

McKay Brothers Releases 2014 US Microwave Roadmap

First half 2014: Aurora-Secaucus in 8.12 milliseconds, Aurora-Carteret in 8.05 milliseconds; triple private line capacity IL-NJ; further enhanced reliability; more POPs; introducing long haul 1Mbps service

OAKLAND, Calif., Nov. 25, 2013 /PRNewswire/ -- McKay Brothers, LLC, a leading provider of specialty microwave telecom services, lowered its Illinois-New Jersey latency again this week as the company also released its 2014 plans. McKay's product roadmap includes a design to reduce latency substantially in the coming months. The company will also triple its private line capacity and further increase reliability on all IL-NJ routes. Finally, McKay is introducing a new single megabit bandwidth service, which is targeted to be faster – and remain faster - than any commercial competitor's service.

"Private bandwidth is a significant investment for any firm and a complex choice for any CTO," says McKay co-founder Bob Meade. "This roadmap provides clarity on our plans to drive latency toward the speed of light, to deploy substantial additional capacity and to broaden availability. We believe greater transparency helps bandwidth users and investors make better informed choices."

Lower latency from innovative equipment upgrades and path length reduction

McKay Brothers provided visibility on its plan to lower latency on the IL-NJ corridor during 2014. In 2Q 2014, McKay expects to reduce round trip latency to 8.12 ms on its Aurora-Secaucus path, and 8.05 ms on the Aurora-Carteret path.

"With equipment improvements from our microwave radio manufacturer, Aviat Networks, we reduced our Aurora-Secaucus latency last week to 8.206 from 8.240, and reduced our Aurora-Carteret latency to 8.147 from 8.181. The build plan through the second quarter of 2014 is firming up nicely," says Meade. "After that there's less visibility, but I expect we will deliver by year-end latency below 8.05 to Secaucus and below 8.00 to Carteret."

The foundation of the McKay 2014 plan rests on its signature IL-NJ route, which has near zero deviation from the geodesic perfect arc and is believed to be the straightest path on this corridor. McKay has continuously sought to improve this path in order to drive out the fractional indirection that separates it from the ideal. In 2014, McKay will narrow indirection to 0.39% from 0.66% from Aurora to Secaucus and to 0.20% from 0.59% from Aurora to Carteret.

"Top tier microwave networks require a substantial long term commitment of capital, time and talent," says McKay co-founder Stephane Tyc. "The amount of ongoing investment required to overcome an inferior route can be daunting. We executed early to get the very best route and we are committed to reinvesting in the most innovative technology to remain an industry leader. Our customers have found using McKay for telecom services allows them to focus on their core competencies of trading and risk management rather than devoting scarce resources to telecom builds."

Improved reliability

In September, McKay deployed its first microwave repeater with space diversity: Aviat Networks' (NASDAQ: AVNW) Eclipse AIR low-latency repeater solution. Aviat Networks' new solution removes the prohibitive latency penalty previously associated with space diversity links. In 2014, McKay will deploy space diversity to the majority of its microwave links and will deploy hot standby on almost all its microwave links.

"Specialty microwave providers, ourselves included, grappled with summertime reliability and network uptime in 2013," says Meade, "But in 2014, we will have space diversity and hot standby on almost all links so if that path fades or equipment fails we automatically switch to another. Clearly, this will help a lot."

Tripling private line capacity

Since inception McKay has devoted one microwave channel of bandwidth for private line service between Illinois and New Jersey. In 2014, the company will open two additional channels on the same path.

Tyc comments, "Tripling our private bandwidth capacity allows us great flexibility in responding to client demand. McKay will soon have the ability to provide a broader range of service options to our private bandwidth customers and to Quincy Data, our market data partner."

Larger POP footprint

McKay's initial IL-NJ circuit was built for maximum speed, relatively narrow bandwidth and only three points of presence. The company has since doubled its POP footprint to cover Aurora (DC3) in Illinois; and Secaucus (Equinix NY2 and NY4), Newark (165 Halsey), Carteret and Weehawken (Savvis NJ2) in NJ. The result is a microwave network that remains in a class by itself, both in terms of speed as well as breadth. McKay opened its newest POP at NY2 just last month. Within weeks, the company will add a POP in Piscataway, NJ, a new POP at Cermak in Chicago to serve long haul clients, and in 1H 2014, Mahwah, NJ.

"The net result of our investment is that the McKay Brothers' network will be even faster, broader, more reliable and more accessible," says Bob Meade. "We feel good about network performance today. In 2014 we aim to prove that McKay's competitive edge is fundamental, sustainable and scalable."

New single megabit product

McKay's newest offer is for private bi-directional bandwidth service between Aurora and each McKay New Jersey colo, in allocations of 1 Mbps. This service is targeted to improve along with any competitor's commercially available product. For example, it will have an initial latency below 8.43 ms to Secaucus and offer opportunity for improvement during the term.

"We understand that clients' bandwidth and latency needs vary," says McKay's Head of Business Development, Jim Considine. "We are introducing single megabit slices to respond to the market's demand for smaller allotments of extremely low latency private bandwidth. We are offering subscribers a three month contract and a termination right if we do not match or surpass any commercial competitor's latency during the term. We believe this is a game changer for any latency sensitive firm looking to enter the upper echelon of the private wireless bandwidth market."

"Risk takers and risk managers need to have the best trading tools," says Tyc. "We hope that releasing our 2014 US product roadmap will help them and their CTOs to make better informed technology and capital allocation decisions." Recalling their separate careers in algorithmic trading, Tyc in Europe and Meade in the US, the two co-founders assert, "McKay's offering is the service that we would have liked to buy."

All latency figures are round trip time measured rack to rack.

About McKay Brothers, LLC

McKay Brothers is an independent specialty microwave telecommunications company dedicated to designing, engineering, building and operating best-in-class low latency networks between financial centers. McKay's long haul microwave solutions have been in production with live customer trading since mid-2012, offering latencies far below best-in-class fiber and frequently at the lowest known latency available. For more information, visit www.mckay-brothers.com.

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