



# LRG

Leichtman Research Group

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## **MAJOR MULTI-CHANNEL VIDEO PROVIDERS LOST ABOUT 325,000 SUBSCRIBERS IN Q2 2012**

*Quarterly Industry Losses Nearly Identical to a Year Ago*

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**Durham, NH – August 13, 2012** – Leichtman Research Group, Inc. (LRG) found that the thirteen largest multi-channel video providers in the US – representing about 94% of the market – lost about 325,000 net additional video subscribers in Q2 2012. Quarterly net multi-channel video losses in Q2 2012 were only about 1,500 more than in Q2 2011.

The top multi-channel video providers account for nearly 94.7 million subscribers – with the top nine cable companies having about 52.1 million video subscribers, satellite TV companies having nearly 34 million subscribers, and top telephone companies having 8.6 million subscribers.

Other key findings include:

- The top nine cable companies lost about 540,000 video subscribers in Q2 2012 – compared to a loss of about 600,000 subscribers in Q2 2011
- The top telephone providers added 275,000 video subscribers in Q2 2012 – compared to 386,000 net additions in Q2 2011
  - Telco video net adds in Q2 2012 were the fewest since Q3 2007
- Satellite TV providers lost 62,000 subscribers in Q2 2012 – compared to a loss of 109,000 in Q2 2011
  - DirecTV lost 52,000 subscribers in Q2 2012 – this was DirecTV's first quarterly subscriber loss ever

“While reports of multi-channel video industry losses in the second quarter of 2012 have rekindled pronouncements of cord-cutting impacting the industry, the reality is that industry-wide losses in the traditionally weak quarter were nearly identical to losses in last year's second quarter,” said Bruce Leichtman, president and principal analyst for

Leichtman Research Group, Inc. “Over the past year, multi-channel video providers added about 375,000 subscribers, compared to a gain of about 210,000 over the prior year.”

<b>Multi-channel Video Provider</b>	<b>Subscribers at the end of Q2 2012</b>	<b>Net Adds in Q2 2012</b>	<b>Net Adds in Q2 2011</b>
<b><i>Cable Companies</i></b>			
Comcast	22,118,000	(176,000)	(238,000)
Time Warner <sup>^</sup>	12,484,000	(169,000)	(141,600)
Charter	4,269,000	(72,000)	(83,000)
Cablevision	3,257,000	0	(23,000)
Suddenlink	1,230,100	(20,100)	(24,400)
Mediacom	1,037,000	(22,000)	(36,000)
Cable ONE	612,729	(9,610)	(10,403)
Other major private companies*	7,060,000	(70,000)	(45,000)
<b>Total Top Cable</b>	<b>52,067,829</b>	<b>(538,710)</b>	<b>(601,403)</b>
<b><i>Satellite TV Companies (DBS)</i></b>			
DirecTV	19,914,000	(52,000)	26,000
Dish Network	14,061,000	(10,000)	(135,000)
<b>Total Top DBS</b>	<b>33,975,000</b>	<b>(62,000)</b>	<b>(109,000)</b>
<b><i>Telephone Companies</i></b>			
Verizon FiOS	4,473,000	120,000	184,000
AT&T U-verse	4,146,000	155,000	202,000
<b>Total Top Phone</b>	<b>8,619,000</b>	<b>275,000</b>	<b>386,000</b>
<b>Total Multi-channel Video</b>	<b>94,661,829</b>	<b>(325,710)</b>	<b>(324,403)</b>

Sources: The Companies and Leichtman Research Group, Inc.

\* Includes LRG estimates for Cox, and Bright House Networks

<sup>^</sup> Total includes estimates for Time Warner Cable's acquisition of Insight

Net additions reflect pro forma results from system sales and acquisitions

Top multi-channel video providers represent approximately 94% of all subscribers

Top cable companies do not include WOW's acquisition of Knology completed in July

Company subscriber counts may not solely represent residential households

Note that LRG consumer research finds that about 1% of households subscribe to both cable and DBS

### **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).

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