

RCN unit to offer broadband service

10-mile fiber network in downtown Chicago targets big companies

By Wailin Wong

Tribune reporter

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A division of broadband telecommunications firm RCN Corp. is expected Monday to announce the launch of a Chicago network targeting large businesses and corporate customers.

RCN Metro Optical Networks said it built a 10-mile fiber network in downtown Chicago and is signing up customers that include financial-services firms, broadcasters and media companies.

RCN Metro didn't disclose how much it spent on the network, its first such foray in Chicago, or how much it plans to invest in the future.

Its parent, Herndon, Va.-based RCN Corp., has a 538-mile fiber network in Chicago and provides voice, cable television and broadband Internet access to residential consumers. RCN Metro specializes in telecommunications services for business clients, spanning basic Internet connectivity to network management for companies with bigger infrastructure.

Felipe Alvarez, president of RCN Metro, said the company has experience working with financial clients whose data transmission needs are "mission critical." The New York Stock Exchange is a client, and "we essentially carry every trade made in New York on our network," Alvarez said.

Most of RCN Metro's operations are in the Northeastern and mid-Atlantic regions of the U.S. But Chicago could be a jumping-off point for expansion in the Midwest.

"From a business-demand perspective, the amount of demand is huge, and, for us, it's a very green market," Alvarez said. "We've barely tapped the opportunity that is present here."

RCN Corp. expects to generate between \$730 million and \$740 million in revenue this year, with RCN Metro representing about 23 percent to 24 percent of that total. In the first quarter, the first time RCN Metro's financial performance was broken out, the division's revenue was \$41 million.

wawong@tribune.com

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