



## Savvis strikes savvy deal with Telefonica connection

WASHINGTON BUSINESS JOURNAL - MARCH 19, 2004

BY [Roger Hughlett](#)

Savvis Communications struck a deal with a Florida telecom to break into eight Latin American countries.

Herndon-based Savvis plans to connect its communications network to a network run by Miami-based Telefonica USA, a subsidiary of Spanish parent Telefonica Data Corp.

The new markets include **Argentina, Brazil, Chile, Colombia, El Salvador, Guatemala, Mexico and Peru**. Savvis also gains access to Puerto Rico through the deal.

Financial terms of the deal were not disclosed, but industry analysts say some sort of revenue-sharing agreement is standard for these types of partnerships.

"Latin and South America are not the easiest markets to enter without partnerships like this," says Greg Thompson, a telecom analyst with New York-based Thompson Research, an investment research firm.

Jack Finlayson, president and chief operating officer of Savvis, says the deal is part of the company's ongoing expansion plans.

"Interconnecting with the Telefonica network enables Savvis to significantly expand delivery of managed [voice and data] services to and from the Latin American market," Finlayson says. This "will play an important role as we continue to diversify our revenue base."

Savvis ([www.savvis.com](http://www.savvis.com)), which bought the assets of Cable & Wireless for \$155 million in January, provides Internet connections and hosting services to commercial customers.

Telefonica's parent company is one of the biggest providers of communications services, including Internet connections in the Spanish- and Portuguese-speaking markets. The company has more than 94 million customers, 157,000 employees and sales of more than \$29 billion.

## >> Global Data Centers

SAVVIS



©2004 SAVVIS Communications. All rights reserved. All trademarks property of their respective owners.