

## **Fierce Telecom**

### **Former Verizon execs talk strategy for Brightspeed's \$2B makeover of Lumen assets**

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A trio of former Verizon executives is looking to take lessons learned from the operator's Fios rollout to build an even better network under the Brightspeed name, as part of Apollo Global Management's \$2 billion effort to transform ILEC assets it purchased from Lumen Technologies.

Apollo inked a \$7.5 billion deal with Lumen in August to acquire ILEC assets in 20 states. Earlier this month, it announced the holdings will be rolled into a company called Brightspeed once the deal closes, and it unveiled a plan to deploy fiber to 3 million locations over the next four years. That figure represents about half of the addressable locations in the acquired footprint.

Ex-Verizon execs Robert "Bob" Mudge, Tom Maguire and Chris Creager were tapped to lead the charge as Brightspeed's CEO, COO and chief administration officer, respectively. Creager told Fierce the project offers the opportunity to build an entirely new and "groundbreaking" network.

"The Fios network that we built is largely considered the gold standard when it comes to local broadband access, and we think we can do even better than that with the lessons we learned and the experience we gained over the years," he said. "What we're trying to do as we go through this is step back and say 'ok this is now chapter two, how can we think about how we're designing the whole network now end-to-end a little differently.'"

That means having conversations with vendors about making "some tweaks" to their products to enable Brightspeed to build its new fiber network faster and more efficiently, Creager added.

Maguire said Brightspeed plans to build an XGS-PON network to a mix of greenfield sites and brownfield locations currently served by Lumen's copper DSL network. It is currently in discussions with "all the top vendors" and has shared its forward-looking plans with them in order to lock in its place in the production line, he said. Maguire added its supply for 2022 is "well secured" and the company is already planning for its needs beyond that.

The company is also working with vendors to ensure it can offer a robust in-home network experience. Mudge said the quality of a customer's Wi-Fi is how most will "determine the effectiveness of the broadband pipe. They're not as focused on whether it's fiber or copper, regardless of what the speed is to the house."

Brightspeed's primary service offering will be a 1-gig product, but Mudge said it will eventually introduce multi-gig service tiers down the line. "We'll lead the market at the right time," Mudge explained. "When and how we introduce that as an offering, we'll pace that off the success and demand of the gig service."

#### **Enterprise ambitions**

But Brightspeed isn't just looking to serve residential customers with its fiber. It also has its eye on enterprise and even wholesale users.

Creager said the existing copper network that's in place isn't really suitable for those kinds of customers. "Not only will we be able to provide better access through fiber facilities to enterprise and wholesale customers, but the services or the products that we will offer through that network will be improved as well," he said. "So we're going to be putting a major focus on making sure we upscale and update the product set for business to make sure we're very competitive."



Among other things, Mudge said it will come to market with voice-over-IP, data and security offerings.

#### Copper stabilization

While its focus is clearly on fiber, the executives said Brightspeed will also take immediate steps to stabilize the copper network it is acquiring from Lumen and do what it can to improve the customer experience. Maguire noted some subscribers on the DSL network today can only get speeds of around 3 Mbps, meaning "they're barely getting broadband."

Work on the copper front will include addressing congestion in the home, in the DSL access multiplexer (DSLAM) and in the transport network, Mudge stated.