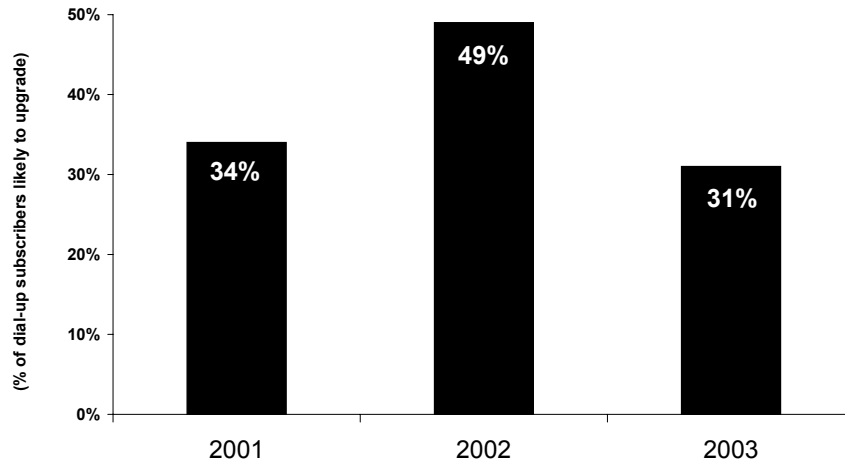


**Synopsis** **Broadband Demand**

*Trends in U.S. Broadband Adoption* reviews the major events impacting residential broadband service, profile trends in subscriber additions (and churn), outline and analyze the various broadband provider strategies, and discuss what 2005 will hold for this exciting arena.

**Surge in Broadband Demand May be Short-Lived**

(Percent of dial-up subscribers likely to upgrade to broadband in the 12-month period following date of survey)



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“As broadband exhausts its early-adopter enthusiasts, service providers will have to better position their offerings to meet the demands of middle-America – both in terms of price and in terms of content and applications,” said Michael Greeson, vice president of research and strategy. “Prices will continue to feel pressure from the low-end with ‘high-speed’ dial-up services and from the high-end as DSL providers look to wage a price war on their cable brethren. The next few years are going to be very interesting for both consumers and broadband service providers.”

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