

Case Study: New England Fiber Consolidation

SOVERNET
COMMUNICATIONS

A SUBSIDIARY OF

ATN
international

ACQUIRED BY

FirstLight

A PORTFOLIO COMPANY OF

OAK HILL
CAPITAL PARTNERS

sell-side advisor
Q Advisors

Situation Overview

Sovernet Communications, a subsidiary of ATN International, operates a high-capacity 4,600 route mile fiber-optic network and data centers across Vermont (branded as Sovernet) and New York (branded as ION).

During ATN's tenure as owner, Sovernet nearly doubled its network footprint and significantly increased penetration into high-growth markets including fiber to the tower (FTTT), carrier backhaul, and mid-market & enterprise networking and data center solutions.

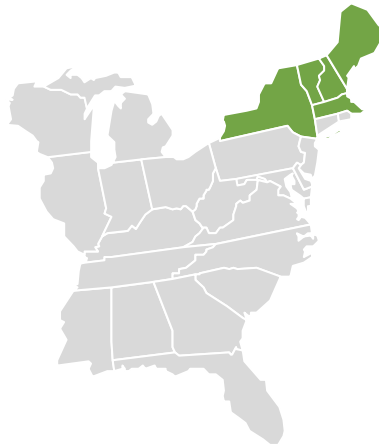
FirstLight, f/k/a Tech Valley Communications, along with private equity sponsor Riverside Partners had completed several regional fiber acquisitions, including segTEL. In 2016, FirstLight was recapitalized by Oak Hill Capital Partners with the strategic investment thesis of further consolidation in directly adjacent geographic markets.

In mid-2016, Sovernet was approached by several strategic buyers in the region and engaged Q Advisors to evaluate strategic alternatives.

Result

Q Advisors leveraged its deep industry knowledge and experience in the New England fiber and data center market to selectively approach potential buyers based on operational footprint, financial condition and growth strategy.

Upon completing a competitive sale process, FirstLight (and private equity sponsor Oak Hill) was selected as the winning bidder. The combination is a natural fit given complimentary network assets as well as significant operating leverage and cost synergies.



SOVERNET COMMUNICATIONS

ION COMMUNICATIONS

tech valley COMMUNICATIONS

SEGTEL

OXFORD NETWORKS

FINGER LAKES TECHNOLOGIES GROUP, INC.

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tech valley COMMUNICATIONS

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