

## Broadband Plays Catch-Up in Rural Areas, Outpaces Growth in Big Cities

### Broadband Penetration Rate Grows 16 Percentage Points in Rural Areas Over Past Two Years, Significantly Outpacing that of Metropolitan Areas

RESTON, Va., Aug 19, 2009 /PRNewswire-FirstCall via COMTEX News Network/ -- comScore, Inc. (Nasdaq: SCOR), a leader in measuring the digital world, today released a study on broadband growth in rural, micropolitan and metropolitan areas in the United States. The results of the analysis indicate that while broadband penetration is much higher in the metropolitan and micropolitan areas, broadband has experienced the most significant gains in rural areas during the past two years.

(Logo: <http://www.newscom.com/cgi-bin/prnh/20080115/COMSCORELOGO>)

"Across the country we have witnessed growth in broadband adoption driven by greater price competition and increased consumer demand, as bandwidth-intense activities like video streaming and peer-to-peer sharing continue to grow," said Brian Jurutka, vice president of telecommunications at comScore. "With low-speed DSL priced at about the same level as dial-up in many areas, there is little incentive for households to remain on dial-up."

#### Broadband Adoption Increases in Rural America but Remains Below Overall U.S. Level

Rural markets (defined as having a population less than 10,000) in the U.S. experienced a 16-percentage point increase in broadband penetration from Q2 2007 to Q2 2009, making it the fastest growing geographic market segment in the nation. Comparatively, micropolitan areas (population between 10,000-50,000) grew 14 percentage points during the same period, while metropolitan areas (population 50,000+) grew 11 percentage points.

Broadband Penetration\* Based on Geographic Area\*\*

Q2 2007 - Q2 2009

Total U.S.

Source: comScore, Inc.

Geographic Area	Q2 2007	Q2 2008	Q2 2009	Point Change Q2 2009 vs. Q2 2007
Metropolitan	81%	87%	92%	11
Micropolitan	69%	76%	83%	14
Rural	59%	66%	75%	16

\*Number of homes with broadband as percent of all homes with an Internet connection

\*\*Metropolitan defined as area with 50,000+ population, Micropolitan defined as area with 10,000-50,000 population.

Even though rural markets have experienced significant growth, their broadband penetration of 75 percent remains well below the national average of 89 percent. Lower broadband penetration in rural areas is compounded by lower Internet usage overall. According to a 2007 analysis by U.S. Department of Agriculture Economic Research Service, 63 percent of all rural households had at least one member access the Internet, compared with 73 percent of urban households.

Broadband penetration was a topic highlighted in the American Recovery and Reinvestment Act (ARRA) signed by President Obama earlier this year. The Recovery Act provided a total of \$7.2 billion to the Commerce Department's National Telecommunications and Information Administration (NTIA) and the U.S. Department of Agriculture's Rural Utilities Service (RUS) to accelerate broadband deployment in areas of the country that have been without the high-speed infrastructure. Starting this month, broadband deployment workshops are being held in Washington D.C.; the national broadband plan is due to Congress in February 2010.

Smaller Markets Lead the Nation in Broadband Growth

An analysis of the nation's fastest growing local markets in broadband adoption found that the top-growing markets were all smaller, ranking at or below #50 in terms of size. Ft. Myers - Naples was the fastest growing market with a 12-percentage point increase in broadband penetration from Q1 2008 to Q1 2009. Flint-Saginaw-Bay City, MI, Louisville, KY, and Evansville, IN all experienced 11-percentage point increases during the same period.

Fastest Growing Local Markets Based on Broadband Penetration\* Growth  
 Q1 2009 vs. Q1 2008  
 Total U.S.  
 Source: comScore, Inc.

Market	Market Size Rank	Q1 2008	Q1 2009	Point Change Q1 2009 vs. Q1 2008
Ft. Myers-Naples	70	76%	88%	12
Flint-Saginaw-Bay City	64	69%	80%	11
Louisville	50	68%	79%	11
Evansville	99	65%	77%	11
Tri-Cities, TN-VA	90	60%	70%	10

\*Number of homes with broadband as percent of all homes with an Internet connection

In comparison, the nation's largest markets are closer to reaching saturation and experienced low single-digit growth. New York, the largest local market, reached 96 percent broadband penetration in Q1 2009, making it the most wired local market among the largest five.

Broadband Penetration\* in Largest National Local Markets  
 Based on Market Size of Internet Households  
 Q1 2009 vs. Q1 2008  
 Total U.S.  
 Source: comScore, Inc.

Market	Market Size Rank	Q1 2008	Q1 2009	Point Change Q1 2009 vs. Q1 2008
New York	1	94%	96%	2
Los Angeles	2	85%	87%	2
Chicago	3	88%	92%	4
Philadelphia	4	86%	89%	3
San Francisco-Oakland-San Jose	5	86%	89%	3

\*Number of homes with broadband as percent of all homes with an Internet connection

Local Broadband Providers Successful in Rural Areas

While large broadband providers such as AT&T and Comcast have a presence in rural areas, smaller and more localized providers such as Cincinnati Bell, Insight, PenTeleData, Mediacom and Bresnan Communications are proving tough competition in the battle for market share. For example, in Billings, Montana, Bresnan is the leading broadband provider with 63 percent of the market. Broadband penetration is still relatively low in Billings at 77 percent, indicating that Bresnan is well positioned to grow as broadband adoption continues to increase.

"We are following these developments closely as the market landscape continues to evolve," continued Mr. Jurutka. "The consumer has many decisions to make regarding their home Internet service including the initial purchase decision, what price is justifiable and what connection speeds warrant an increased price. At comScore we seek to understand how consumers are making these decisions and the resulting effects on broadband growth and ISP share."

About comScore

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