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# Meeting Demand in the Latin America Subsea Industry



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Meeting global communications demand requires a very complex, time-intensive process. Years of planning and deployment culminate in connecting continents by way of capital-intensive fiber-optic subsea cable networks. Demand for increased broadband on a global scale has been rising at considerable rates. According to Cisco Systems' Visual Networking Index (VNI) Forecast & Methodology 2010-2015 report: Internet video will account for over 50 percent of consumer Internet traffic. And, in 2013 alone, one million minutes of video content will cross the network with each passing second. This data is astounding!

### Looking At Latin America

The communications market in Latin America is recognized globally as one of the industry's highest growth potential. What is driving demand to/from Latin America?

The need for high performance telecoms applications and technologies throughout Latin America is more prevalent today due to several key dynamics including:

- New network technologies to support future demand for fixed sector and new wireless technologies such as 2G, 3G, 4G/LTE across the mobile sector.
- Terrestrial network providers are readying for seasonal and global events such as: Formula 1 racing, Pan-American Games, '13-'15 X-Games, 2014 World Cup, 2016 Olympics.

- Financial markets with high frequency traders and brokers looking to leverage ultra-low latency networks to support electronic high volume stock, options and algorithm trading across major exchanges in both the U.S. and Brazil.
- Emerging Video market for direct, high capacity bandwidth to support superior video user experiences and seasonal broadcast events.
- More enterprises looking to enabling corporate interactive video applications, such as TelePresence amongst headquarters and regional office or customer locations globally.

In addition, economically speaking, there is a tremendous amount of growth in South America. Brazil, as the sixth-largest economy in the world expanded 1.6% in 2012. Although this figure is smaller than its original estimate of 2.5%, Brazil still remains a strong global economic contender. Its growing middle class' disposable income has increased over the last several years, with over half (52%) of Brazilian families belonging to the middle class, spurring steady economic growth in the region. If trends such as countrywide and economic growth and reduced inequality are maintained, an estimated



57% of Brazil's population will be in the middle class by 2022.

As such, carriers and service providers have to prepare their infrastructure within Latin America to handle the widespread adoption and use of today's applications and technologies. But, can the existing subsea networks handle the forecasted International demand? The answer is YES! We know from TeleGeography data that there is already ample lit capacity going into Latin America with new technology further extending the life of existing subsea infrastructures whilst adding 10x or more headroom for future expansion. Most certainly certain geographic areas or islands could benefit from added International infrastructure, but any investment must pass the litmus test of positive return on capital.

### **Prepared for Demand**

GlobeNet, an international wholesale provider of transport services, has been building networks and creating partnerships into Brazil and throughout South America for many years. With thousands of route miles GlobeNet is able to securely connect Brazil with Venezuela, Colombia, Bermuda and the United States. Its over 22,500 kilometer fiber optic subsea network based on the latest Dense Wave Division Multiplexing (DWDM) technology was engineered for low latency and high capacity. The company is well positioned to expand

and continue its heritage of serving the Americas, with massive international broadband capacities across diverse routes, reliability with 99.99% service availability – all delivered at competitive prices. With vast amounts of design and lit capacity available, wholesale customers can scale quickly.

GlobeNet recently completed the replacement of its Segment 5 subsea cable system. The new cable system has a capacity of 30Tb/s providing more than 30 times the current capacity between Bermuda and the United States. In addition, GlobeNet started work on extending its subsea network to Colombia, thus creating an express route from its future landing on Colombia's Atlantic coast to Miami, Florida - USA.

The existing advanced network architecture, coupled with these latest network upgrades further serves the growing demand for bandwidth-intensive services from carriers, Internet Service Providers, Social Networks, CDNs, financial services, and end-users throughout Latin America and the United States. The tremendous increase of bandwidth capability further solidifies GlobeNet's position as a market leader with a superior network infrastructure.

GlobeNet is ready today to support the future growth in Latin America, and in particular Brazil, where there is already an increase in demand for networks to

address high performance applications and services, such as 4G/LTE, FFTH, IPTV including HD and 3D video programming, and support of major sporting events taking place in Brazil in the coming years.



Erick Contag is the Chief Operating Officer for GlobeNet. Mr. Contag brings more than twenty years of sales, marketing, business development, strategy and corporate management expertise to GlobeNet. His responsibilities include strategic management of the company's business operations and expansion into new regions. In 2011, Mr. Contag was awarded the Global Telecoms Business Power 100 Award, an honor bestowed upon the most powerful 100 executives in the telecom industry.