



What's Behind the Waves:

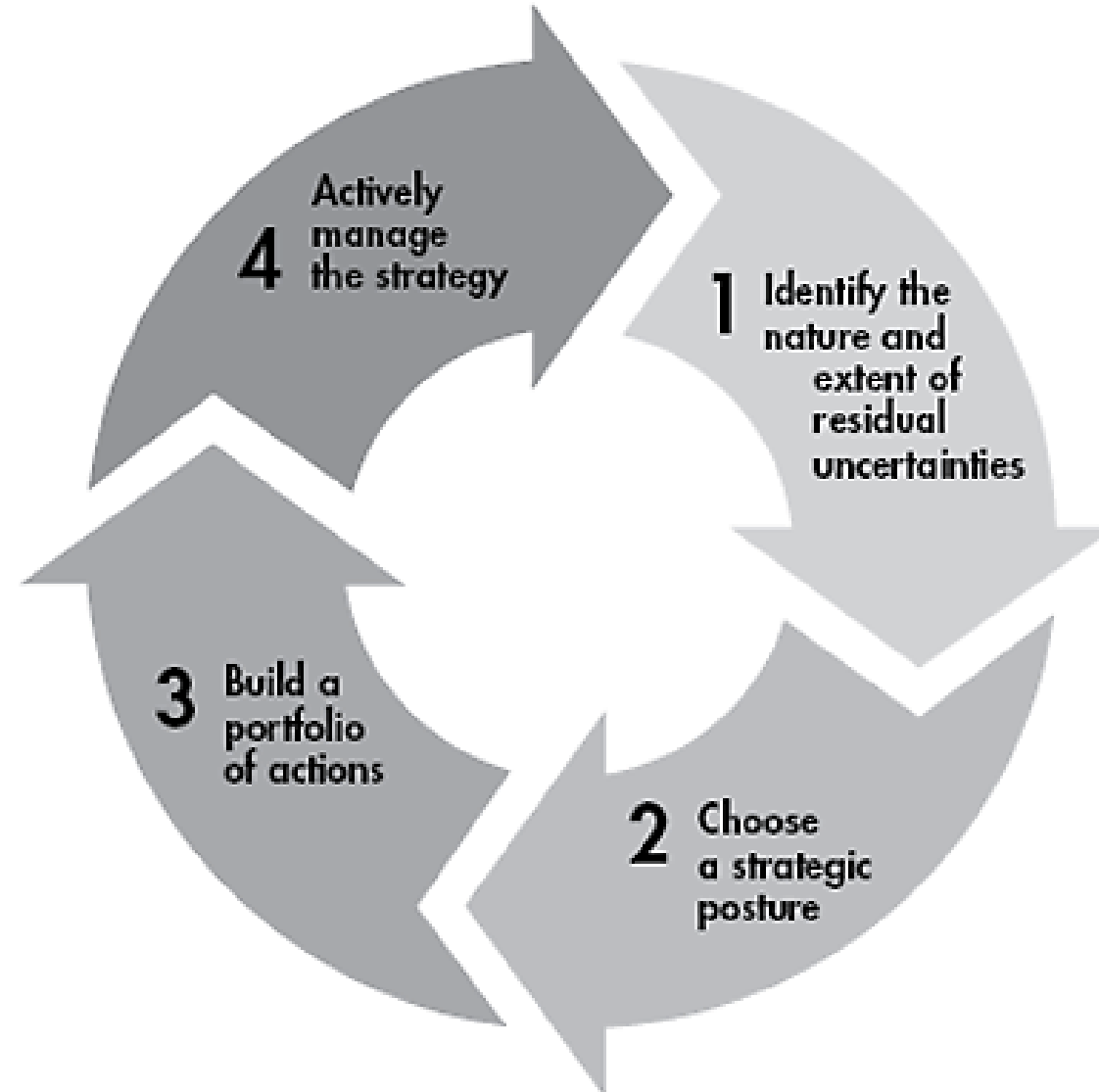
What Will Drive Success in 2025 and Beyond?

WTA Spring Educational Forum
April 15, 2025





Harvard Business Review – “Strategy Under Uncertainty”



Income Statements

2023 Full Benchmarking Scorecard	Median 84 Telcos
Income statement distribution - % of total operating revenue	
Wireline gross revenue:	
Local service/customer/end user billing	6.9%
Wholesale broadband (not special access)	4.8%
Federal and state support	32.7%
Other access (intra/inter) revenue	12.5%
Total wireline operating revenues	55.7%
Other operating revenues	
Internet	30.4%
Video	8.0%
Other revenues	5.7%
Total other operating revenues	45.5%
Total operating revenue	100.0%
Operating expenses:	
Plant specific, nonspecific, & cost of long distance	21.1%
Depreciation	18.6%
Customer	4.5%
Corporate	11.1%
Property and other operating taxes	1.6%
Other non-regulated	22.9%
Total operating expenses	82.6%
Operating margins	17.4%
EBITDA	44.0%
OIBITDA	38.5%

2023 Full Benchmarking Scorecard	Median 84 Telcos
Income statement - % change from prior year	
Wireline gross revenue:	
Local service/customer/end user billing	(7.1%)
Wholesale broadband (not special access)	1.6%
Federal and state support	1.1%
Other access (intra/inter) revenue	2.9%
Total wireline operating revenues	1.1%
Other operating revenues	
Internet	7.9%
Video	0.0%
Other revenues	4.1%
Total other operating revenues	4.9%
Total operating revenue	4.9%
Operating expenses:	
Plant specific and nonspecific	5.1%
Depreciation	6.9%
Customer	1.6%
Corporate	6.6%
Property and other operating taxes	0.0%
Other non-regulated	0.0%
Total operating expenses	4.9%
Operating margins	5.1%
EBITDA	11.2%
OIBITDA	4.4%



Organizational KPIs

2023 Full Benchmarking Scorecard	Median 84 Telcos
Size of operation (000's)	
Assets	\$59,485
Equity	\$46,063
Consolidated operating revenue	\$18,587
Consolidated net operating margins	\$3,283
EBITDA less USF	
Whole Dollars (in thousands)	
Total operating revenues, less USF	\$11,817
Total operating expenses, less depreciation	\$11,408
Total controllable operating margins (EBITDA less USF)	\$360
Internet	
Broadband Customers	
Total broadband customers	6,803
Total broadband only customers	3,336
% of broadband only customers to total broadband customers	57%
Broadband customer churn (cust lost / avg customers)	(3%)
Net total broadband cumulative customer growth	
Prior year	3.7%

2023 Full Benchmarking Scorecard	Median 84 Telcos
Broadband Facilities & Market Penetration	
Facilities distribution of broadband customers:	
DSL - copper	4.4%
Cable modem - coax	0.0%
Fiber to the premises	94.7%
Wireless	0.0%
Satellite	0.0%
Total	100.0%
Penetration Statistics	
Broadband penetration rate - inside the ILEC territory	65.4%
Broadband penetration rate - outside of ILEC territory	52.6%
Summary balance sheet - % of total assets	
Cash & cash equivalents	8.0%
Net regulated wireline plant	66.3%
Total assets	
Accounts payable and accrued liabilities	4.3%
Long term debt and leases (current & LT portions)	15.1%
Deferred retirement plan liabilities	0.0%
Other non-current liabilities	3.7%
Total liabilities	31.1%
Equity	
Total liabilities and equity	68.9%





Mission Clarity

Customer Centric Model - Major Shift for Many



Network Focused Company



Customer Focused Company

Customer Centric Model

2023 Full Benchmarking Scorecard		Median 84 Telcos
Internet		
Penetration Statistics		
Broadband penetration rate - inside the ILEC territory		65.4%
Broadband penetration rate - outside of ILEC territory		52.6%
Broadband penetration rate - entity wide		59.7%

What We're Hearing

- *“Running the USF game is exhausting”*
- *“Losing to sub-par products”*
- *“Why do we have techs when we are losing to self-installation models?”*
- *“Starlink is kicking our #\$\$”*

' Today'	Sample Telco	' Tomorrow'
Infrastructure Division		Retail Division
Capex/Build		Res
Operations		Bus
Efficiency	1 Goal Customer growth & satisfaction	XX YY
Top 3-4 goals: 2025	2025 ?	Top 3-4 goals: 2025

What to Do About It

- Define the Customer Experience
- Internal Market Share/Customer Capture
- “Infrastructure vs. Retail” Mindset
- Customer at the Center – Primary Focus
- 180-degree Shift in “10-day” Rule (is it really FTTH?)



Organizational KPI's – Focus on Leading Indicators

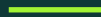
How are you showing your customer focus?

- Number and quality of trouble resolutions by customer
- Order to install timing
- Outbound calling tracking
- Etc.





Market & Customer Clarity

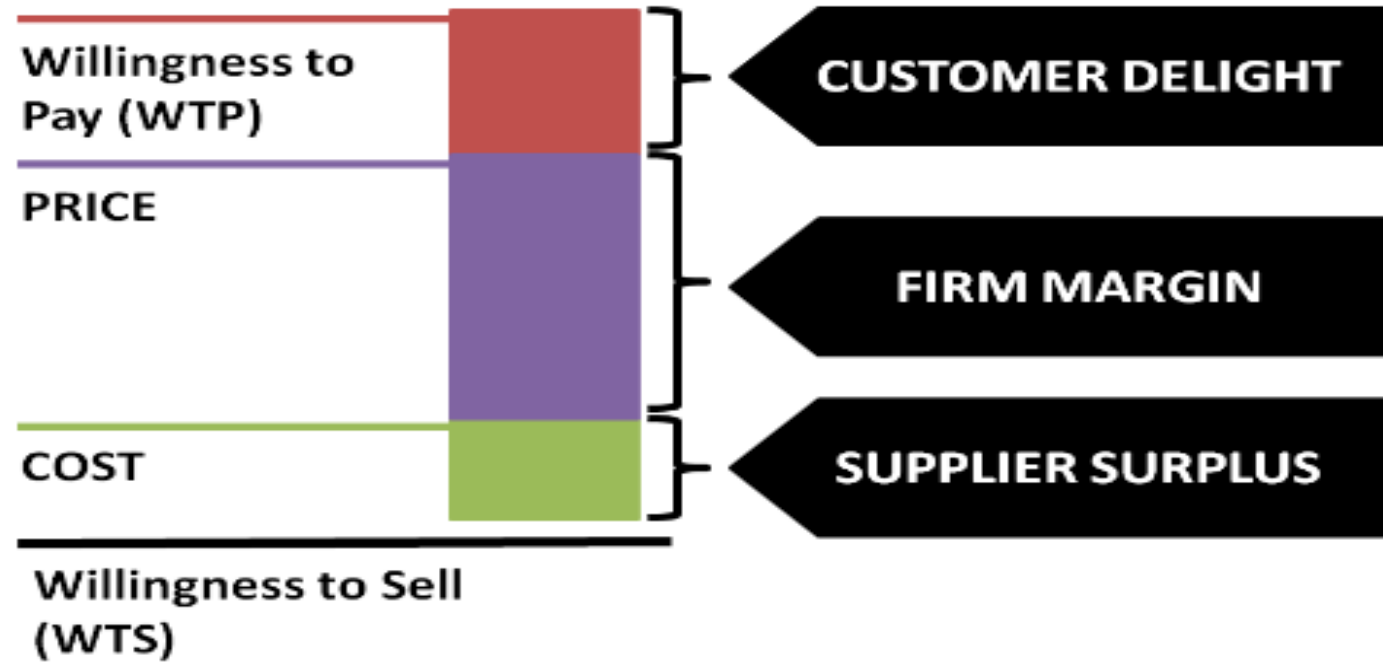


NORDSTROM





THE VALUE STICK



- “Do we value what our customers value?”
- “Our customers are home after 5:00, we end at 5:00”
- “Video costs us \$3 million in margin and our customers \$2 million extra fees”
- “I don’t even know what a megabit is, how do I say you need more?”
- “I don’t ever wake up thinking about electricity...unless it’s out”

Short/Long Game



Now

CYBER...CYBER...CYBER

Short term: 12-36 months?

- USF buildout and customer capture
- BEAD & other grants
- Partner with electric/municipal/E-Rate for IRU's & joint builds
- Creative marketing

Long game: 36+ months

- M&A - buy customers/revenues to scale and spread costs, expand complementary services
- Realignment of the ILEC





Cash Flow Clarity

Operational Evolution

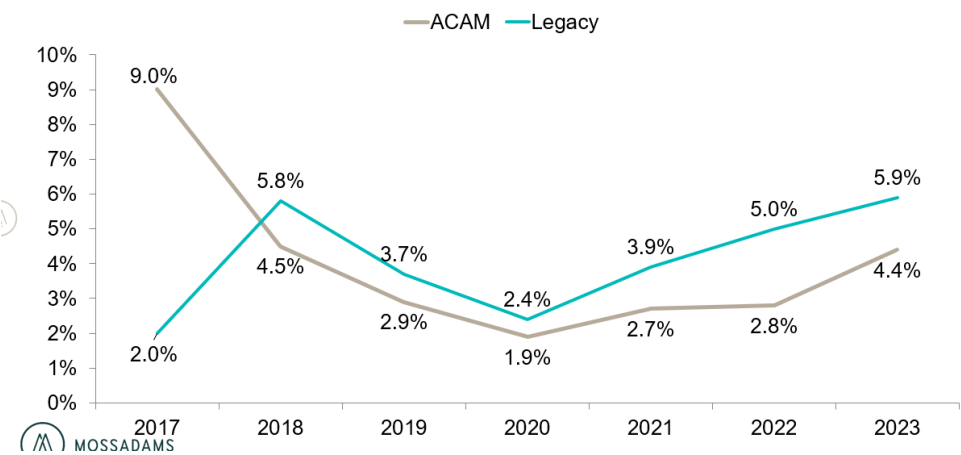
2023 Full Benchmarking Scorecard	Median 84 Telcos
Staffing & payroll	
Number of employees - (FTE excluding seasonal employees):	
Executive	2
Accounting	4
Commercial - customer service	7
Administrative	1
Human resources	1
Information technology	4
Engineering	2
Plant - Maintenance	13
Plant - Construction	3
Marketing	3
Other	1
Total	47
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- Construction “shift” – Optimize for cost efficiency & utilization
- Big Partnering: Employee sharing – Complimentary skills
- State-wide networks = Opportunity to leverage synergies
- Switching: Own vs Cloud vs Regional Clusters
- Network synergies: NOC, backhaul & purchasing power, regional clusters, cost savings
- “Creative/forward looking” planning & accountability
- CEO/GM & Organizational WIG’s – more robust in nature
- Employee succession matrix – Remote work – Automation
- Cooperatives – CC’s, privatization & capital considerations?

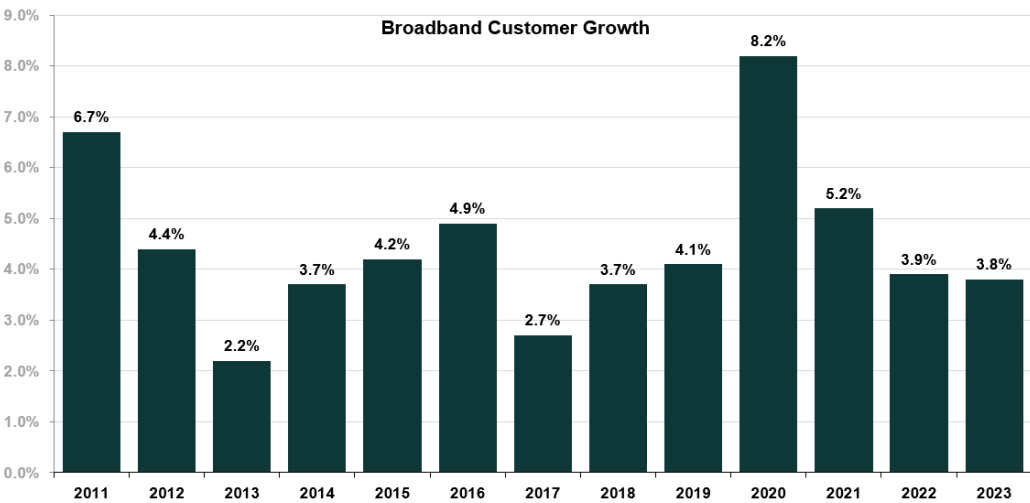


KPI's - Cash Flow Planning

Revenue Growth – Total Operating Revenues



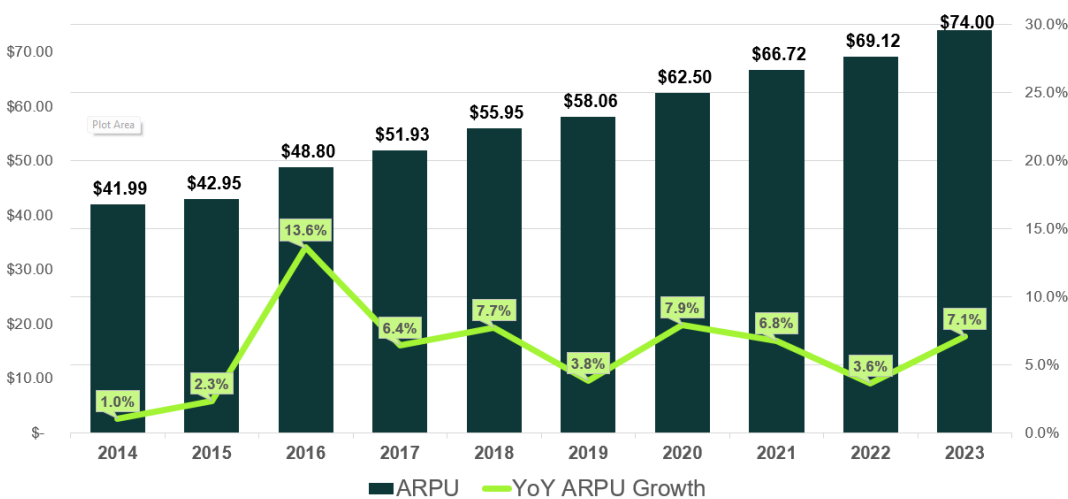
Broadband Customer Growth



Speed Package Customer Density

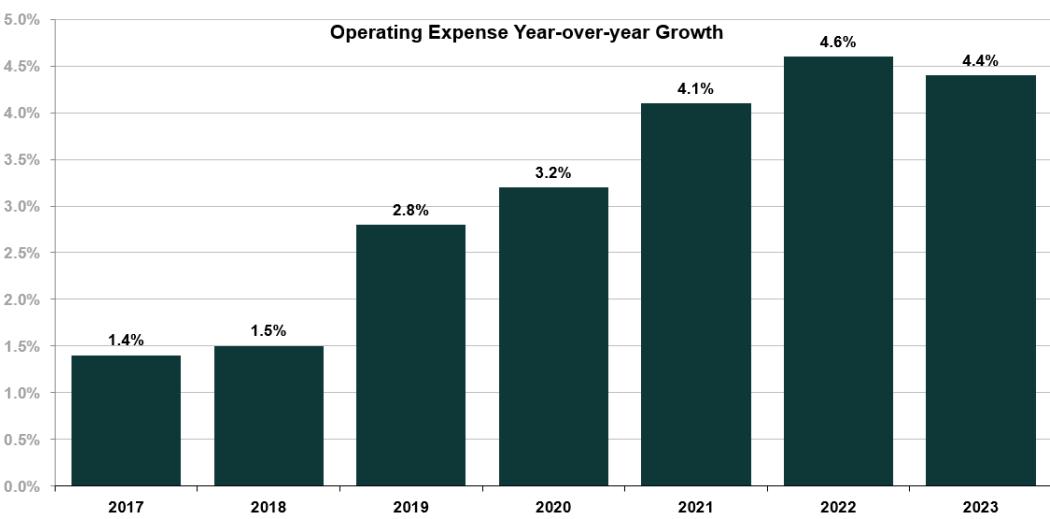
Speed Range (Mps download only)	2023 Median	2022 Median
500+	19.6%	4.1%
100 to 499	35.0%	23.0%
50 to 99	7.7%	8.8%
25 to 49	0.6%	7.6%
10 to 24	0.5%	8.2%
<= 9	0%	0%

ARPU and ARPU Growth

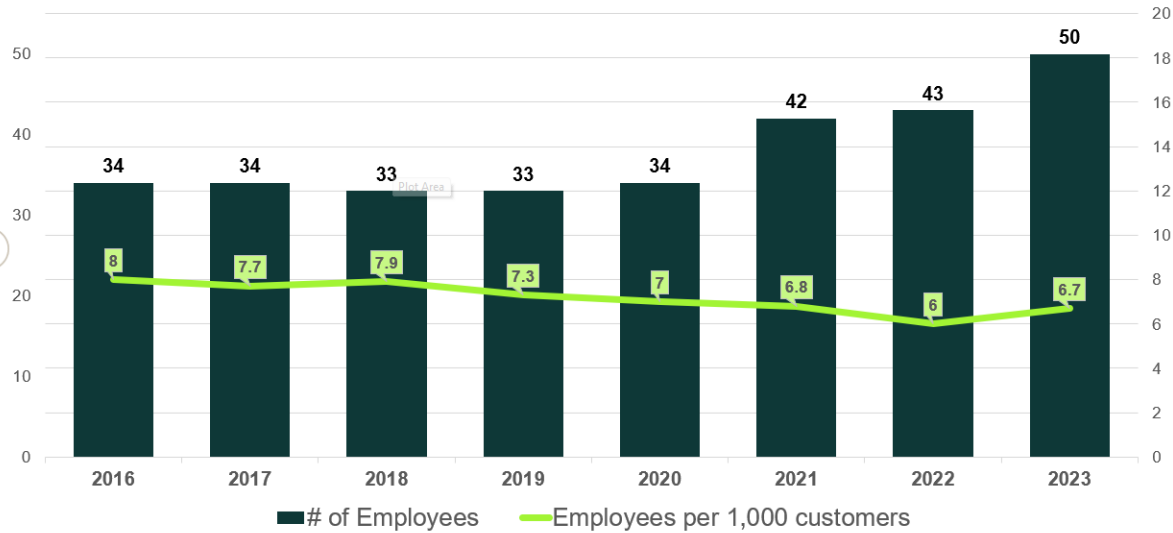


Cash Flow Planning

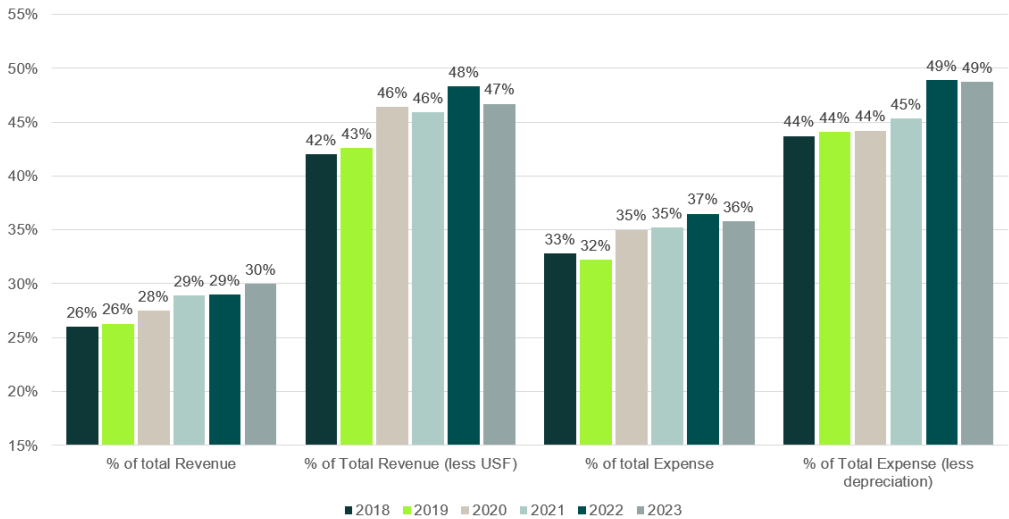
Operating Expense Graph



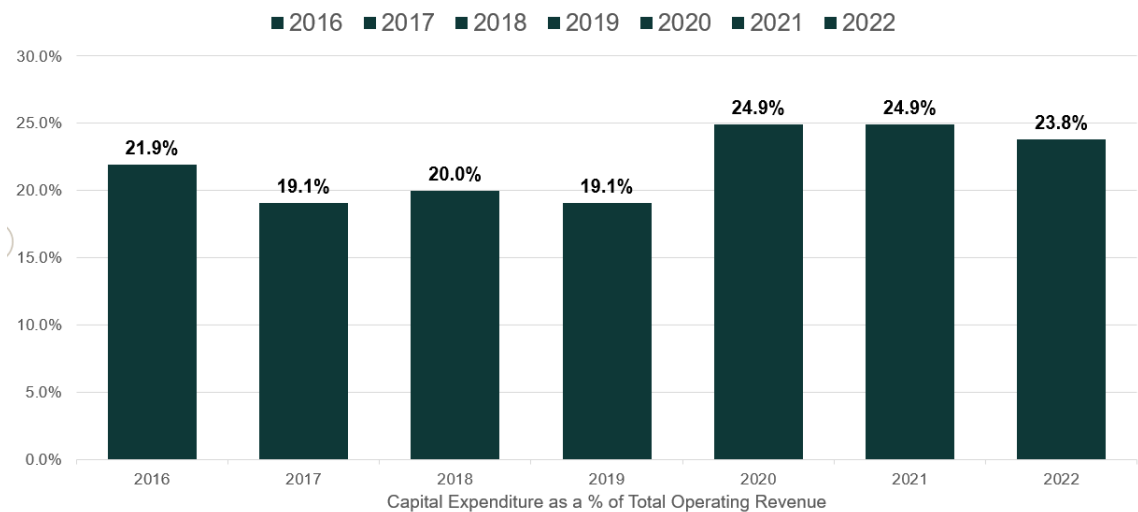
Employee Usage



Labor table #1

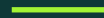


Plant Investment





Competitive Clarity



“Boundaries, Funding & Acquisitions”



19

LEVERAGE

IRR

NPV

BUYOUT

DEBT

GROWTH

RETURN

VENTURE

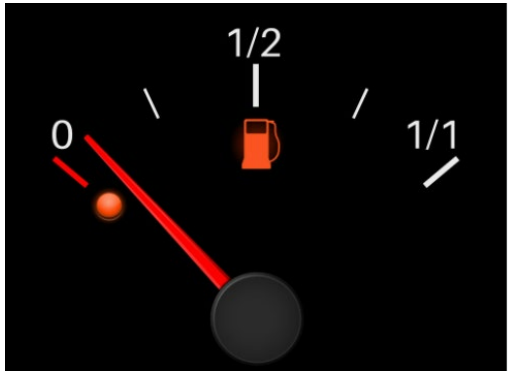
PRIVATE EQUITY

EVEREST

Leadership in Tower Acquisitions and Development

United States | Australia | New Zealand | Portugal

[View Site Locator](#)



U.S. Broadband Infrastructure Investment Reaches Nearly \$95B in 2023



Fiber Providers & Competition

About



Burley is a city in Cassia and Minidoka counties in southern Idaho, United States. The population was 11,704 at the 2020 census, up from 10,345 in 2010. The city is the county seat of Cassia County. [Wikipedia](#)

Population: 12,142 (2022)

ZIP code: 83318

Elevation: 4,163'

Sales tax: 6.0% [avalara.com](#)

Area code: 208

There are **multiple fiber optic providers** in Burley, Idaho, including: [🔗](#)

- Anthem Broadband: Offers fiber connections with speeds up to 1.0 Gbps [🔗](#)
- Fybercom: Offers fiber connections with speeds up to 1.0 Gbps [🔗](#)
- ETS: Offers fiber connections with speeds up to 10.0 Gbps [🔗](#)
- Quantum Fiber: Offers fiber internet plans with unlimited data, 99.9% reliability, and no annual contracts [🔗](#)
- Project Mutual Telephone: Offers fiber and fixed wireless [🔗](#)

Other internet providers in Burley include: [🔗](#)

- Sparklight: Offers fiber [🔗](#)
- CenturyLink: Offers DSL and fiber internet up to 100 Mbps [🔗](#)
- HughesNet: Offers satellite connections with speeds up to 25 Mbps [🔗](#)
- Viasat: Offers satellite connections with speeds up to 150 Mbps [🔗](#)
- Starlink: Offers satellite connections with speeds up to 182 Mbps [🔗](#)
- Rise Broadband: Offers fixed wireless [🔗](#)
- Tekfinity: Offers fixed wireless [🔗](#)
- SpeedConnect LLC: Offers fixed wireless [🔗](#)



how many residential fiber optic providers are there in burley idaho



Fiber Providers & Competition

Yes, some mobile providers offer fiber optic residential internet bundles, including: [🔗](#)

AT&T

Offers bundles that include AT&T Fiber, which is available with any of their unlimited plans. AT&T Fiber plans offer fast speeds, and customers can save 20% on their internet bill when they add an eligible AT&T Wireless plan. [🔗](#)

T-Mobile

Offers fiber-to-the-home (FTTH) connections, which means the fibers come directly to your modem. [🔗](#)

Verizon

Offers Fios 1 Gig plans, which include +play access for Verizon postpaid mobile, Verizon Home Internet, and Fios TV subscribers. [🔗](#)

Bundling internet and mobile bills can be more convenient and cost-effective, with savings ranging from \$10 to \$35 per month. [🔗](#)



Latest News



Tarana ngFWA Launches in the United Kingdom, Many EU Countries to Follow

September 24, 2024



Tarana ngFWA Gains Momentum with US Cable Operators

September 17, 2024



UScellular and Tarana Partner to Enhance Home and Business Internet in Missouri

August 22, 2024



Tarana Ranked #24 on Inc. 5000 List of Fastest-Growing US Companies and #1 in Telecom Category

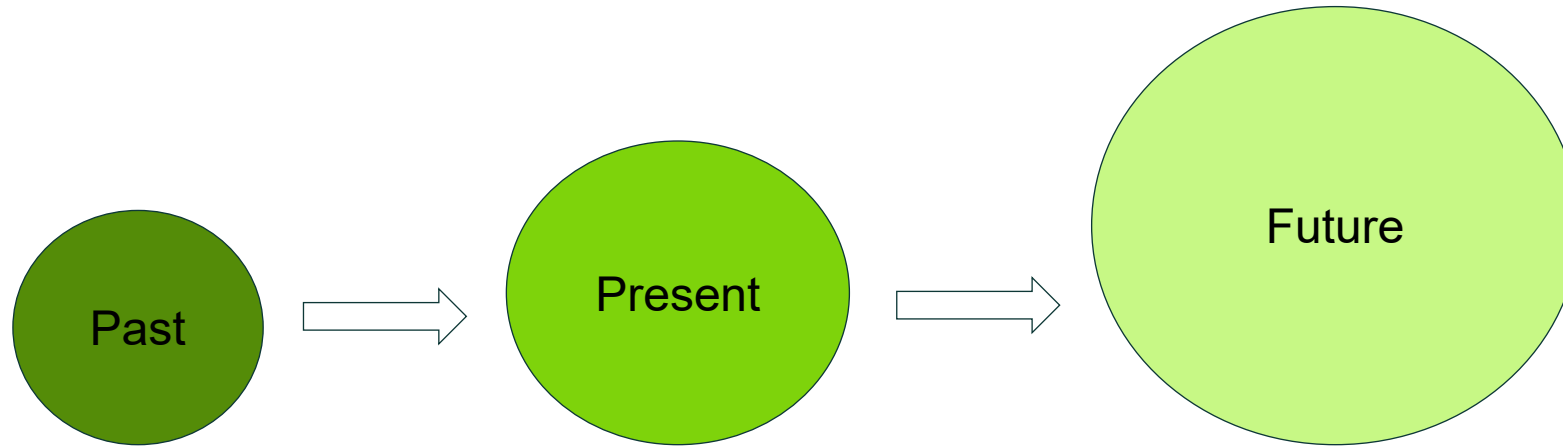
August 13, 2024





Concluding with Clarity

Current & Future State



- Organizational focus & identity – Becoming customer centric
- Revenue, profitability & cash inflow portfolio – The financial picture to make it happen
- Competitive landscape – “hunting & hunted” – Winning and keeping customers/differentiators
- Workforce dynamics & skillsets – The right team to make it all happen
- Customer experience – Staying customer centric and winning & retaining customers
- Scale & efficiency – Building a platform for operational and financial sustainability



Plans are worthless -
but planning is everything.

Dwight D. Eisenhower



Thank You!

Camille Christiansen, Partner

Camille.Christiansen@mossadams.com

Chad Duval, Partner

Chad.Duval@mossadams.com

MAKE A MOVE

