



The challenge

- > **How to finance national broadband when the government, at all levels, has huge deficits and private sector business case is extremely tough**
 - Unlikely governments are going to invest billions into broadband
 - National broadband must take a lower priority to paying down the deficit

- > **Competitive broadband with multiple facilities based providers is the ideal solution**
 - But private sector business case for multiple facilities based competitors for residential broadband is extremely tough (if not impossible)

- > **A new business model is needed, especially one that deals with issues such as:**
 - Triple play revenues are trending towards zero for traditional services such as voice, TV and Internet
 - Fiber to the homes requires significant capital investment
 - Allows for multiple competitive facilities based providers



Need new broadband business models

- > **Current FTTh business plans are predicated on triple play with following minimums**
 - 40% takeup
 - \$130 per month revenue per customer
 - Even Verizon FiOS only intends to service about 40% of customers in service area

- > **FCC should undertake program to encourage new business models for broadband e.g.**
 - Google “Home with tails” (customer owns the last mile)
 - CANARIE “Green Broadband” (cost of fiber bundled with energy bill)
 - Voluntary structural separation – KPN and Reggenfiber
 - Condominium business fiber partnerships – Swisscom and local energy companies

- > **Encourage and promote what America is best in the world**
 - Ingenuity and entrepreneurship



Thank you

- > For more details please see
- > <http://free-fiber-to-the-home.blogspot.com/>
- > <http://green-broadband.blogspot.com/>