



# LRG

Leichtman Research Group

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## **OVER 3 MILLION ADD BROADBAND IN THE FIRST QUARTER OF 2006**

*A Record Quarter for Both DSL and Cable Broadband*

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**Durham, NH – May 15, 2006** – Leichtman Research Group, Inc. (LRG) found that the twenty largest cable and DSL providers in the US – representing about 94% of the market – acquired a record 3.06 million net additional subscribers in the first quarter of 2006. The top broadband providers now account for nearly 46 million high-speed Internet subscribers – with cable having nearly 25.8 million broadband subscribers, and DSL having about 20.2 million subscribers.

Other key findings for the quarter include:

- The top DSL providers added a record 1.66 million subscribers, representing 54% of the net broadband additions for the quarter versus cable
- The top cable providers also had a record quarter with over 1.4 million subscribers added
- DSL providers have added more broadband subscribers than cable providers in each of the last six quarters, acquiring over 1.1 million more subscribers than cable during this period, but the top cable broadband providers maintain a 5.6 million subscriber advantage over DSL and have a 56% share of the US residential broadband market

<b>Broadband Internet</b>	<b>Subscribers at end of 1Q 2006</b>	<b>Net Adds in 1Q 2006</b>
<b>Cable</b>		
Comcast	8,957,000	437,000
Time Warner	5,168,000	346,000
Charter	2,322,400	126,000
Adelphia	1,808,004	100,554
Cablevision	1,806,623	112,289
Insight	514,800	44,400
Mediacom	504,000	26,000
Cable One	253,059	18,959
RCN	249,000	5,000
Major private cable companies*	4,190,000	191,700
<b>Total Top Cable</b>	<b>25,772,886</b>	<b>1,407,902</b>
<b>DSL</b>		
AT&T	7,432,000	511,000
Verizon**	5,685,000	541,000
Bell South	3,145,000	263,000
Qwest	1,678,000	180,000
Sprint	777,000	84,000
Covad	556,950	(10,225)
All Tel	441,475	43,779
CenturyTel	285,791	37,085
Cincinnati Bell	171,000	8,500
<b>Total Top DSL</b>	<b>20,172,216</b>	<b>1,658,139</b>
<b>Total Broadband</b>	<b>45,945,102</b>	<b>3,066,041</b>

Sources: The Companies and Leichtman Research Group, Inc.

\* Cox and Bright House Networks totals are estimates

(Totals were prior to the completion of the sale of some systems from Cox to Cebridge Connections)

\*\* Total includes Fios wireline broadband connections along with DSL

Top cable and DSL providers represent approximately 94% of all subscribers

Company subscriber counts may not represent solely residential households

In related broadband research, LRG found that as of the middle of last year:

- 85% of cable broadband lines had speeds of over 2.5 mbps in the fastest direction – compared to 14% of DSL lines
- Approximately 11.5% of DSL subscribers were non-residential – compared to 1.8% of cable subscribers
- The top five states in residential broadband penetration were Connecticut, New Jersey, Hawaii, Massachusetts and California
- The bottom five states in residential broadband penetration were Mississippi, South Dakota, North Dakota, Kentucky and Montana

These findings are from LRG's updated report, *Broadband Across the US*, that analyzes state-by-state penetration of high-speed Internet. The report is based on recent information culled from a variety of sources, including the Federal Communications Commission (FCC) and others.

“The last three quarters have each seen record net additions of total broadband subscribers, and the first quarter of 2006 was the best ever for both DSL and cable broadband providers,” said Bruce Leichtman, president and principal analyst for Leichtman Research Group, Inc. “With the second quarter being a consistently slower quarter for broadband adds, it is unlikely that the record setting trend will continue, but clearly there are millions of dial-up subscribers ready to switch to broadband in the near future.”

**About Leichtman Research Group, Inc.**

Leichtman Research Group, Inc. (LRG) specializes in research and analysis on broadband, media and entertainment industries. LRG combines on-going surveys and analysis with years of hands-on industry experience to provide companies with a richer understanding of the potential impact and adoption of new products and services. For more information about LRG, please call (603) 397-5400 or visit [www.LeichtmanResearch.com](http://www.LeichtmanResearch.com).

*Broadband Across the US* compiles and analyzes state-by-state and nationwide statistics related to high-speed Internet and Direct Broadcast Satellite (DBS) television service. The tables and charts in this report are based on recent information culled from FCC data and other sources. This report is produced by LRG twice a year.

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