



Matching Network Investment with Service Revenues

Cisco Capital® financing helps SEACOM harmonise technology evolution with careful financial stewardship

Customer Name: **SEACOM**

Industry: **Communications**

Location: **Africa**

Challenge

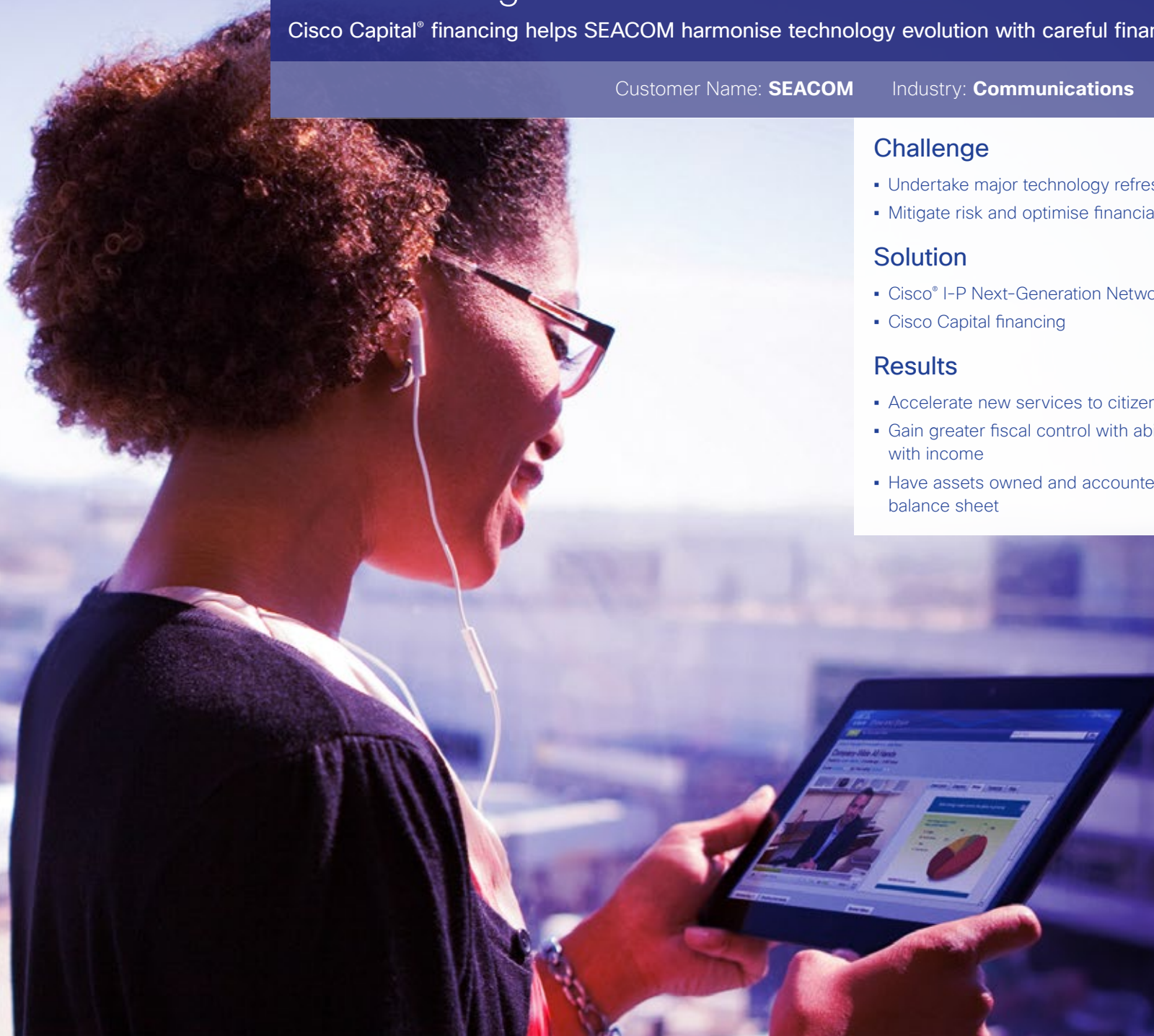
- Undertake major technology refresh
- Mitigate risk and optimise financial performance

Solution

- Cisco® I-P Next-Generation Network
- Cisco Capital financing

Results

- Accelerate new services to citizens and companies
- Gain greater fiscal control with ability to align costs with income
- Have assets owned and accounted for on balance sheet



“We can draw down funding in phases as the new infrastructure rolls out. That does two things: It enables us to effectively mitigate risk and makes it much easier to match costs with revenue.”

Chris Smyth, Chief Financial Officer, SEACOM

Challenge

SEACOM has been bringing the Internet to Africa since 2007. Further confirmation of that forward-looking vision came two years later when it launched the continent's first broadband submarine cable system. Speeds rose more than tenfold in places that had been crying out for more bandwidth.

Today, as a key global partner for mobile and fixed-line players, SEACOM forms a vital hub between Europe and Asia. It has evolved from a cable operator to one of the foremost and fastest growing service providers in Africa. And Cisco Capital financing has been there every step of the way. The latest collaboration involved a major technology refresh of SEACOM core, edge, and aggregation equipment.

“We needed to invest in a next-generation network platform, so we can get to market faster, reduce operating costs, add to our product portfolio and improve the end-user experience,” says Claes Segelberg, chief technical officer (CTO) at SEACOM.

Solution

Cisco delivered a complete solution consisting of the most advanced IP networking products underpinned by a three-year Cisco SMARTnet® Service support agreement—all acquired by SEACOM using a flexible loan. Underwritten by Cisco Capital financing, this compelling package meant SEACOM can spread the cost over 36 months with the option to extend the loan for another 24 months.

The deal checked off other important boxes, too. Chief financial officer (CFO), Chris Smyth, explains, “Aside from obvious advantages such as a low interest rate, the fact we could transact cross-border in local currency saved time and effort. And we were able to further offset costs by trading-in our old Cisco equipment.”



Results

Although the business has low debt and strong cash reserves, it made better commercial sense for SEACOM to engage Cisco Capital financing rather than incur large upfront expenditure.

“Financially we have far greater control over a significant network upgrade project,” Smyth adds. “We can draw down funding in phases as the new infrastructure rolls out. That does two things: It enables us to effectively mitigate risk and makes it much easier to match costs with revenue.”

Retaining clear ownership was another plus point. Smyth sums up: “Cisco Capital provided a balance sheet solution. So, the assets sit firmly with us. We own and account for them in the normal way.”

Finally, with its new Cisco IP Next-Generation Network, SEACOM can accelerate new services, offering greater inclusion and equal opportunities to citizens and companies throughout Africa.

Product List

Finance

- Cisco Capital term loan

Routing and Switching

- Cisco 3600 Series Multiservice Platforms with route reflectors
- Cisco Catalyst® 6800 Series Switches
- Terminal servers
- Cisco CRS-3 Carrier Routing System
- Cisco ASR 1000 Series Aggregation Services Routers

Services

- Cisco SMARTnet Service
- Cisco Focused Technical Support



For more information please visit:

www.ciscocapital.com/emea

