



Connect at Ice Speed

InterComms talks to Farice CEO, Gudmundur Gunnarsson, about North Atlantic fibre connectivity and the growing Data Centre industry in Iceland



Mr. Gudmundur Gunnarsson, CEO, FARICE

Mr. Gunnarsson has worked in the telecommunication industry for 36 years. Since 2003 he has been the CEO of FARICE, a submarine cable company operating two submarine cables from Iceland to the UK and Denmark. Before joining FARICE Mr. Gunnarsson held managing positions within the industry and also managed the telecommunication network of Iceland's largest power utility. For a few years he also worked as a consultant.

Q: With your networks of FARICE / DANICE, and Greenland Connect, who are your priorities as customers, and which geographic areas can you provide connection to with your network?

A: Farice is the main provider of international connectivity for Iceland, selling bandwidth wholesale to its customers. The customer are telecommunication companies, Internet providers, data centres etc., but Farice does not sell retail to the public. Farice has customers in Iceland, Denmark, The

Faroe Islands and Greenland, so geographically we can say the area is the North Atlantic region.

Q: There has been a perception in the marketplace about Iceland since the credit crunch, is this causing a problem for you in attracting new customers? How is the country fairing in attracting business?

A: The credit crunch or bank crunch of October 2008 has definitely delayed agreements with new customers, especially within the data centre industry. However, today we are seeing this business growing quite fast and getting back to the level planned before the crunch. We consider the data centre industry to be our main future, using the country's low priced, true green energy, all from renewable resources, hydro and geothermal.

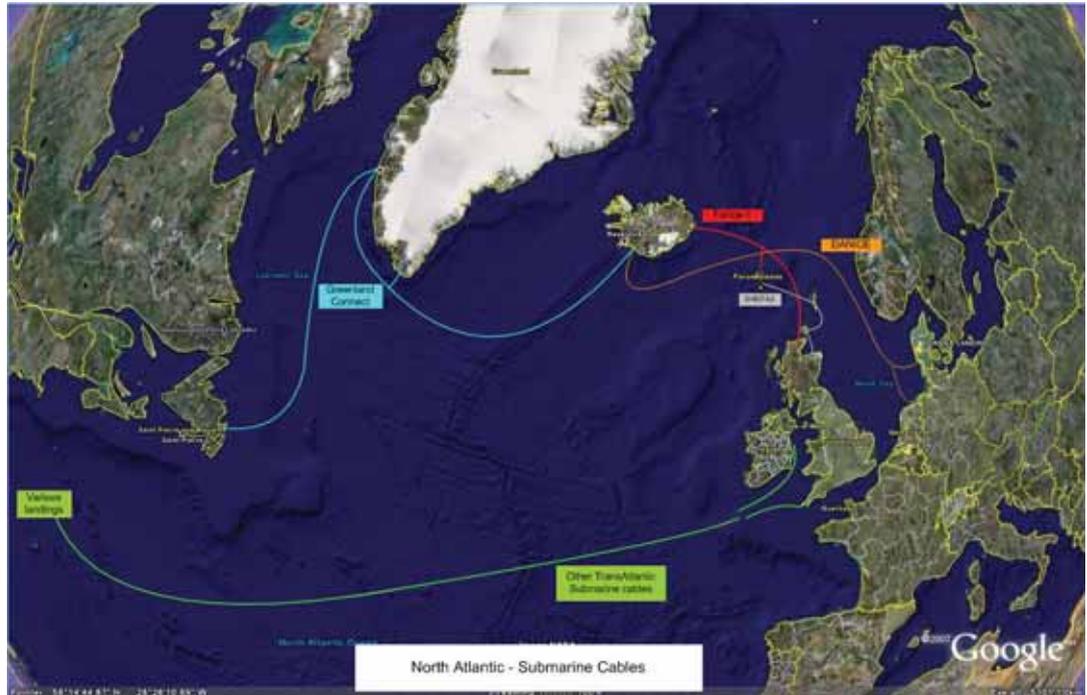
Q: What main areas of bandwidth are you handling? How much traffic capacity do you have on the network?

A: We handle all conventional SDH types of traffic, from STM-1 to STM-64. However, everything is now moving to the Ethernet and/or IP environment; interfaces for this type of service is what most of our customers want today, in most cases delivered on 1G-E or 10G-E interfaces.

| CUSTOMER GROUP | PERCENTAGE OF TOTAL DELIVERED BANDWIDTH |
|--|---|
| Icelandic telcos and ISPs | 41% |
| Foreign telcos | 15% |
| Educational and research organizations | 17% |
| Data Centres and foreign customers of data centres | 27% |

Q: How are you looking to expand the services over the next few years?

A: We are currently planning to implement an IP-transit node for Iceland, using state of the art carrier class routers. By this we



North Atlantic – Submarine Cables

▶ will be using our international bandwidth in a more economical way, with the interests of our customers in mind.

Q: What do you perceive to be the biggest growth areas for you and also for Iceland?

A: Being a country rich in true green renewable energy resources, hydro and geothermal, the data centre industry has for some time been considering Iceland as a good location for their operations. The favourable climate also helps, enabling data centres to make use of air cooling instead of the more

common water cooling used in warmer climates. Farice already has data centre customers who have moved to Iceland to decrease their operational costs. Farice, together with Icelandic power companies, are heavily focusing on this industry to grow in the coming years; this strategy is fully supported by Icelandic authorities.

For more information visit:
www.farice.is



Landeyjasandur, Iceland: Cable landing station for the DANICE and Greenland Connect Submarine cables