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#### **14 Telecom Companies Join Memorandum Of Understanding With TCCC**

Trans-Caribbean Cable Company (TCCC) is pleased to announce the initial formation of an undersea cable owner's consortium that is based upon the company's Virtual Consortium™ model. On June 17<sup>th</sup> TCCC signed a Memorandum Of Understanding (MOU) with 14 telecom companies that will participate in a joint feasibility study to create an extensive undersea cable network throughout the Caribbean known as the Trans-Caribbean Cable Network (TCCN). With participation in the MOU still open to additional parties until the end of July, TCCC believes that many more companies will want to join during the next few weeks.

TCCN is planned to be a self-healing undersea fiber network that will link the United States (Miami) with Antigua, Aruba, Barbados, Bonaire, Curacao, Dominica, Dominican Republic, Grand Cayman, Grenada, Guadeloupe, Guyana, Haiti, Jamaica, Martinique, Puerto Rico, Saba, St. Kitts, St. Lucia, St. Maarten/St. Martin, St. Vincent, Suriname, Tobago, Trinidad, and potentially other locations based upon the needs of the carriers that join in the TCCN project. The network will likely combine existing undersea fiber-optic cable segments (such as ARCOS, AMERICAS-II, ECFS, SAM-1, etc.) together with newly constructed cable segments were necessary. Based upon the desires of the consortium, a large capacity purchase on ARCOS or even the purchase of New World Network, the majority owner of ARCOS, could be a possibility. The strategic combination of existing and new cables will provide the least cost to the TCCN capacity subscribers while maximizing the value of existing cable assets.

"While the Caribbean is an attractive market for new telecom operators, there are still many locations where robust undersea fiber connectivity is difficult or impossible to obtain," said Brian Crawford, President of TCCC. "TCCC envisions that TCCN will be the Caribbean region's common, carrier-neutral platform that will provide the capacity needed to stimulate the growth of the Internet and other telecom services."

TCCC believes that the key to the successful creation and implementation of the TCCN project is the carrier-neutral development model that will fund the project. TCCC has named the model, the Virtual Consortium™ Model (VCM). In the evolution of undersea cable project development models, the VCM represents the most logical and natural evolutionary step since the introduction of the failed private model that was utilized by Global Crossing, 360 Networks, etc.

"Unfortunately, the capacity resell business model [the private cable model] just does not work because of many inherent flaws," states Mr. Crawford. "Historically, buying a new private cable is much worse than buying a new car. As soon as a private cable is driven off the lot, it has historically lost more than 75% of its value." Using a scenario to explain further, Mr. Crawford continued, "Let's assume that one or two companies decided to form a private cable venture connecting Jamaica to somewhere. The venture's investors may take some capacity for themselves, but they would inevitably try to sell the excess capacity in order to generate revenues for the venture's survival. But as soon as the venture's money is spent, the incumbent's rates will drop, forcing the [private cable] asset value down with no way to predict how low the rates may go. All around the world so far, the investors and/or creditors in every single private cable venture have only experienced various degrees of failure. By comparison, success does not depend on reselling capacity in the consortium model and the assets tend to retain their value much better."

The management team of TCCC has more than 50 years of combined expertise in submarine cable planning, construction, operations and maintenance. Members of the team helped to plan, build, and/or operate many private and consortium systems around the world, including: AC-1, Africa-1, Antillas-1, Americas-II, APCN, APCN2, ARCOS-1, Bahamas-II, BUS-1, China-US, CIOS/TEFKROS/CADMOS, Columbus-2, FLAG, HAW-5, Japan-US, MAYA-1, PACRIM EAST, PAN AM, QCC, SEA-ME-WE-2, SEA-ME-WE-3, Taino-Carib, TAT-10, TAT-11, TAT-12/13, TAT-14, TCS-1, TPC-5, Unisur, and others.

For more information, please visit [www.trans-caribbeancable.com](http://www.trans-caribbeancable.com).