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Leichtman Research Group

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OVER HALF OF U.S. HOUSEHOLDS SUBSCRIBE TO BROADBAND INTERNET

Household Income Still a Key Factor in Broadband Adoption

Durham, NH – June 7, 2007 – New consumer research from Leichtman Research Group, Inc. (LRG) finds that 53% of all US households now subscribe to a broadband high-speed Internet service at home. Broadband services now account for about 72% of all home Internet subscriptions – compared to 60% last year.

While broadband subscriptions continued to increase across the country in the past year, broadband penetration remains strongly correlated with household income.

- 68% of all households with annual incomes over \$50,000 now get broadband – compared to 59% last year
- 39% of all households with annual incomes under \$50,000 get broadband – compared to 27% last year

These findings are based on a telephone survey of 1,600 randomly selected households from throughout the United States and are part of a new LRG study, *Broadband Access and Service in the Home 2007*. This is LRG's fifth annual study of this topic.

Other findings include:

- While 81% of all US households have at least one computer, only 56% of those with annual household incomes under \$30,000 have a computer at home
- Just 45% of households with annual incomes below \$30,000 subscribe to an Internet service at home – compared to 92% of households with annual incomes above \$75,000

- Overall, 7% of all Internet subscribers say that broadband is not available in their area

“Nearly three-quarters of households in the US now subscribe to an Internet service, and broadband has grown to account for over 70% of all online subscribers at home,” said Bruce Leichtman, president and principal analyst for Leichtman Research Group, Inc.

“LRG forecasts the total number of broadband subscribers will increase by over 40 million over the next five years.”

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.

Broadband Access and Service in the Home 2007 is based on a telephone survey of 1,600 adults age 18+ from throughout the continental US that was conducted in March 2007. The random sample of respondents was distributed to best reflect the demographic and geographic make-up of the US. The overall sample has a statistical margin of error of +/- 2.5%.

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