

Severe fiber shortage delays half a million AT&T internet installations

Article

The news: AT&T says that **supply-chain shortages will delay fiber construction** to about **500,000 homes** that it originally planned to wire up this year, [per](#) Ars Technica.

- AT&T had plans to wire **three million homes** this year, but will only be able to complete **2.5 million**.

- It warned that shortages are likely to impact other companies that purchase fiber.

More on this: Similar to how the global semiconductor shortage has disrupted and delayed progress in various industries, the fiber shortage might cause US infrastructure expansion to grind to a halt, especially in rural areas that need it the most.

- AT&T is the **largest fiber buyer in the country** and says that it has access to the best and most competitive prices in the industry, as a preferred buyer. It is expanding its fiber networks in about **90 metro areas**, with new locations in close proximity to existing AT&T fiber installations.
- The US Senate recently passed a \$1 trillion infrastructure package that included **\$65 billion** to improve the country’s broadband system. Ongoing component shortages could impact that bill’s projected 5-year plan.
- Smaller internet providers are also already feeling the pinch of the fiber shortage. The **National Rural Broadband Association** said that providers can’t get **30 to 40%** of the needed equipment to install broadband. This includes new fiber, which ISPs are waiting up to **71 weeks** to be delivered.

Various industries are starting to feel the squeeze of pandemic-related shortages. These are expected to continue well into the next year, and will result in **delayed rollout and deployment** of fiber-based broadband internet and 5G networks.

Type of Internet Connection US Adults Ages 50+ Use at Home, by Age, Oct 2020

% of respondents in each group

	50-59	60-69	70+	Total
High-speed	68%	76%	63%	76%
Cable	51%	49%	48%	50%
DSL	15%	16%	15%	15%
Fiber	12%	11%	11%	11%
Satellite or fixed wireless	8%	10%	8%	8%
Through cellular service	5%	5%	6%	5%
Other	2%	1%	1%	1%
Dial-up	1%	0%	0%	0%
None/not sure	8%	9%	12%	9%

Source: AARP, "2021 Tech Trends and the 50-Plus," April 22, 2021

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