$995,280	2	$3.13	3.9	1212.8	$57,667	2,286	38.2	30.7%
17	Market 17	5	1	6	12	24	185,669	207,780	$49,974,289	62	$140.38	84.3	38148.6	$57,249	86,870	36.8	41.5%
18	Market 18	4	7	3	13	20	41,357	105,929	$15,618,864	27	$51.04	60.0	22077.8	$59,580	38,558	31.8	37.2%
19	Market 19	2	8	5	26	23	152,589	328,911	$40,222,590	90	$155.97	67.5	20948.0	$57,428	111,880	37.5	34.2%
20	Market 20	16	13	24	19	17	16,016	32,913	$5,013,896	11	$15.97	68.8	18965.6	$48,234	11,901	41.1	39.8%
21	Market 21	21	22	21	20	13	4,765	10,788	$2,336,842	29	$8.03	11.1	3039.5	$48,234	3,813	42.7	20.0%
22	Market 22	8	2	2	11	27	25,820	62,766	$13,922,356	13	$43.00	96.4	56818.4	$63,218	22,627	39.4	48.1%
23	Market 23	11	11	18	24	23	22,301	55,216	$6,007,487	18	$24.02	30.6	15240.5	$49,111	18,516	40.0	26.4%
24	Market 24	9	17	16	21	19	32,905	82,442	$12,725,220	13	$37.15	29.4	10991.9	$48,231	25,313	39.2	24.5%
25	Market 25	22	3	9	8	25	4,052	14,254	$839,400	5	$3.12	91.3	14754.2	$52,255	4,452	35.2	17.9%
26	Market 26	13	18	14	2	29	90,421	103,694	$2,287,795	10	$27.35	38.8	2860.1	$70,043	15,372	39.5	0.4%
27	Market 27	11	5	1	10	28	23,979	62,603	$9,727,985	10	$28.96	73.9	29132.3	$56,839	19,709	37.1	28.7%
28	Market 28	27	23	15	26	18	1,071	3,513	$667,717	2	$1.66	10.9	6616.3	$58,343	1,091	43.6	10.3%



Group Market

Xxx County, XX <---------- Pick a Market

Key Numbers	Total Hhs - 2020	Total Population - 2020	Road Miles	Provider Fiber Miles			
	44,090	133,705	1,277	58			
477 Competitor Stats	Weighted Competition	Total Number of Wireline Competitors	Fair Share	Fiber Coverage	Cable Coverage	Wireline Coverage	Wireline Speed >200MB %
	1.70	1.92	37.0%	25.6%	96.0%	97.4%	96.1%
Provider Data	Provider 1	Provider 1 Coverage	Provider 2	Provider 2 Coverage	Provider 3	Provider 3 Coverage	Provider 4	Provider 4 Coverage
	Charter	94.4%	AT&T	90.3%	Big River	0.4%	Steelville Telephone	0.0%
Census Data	Any Internet	Any Broadband	Single Unit %	Multi-Family %	Vacancy Rate	Businesses per Sq Mile	Households per SQMI	Pop/ sqmi
	84.6%	69.5%	71.0%	28.4%	12.5%	39.1	496.0	1228.1
Business Data	Fiber Miles / Road Miles	Business TAM	Business Voice TAM	Business Data TAM	Employees Total	Business Location Count	SMB Count	# Data Centers
	0.0	$995,280	$130,875	$664,405	2,927	260	87	0.0
Rankings	Market Size Ranks	Density Ranks	Demographics Ranks	Growth Ranks	Competition Ranks	Final Score Ranks		
	19	24	13	1	14	12		