Synopsis

This report highlights current broadband market conditions, analyzes significant events impacting future development, addresses the outlook for fiber and other alternative access methods, examines the market potential of value-added services, profiles consumer perspectives regarding broadband and value-added services, and forecasts future growth.

Market Share of Leading Broadband Service Providers

<table>
<thead>
<tr>
<th>Service Provider</th>
<th>Market Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>AT&amp;T (Including BellSouth)</td>
<td>21%</td>
</tr>
<tr>
<td>Comcast</td>
<td>22%</td>
</tr>
<tr>
<td>Time Warner</td>
<td>13%</td>
</tr>
<tr>
<td>Cox</td>
<td>7%</td>
</tr>
<tr>
<td>Charter</td>
<td>5%</td>
</tr>
<tr>
<td>Cablevision</td>
<td>4%</td>
</tr>
<tr>
<td>Embarq</td>
<td>2%</td>
</tr>
<tr>
<td>Verizon</td>
<td>13%</td>
</tr>
<tr>
<td>Qwest</td>
<td>5%</td>
</tr>
<tr>
<td>Cablevision</td>
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Note: AT&T and Verizon's fiber deployments are included in this chart.

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“Competition among leading service providers has intensified, with the top four service providers owning more than 70% of the market,” said James Kuai, research analyst at Parks Associates. “In order to compete with the cable MSOs in the long term, the two major telcos have shifted their focus from low-priced DSL services to fiber deployment, which can lead to better ARPU, higher customer loyalty, an integrated service bundle, and more advanced features.”

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By Yuanzhe (Michael) Cai, Director, Broadband & Gaming and James Kuai, Research Analyst

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