



ADVA Optical Networking Makes Strategic Investment in Saguna Networks

USD 1 Million Investment Underlines Growing Demand for Content Caching in Mobile Backhaul Networks

November 20, 2012

ADVA Optical Networking today announced that it has made a strategic investment in Saguna Networks and its Content Optimization Delivery Systems (CODS) technology. Saguna Networks' approach to optimizing content delivery in mobile backhaul infrastructures focuses upon transporting content directly from the mobile network base station straight to subscribers. This approach is unique within the mobile industry and enables operators to significantly improve resource utilization, enhance user Quality of Experience (QoE) and drive greater profitability by monetization of content.

"Mobile networks are evolving at a phenomenal pace, one that demands mobile providers keep pushing the boundaries of what's possible," said Brian Protiva, chief executive officer of ADVA Optical Networking. "Based on the strong working relationship we've developed with Saguna Networks, our USD 1 million investment clearly highlights our belief in its technology and in our shared vision for mobile networks. People want mobile content wherever they are and whenever they need it. To achieve this, cell site caching and mobile optimization are critical. This not only guarantees a greater user experience but also enables mobile operators to harness their existing infrastructures and drive profitability. That's why we're combining our technologies to build a totally unique solution."

Saguna Network's CODS works by loading the integrated cache servers in the cell site gateway or network interface device with popular content. Since this content is already on the radio access network, the system saves time, bandwidth and money by enabling mobile operators to disperse traffic efficiently and ensuring mobile users access the data from the base station cache servers instead of directing them to the main cache servers in the mobile core. This translates into better user QoE, saves operators from the need to expand capacity by reducing popular content delivery traffic and reduces costs by as much as 70%, while enabling monetization by managed content revenues.

"ADVA Optical Networking's investment in our company and our technology clearly indicates a shared vision for the development of mobile networks," commented Lior Fite, chief executive officer of Saguna Networks. "The fierce growth in mobile data demands new solutions, new ways of both addressing users' expectations and operators' needs to grow revenue. Our CODS technology brings cloud and over the top services directly into the mobile base station and this new partnership with ADVA Optical Networking creates a carrier-grade platform that delivers the right services exactly where they're needed - close to the mobile user."

With this investment, on a fully diluted basis, ADVA Optical Networking acquired a 10% stake in Saguna Networks, with the investment being accounted for by the equity method in ADVA Optical Networking's consolidated IFRS financial statements.

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