International Submarine Cable Trends

RIPE 66 Dublin
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Overview

• Supply Growth and the Role of Technological Advances

• Transport Prices

• Review of New Cable Construction Activity
Cable Capacity Surging

Lit Capacity on Major Submarine Cable Routes, 1999-2012
Other Routes are Catching Up To the Atlantic

Incremental Lit Submarine Cable Capacity on Major Routes, 1997-2012

- Trans-Atlantic
- Trans-Pacific
- U.S.-Latin America
- Intra-Asia
- Europe-Asia via Egypt

1997-2002
2002-2007
2007-2012
Upgrades Addressing Most Demand Growth

Source of Lit Submarine Cable Capacity, 2008-2012
Is a supply shortage looming?

Share of Potential Capacity that is Lit, 2004-2012

- Trans-Atlantic
- Trans-Pacific
- U.S.-Latin America
- Intra-Asia


Percentage: 0%, 10%, 20%, 30%, 40%
Is a supply shortage looming?

Share of Potential Capacity that is Lit, 2004-2012
From 10 Gbps to 100 Gbps

Potential Capacity per Fiber Pair on Tata TGN-Atlantic

- 48 x 100 Gbps
- 72 x 40 Gbps
- 40 x 40 Gbps
- 64 x 10 Gbps
- 100 x 10 Gbps
Capacity is not Cheap Everywhere

Median Monthly 10 Gbps Lease Prices, Q4 2012

- London - New York
- Los Angeles - Tokyo
- Hong Kong - Singapore
- Miami - Sao Paulo
- London - Fujairah

Median Monthly Lease Price (USD)
Range of Prices Exist

Los Angeles-Tokyo 10 Gbps Price Range, Q4 2009-Q4 2012
More Cables, Lower Prices

London-Johannesburg STM-1 Lease Prices, Q4 2009-Q4 2012
Notes: Number of new cables is based on the year that the cable entered service. Cables entering service in 2013 and 2014 are based on announced contracts and TeleGeography estimates.
Where’s the New Cable Development?

- Africa
- Asia
- Europe-Asia
- Latin America & Caribbean
- Mediterranean
- Middle East
- Oceania
- Other
- Trans-Atlantic
- Trans-Pacific

Construction Costs (USD billions)

2011-12
Where’s the New Cable Development?
New Cables Later this Year

America Movil’s AMX-1
New Cables Later this Year

Southeast Asia Japan Cable (SJC)
Free Cable Maps!*

* For a few people that can correctly answer some trivia questions
What is the diameter of deep-sea cable most similar to?

A. Pint of Guinness

B. Garden watering hose

C. WWII-era Torpedo
How are cables loaded onto ships?

A. Mechanized Winch

B. Robotic Arm

C. Manually by a team of guys walking around in a circle
Which of these is not a major cause of cable faults?

A. Ships’ Anchors

B. Commercial Fishing

C. These 3 guys
Thank You

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