

PREMIA INSIGHTS

Capital Meets the Build

Forged Fiber 37, Gigapower and the next
test for fiber investment

SPECIAL REPORT / FIBER + TELECOM + OSP

Implications for owners, operators, investors and engineering partners

Capital is the opening move. Execution determines the outcome.

The proposed combination of Forged Fiber 37 and Gigapower puts a practical question in front of regional fiber owners and the firms that design and build their networks: how should a business prepare for a larger potential partner, customer or competitor?

THE PREMIA VIEW

Prepare for opportunity, but commit resources against evidence. Ownership headlines do not establish local build schedules, contractor awards or the cash economics of a network.

What the announcement changes

AT&T, Global Infrastructure Partners (GIP), part of BlackRock, and CPP Investments have agreed to form a wholesale fiber venture. The equity investment amount is undisclosed. The transaction remains pending. [1, 2]

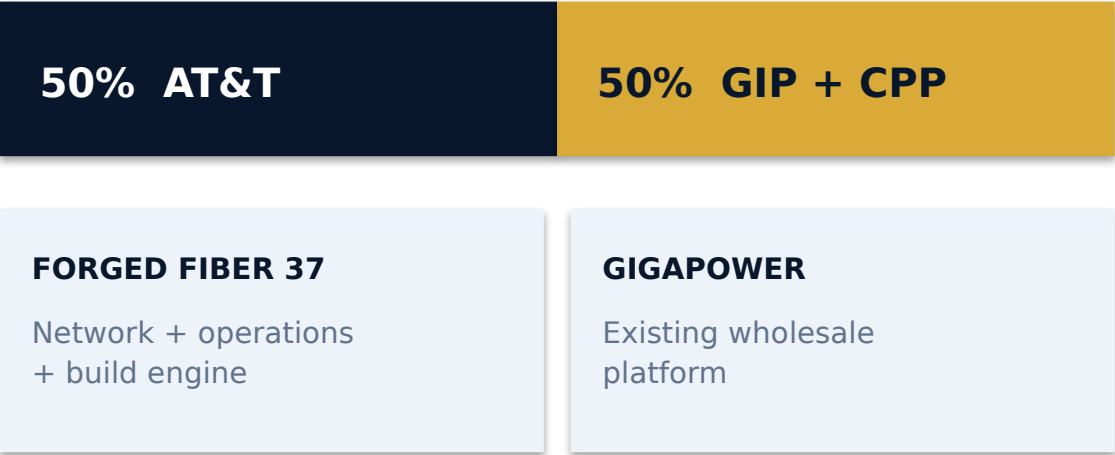
Three implications for business leaders

Audience	Premia analysis
Fiber owners	Assess local overlap and partnership economics. A national platform’s presence does not establish its competitiveness on every street.
Engineering and construction firms	Show that signed work can become accepted, billable output. Separate staffed capacity from a speculative sales pipeline.
Investors and acquirers	Underwrite cash requirements, customer concentration and delivery quality before attributing value to scale.

Research as of October 6, 2026. Company statements, management expectations and Premia analysis are identified separately.

Two platforms. One proposed wholesale venture.

PROPOSED OWNERSHIP AT CLOSING [1]



The venture would combine Forged Fiber 37’s network assets, operations and build capabilities with Gigapower. GIP and CPP Investments’ individual percentages are not disclosed. [1]

Diagram: announced ownership, not capital contributed or voting rights. [1] Interpretations and diligence questions: Premia analysis.

Known at announcement	Still to establish
Wholesale commercial open access model [1]	Commercial terms available to internet service providers, including pricing and service commitments.
AT&T expects closing proceeds [2]	Amount, detailed sources and uses, and how much new capital funds construction.
Expected close: first half of 2027 [1]	Approval timetable and satisfaction of customary closing conditions.

READ THE STRUCTURE CORRECTLY

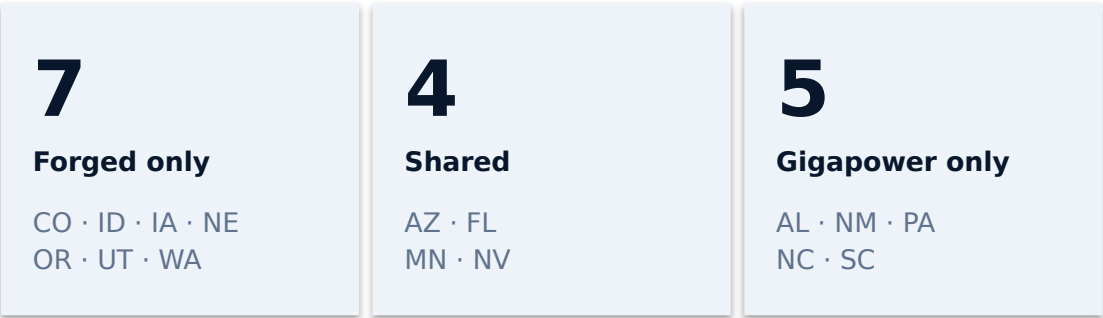
Equal economic ownership does not, by itself, establish equal board control, veto rights, future funding obligations or downside protection. Those terms matter to the risk allocation.

A new chapter in a longer fiber expansion strategy.

Date / status	Event and significance
May 11, 2023 Completed	AT&T and BlackRock announced Gigapower’s launch as a wholesale open access network business. [4]
February 2, 2026 Completed	Lumen closed its sale of consumer fiber operations in 11 states to AT&T for \$5.75 billion in cash. This historical purchase price is not the value of today’s proposed venture. [3]
October 6, 2026 Announced	Agreement for the new combination. Management intends faster fiber expansion; acceleration is an expectation, not a measured outcome. [1]

Lumen retained its enterprise and wholesale fiber customers, backbone infrastructure and copper consumer services. The earlier purchase did not transfer all of Lumen. [3]

UNIQUE STATES, NOT SERVICE LOCATIONS [1]



16 unique states | Forged: 11 | Gigapower: 9

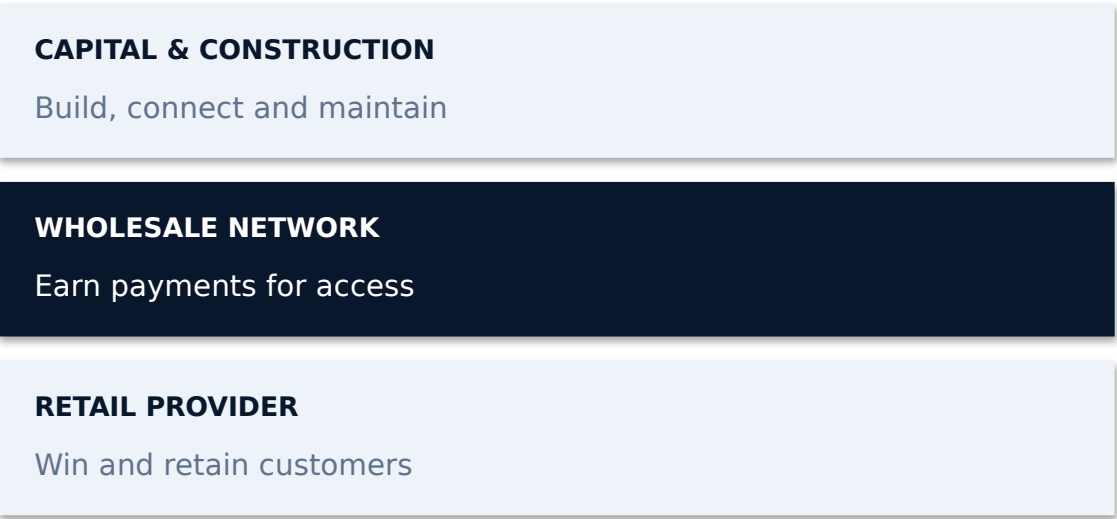
THE LOCAL TEST

State presence is a screening tool. Evaluate specific service addresses, construction plans, competing offers and local approval requirements before treating any market as won, lost or available for partnership.

Footprint: unique states calculated from the two company lists in [1]; overlap is at the state level, not proof of overlapping routes or duplicated construction. No market-share inference.

A network creates value when usage catches up with cost.

Premia analysis. Separate the owner of the physical network from the company selling the retail service. The wholesale business needs attractive payments for network use; the retail provider needs a profitable customer relationship after access charges, sales costs and support.



Entire page: Premia analytical framework. The flow is conceptual, not a disclosure of this venture’s contracts, cost allocation or economics.

Three tests for a durable business

Test	Evidence to request
Build discipline	Cost per serviceable location, changes to scope, connection costs and capital required before revenue begins.
Commercial conversion	Activations by build cohort, wholesale prices and minimum commitments, customer retention and payment terms.
Operating resilience	Repair performance, repeat visits, billing accuracy, outage responsibility and cash required to maintain the network.

A PRACTICAL UNDERWRITING RULE
Model construction cost, customer adoption and wholesale economics separately. Test slower adoption and delayed service readiness together; either can extend the period in which capital is tied up.

The opportunity is delivery. The risk is unearned backlog.

Premia analysis. Outside plant (OSP) covers the network infrastructure outside buildings and the work required to design, permit and construct it. A broader customer program could create opportunity for these businesses, but the announcement establishes no contractor awards or guaranteed work volumes.

PIPELINE Possible future work	SIGNED Contract + scope
RELEASED Funding + start order	ACCEPTED Billable delivery

Premia analysis. Supplier consolidation, rebidding and workforce changes are possible diligence topics; none is presented here as an announced action.

Workstream	What a credible supplier can demonstrate
Design and permitting	Accurate field data; permit cycle time by jurisdiction; buildable designs; control of revisions and utility conflicts.
Construction and acceptance	Crew availability; safety performance; first-pass acceptance; change-order discipline; complete as-built records.
Customer activation	Clear handoffs from construction to installation; reliable appointment capacity; low repeat-visit rates.
Cash and capacity	Contract-level margins; billing milestones; aging receivables; liquidity available during mobilization.

Build strategic choices before a transaction is necessary.

Premia analysis. A large infrastructure announcement can change the questions buyers and lenders ask of smaller companies. It does not establish a higher valuation for every regional operator or contractor. The strongest response is to make the business easier to evaluate and harder to replace.

Option	When it may fit	Evidence needed
Remain independent	The company can fund growth while preserving service quality.	Cash generation, local differentiation, management depth and realistic capital needs.
Commercial partnership	Network access or delivery capabilities are complementary.	Enforceable volume and pricing terms, service obligations and a workable exit path.
Minority investment	Owners need growth capital and want continued participation.	Governance, future funding duties, dilution protections and liquidity rights.
Sale or combination	Scale or capability gaps constrain the next stage of growth.	Customer retention, integration cost, contract transferability and proceeds after obligations.

Make the business easier to evaluate and harder to replace.

Make concentration visible

For engineering and managed network services firms, a larger customer can improve revenue visibility while increasing dependence. Show concentration by contracting entity and ultimate customer. A diversified list of purchase orders can still depend on one capital budget.

Prepare evidence before discussing price

Fiber owners should reconcile serviceable locations, connected customers, churn and remaining construction obligations. Contractors should reconcile signed backlog to releases, staffing, expected margin and cash conversion. Both should identify the people and customer relationships most at risk during integration.

VALUATION DISCIPLINE

No investment amount, enterprise value or valuation multiple is inferred for this proposed venture. Do not use the earlier Lumen purchase price as a transaction comparable without adjusting for scope, timing and structure.

OWNER ACTION

Create a customer-by-customer exposure review: signed work, expected releases, cancellation rights, payment history and staffing commitments. Add capacity when funded work and workable contract terms support it.

Watch the commitments that make the strategy executable.

Premia analysis. Use milestones to update decisions. Avoid staffing, acquisitions or market entry based only on the announcement. The following signals help distinguish commercial progress from an unchanged strategic intention.

Signal	What it would help resolve	Practical response
Closing and regulatory disclosures	Whether the proposed structure can take effect and on what conditions.	Refresh assumptions when the legal structure is confirmed.
Funding and governance terms	Who must supply capital, who controls decisions and who bears shortfalls.	Assess counterparty risk and reliance on future capital calls.
Market-level build releases	Where work is funded and when delivery capacity is needed.	Stage staffing and equipment around executable orders.
Procurement and technical standards	Contract continuity, qualification requirements and acceptance rules.	Confirm responsible buyers and update bids for the actual scope.
Activation and service performance	Whether construction becomes usable service and stable revenue.	Track customer outcomes alongside construction output.

Three questions before committing capital or capacity.

Three questions for the next leadership meeting

1. Which markets or customer programs could affect our business, and what evidence supports that exposure?
2. What commitments would justify new hiring, equipment, working capital or an acquisition?
3. Where could execution strain damage service quality, customer retention or cash collection?

PREMIA CONCLUSION

Be ready to participate, partner or compete. The businesses best positioned to respond will know their local economics, prove their delivery capacity and preserve the flexibility to act when commitments become concrete.

Protect delivery quality during any transition

If systems, standards or purchasing processes change, identify who approves designs, accepts work and authorizes payment. Retain experienced project managers and field supervisors. A lower bid can lose its apparent advantage when rework, delays or unresolved customer problems absorb the savings.

Evidence, limits and the next update.

This special report analyzes one announced transaction as of October 6, 2026, with a focus on practical implications for fiber owners, operators, investors and engineering firms. It is not a marketwide M&A survey or a valuation opinion.

How to read the report

Numbered references identify source facts. Forward-looking company statements remain expectations. Unnumbered commercial frameworks, questions and owner actions are Premia analysis. Diagrams show announced structure or explicitly labeled concepts; they do not model transaction returns.

Material unresolved information

Investment amount and valuation; detailed sources and uses; each institutional investor's interest; governance and capital-call provisions; market-level build commitments; wholesale contract economics; procurement plans; and final closing approvals. No conclusion about realized synergies, contractor awards or workforce reductions is supported by this review.

[1] AT&T | October 6, 2026

[AT&T, Global Infrastructure Partners, and CPP Investments to Form New Fiber Joint Venture](#)

Agreement, ownership, timing, operating model, state lists and stated expansion objective. Includes company FAQ. Alternative distribution: PR Newswire, October 6.

[2] Reuters / MarketScreener | October 6, 2026

[AT&T to form fiber joint venture with BlackRock's GIP, CPP Investments](#)

Independent confirmation of transaction terms and absence of a disclosed proceeds amount.

[3] Lumen | February 2, 2026

[Lumen Completes Sale of Consumer Fiber-to-the-Home Business to AT&T](#)

Historical closing, \$5.75 billion cash consideration and scope retained by Lumen.

[4] AT&T | May 11, 2023

[Gigapower Joint Venture from AT&T and BlackRock Launches](#)

Prior Gigapower formation and wholesale commercial open access model.