Industry News

Cogeco combines Cogeco Data Services and Peer 1 Hosting

Cogeco announced in a press release its *Cogeco Data Services* (CDS) and *Peer 1 Hosting* subsidiaries will be integrated to *Cogeco Enterprise Data Services*. Tony Ciciretto, President and CEO of CDS and Peer 1 Hosting, will remain the leader of the division.

Peer 1 was acquired in 2013 and managed under CDS. However, the addition of Peer 1 has not been without problems. Management stated last summer that it was paying close attention to spending within CDS & Peer 1, in order to avoid any redundancies.

Source: http://www.marketwired.com/press-release/cogeco-cable-inc-builds-on-its-position-as-leader-enterprise-data-services-sector-combining-tsx-cca-2016384.htm

Implications: CDS faced a few disappointing quarters that might have forced Cogeco to reorganised the company, in order to increase efficiencies, streamline internal processes and bring growth to its enterprise division.

MTS Allstream Q1 2015 results

MTS Allstream released its financial report for Q1 2015, the three months ending March 31. Results were slightly below analyst's expectations. MTS had modest results. Lower-than-expected EBITDA was due to Allstream ($20MM versus $28MM).

The company also revealed the conclusions of its strategic review, conducted during the past 4 months. Among other actions, Allstream is expected to reduce its workforce by 25% (over 500 employees; 100 have already left) and its Capex by 20% to 30% in order to be FCF

(Free Cash Flow) positive in 2015 and beyond.

Source: http://www.mtsallstream.com/investors/financial-reports/

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