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## FiberNet Telecom Group Q4 2007 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

(Operator Instructions) Your first question comes from the line of Colby Synesael from Merriman. Please proceed.

#### Colby Synesael – Merriman Curhan Ford & Co.

I have three questions so I'll just ask them all and then you can just go through them. One, I was curious if you guys are expecting any acceleration in your on net revenues in 2008 due to the colo build out so the correlation between those two business? Two, in November you guys completed a transcontinental network build out, wondering what the strategy there is? Should we expect more of them? I think that's a wave based service. Then my final question has to do with the customer count. It was up seven this quarter, that's typically a little bit higher than what we've seen I guess sort of over at least the last year, anything there? Is there a trend developing or am I just reading into that?

#### Jon A. DeLuca

I'll take your questions in reverse order. I think in the customer count issue I wouldn't subscribe too much to that. We continue to win new customers either expanding as we have in the past internationally or with an alternate channels program in to system integrators, agents, bars that we're working on. But, that too me, there shouldn't be a great difference in terms of historical trends to what we see prospectively but some kind of modest increase in customer count. Again, the large customers, particularly the international carriers that we do business with will continue to drive the growth of our business. As we sign up new colocation customers for our two facilities you also see some increase in customer count there as well. Your second question on our transcontinental network connecting our New York and Los Angeles metro markets, that project has gone exceedingly well. We have been able to both reduce our costs as we have rolled over individual underlying circuits that we are providing to our customer now on to our transcontinental backbone. Additionally, we've even been able to sell new services on to that. It still has significant capacity so we'll continue to see sales growth and operating margin expansion from that project. And, since you asked, we are evaluating opportunities to continue to explore expanding along those lines since that's gone so well.

#### Colby Synesael – Merriman Curhan Ford & Co.

You mean going into other markets?

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