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Comcast Corp., the largest cable operator in the U.S., has quietly begun extending fiber optic cable all the way to customers' homes in certain parts of its service area, a significant shift that could help the company better compete with all-fiber providers like Verizon Communications Inc. and Google Inc. on Internet speeds.

For years, cable operators have run fiber optic cables, which have enormous bandwidth capacity, only to a central point in local areas, with lower-capacity coaxial cables wired to individual homes. That approach means cable subscribers have to effectively share bandwidth, putting cable operators at a disadvantage when competing with fully fiber TV and broadband providers like Verizon's FiOS that can offer more reliable, dedicated access. Fiber networks are also easier to upgrade for faster Internet speeds. The difference in technology reflects cable operators' older infrastructure, laid years before newer fiber entrants began offering service. For cable operators, laying new fiber optic lines to every subscribers' house would be extremely costly and could spook investors, who for years criticized cable companies for heavy capital spending as they upgraded their networks to offer new services.

Comcast's change of approach came to light after the company recently submitted a proposal to a neighborhood board to build out a fiber network for 530 homes in Sun Valley, Fla., where Comcast offers cable TV service. "We are excited for the possibility of providing Xfinity service, delivered via Fiber to the Home—right here in your community!" Comcast said in a letter, a copy of which has been seen by The Wall Street Journal.

A Comcast spokeswoman confirmed the company has begun laying fiber to homes in new residential areas adjacent to its existing cable systems, noting the costs of building a brand-new, all-fiber network today are "similar" to building a traditional hybrid fiber-coax network. The spokeswoman declined to give details on how many customers will receive all-fiber services. While Comcast isn't planning on replacing all its infrastructure, Sun Valley isn't the only place where its customers can get fiber to the home. When customers in select parts of Comcast's Northeast and Southern markets ask for the company's fastest Internet speed of 505 megabits-per-second, the cable operator lays a fiber line to the customer's home with capacity to offer the higher speed.

Comcast isn't alone among cable operators in moving to a fully fiber rollout, according to Michael Render, president of RVA Market Research LLC. He said that incumbent cable operators are increasingly wiring new areas with fully fiber networks and are even overbuilding their old networks with fiber in some test areas.

The cable industry's shift toward fiber-to-the-home comes a decade after Verizon began building its all-fiber FiOS network and two years after Google highlighted what fiber networks can offer when it began rolling out gigabit-per-second Internet speeds in Kansas City. While Google's fiber build-out was initially seen as an attempt to push incumbent providers to boost the speeds they offer residential customers, Google has since announced plans to enter new markets. Meanwhile, AT&T Inc. and private fiber operators working with city governments have committed to rolling out gigabit-per-second speeds in several cities.

For the most part, cable operators can't offer gigabit speeds over their existing systems. Cox Communications Inc.'s decision in May to roll out gigabit speeds to all its residential customers starting this year will require more fiber deployment. Other smaller cable companies have also announced gigabit fiber build-outs. Comcast has demonstrated gigabit-speed broadband over its network at industry trade shows although it has held back from actually rolling out such speeds to residential customers. But Comcast says it

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doesn't need to replace its existing network to offer gigabit speeds.

The company primarily plans to use a new cable-modem technology—known in the industry as "Gigasphere"—that could allow operators to achieve gigabit speeds and beyond using their existing cable infrastructure. Industry executives expect those upgrades to start next year, with wider deployment starting at the end of 2016.

However, two cable industry executives noted that operators will still need to make substantial investments in back-end infrastructure, in addition to deploying the new modems, to reach gigabit speeds. Even with coming improvements, "there are still advantages to fiber," Mr. Render says, because it has greater reliability and higher capacity to offer faster upload speeds, which customers are increasingly using to upload pictures or video to the Web. — ***Wall Street Journal***

The White House announced Thursday a \$10 billion plan to jumpstart economic development in rural areas in the U.S. The U.S. Rural Infrastructure Opportunities Fund is a privately-backed investment fund that will support new hospitals, schools, rural water and wastewater systems, energy projects and broadband expansion in rural regions.

CoBank, a Denver-based cooperative bank that serves agricultural businesses in all 50 states, provided the initial \$10 billion investment in the fund. Additional funds from institutional investors will be accepted, and the fund will be managed by Capital Peak Asset Management. "This fund represents a new approach to our support for job-creating projects across the country," Tom Vilsack, U.S. Department of Agriculture Secretary and Chair of the White House Rural Council, said. "USDA and other agencies invest in infrastructure through a variety of federal initiatives, but our resources are finite and there are backlogs of projects in many parts of the economy. We know where investment opportunities exist, so we are in a position to help promote these projects among investors."

Vilsack added that public-private partnerships like these will help grow the economy and improve quality of life for millions of American citizens. The private investments by CoBank and other investors may fund some projects entirely, according to the White House. Some projects, however, may be funded in part by government loans and grants. "The continued success of the U.S. rural economy and the improvement of rural communities depend on the strength of our infrastructure," Robert Engel, CEO of CoBank, said. "To remain competitive, we must develop innovative financing strategies that will ensure infrastructure investment keeps pace with the needs of agriculture and other key rural industries. We strongly believe this public-private partnership will facilitate the flow of capital to deserving projects and promote the health of rural America." — ***Fox News***

Quotable: "If you look at my record, it's been a great record for them. I would also dispute that I've abandoned them." - Gov. Corbett, speaking Tuesday on WPHT-AM, after talk-show host Dom Giordano asked him if he is losing support from conservative voters because he chose not to continue legal challenges to uphold the state's voter-ID law and its ban on gay marriage. — ***Philadelphia Daily News***

Amazon plans to move into the former Roomful Express building in Crafton (Allegheny Co.) and use the 550,000 building for sorting packages that will be loaded onto trucks there. Nina Lindsey, a company spokeswoman, said the new facility will create 100 jobs. — ***Pittsburgh Post-Gazette***



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