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RAPID GROWTH OF HDTV IN THE U.S. CONTINUES

Consumer Confusion About High Definition Remains Strong

Durham, NH – November 7, 2007 – New consumer research from Leichtman Research Group, Inc. (LRG) found that about one-quarter of households in the United States have at least one television set capable of receiving high definition programming (HDTV) – essentially double the penetration of HDTV of two years ago. Yet, consumer confusion related to high definition programming and products remains strong.

LRG's latest HDTV research found that:

- While over three-quarters of HDTV owners believe that they are watching HD programming, LRG estimates that about 53% of all HD households are actually watching HD programming from a multi-channel video provider (cable, DBS or a telco), and about 4% are watching HD programming via broadcast-only – leaving about 20% of those with an HDTV erroneously thinking that they are watching HD programming when they are not
- Just 41% of HDTV owners say that they were told how to receive HD programming when they purchased their set
- About 40% of HDTV owners, and over 20% of all adults, believe that their household currently has a high definition DVD player – a figure that, if accurate, would represent a much greater total than the number of high definition DVD players actually sold to date

These findings are based on a survey of 1,300 households throughout the United States, and are part of a new LRG study, *HDTV 2007: Consumer Awareness, Interest and Ownership*.

This is LRG's fifth annual study on this topic.

Other findings include:

- The mean annual income of HDTV households is 27% above average
- Among those watching HD programming, the reported mean amount of TV viewing time spent watching programs on HD channels is 45%
- 17% of all households plan to purchase a new TV set in the next 12 months, and 47% of this group expects to spend over \$1,000 on a TV set

“The number of households with an HDTV has significantly increased in recent years, and LRG forecasts that over 85 million US households will have at least one HDTV by the end of 2012,” said Bruce Leichtman, president and principal analyst for Leichtman Research Group, Inc. “However, with the expansion of HDTV, there will need to be continued consumer education about high definition programming and products.”

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.

HDTV 2007: Consumer Awareness, Interest and Ownership is based on a telephone survey of 1,300 adults age 18+ from throughout the continental US that was conducted in September-October 2007. The random sample of respondents was distributed and weighted to best reflect the demographic and geographic make-up of the US. The overall sample has a statistical margin of error of +/- 2.7%.

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