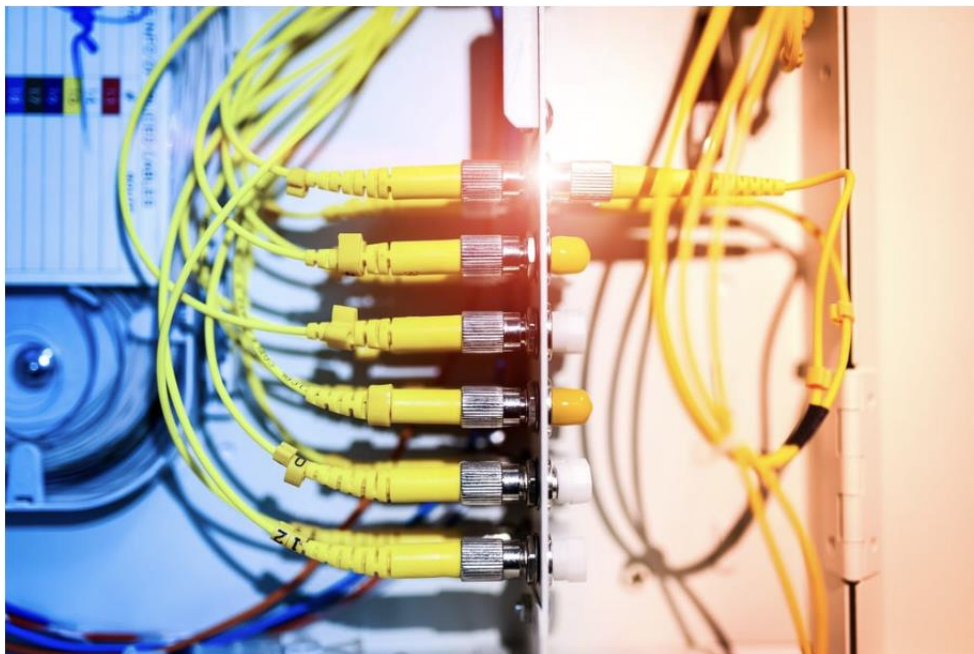


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Wave Broadband Boosts Business Services with Digital West

By Amy Maclean | January 26, 2021



M&A involving fiber providers continues at a steady clip, with the latest deal seeing **Wave Broadband**, a division of **Astound Broadband**, acquiring California Central Coast-focused **Digital West**.

The transaction is aimed at growing the business services side of Wave. Financials weren't released, but the acquisition, effective immediately, includes thousands of business customers in the region.

It's the first acquisition for an Astound property following **Stonepeak**'s announcement that it would acquire Astound (**RCN**, **Grande**, **Wave** and **enTouch**) for \$8.1 billion from **TPG** and **Patriot Media**. That deal is pending and awaiting regulatory approvals. All existing Digital West services, products, and customer support will continue without interruption. Digital West will operate within the Wave region as part of Wave Business Solutions.

“The Central Coast is home to a fast-growing and dynamic business community, one which we believe can benefit significantly from the combined services and capabilities our companies provide,” Astound Broadband CEO *Jim Holanda* said in a statement. “Our resources will enable Digital West’s talented local team to connect area business customers over our combined network to more locations in California and across the country, leveraging our technology and capital to broaden Digital West’s service offerings and accelerate their growth.”

Astound has worked to develop a business solutions team that spans the country coast to coast, with *Patrick Knorr* heading the division. The idea here is to take Digital West’s existing strong relationships in the enterprise space and integrate Wave Business Solutions features, such as DIA, WAN, cloud voice, UCaaS, optical waves up to 100GB, and dark fiber.

There’s been a flurry of deals involving fiber optic network service providers, including **Oak Hill** picking up **Otelco** and fiber operator **Segra** acquiring **North State**.

“Today’s announcement is further proof that the escalating network acquisition activity of 2020 continues in 2021. It’s also signals the sizable and unabated enterprise and commercial growth opportunity for fiber providers,” said *David Strauss* of **Broadband Success Partners**, a consultancy founded by marketing exec Strauss and *Jack Burton*, formerly a senior engineer at **Altice** and **Cablevision**.

Broadband Success wasn’t a part of this transaction, but it is increasingly being called upon by private equity firms and infrastructure funds that are interested in purchasing fiber properties, cable properties, etc.

“We’ve kind of found a niche here concentrating on the technical details of the system,” Burton explained. “Basically, a two-fold approach, what is the system really worth based on the assets they really have... and how ready is that for the future—what would it take to upgrade the system to be ready for the future.”

Among the deals Broadband Success has provided technical due diligence on is October’s acquisition of **Vast Broadband** by **GI Partners**, a US-based investor in data infrastructure businesses. “The last six to nine months we’ve really seen it accelerate. 2021 should be as strong if not stronger in terms of the demand for assessing these networks, and doing so methodically,” Strauss said.

The fiber frenzy bucks the traditional notion that only one cable operator can be profitable in a community.

“That has been so untrue lately. There have been overbuild situations on top of overbuild situations and more and more coming,” Burton said. “We’ve now seen multiple targets where a pure business fiber play is now suddenly being called upon to be a transport medium for residential.”