




# Broadband in America Report: Competition

## Fixed Broadband Competition Focus

By: **CostQuest Associates®**

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A decorative graphic on the right side of the page consists of a network of interconnected nodes and lines, resembling a fiber optic or data network, rendered in a light gray color.

## SECTION 1: INTRODUCTION

# Overview of the U.S. Fixed Broadband Competition Landscape

Broadband in the United States is changing faster than ever, and understanding these shifts is essential for strategic decision-making. The [Broadband in America Report](#) series delivers **nationwide insights** into broadband **coverage, cost, competition, and funding across all network technologies**, with updated analysis published each spring and fall. Complementary reports provide deeper dives into the technologies and market forces reshaping the telecommunications landscape.

**This edition focuses on a clear turning point in U.S. fixed broadband competition:** fiber growth is no longer defined primarily by footprint expansion into underserved areas but increasingly by competitive overbuild, urban concentration and provider reshuffling (which is likely consolidation).

The December 2024 to June 2025 period marks a particularly important inflection point. Federal funding programs, including CPF and earlier RDOF activity, continue to support deployment, while private capital is accelerating fiber builds even as the pool of attractive greenfield opportunities shrinks. At the same time, cable operators are increasingly defending share through upgrades such as DOCSIS 4.0, and fixed wireless access (FWA) is maturing into a meaningful competitive layer rather than a purely disruptive entrant.

This shift matters because it signals a more mature broadband market. The central strategic question is no longer only *where providers can expand next*. Increasingly, it is *which already-served markets are worth entering, defending, acquiring or consolidating*. That has implications for capital allocation, rural broadband policy, M&A strategy, and the long-term competitive positioning of fiber, cable and FWA. It also raises a pressing policy question: if more commercial capital is flowing into urban overbuilds, what mechanisms will continue to support rural and unserved deployment? That question becomes more urgent as federally supported buildouts move closer to completion, and long-term operating economics come into sharper focus.

To understand why this shift matters, it helps to start with the current shape of the market and the external forces driving competition.

### The data primarily referenced in this report are:

- [FCC's Broadband Data Collection \(BDC\) Service Availability Data](#)
- [CostQuest's® Location Fabric of Broadband Serviceable Locations \(BSLs\)](#)

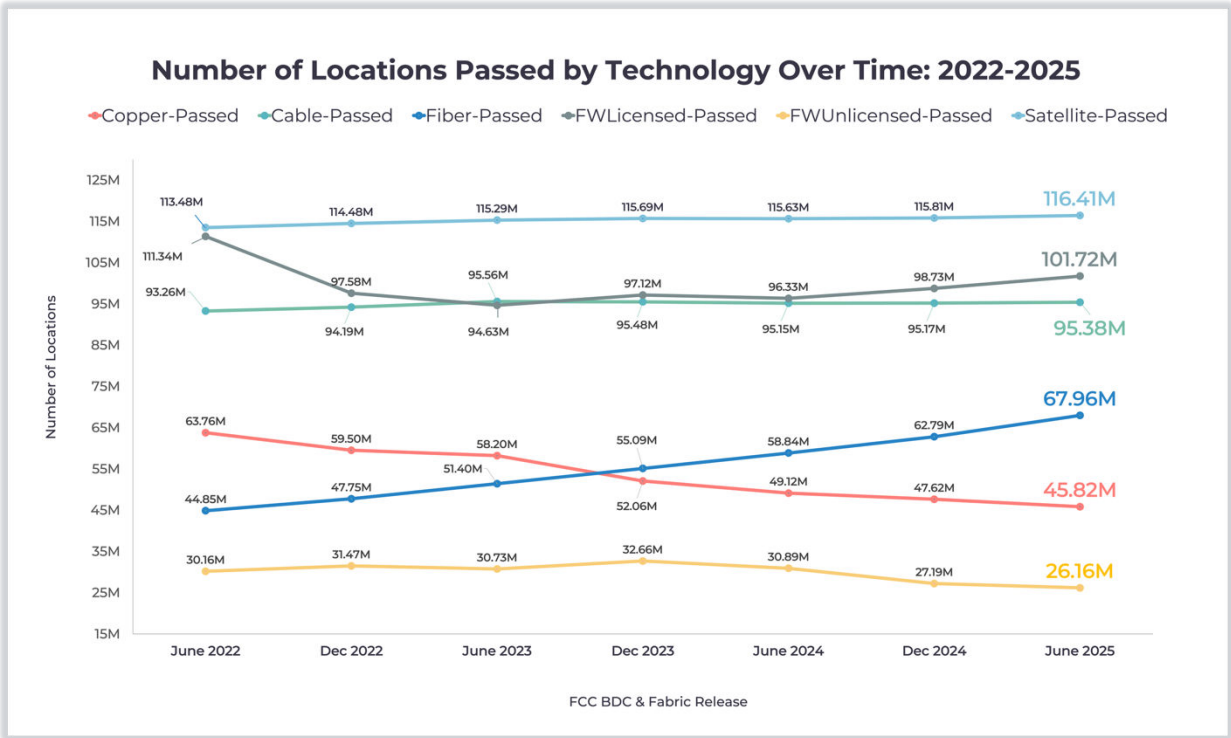
BDC Version	Fabric Data Vintage	FCC Coverage Available
<b>Version 1</b>	June 30, 2022	November 23, 2022
<b>Version 2</b>	December 31, 2022	October 10, 2023
<b>Version 3</b>	June 30, 2023	November 14, 2023
<b>Version 4</b>	December 31, 2023	May 21, 2024
<b>Version 5</b>	June 30, 2024	November 11, 2024
<b>Version 6</b>	December 31, 2024	May 20, 2025
<b>Version 7</b>	June 30, 2025	December 2, 2025

**SECTION 2: CURRENT MARKET LANDSCAPE**

# Fiber and fixed wireless reshape a maturing fixed broadband market

## Copper declines as fiber and fixed wireless expand

The U.S. broadband market has reached a structural turning point. At a high level, the technology mix reflects four durable trends: copper continues to decline, cable remains broadly stable in footprint, fiber continues to expand, and fixed wireless and satellite remain important coverage layers, albeit with different strategic roles than wireline.



These technology trends do not exist in isolation. They are being shaped by a set of external forces that increasingly determine where competition is emerging and how providers are responding.

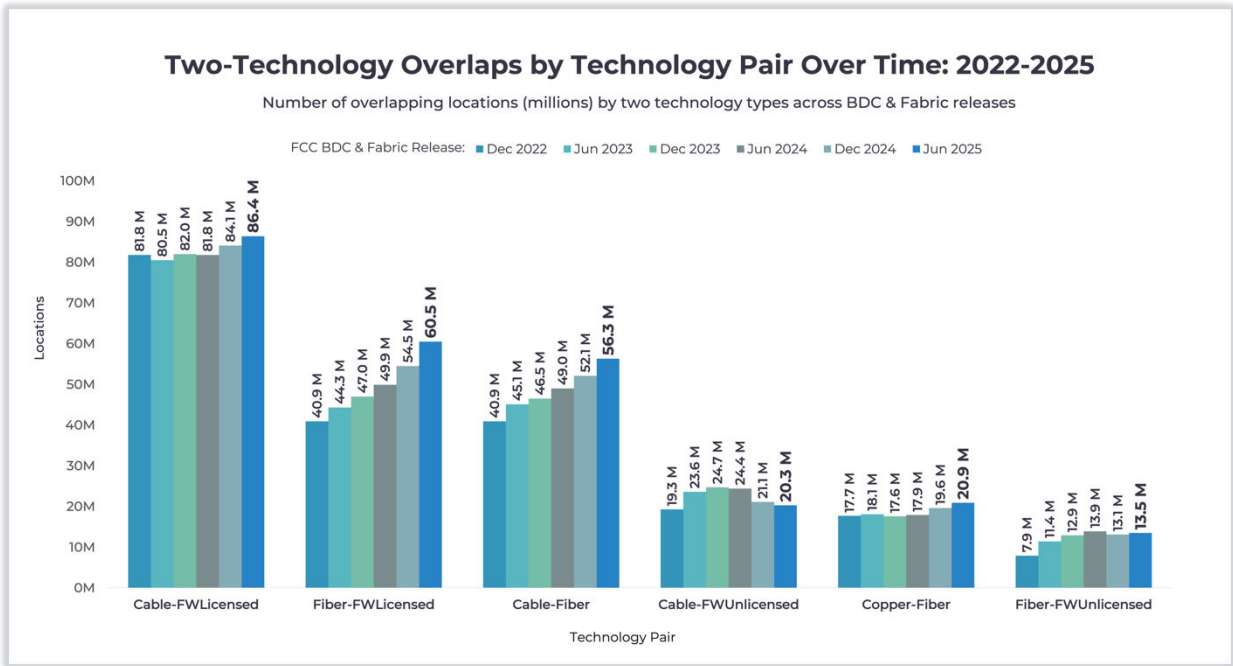
## **External forces shaping fixed broadband competition: policy, technology and M&A**

- **Policy:** Public funding remains a major driver of broadband build economics, particularly in rural markets. Programs such as BEAD, state broadband grants, and earlier RDOF-related activity continue to shape where deployment is financially viable. At the same time, BDC trends suggest commercial fiber investment is becoming increasingly bifurcated: rural builds continue where subsidy, low competition or strategic footprint logic supports them, while urban and suburban builds are increasingly driven by competitive overbuild economics.
- **Competition:** DOCSIS 4.0, mid-band 5G FWA and LEO satellite services, such as Starlink and Kuiper, are creating multi-technology competition across a growing share of urban and suburban markets.
- **Technology:** Converged wireline/wireless offers are reshaping capital allocation priorities for Tier 1 carriers, particularly as providers seek to deepen household relationships beyond standalone broadband.
- **M&A and Convergence:** Recent transactions and announced deals – including T-Mobile/Lumos, AT&T/Lumen consumer fiber and Metronet/Vexus – reflect a consolidation wave that aligns closely with the provider reshuffling patterns emerging in the data.

Together, these forces are making the broadband market denser, more contested and more strategically complex.

## **Fiber, cable and fixed wireless increasingly compete in the same markets**

Most U.S. households now live in markets where two or more high-speed technologies compete. As overlap increases, pricing power erodes, service offerings improve, retention becomes more difficult, and bundling or converged offers become more important.



This is especially visible in fiber, cable and FWA overlap. As fiber expands deeper into already-served markets, competitive entry is more likely to trigger reshuffling/consolidation, share shifts and ownership changes. Fiber is still growing, but that growth is increasingly about competition rather than first-time coverage.

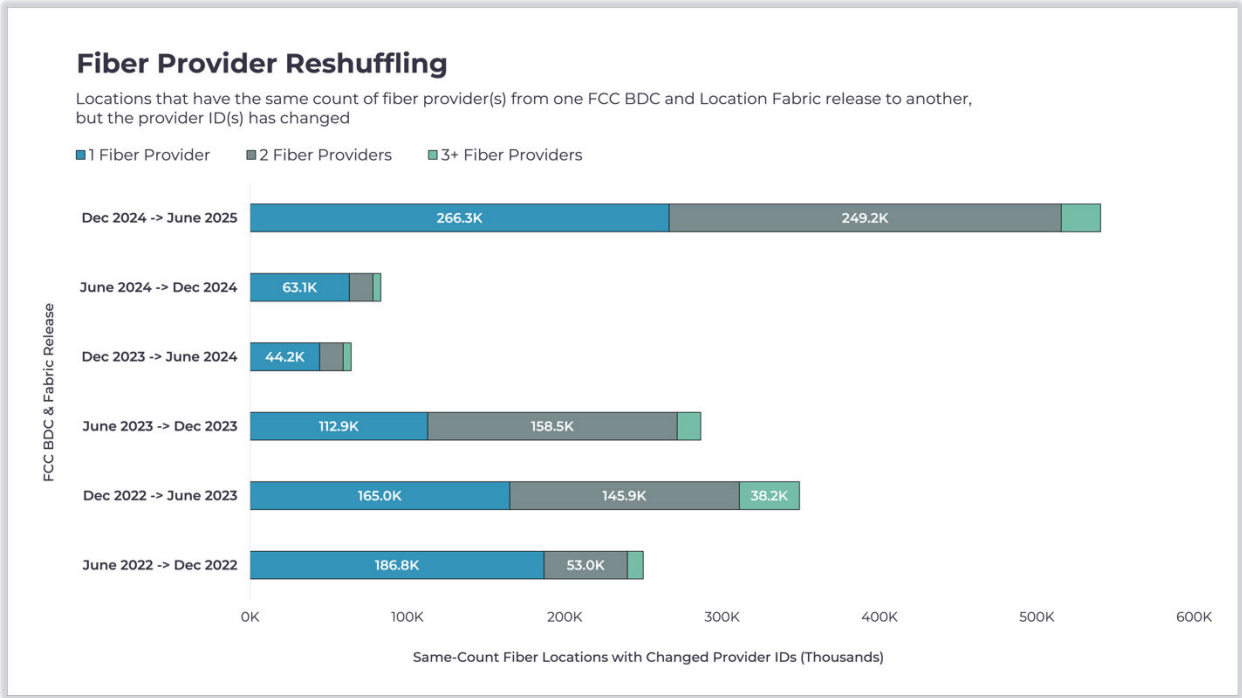
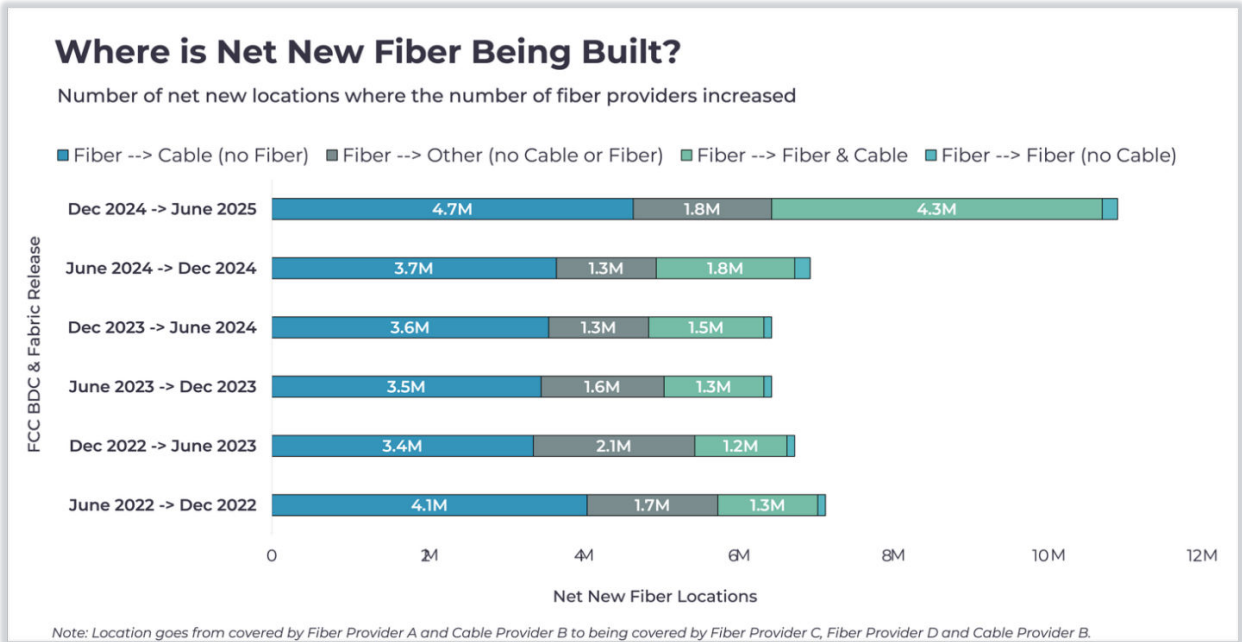
**SECTION 3: TRENDS AND COMPETITIVE PRESSURES**

# Fiber’s shift from coverage expansion to competitive overbuild

The unserved opportunity is shrinking. As it does, differentiation is shifting away from simple coverage expansion and toward service quality, speed tiers, customer experience and strategic market positioning. The fiber market is moving from expansion mode to competitive density mode, with providers increasingly betting that the best returns come not from serving unserved demand but from taking share in markets where broadband already exists.

**Fiber growth and provider reshuffling are accelerating together**

The latest BDC period shows a sharp acceleration in net new fiber growth, but much of it is concentrated in already-served footprints. At the same time, provider reshuffling/consolidation has increased, where provider ID changes without a change in the number of fiber competitors at a location. That pattern often points to acquisitions, divestitures, asset transfers, reclassification or competitive realignment.

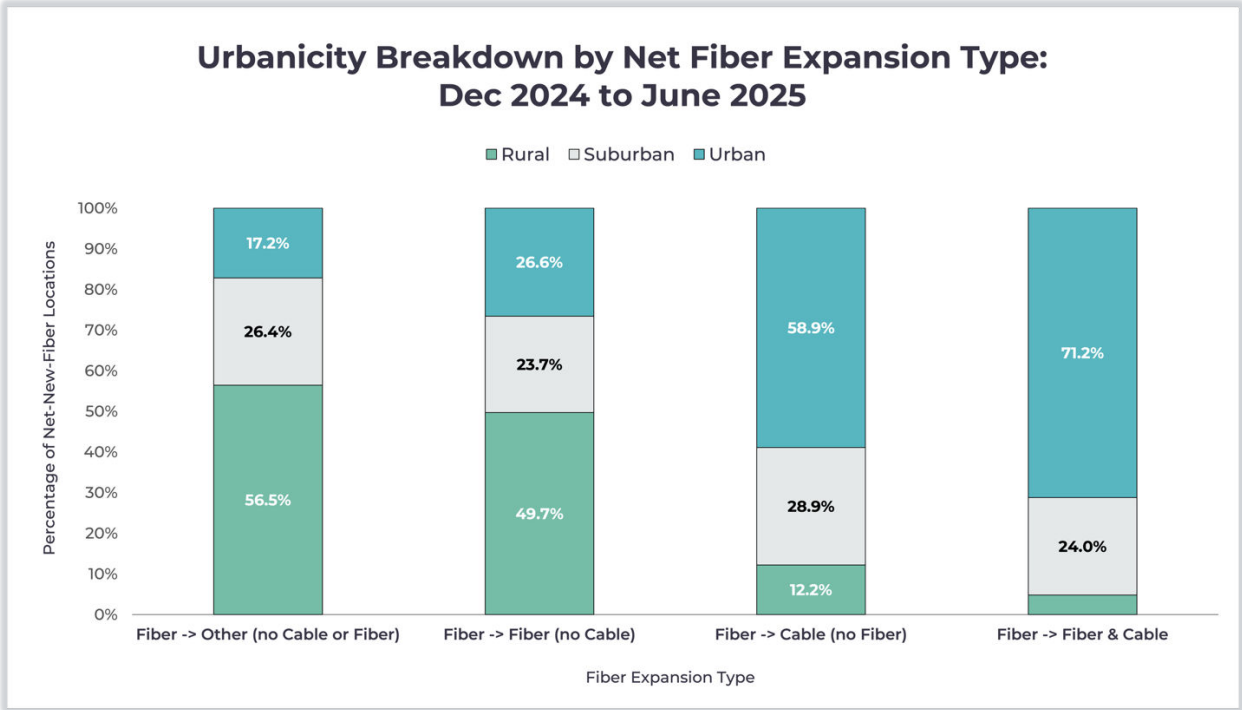


In other words, the market is not only adding fiber; it is also reorganizing ownership and competition within fiber. The combination of faster net new builds and higher reshuffling/consolidation suggests that growth and consolidation are happening simultaneously. Together, these trends suggest that fiber growth is now being driven not only by new construction, but also by consolidation, asset transactions and competitive

realignment. Recent transactions, such as T-Mobile/Lumos, AT&T/Lumen consumer fiber and MetroNet/Vexus, fit squarely within that broader pattern.

**Two fiber economies emerge: rural greenfield and urban overbuild**

The geographic split in fiber strategy is becoming increasingly clear. When providers extend fiber into areas with no cable or fiber, those builds are mostly rural. But when they overbuild cable or enter areas where both cable and fiber already exist, those efforts are predominantly urban.



This reconciles two realities that can seem contradictory: fiber is still reaching rural areas, and fiber competition is intensifying in dense metros. Both are true, but they reflect different economics. Rural expansion is often subsidy-aided, while urban overbuild is a market-share play.

**Rural subsidy economics face mounting uncertainty as BEAD deployment begins**

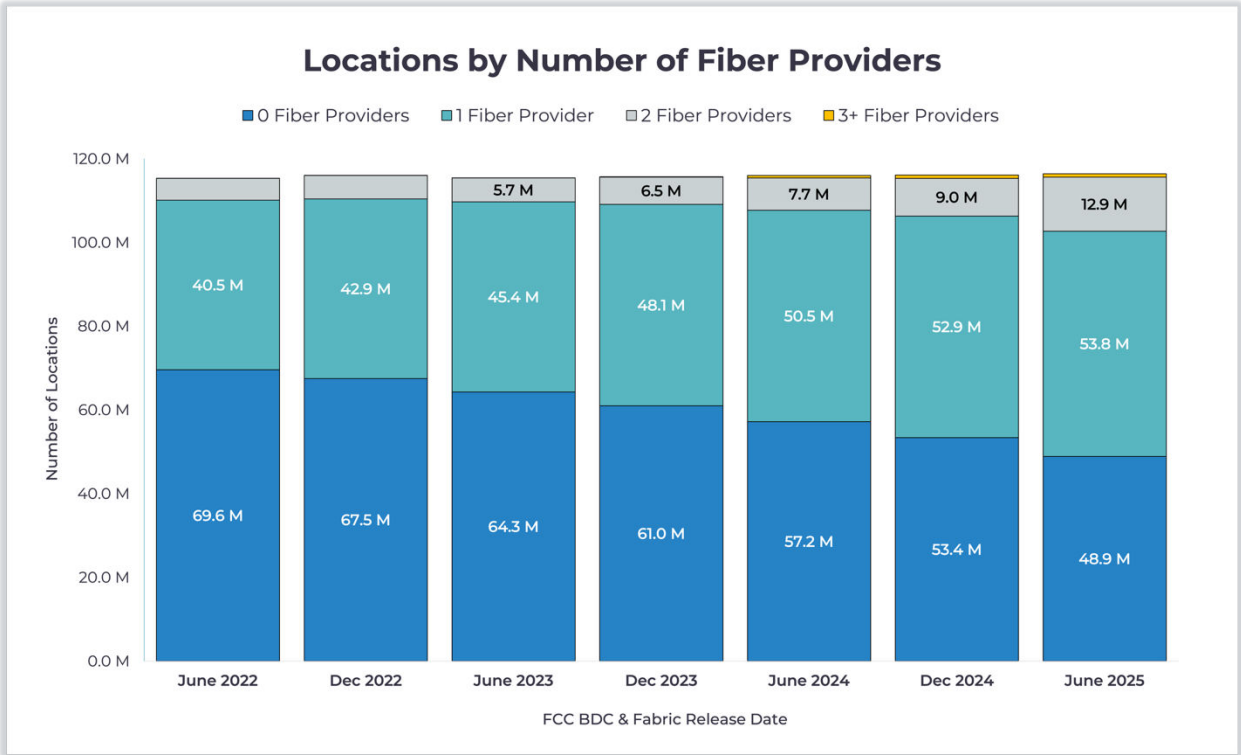
That divide also leads to an increasingly important policy question: what mechanisms will continue to support rural and unserved deployment as the market becomes more competitive? As BEAD-funded construction begins to move through late 2026 and into 2027, the economics in many rural markets will begin to shift from upfront capital investment toward long-term operations and maintenance. At the same time, the future of the Universal

Service Fund's High-Cost Program, which has long underwritten rural network economics, is coming under greater scrutiny. The FCC has recently launched an inquiry into the future of its high-cost universal service programs, including the possible role of low Earth orbit satellite services, after SpaceX argued that expanding satellite broadband reduces the need for much of the existing subsidy framework.

For rural telcos that depend on this support to operate sustainably, the pressure is increasingly two-sided: more competition from overbuilders entering their territories and greater uncertainty around the long-term federal funding base that helps sustain service in high-cost areas.

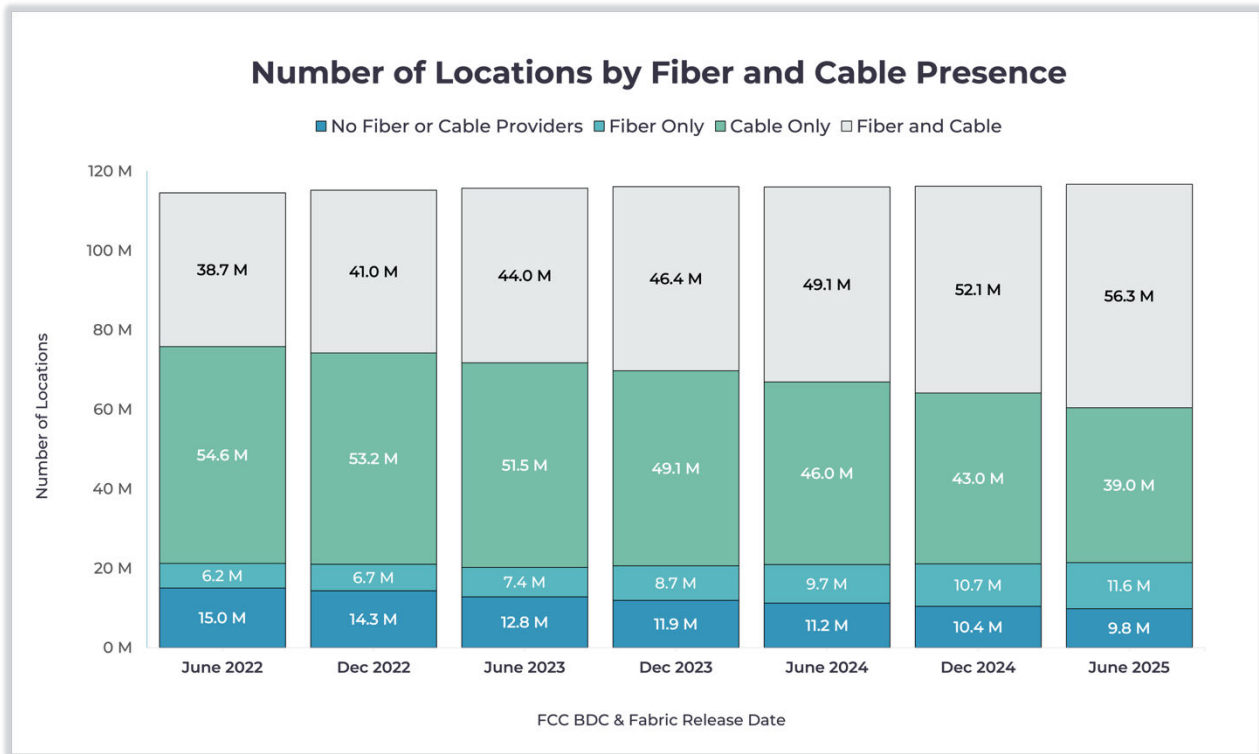
**Fiber-on-fiber competition is becoming the new normal**

The next phase of fiber competition is visible in both market depth and market overlap. The chart below shows that locations with more than one fiber provider are steadily increasing, while the number of locations with no fiber provider continues to decline. This indicates that fiber is no longer only expanding into new territory; it is increasingly creating direct fiber-on-fiber competition within existing footprints.

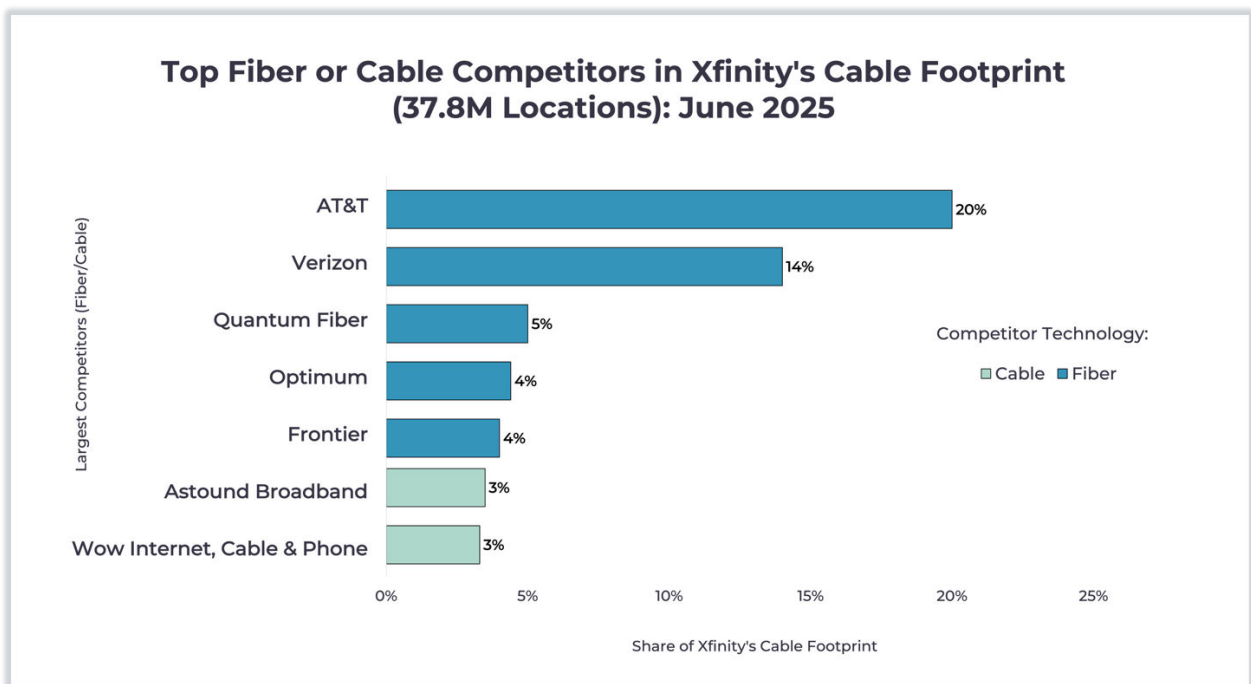


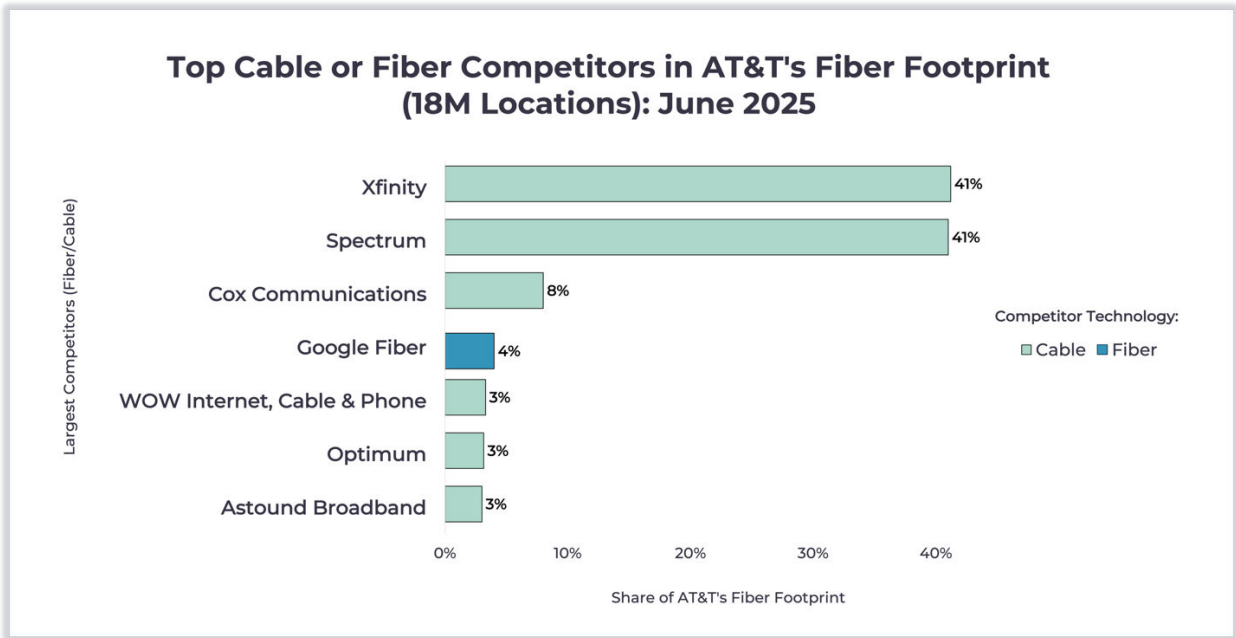
The chart below reinforces this from a different angle. While fiber continues to serve as the first wireline upgrade in some areas (fiber-only locations), the larger driver of growth is the rising number of locations where both fiber and cable are present. In other words, much of fiber's expansion is now coming through overbuild in already-served markets rather than greenfield deployment. Together, these trends point to a market that is still growing, but

increasingly by layering competition into existing broadband territories – helping explain why competitive pressure is rising fastest in urban and suburban markets.



## Fiber attacks cable’s installed base while cable defends share



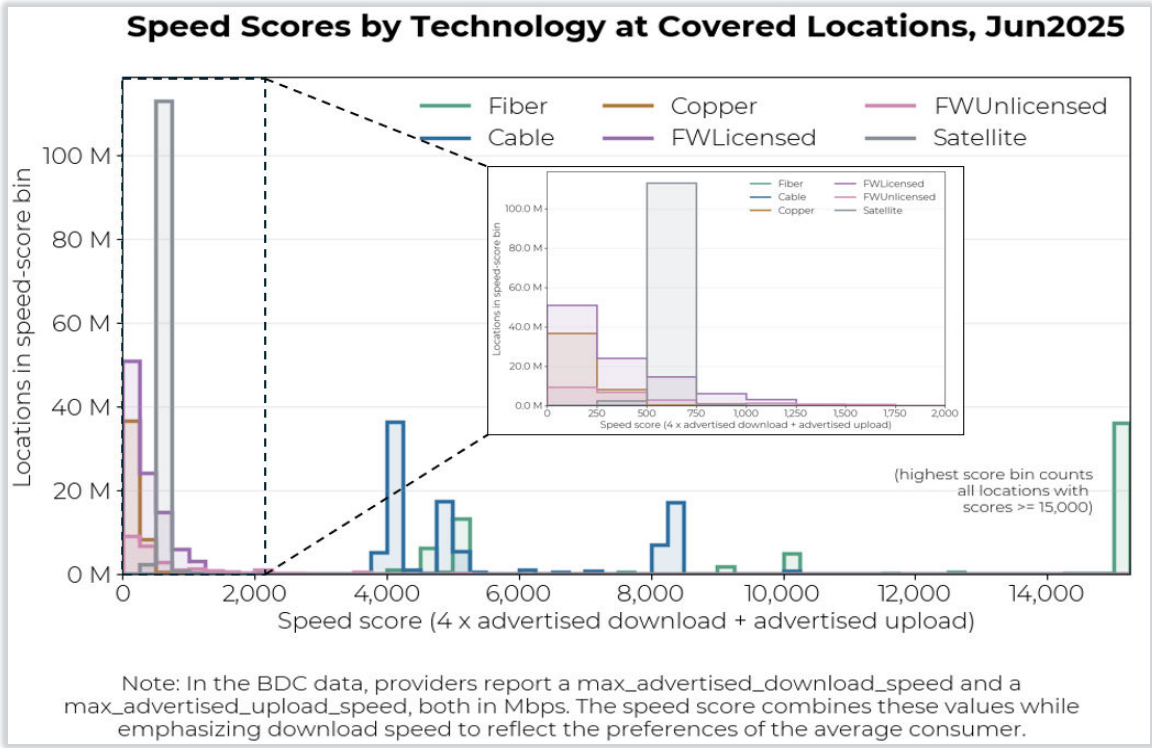
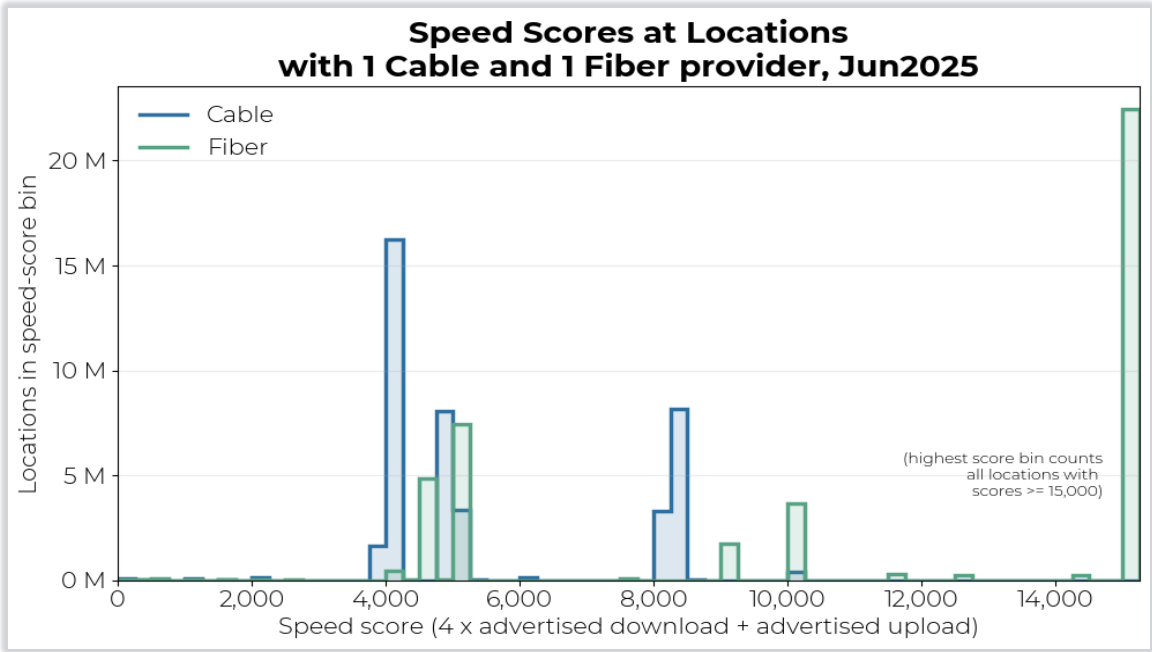


The competitive overlap data shown in the charts above between AT&T and Xfinity reinforces the broader market story: **fiber is increasingly expanding into incumbent cable territory**, while cable remains the primary competitive presence within large fiber footprints. For Xfinity, the largest overlapping competitors are predominantly fiber providers, underscoring how fiber overbuild is intensifying in traditional cable markets. Conversely, for AT&T Fiber, the largest overlapping competitors are cable operators, showing that even as fiber grows, it is doing so largely in markets where cable is already well established. Together, these patterns reflect a broadband market that is no longer defined primarily by first-time coverage but by direct competition in already-served areas as fiber and cable increasingly collide within the same footprints.

In short, the competitor data puts names to the trend: the next phase of broadband competition is being fought provider-by-provider, with fiber attacking cable's installed base and cable defending share against a widening field of fiber entrants.

**Speed leadership belongs to fiber and cable**

Competition is not just about who serves a location but the quality of service offered there. To compare technologies consistently, we use a “speed score” that combines advertised download and upload speeds, with more weight on download to reflect typical household usage.



1

<sup>1</sup> Speed Score:  $(4 \times \text{max\_advertised\_download\_speed} + \text{max\_advertised\_upload\_speed})$ . The imbalanced weighting reflects the fact that most consumers download more than they upload.

The results reinforce the broader competitive story: **fiber and cable remain the two strongest wireline platforms**, with fiber generally leading on speed and both outpacing copper, fixed wireless and satellite. However, direct wireline competition does appear to meaningfully change the speeds providers offer. In areas where cable and fiber overlap, fiber still tends to lead, while cable remains relatively close.

Speed alone is no longer the main competitive battleground. As fiber and cable increasingly overlap, competition is shifting toward service quality, price, reliability, product strategy and customer retention – another sign of a market moving from expansion to competitive density.

#### SECTION 4: KEY TAKEAWAYS

## What the next phase of fixed broadband competition means for operators, investors and policy makers

### Fiber expansion is shifting from coverage to competition

- The latest BDC data shows that a growing share of fiber deployment is going into areas that already have cable and/or fiber. The implication is clear: the next phase of fiber is increasingly about competition, density and share capture, not just footprint expansion.

### Cable and fiber are now in direct head-to-head competition

- The largest overlap patterns show fiber providers pushing deeper into cable footprints, while cable operators face their strongest competitive pressure from fiber entrants. For major players like Xfinity and AT&T Fiber, the biggest overlapping competitors are each other's technology base – clear evidence that broadband competition is shifting from coverage expansion to direct share capture in already-served markets.

### Urban overbuild drives competitive intensity while rural expansion depends on subsidy

- Greenfield fiber builds remain disproportionately rural, especially in areas with no cable or fiber. However, competitive overbuild is concentrated in urban markets. Without sustained subsidy mechanisms, there is a real risk that commercial investment will increasingly favor already-served metros while the hardest rural cases remain dependent on public support.