

# European FTTH Forecast, 2011-2016

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# Introduction

- **Fourth annual forecast for the FTTH Council**
- **Based on individual analyses of 21 countries, and brief reviews of a further 17 countries**
- **Covers a total of just over 300 million households, 197 million in the EU and 105 million outside the EU**
- **Overall forecast down significantly on last year**
  - Poor progress among many major telcos and municipal projects in western Europe
  - Many projects far behind previously published targets and plans
  - Economic deterioration, especially in the Euro area
- **Forecast in many Eastern countries largely unchanged**
  - Strong progress in many large non-EU countries, especially Russia, Ukraine, Turkey, with good prospects ahead

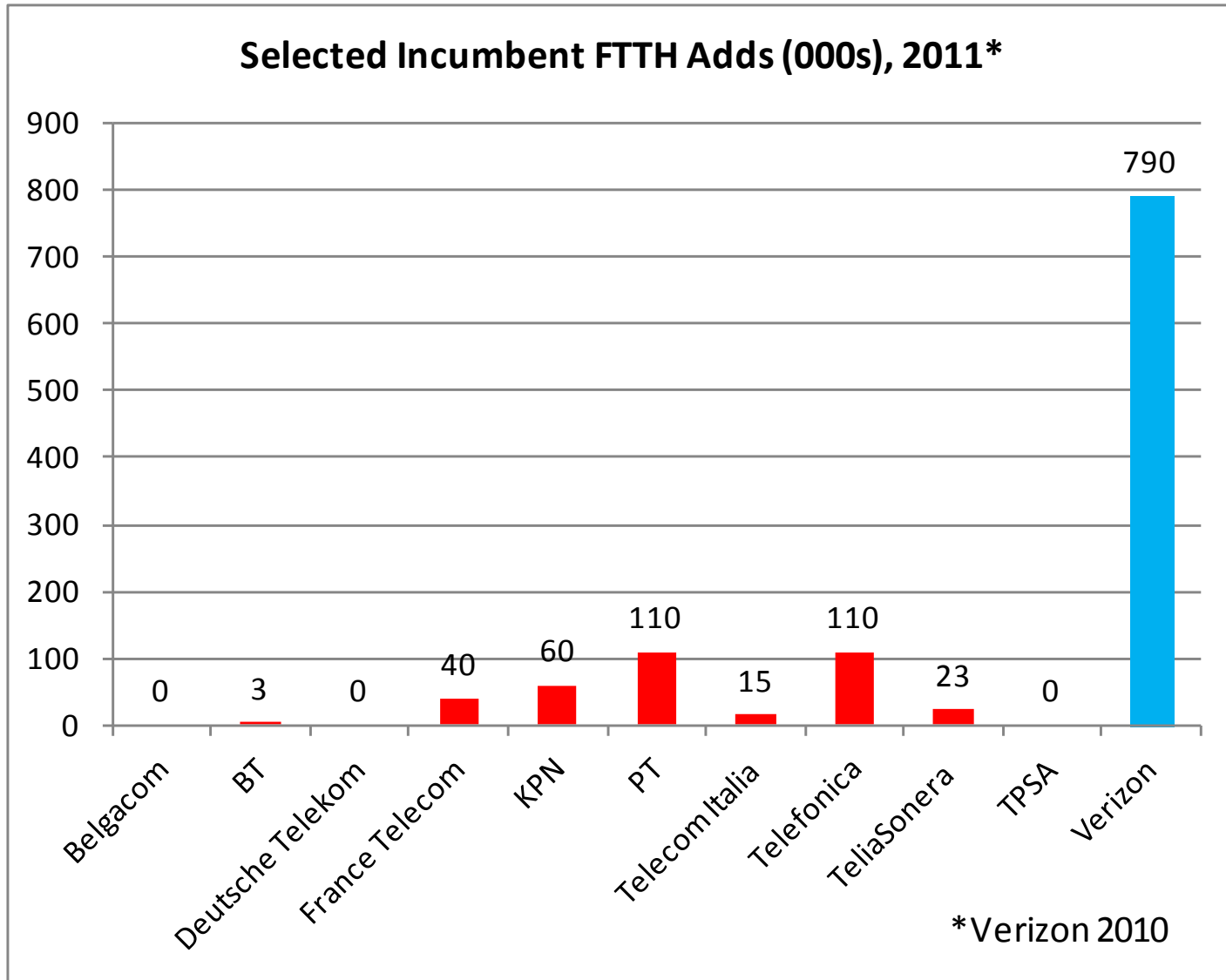
# Positive Leading Indicators In 2011/2012

- Strong drive to FTTB in eastern Europe will continue
- A lot more homes have been passed by fiber in some western European countries, suggesting that penetration could climb strongly with good marketing
- Average broadband line speed continues to grow fast, priming the market for FTTH
- Devices per home increasing; user-generated video and photography
- Regulatory picture improving gradually

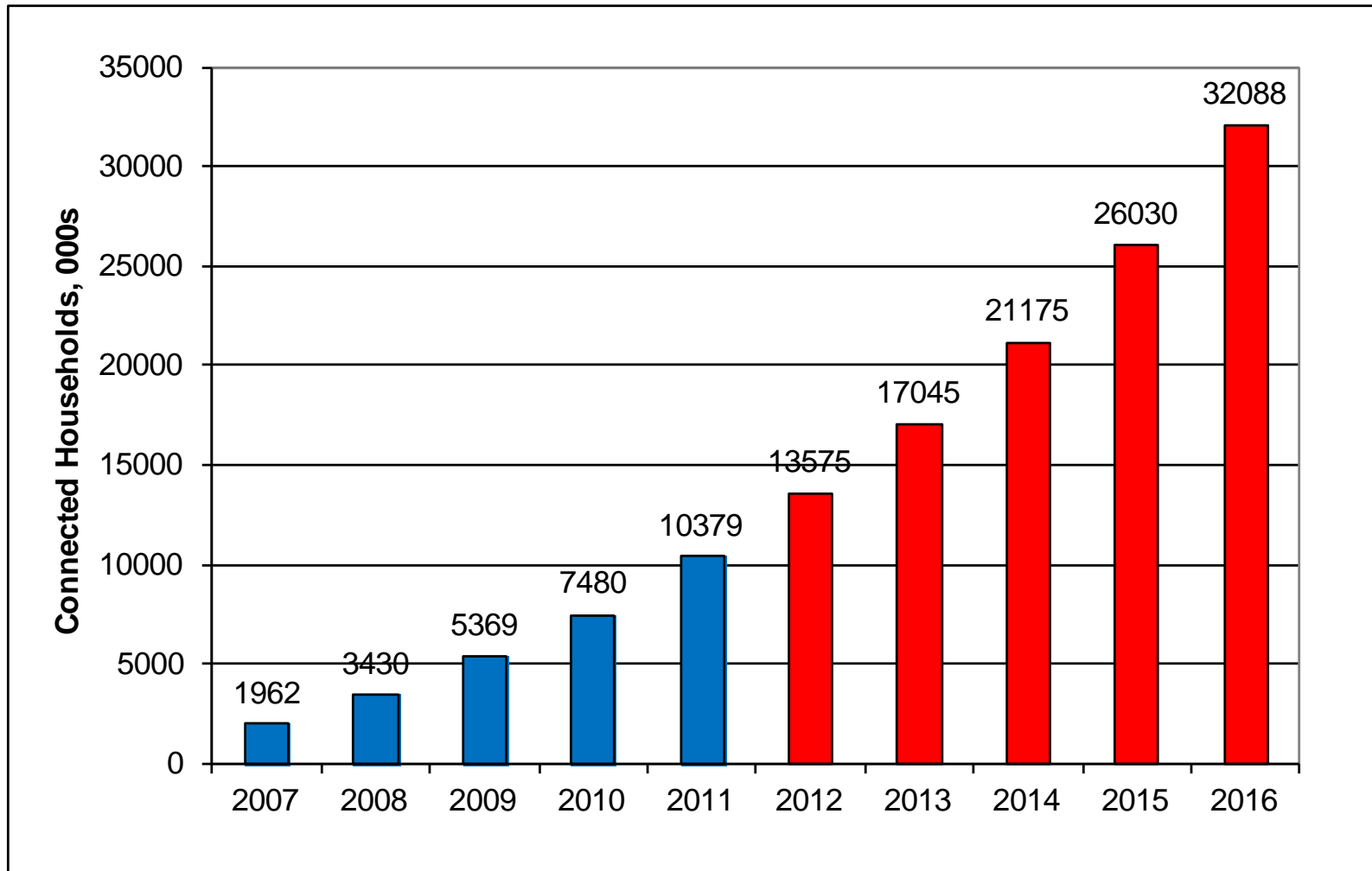
# Negative Leading Indicators In 2011/2012

- No really compelling application that requires a fiber connection
- Slow year for new PC and TV sales
- Painfully slow new customer acquisition in many countries
- Verizon-style vision for fiber access still not motivating some major European incumbents— many are more committed to VDSL (and G.vector...?)
- Muni movement making slower progress
- Public sector debt and economic recession is an issue in some countries

# The Incumbent FTTH Gap

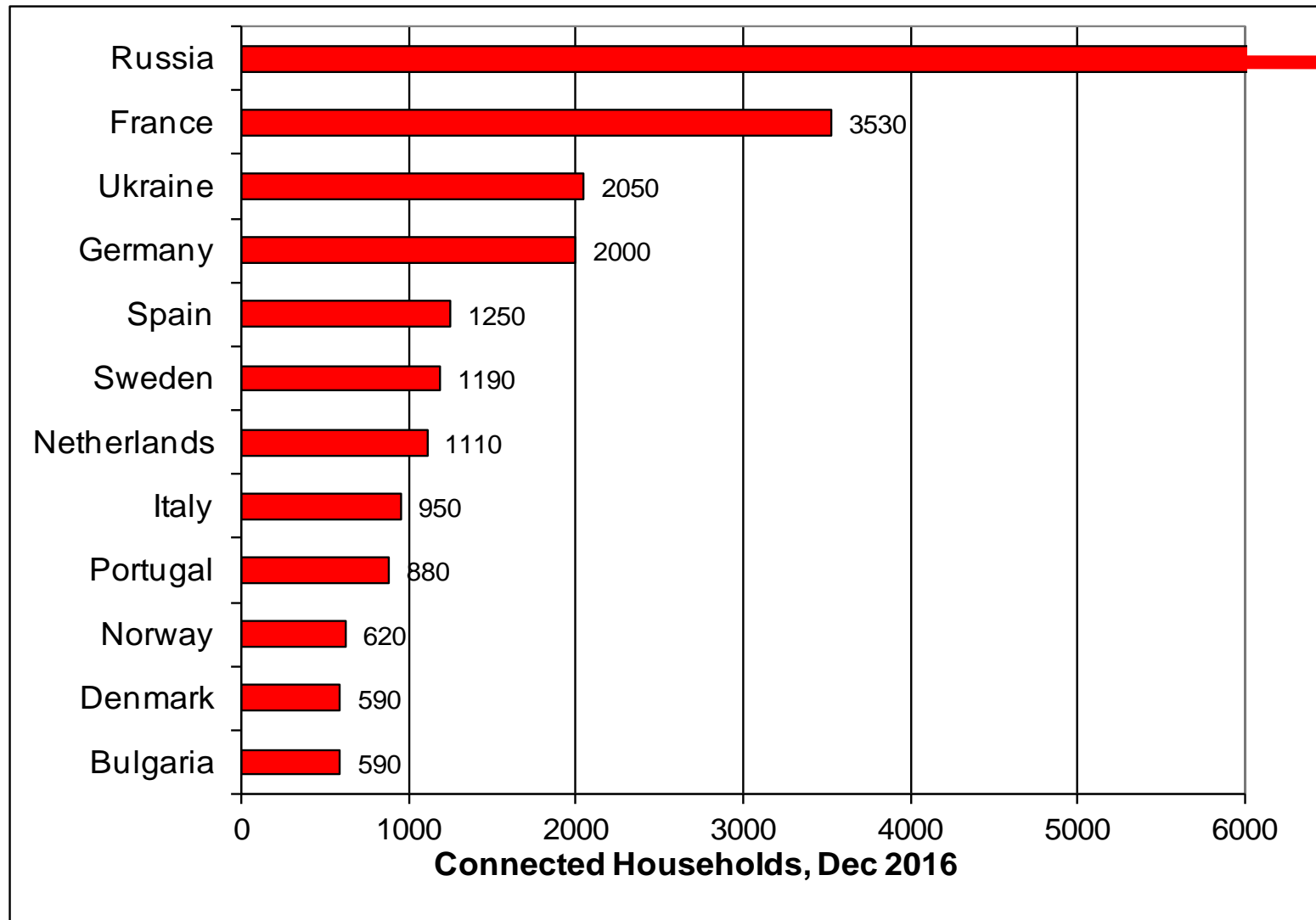


# European Region FTTH Forecast



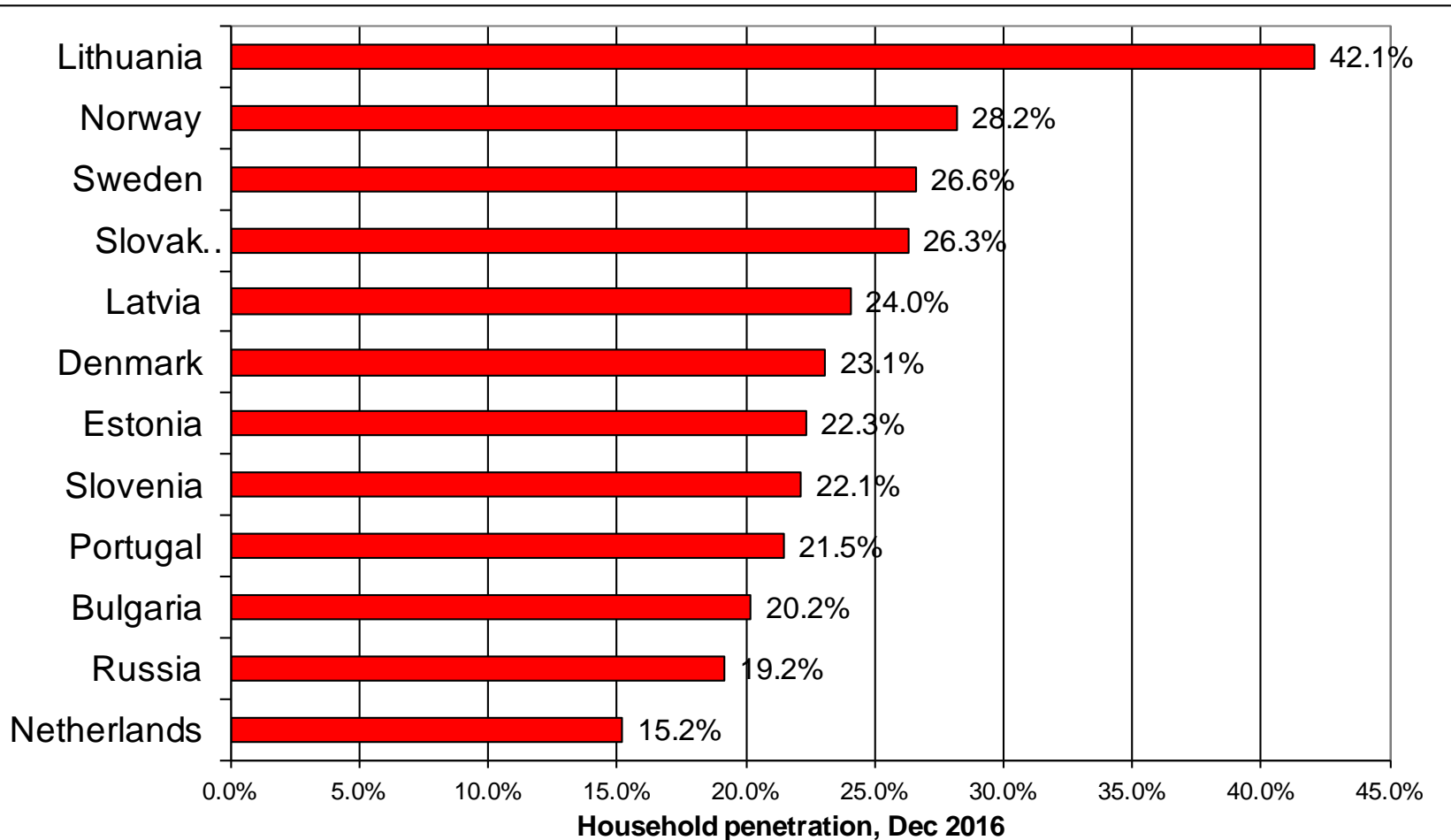
**Note: Households connected directly to fiber and apartment connected via basement fiber termination (FTTB)**

# Top FTTH Countries In 2016\*, By Number Of Connected Households



**\*Among the  
21  
countries  
analyzed in  
detail**

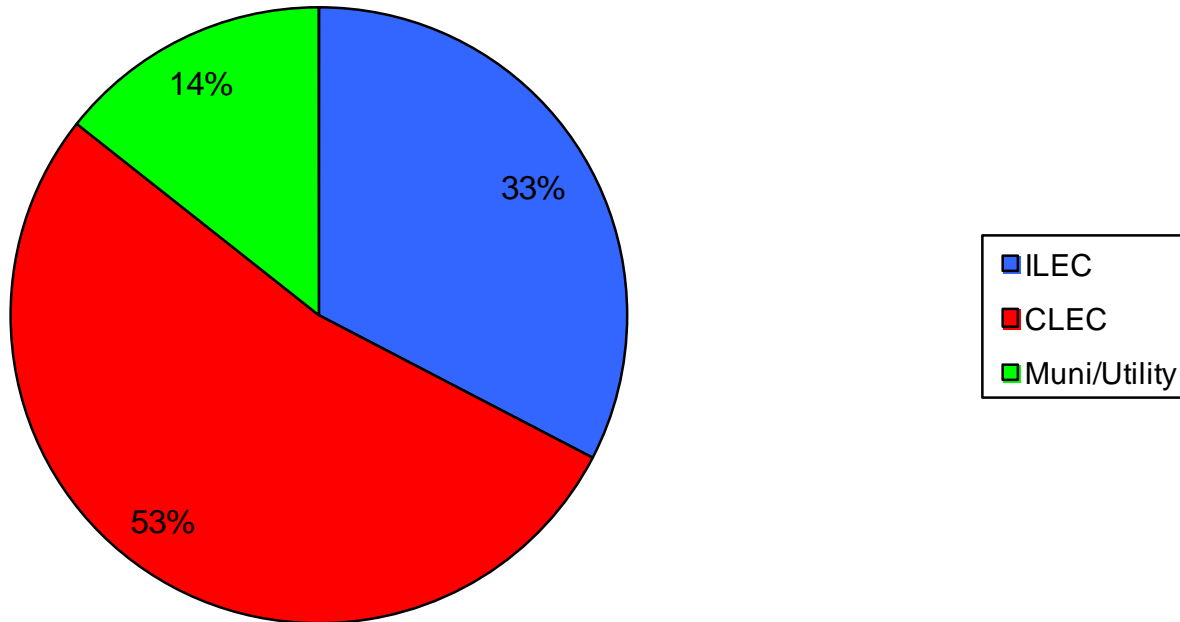
# Top FTTH Countries In Europe, 2016\*, By Household Penetration



**\*Among the 21 countries analyzed in detail**

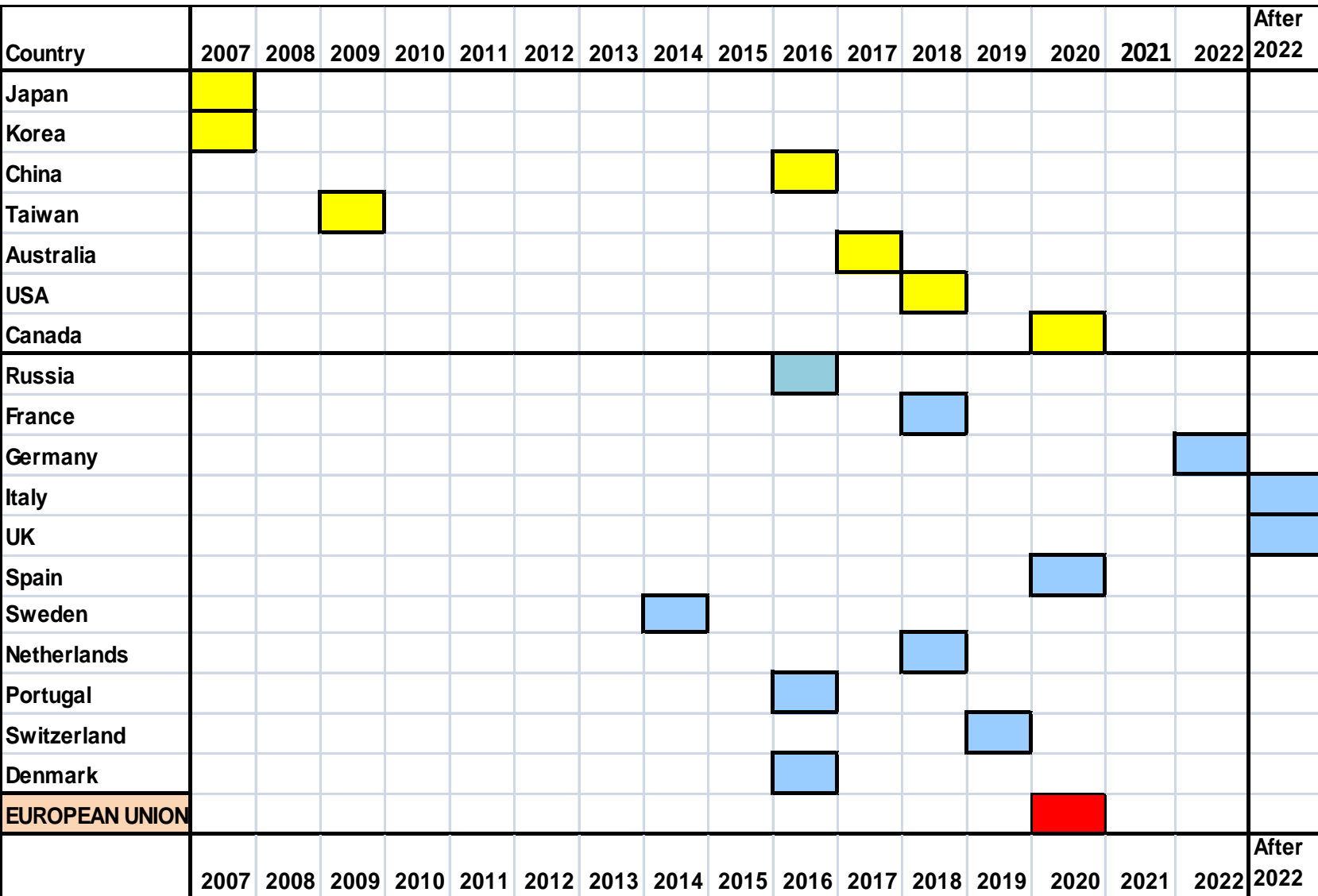


# FTTH Connections In Europe, 2016, By Type Of Builder



Note: ILEC = former incumbent monopoly telco (PTT). CLEC = competitive or alternative telco or broadband provider. Muni/Utility = network built by municipal local authority or by a power utility

# The Race To FTTH Maturity



**Note:** chart shows the year in which each territory is expected on current trends and plans to achieve “FTTH maturity”, defined here as 20% household penetration of FTTH or FTTB

# Summary

- Just over 32m households will be connected to FTTH or FTTB at the end of 2016 in the countries covered by this forecast— this is about 10.5% of all homes in the region
- In the EU only, the total will be just over 17m, or 8.7% of all homes
- Nine of the 21 nations individually analyzed should achieve “FTTH maturity” (20% penetration) by 2016— Lithuania, Norway, Sweden, Slovak Republic, Latvia, Estonia, Denmark, Portugal and Bulgaria
- Our forecast projects that seven of the 21 nations will still be under 10% penetration at the end of 2016—UK, Italy, Germany, Switzerland, Spain and Austria
- All players in certain Western European countries— incumbents, competitors, utilities— are far behind targets and plans
- The gap between different countries in Europe, and between EU and other regions, is still widening