

**PROGRESSIVE LIBERAL PARTY
TOWN MEETING**

**"Why is the FNM Proposing to Sell Fifty One
Percent of BTC to Cable & Wireless?"**

**Bradley B. E. Roberts
Chairman of the
Progressive Liberal Party**

**The BCPOU Hall
Farrington Road
Nassau, Bahamas**

**November 10th 2010
7:30 PM**

Introduction

Rt. Hon Perry Christie Party Leader
Hon Philip Brave Davis Deputy Party Leader
Members of Parliament & Senators
Stalwart Councilors
Distinguish Ladies and Gentlemen
Those listening via radio and TV 14, a pleasant good evening

Firstly, I wish to thank everyone for coming, in particular the employees of BTC who and their families have a vital interest in the company, PLP supporters and members of the general public.

My topic this evening is "Why is the FNM Government proposing to sell fifty one percent of BTC to Cable & Wireless?"

Stanley Burnside's cartoon "Sideburns" in this morning's Nassau Guardian depicts (in my opinion) the feelings of the majority of Bahamians about the proposed fire sale of BTC to foreigners.

My well-placed sources have informed me that the FNM Government has agreed to sell fifty one percent of BTC's shareholding to Cable and Wireless for the meager sum of two hundred and twenty million dollars. I am further advised that Cable and Wireless requires that BTC's staff be reduced by thirty percent. Which means some three hundred and thirty three (333) Bahamians will lose their jobs if this deal is consummated.

Ladies and Gentlemen you will recall that the PLP Government had approved the sale of forty-nine percent of BTC to Blue Water and the agreement did not call for any reduction in staff. None whatsoever!

ZNS employees would painfully recall that some eighty of them were disgracefully fired on the pretext that the Government could no longer afford to keep them employed. Contrast this ladies and gentlemen to what the Government proposes to do with the sale of BTC (A profitable Government entity) where it is being proposed that some three hundred and seventy workers are to be sent home. This is the sad, sad reality of what will happen if BTC is sold to C&W. And to think that Bahamians some three and a half years ago bought the propaganda that Hubert Ingraham was a tried and proven leader and was simply the best. Thanks to Mr. Ingraham and the FNM record numbers of Bahamians have lost and continue to loose Jobs.

My Brothers and Sisters, I must tell you up front that if fifty one percent of the shares (51%) are not being sold for a minimum of three hundred and twenty five million dollars (\$325 Million) that it will be a very bad deal for the Bahamian people and massive giveaway.

Any sale must also include that Bahamians must always be involved in a significant way in the Executive Management of BTC and that long standing jobs are not exported or outsourced to Jamaica or elsewhere.

And that the terms and conditions have to be clearly defined to ensure that there is guaranteed Annual Capital Expenditure (CAPEX) that will keep BTC on the cutting edge of technology throughout the entire Bahamas.

Also shares must be made available at the same time as the sale to a foreign stake holder, on the same terms and conditions, with preference being given to BTC's present and past employees, low and middle income Bahamians and Bahamian Pension funds.

I have my serious doubts that Cable & Wireless can fulfill and maintain these mandates as the company's track record to date, which has been described by a number of authors as a floundering an erratic organization which I will provide details later on in this presentation.

As mentioned earlier Ladies and Gentlemen, Hubert Ingraham and the FNM propose to sell controlling interest of BTC to Cable & Wireless who has recently changed its name to a fruit call LIME (Line Internet Mobile Entertainment). C&W record will show that they have not changed its game.

Ladies and Gentlemen, I ask for your indulgence as I set a backdrop and reflect a little.

Prime Minister Ingraham recently told BTC Unions' officials that C&W or Cable & Wireless better know in the Caribbean as "Careless & Wuthless" has changed and he did not provide and proof that they did. But have they really changed? Can a leopard change its spots Mr. Prime Minister?

Certainly our Prime Minster has changed. He is like a feather in the wind. Here is a man who claims he says what he means and means what he says, who said during his second term in office that he would never sell BaTelCo to Cable & Wireless, but in his third term Hubert Ingraham and the FNM are willing not to sell forty nine percent (49%) of the shares to the same company he promised not to sell to, OH NO! but they have upped the ante to fifty one percent (51%) of the shares.

BTC's Background

When the PLP under the Leadership of Perry Gladstone Christie won the Government in 2002, I was appointed Minister of Works with responsibilities including BaTelCo.

I inherited a Corporation from Hubert Ingraham and the FNM that was almost broke. BaTelCo had \$4.47 Million in the bank according to the Audited Financial Report as of 31st December 2001.

When Hubert Ingraham and the FNM returned to governance in 2007, BTC had \$130 Million dollars in cash in the Bank. That is an increase of \$126 Million or more than 2,808%. The 2007 Audited Financial Statements reported Cash in the Bank at \$135.35 Million.

When Leon Williams was unjustly given the booth as President and CEO, he reported that day to the Board of Directors that BTC had \$170 Million in the bank. BTC's Financials as of December 31st 2009, two years later, indicates that there is only \$61 Million left of the \$170 Million.

Where has all of BTC's money gone?

Ladies and gentlemen you will recall there were no major hurricanes that hit The Bahamas to blow it away.

Using the phrase of a present Cabinet Minister, things indeed look very "Smudgy" to me.

In addition to its License fees, it's Franchise Fees of \$4 Million per year, Hubert Ingraham and the FNM I am advised took more than \$120 Million from BTC in dividends to prop up the government's badly sagging revenue.

When I was Minister and BTC declared a Dividend of \$25 Million, Hubert Ingraham as Leader of the Opposition FNM said he "would never do that." This but a sample of shooting of

posturing.

COST OF PRIVATIZATION

Ladies and Gentlemen during the Second Term in office, the FNM spent over \$150 Million in its failed attempt to privatized BTC and additional sums were spent by the PLP to complete that failed exercise.

Last year (2009) Hubert Ingraham and Company spent \$14.9 Million on Privatization. The year before (2008) they spent \$4.9 Million. Expenditures for 2010 are unknown but are likely to be another ten million dollars.

After spending almost thirty million in three years, the FNM were only able to get four companies to bid in August 2009 who were dismissed shortly thereafter.

It is difficult to know who bided and who was Short Listed because this "Government in the Sunshine," this "Its A Matter of Trust Government" has said nothing. It is MUM. My sources told me that the four bids were so embarrassing low, Hubert Ingraham was so mortified and shamed that he refused to let the Bahamian people know that after spending some \$30 million, the offers received were chicken feed.

Ladies and Gentlemen, the truth of the matter is the total sum spent on attempting to privatize BTC is more than 60% of the value of BTC. Imagine that you have an item that you wish to sell that has a value of \$1000 and it ends up costing you \$600 to dispose of that item as a result you ended up with \$400.

Ladies and Gentlemen, the FNM process of the privatization of BTC is a classic example of monumental mismanagement of a valuable national Bahamian asset. The bottom line is Hubert Ingraham and the FNM have badly failed the Bahamian people.

It is reported that bids were received from:

- Vodaphone
- Triology
- ATN & CFAL

- **DIGICEL**

It was reported that Cable & Wireless did not submit a bid in August 2009 but Prime Minister Hubert Ingraham has recently told the Unions they are the only People at the table.

**The logical question is "How did they get at the table?"
"Who opened the back door for them to enter?"**

Will any of the official bidders challenge this process?

Was the bidding scuttled for the benefit of Cable & Wireless?

Are they up to their same old Game?

Ladies and Gentlemen I remind you that in 2003 Cable and Wireless put in a noncompliant bid for 49% of the shares of BTC. When negotiations failed with the other Bidders i.e BahamaTel and BlueTel, Cable & Wireless attempted to return for a second chance but was denied because they failed to comply with the rules.

I am satisfied that Cable & Wireless played their old game, but this time Hubert and the FNM opened the door wide open and allowed them in and gave them the red carpet treatment.

As I said before, to quote a current Minister, things indeed look rather "Smudgy."

Ladies and Gentlemen, we must also add the cost of \$1.9 Million that was paid to Bluewaters who were approved by the Christie Government in order to get them to walk away. And God knows what the size of the legal bill was for the English Attorneys in the arbitration proceedings.

I will stick a pin there for now.

BTC's RECORD Of PERFORMACE

When I became Minister with responsibility for BTC, BTC's Revenues were \$226.4 Million according to the Financial Report ending December 31st 2001.

- **When Hubert Ingraham and the FNM inherited BTC in 2007, the Financial Statements for that year indicates BTC' Revenues were \$356.9 Million an increased of \$130.5 Million or an increase of 58%. These increased Revenues were achieved notwithstanding:**
- **International Long Distance Rates were reduced 70%.**
- **Domestic Long Distance (Inter Islands) Rates were reduced 55%.**
- **BTC for the first time in its history paid interest to its customers on their Security Deposits.**

Further, when Hubert Ingraham and the FNM left office in 2002 they left BaTelCo with:

- **A congested TDMA Cellular network; with Capacity for 120,000 cellular subscribers in place; with only 57 Cell Sites to cover the Bahamas; with many islands not having cellular service which severely hampered the Corporation to generate revenues and to meet the consumer's demands.**
- **A dilapidated, manufactured discontinued, capacity exhausted Microwave Radio System linking the Family Islands to Nassau.**
- **Dilapidated Cellular Towers**
- **Dilapidated Billing Systems**

On the advice of the FNM Advisors on Privatization; the uncaring Hubert Ingraham and his FNM Colleagues did not allow BaTelCo to upgrade its infrastructure and capitalize the Corporation to take BTC into the 21st Century. When Hubert Ingraham return to office in 2007, he met BTC with:

- **GSM Cellular Technology with a capacity of 500,000 Subscribers and more than 293,000 connected; Cellular covering every island and almost every Settlement in The Bahamas; more than 240 Cell-Sites operating and over 140 Roaming Agreements**

- **CDMA Cellular Technology with EVDO with Roaming Agreements for Verizon and Sprint**
- **Blackberry with GPRS and EDGE.**
- **Cyberworld Stores in Nassau, Grand Bahama, Abaco, Exuma, Andros, Berry Islands to name a few Islands**
- **High Speed DSL Internet with over 17,000 customers and available on most Family Islands.**
- **The very popular VIBE VoIP telephony**
- **A \$60 Million Submarine Fiber Optic Cable connecting New Providence to Andros, Eleuthera, Exuma, Ragged Island, Inagua, San Salvador, Rum Cay, Crooked Island, Cat Island, Abaco, Grand Bahama.**
- **A \$6 Million Submarine Fiber Optic Cable connecting Bimini to Grand Bahama.**
- **A Submarine Fiber Optic Cable connecting The Bahamas to The Republic of Haiti.**

All these were provided by a caring PLP Government who wanted to reduce the Digital Divide in our Country and to ensure that every Bahamian had access to modern, cutting edge Telecommunications Technology.

The PLP allowed BTC to spend over \$353 Million on Infrastructure to give our people the latest in technology and we did not discriminate between Nassau and Rum Cay e.g.

When last have you hear the phrase "BTC done done it again?" The truth of the matter is very little has been happening at BTC since the PLP was voted out of office in May 2007. The Company has just been coasting and marking time just like it did for years prior to May 2002.

PRIVATIZATION

Ladies and Gentlemen, the privatization process of BaTelCo was initiated by Hubert Ingraham and the FNM in 1998

In June 1999 they completed the downsizing of BaTelCo from approximately 2,500 employees to 1,111 employees. It was completed in two rounds. In the final round in 1999 more than 800 persons were given a Package.

During 1999, the then President of the BCPOU Mr. D. Shane Gibson offered Hubert Ingraham to buy BaTelCo. The Prime Minister's response was if I sell BaTelCo to Bahamians, It will run down in 30 days or less.

Ladies and Gentlemen the truth of the matter is that Bahamians have been successfully managing BaTelCo since 1968 over 42 years ago and the outgoing Prime Minister Hubert Ingraham simply has no confidence in Bahamian management. It aint long know my brothers and sisters before the Bahamian people will in my opinion demonstrate that they have no confidence in Hubert Ingraham and the FNM.

When the PLP came to office in May 2002, we did not stop, review or cancel what was going on but in the spirit of good governance we continued the work of Privatization.

Within four (4) months of being in office, September 4 2002, the Perry Christie's Government had pass legislation to create The Bahamas Telecommunications Company Ltd. trading as BTC and had reviewed the Telecommunications Sector Policy.

The Perry Christie led PLP Government had vested the Assets of BaTelCo that it wanted to sell 49% of into BTC.

The PLP had removed the impediment that restricted Bahamians from participating in the privatization process.

By November 2002 a Road Show had been conducted and eight (8) potential Bidders had responded.

Within eighteen months of taking office, The PLP Government had:

Created The Bahamas Telecommunications Company (BTC)

Vested the Assets of BaTelCo into BTC

Reviewed the Telecommunications Sector Policy

Completed a Road Show for BTC

Entertained visits from eight potential Bidders for BTC

Short Listed the Bidders

Negotiated with a potential Strategic Partner (BahamaTel)

Negotiated with a second potential Strategic Partner (BlueTel)

And as a result of the failed negotiations, the Christie led Government decided to terminate the process because it considered selling BTC for \$130 Million a "Fire Sale."

This was all done in an open and transparent manner. All documentation was posted on the Ministry of Finance Web Site. I have noted that one can no longer access the Documents thanks to the uncaring FNM Government.

The PLP government in order to have the widest possible consultative process asked the Management of BTC in cooperation with the two Unions to present "A Way Forward." Meetings were held jointly by Management and the Unions and with every employee in order to produce the Document. In response to the Document "The Way Forward" a firm was hired to reengineer.

The PLP Government entered into negotiations with Bluewaters who was selected as having the best bid and when it left office, the price offering agreed at \$260 Million for 49% of the Shares compared to \$130 Million when it terminated the FNM privatization process. Ladies and Gentlemen, you will recall during the 2007 General Elections Hubert Ingraham pulled off his hat of dirty trick and told the Bahamian Public that Bradley Roberts and Frankly Wilson and associates were buying BTC. It was a nasty sick lie and I said so at the time.

The Present

Ladies and Gentlemen I now turn your attention to the Present.

Hubert Ingraham on winning the elections in 2007 said that BTC would be sold by the end of the year. Later the date was changed to the end of the Government's Fiscal Year 2008 (June 2008).

Hubert Ingraham and the FNM set a deadline for the official closing of the bids for BTC on 28 August 2009. So here we are; some fifteen months later and a giveaway of a National Asset is about to take place and not to Bahamians.

LIME aka Cable & Wireless

Ladies and Gentlemen let us now take a look at LIME (C&W)

Cable & Wireless has been in the Caribbean more than 120 year and is established in 13 Caribbean Markets. Namely: Anguilla; Antigua & Barbuda; Barbados; British Virgin Islands; Cayman Islands; Dominica; Grenada; Jamaica; Montserrat; St Kitts & Nevis; St Lucia; St Vincent and the Grenadines; Turks & Caicos.

Friday October 31st 2008, Cable & Wireless Caribbean rebranded itself and changed its name to LIME (Line Internet Mobile Entertainment) as mentioned. According to an article written by Arthur Hall Senior Editor for the Jamaican Gleaner subject: "New name, new frame - C&W now LIME, Ready to fight for market" he states "In fact, the company whose history as a monopoly - broken just seven years ago - has left it's image in tatters."

In the same article, Richard Dodd, Chief Executive Officer of LIME speaking to the Lime culture stated "The culture at LIME has been a holdover of the company's monopolistic past, and has in the age of competition proved to be a business killer for the telecoms, whose dominance of the market has become part of it history. LIME's focus on customer service, the rebranding, and the rebuilding of its regional telecommunications platforms, are meant to woo customers back."

"I think it's no secret that our business in Jamaica has been challenged, especially in the last two or three years, but I am delighted to say that the restoration and strengthening of our Jamaica business is progressing extremely well," said Dodd

Ladies and Gentlemen, on Friday 26th March 2010 Cable & Wireless became two companies. It De-Merged. On that day According to the BBC News Jim Marsh, CWW's Boss told the BBC Today Program "Four years ago, many of the analysts valued Cable & Wireless at Zero. Our Focus has been at turning around the Company."

In order to improve EBITDA (Earnings Before Interest Taxation Depreciation and Amortization) according to an article written Friday November 14, 2008 by Lavern Clarke Business Editor of the Jamaica Gleaner, eight percent of the workforce was cut resulting in the lost of 99 jobs in Jamaica. In the same Article Phil Green the CEO of Cable & Wireless Jamaica stated "Most of our EBITDA will come from gross margin growth and cost reduction and not necessarily from revenue," It suggests that the Markets are saturated and the only growth LIME sees is to cut cost.

Lavern Clarke also said "The Cable & Wireless brand has become something of an albatross, symptomatic of arrogance, lack of responsiveness to customers' needs and poor service - all holdovers from its monopolistic era."

In an article published Sunday 22, March 2009 written by Gleaner Business Reporter Mark Titus he says "LIME's promotional energy has appeared to lack the dynamism, frequency and pervasiveness of it's mobile-phone Competitors, Digicel, and new comer, Claro, even as all three continue to spend serious money to woo and keep customers."

According to the 2009/2010 Cable & Wireless Annual Report:

The Caribbean is the largest contributor (37%) of Cable & Wireless international Revenues

The entire Caribbean Operations of 13 Countries generated Revenues of US\$873 Million which was US\$102 Million less than the 2008 earnings. BTC in 2009 generated \$360.8 or 41% of the Total Revenue for the 13 Caribbean Countries.

Ladies and Gentlemen please note the population of The Bahamas is 350,000 compared 3,833,822 for Cable & Wireless 13 markets in the Caribbean. The Bahamas population is less than 10% of the 13 markets in the Caribbean

Cable & Wireless EBITDA dropped from US\$337 Million in 2008 to US\$270 Million in 2009. BTC's EBITDA in 2009 was \$103 Million or 38% of C&W Caribbean.

Cable & Wireless in 2009 invested in Capital Works a total of US\$114 Million for 13 Countries. BTC in 2009 invested \$51.7 Million or 45% of C&W investments.

Cable & Wireless has been bleeding profits in Jamaica at the rate of J\$3 Billion per year. In 2009 it racked up losses of J\$3.4 Billion according to the Gleaner publication of 29th October 2010.

Ladies and Gentlemen I received a few days ago Cable & Wireless first half Financials for 2010/2011 which shows further decline in all the Key Financial Indicators. If time permits I will present these results.

What does the BTC employees have to look forward to?

Ladies and Gentlemen According to TeleGeography CommsUpdate Friday 13 August 2010 "Jamaica will be cemented as hub of LIME's regional operations and 25% of the investment capital will be directed into the island, which is LIME's most lucrative market. Jamaica will become the centre of the pan-Caribbean operation and home to LIME's Shared Service Centre. The centre will handle finance, procurement and human-resource operations for all 13 markets." Which means:

- **Marketing, headquartered in Jamaica**
- **Human Resources, headquartered in Jamaica**
- **Call Centre, outsourced to Jamaica**
- **Planning & Engineering, headquartered in Jamaica**
- **Finance headquartered in Jamaica**
- **Downsizing 30%**

In 2008 LIME had 3,700 employees in the Caribbean it announced target was to reduce that figure to 2,500.

According to the Gleaner a show down with the Unions in Jamaica and LIME took place on November 8 2010 that could possibly put 400 jobs at risk.

According to Tameika Malone in the Gleaner Publication of Friday, July 16, 2010 the article is captioned "LIME loses Antigua workers battle at Privy Council."

In its publication of Friday, December 12, 2008, the Gleaner captions "BARBADOS - PM intervenes in dispute between union and LIME."

According to the Gleaner Cable & Wireless is playing Executive Musical Chairs in its largest market, Jamaica. In the last three years according to the Gleaner C&W has lost 25 Senior Managers, some either being shown the door or deciding to quit while they were ahead. Since 2003 the CEO position have been a revolving door Errald Miller, Gary Barrow, Jacqueline Holden (10 Months), Rodney Davis, Phillip Green (1 year), Geoff Houston.

Phillip Green when he became CEO stated "Some of you will not be here in a few days and some, a few weeks, nothing is sacred, everything and everyone will be looked at." The room reportedly went quiet, not a whisper to be heard, as minds quickly raced to asses alternative employment opportunities and the state of the saving accounts: "Will I be able to drive away, after I turn in my company car? Will I be able to maintain my monthly payments? I need to get my own cell phone and number, how will I manage? Will I be able to secure an equally well paying job in Jamaica?" And, so said so done." Businessuite Online published Monday, November 5, 2007.

Ladies and Gentlemen does this not remind you of a Lucayan Beach Hotel worker asking Hubert Ingrham when the hotel was going to close. "As soon as I sit down" was the reply. So said so done.

Corey Robinson a Jamaican Observer reported on Tuesday May

11, 2010 that dozen of Technicians stayed off the job on wage related issues.

What does BTC customers have to look forward to under Cable & Wireless?

Ladies and Gentlemen here are some good examples "Internet darkness" is the caption of a letter published Monday March 1, 2010 describing the lack of national Internet coverage in Jamaica.

"Advertisers emerge winners in Global Directories, LIME lawsuit" this is the caption of an article published Thursday April 1, 2010 describes how producers of the Telephone Directory were instructed by LIME to collect the cost of the Ads in full before the Directory was published counter vise to the traditional position of collecting the cost from the advertisers in 12 monthly installments starting the month after the directory was published. The producers (Global Directories) refused to do so. C&W threatened cancellation of the contract. The matter went to court and LIME lost.

But yet Ladies and Gentlemen someone has fooled Hubert Ingraham into believing Cable & Wireless has changed.

Even the shareholders have gotten into the act displaying their annoyance.

According to the Gleaner publication of Wednesday September 22, 2010 captioned "LIME Jamaica Shareholder Scold Directors."

Sir Richard Lapthorne, CBE, Chairman of Cable & Wireless in his review message in the 2009/2010 Annual Report states "At the Beginning of 2003, the Company was in steep decline. Our international business was unfocused and underperforming and our UK business was draining the cash we were producing." he continued "Over the last four years the business has progressed its earnings and repatriated US\$1.6 Billion of cash."

How does the Senior Management Team in the UK view the Caribbean?

According to Tony Rice Chief Executive Message in the 2009/2010 Annual Report "We are in smaller markets that aren't pioneer markets so we can phase in various new developments without being expose to the cutting edge of Technology, which can be painful as some operators in developing markets are finding."

Ladies and Gentlemen, in other words, Cable & Wireless will not keep the Caribbean on the cutting edge of Technology. It is too painful.

Is Cable & Wireless up for sale?

Bloomberg's Chiara Remondini reported September 1, 2010 that "C&W Worldwide Shares Rise as Much as 13 Percent on AT&T Bid Speculation." C&W had its biggest gain in more than five months in London trading on speculation that AT&T Inc. or another company may bid for the company.

Five days later Monday 6th September 2010, TeleGeography's CommsUpdate reported "SingTel considering C&W Worldwide takeover, paper says" Southeast Asia's largest telecoms group by subscribers and revenues, Singapore Telecommunications (SingTel) is planning a bid for FTSE 100 group Cable & Wireless Worldwide (CWPL), according to The Independent on Sunday newspaper.

"LIME Jamaica seeking partners" is an article published Friday October 29 2010 in the Gleaner. "Sources, are while stressing that the talks were exploratory and unlikely to solidify before Christmas or even January, say as many as 400 jobs could be at risk. A November 8, 2010 meeting between LIME Jamaica and the unions are expected to be stormy...."

While Hubert Ingraham and company are trying to woo Cable & Wireless to buy 51% of the shares of BTC, Cable & Wireless Jamaica its largest market is out looking for a partner hoping to achieve that goal by December 2009.

How do the C&W Executives in London benefit?

The Sunday Times February 3, 2010 reported, Executives at Cable & Wireless will receive a bumper pay rise after the demerger of the telecoms company's two divisions and a number of top managers will receive a boost to their controversial long-term incentive plan awards.

The company released the details within its prospectus for the demerger of the company's UK business, Cable & Wireless Worldwide, by March 26 2010.

The documents reveal that Tony Rice, chief executive of the international division, which has been rebranded Cable & Wireless Communications, will receive a £100,000 pay rise, to £700,000, after the demerger. Tim Pennington, chief financial officer of the unit, will be paid £500,000 a year as a base salary compared with £400,000 previously. Both executives will also be eligible for a bonus of up to 150 per cent of their salary.

Executives at the Worldwide division, which operates predominantly in the UK, will also receive a boost. Jim Marsh, chief executive of the business, will be paid a base salary of £650,000 a year, up from the £500,000 he earned before the demerger.

Conclusion

Ladies and Gentlemen in conclusion Luke V. Browne, reported January 23, 2009, in Barbados underground Newspaper said "LIME, Another Sour Twist."

In seven years of operations in Jamaica, Digicel has three times the Mobile customers as Cable & Wireless who have been in the Caribbean over 100 years.

In eight years (1994 to 2001) under Hubert Ingraham and the FNM, BaTelCo made Revenues of \$1.41 Billion with Profits of \$112.3 Million.

In five years (2002 to 2007) under Perry Christie and the PLP, BTC made Revenues of \$1.76 Billion and Profits of \$212.18 Million. That is \$100 Million more in Profit in fewer years and at the same time keeping the Country on the cutting edge.

A rough valuation of BTC using multiples six and half times of

average earnings would put the value of BTC over \$640 Million. To sell 51% of the shares for less than \$325 Million would be a travesty.

TeleGeography CommsUpdated reported Friday 13th August, 2010 LIME to spend US\$600 million over next five years. 'Over the next five years we intend to invest more than USD600 million in our 13 business units across the region to improve the services that we offer and to roll out the kind of new technologies and innovative services that will help us to retain our present customers and attract new ones,' said LIME's Chief Marketing Officer Chris Dehring. Jamaica will be cemented as hub of LIME's regional operations, and 25% of the investment capital will be directed into the island, which is LIME's most lucrative market.

Ladies and Gentlemen, \$600 Million sounds like a lot of money. Consider that Jamaica will receive 25% or \$150 Million which leaves \$450 Million, which represents an investment of \$90 Million per year. But this is shared by the remaining 12 Markets. This represents an investment of \$7.5 Million per year per Country or \$37.5 Million over the next five years.

Under the Perry Christie Administration BTC in five years invested \$353 Million.

Who needs who more? It seems to me that Cable & Wireless needs BTC more than BTC needs Cable & Wireless.

You may ask what is the difference between the PLP and the FNM Privatization Plan?

The PLP opened the process to Bahamians and did not limit it to a foreign strategic partner.

The Unions were involved on the Privatization Commission, the Negotiating Team, Sub-Committees and at every level including attending the Cabinet Meetings on Privatization.

There was public disclosure on what the Commission was doing. Press Statements were made.

Bluewaters would have operated BTC as a Stand Alone Company not as a Trans-Caribbean company.

This means that BTC would have maintained its Call Centre in Nassau and Freeport. It would have maintained its Finance Division, its Human Resources Division, its Engineering Division, its Billing Division, its Marketing Division.

PLP plans for were for BTC to expand to the Caribbean. Building the Fiber Cable to Haiti was the first step. Negotiations were taking place to build a cable to Cuba and then further south.

Our vision was that BTC would be a regional player creating jobs not cutting jobs.

The PLP under Perry Gladstone Christie had a vision for BTC.

The FNM under Hubert Ingraham has no vision for BTC and no respect for Bahamian Skill, intellect and innovation.

Hubert Ingraham is implying that LIME employees in the Caribbean are smarter, more gifted, more creative, more innovative with better management skills than Bahamian employees at BTC.

If the inference is not the Caribbean Employees are smarter then Hubert Ingraham must mean the UK folks are.

Just look at Jamaica after 100 years there is no Jamaican qualified to be CEO of LIME Jamaica?

My question to Hon. Hubert Alexander Ingraham Prime Minister, Hon. Tommy Turnquest Minister responsible for BTC, the FNM, Mr. T B Donaldson Chairman of the Privatization Committee, Mr. Julian Francis Deputy Chairman of the Privatization Committee, I understand dozens of employees from LIME are visiting The Bahamas to do Due Diligence on BTC, who is visiting LIME to do Due Diligence on them?

After careful review of Cable & Wireless aka LIME, I have concluded that Prime Minister Hubert Ingraham was correct in his initial conclusion that the Government of The Bahamas, via BTC should not even consider doing business with Cable &

Wireless. Their track record is such that it will not be in the best interest of The Bahamas to enter in any arrangement with them. There is nothing that has been disclosed to indicate that Cable & Wireless have changed.

Ladies and Gentlemen I conclude where I began. Sideburn's cartoon sums it up well. It is my view that Cable and Wireless aka LIME will not and cannot serve the Bahamian market well. It cannot provide what Bahamians expect. It will not advance the vital communications interests of The Bahamas. For these reasons, the privatization of BTC as a sale to C&W should be terminated.

END

It would seem that fate is not very kind to Cable & Wireless Caribbean. This speech was completed on Friday 5th November 2010. It indicated that C&W Revenues for 2009/2010 were US\$873 Million a decrease of US\$102 on 2008 Revenues of US\$975 Million. EBITDA for 2009/2010 was \$270 Million, down from US\$337 Million in 2008. Capital Development Expenditure in 2009 was \$114 Million down from the US\$150 Million in 2008. Mobile ARPU (Average Revenue Per User) for 2009/2010 was \$21 down from \$25 in 2008.

Thursday 4th November 2010 Cable & Wireless published its Interim Results 2010/11. Not good.

Revenue	US\$401	Decrease 6%
Gross Margin	US\$298	Decrease 7%
EBITDA	US\$115	Decrease 13%
Capital Expenditure	US\$50	Decrease 47%
Mobile Revenue	US\$147	Decrease 9%
Fix Revenues	US\$141	Decrease 10%

Mobile ARPU US\$19 Decrease 10%

Fix ARPU US\$37 Decrease 8%

Operating Cash Flow US\$61 Decrease 13%

	H1 2010/2011	Change	2009/2010	2008/2009
Revenues	\$401,000,000	Decrease 6%	\$873,000,000	\$975,000,000
Gross Margin	\$298,000,000	Decrease 7%	74%	74%
EBITDA	\$115,000,000	Decrease 13%	\$270,000,000	\$337,000,000
CAPEX	\$50,000,000	Decrease 47%	\$114,000,000	\$150,000,000
Mobile Revn	\$147,000,000	Decrease 9%		
Fix Revenue	\$141,000,000	Decrease 10%		
Op Cash Flow	\$61,000,000	Decrease 13%	\$70,000,000	
Mobile ARPU	\$19	Decrease 10%	\$21	\$25
Fix ARPU	\$37	Decrease 8%		