



History

Ranked sixth on this year's *Rochester Top 100* – a listing of privately held, Rochester-based companies based on three years of revenue growth – Fibertech Networks has quickly established itself as a leading provider of metro-area fiber optic network capacity in the Northeast. Founded in May 2000 by area telecommunications leaders John K. Purcell and Frank Chiaino, Fibertech began with a \$50 million equity investment from Nautic Partners of Providence, R.I., and Bank of America Capital Investors of Charlotte, N.C.

In building its business plan, Fibertech set out to capitalize on the demand for more fiber connections with the explosion of data traffic that marked the rapid technological and Internet growth of the mid-1990s. Since its launch, Fibertech has posted significant sales, operations and financial results, including building more than \$70 million in network assets, selling over \$195 million in total sales contracts, achieving a cash positive status in 2002 and 2003, and completion of the core network in its original 14 cities.

Fibertech's growth stems from a diversified customer base. More than 65% of 2003 sales were to enterprise customers, the company's business and educational accounts. The remaining 35% were sales to telecommunications carriers and wireless customers. In total, Fibertech serves six of the seven largest national long distance carriers and more than 60 enterprise customers.

A solid business growth and development strategy, combined with a core commitment to the community makes Fibertech one of the top firms in the region's technology sector.

Background

When Fibertech was founded, its core executive leadership team set off to take advantage of the significant growth in data traffic and the deployment of broadband technologies. It sought to capitalize on mid-sized cities where market demand was strong but available network facilities were limited. President and CEO John K. Purcell's more than 30 years of experience with Frontier Corporation, and Frank Chiaino's executive roles at Time Warner Cable for over 30 years, made them the ideal team to identify and establish a presence in these Tier II cities.

Fibertech's extensive metro networks are designed as "open-access," high-capacity, high-reliability networks to effectively meet the needs of a wide range of communications providers including wireless carriers, Internet Service Providers, Competitive Local Exchange Carriers, International Exchange Carriers and next-generation carriers.

Early in 2001, Fibertech began targeting financial institutions, healthcare facilities, government and academic institutions as potential customers. Fibertech provides these customers with the ability to directly link multiple locations with fiber optics to help them manage their own network infrastructure. This allows customers to harness the unlimited bandwidth, long-term cost efficiencies and unprecedented network control of fiber optics. Its focused approach enabled Fibertech to establish a solid niche in the telecommunications marketplace, creating a critical foundation for the

company. This strategic approach to develop an enterprise customer base allowed the company to avoid negative fallout from the telecom marketplace drop-off in 2001-2002.

Situation Analysis

Using a ring-based architecture with an average length of 100 miles per market, Fibertech has connected key corporate office parks, Telco central offices and other high data aggregation points throughout the central business district and suburban areas of cities in the Northeast and Midwest. Fibertech has completed building their core networks in its 14 original cities, including Syracuse, Rochester, Buffalo, Binghamton, and Albany, New York; Pittsburgh, Pennsylvania; Indianapolis, Indiana; Columbus, Ohio; Providence, Rhode Island; Hartford, Bridgeport and New Haven, Connecticut; and Worcester and Springfield, Massachusetts. The company announced in January 2004, it would build networks in two new markets – Wilmington, Delaware, and Stamford, Connecticut. Fibertech's clients include many *Fortune* 100 companies, major government agencies, healthcare institutions and prestigious academic institutions, highlighted by a contract with Yale University that Fibertech inked in 2003.

Fibertech's commitment to building communities extends into support of community events and area initiatives. Fibertech was the title sponsor of 2003's "Hoopla on the Hardwood," an event that brought defending national champion men's basketball team Syracuse Orangemen to play St. Bonaventure in downtown Rochester. The sold-out event brought thousands of area fans together to share in an exciting evening of basketball.

Conclusion

With businesses adapting to new technologies, Fibertech's commitment to helping firms meet networking and communications needs will play an increasingly important role in saving businesses time and money as fiber optic network interconnections are implemented across the U.S. Fibertech's dedicated team of more than 40 telecom professionals in their network company serves a diverse client roster. Another 35 employees work in the company's construction division. Fibertech's in-house engineering and network planning capabilities make the company a true business partner for clients. Solid sales and operational growth has made Fibertech a cornerstone of Rochester's high technology and telecommunications sector. Already one of the area's leading companies, Fibertech's future promises to be a bright one as the demand for bandwidth continues to grow.