

# CapEx Report™

## CapEx Report™ helps you make your numbers!

Dear Telecom Marketing Executive:

Telecommunications markets are a tough place to do business, even in good times. Now more than ever, you need an edge that will help you figure out what key carriers' network modernization and expansion plans mean to you.

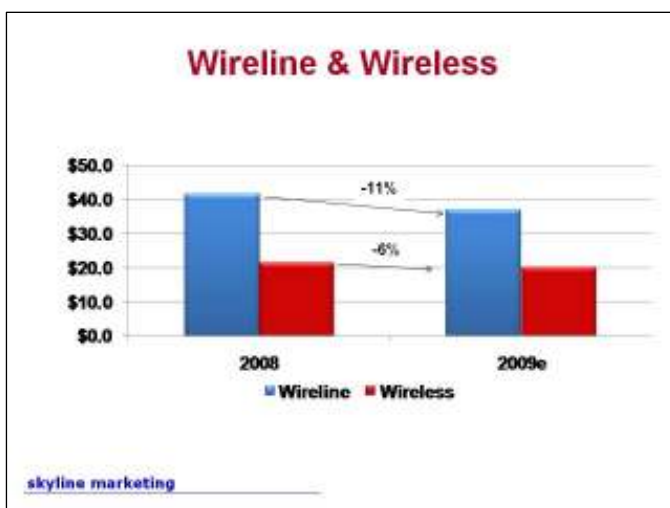
**CapEx Report™** is that edge!



**CapEx Report™** is an continuous information service published by **Skyline Marketing Group** that systematically tracks the actual and projected capital expenditures (capex), services revenues, EBITDA, and operating expenses (opex) in a four-year rolling window among 50 public network wireline and wireless carriers operating in the U.S. today.

**Report™** analyzes not only the carrier spending levels in a given period but looks closely at how carrier quarterly and annual spending patterns are changing, and how the carriers are allocating their capital investments to various telecom equipment categories.

More important, **CapEx**



Our subscribers tell us that they cannot obtain this type of public network carrier capital expenditure analysis from any other source.

### What you get

**CapEx Report™** includes: four quarterly reports; **CapEx Alert™** email notification of carrier-announced capex changes; and, unlimited e-mail support.

We cover capital expenditure details for carriers in six operating sectors: five Wireline sectors (RBOCs, ITCos, CLECs, Cable MSOs, IXC), and one Wireless sector that includes national and regional carriers.

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The Appendix shows the list of carriers under coverage. We update this list every quarter as new entrants, mergers, and consolidations are announced.

**CapEx Report™** tallies the actual (as reported) capital expenditures every quarter. In addition, it provides updates on carrier capital expenditure budget guidance for the full current year, and as data are available, projections for the coming years.

We analyze the reported data in a number of important ways that are very useful to marketing and sales planners.

First, we determine the capital expenditure leaders and show actual annual and quarterly spending data for the most recent three-year period with projections for the coming year. The Carrier Data Sheets (Excel spreadsheets) that are part of every quarterly issue present all the details -- capex, revenues, EBITDA, opex, annually and quarterly, by each carrier, by sector total, and by wireline and wireless aggregate totals. We also show capex/revenue and capex/EBITDA for each sector to provide a basis of comparison of capital investment norms among carriers.



Second, we track quarter-to-quarter changes both on a sequential, and a year-to-year basis to determine spending patterns changes. The quarter-to-quarter analysis also guides you on how quickly carriers are investing in their network expansion and upgrades.

You might expect a uniform spending pattern over the year but in reality, spending is neither uniform nor linear.

Depending on the sector and the carrier, there are many factors that

influence the rate of capital spending. Each quarter, we provide analysis and insights into these spending patterns, and what that means for the coming quarters.

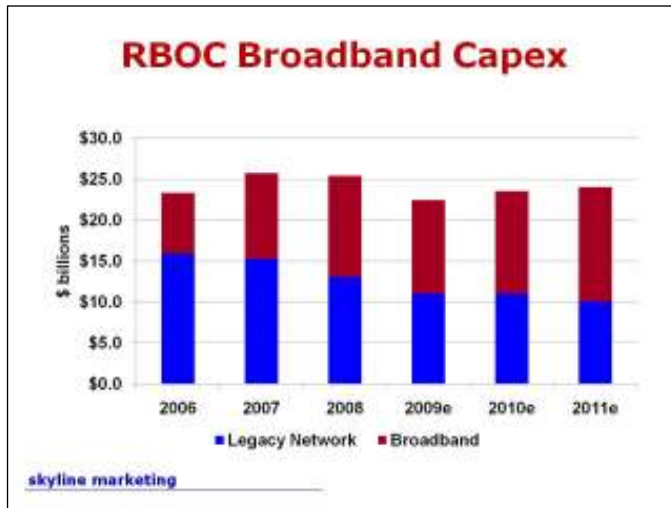
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## CapEx Allocations

Finally, we assess how the carriers are allocating their scarce capital expenditures.

This feature is unique to the **CapEx Report™**! We use our extensive telecom experience and knowledge to break down carrier capex budgets into their spending components.



These details are a valuable source to help market planners gauge their addressable markets, and how those metrics are changing.

**CapEx Alert™** is an e-mail notification that flags fast-breaking events and announcements on carrier spending plans. **CapEx Alert™** explains the changes, and provides our take on the impact of the changes on the carrier, its customers, and its suppliers.

**E-mail support** is integral to the service. We are available to respond to questions and clarifications of our data and analyses. While we do not provide 24/7 coverage, we are committed to responding to all e-mail queries within the next 1/2 business day. E-mail us at [capex@skylinemarketing.com](mailto:capex@skylinemarketing.com).

Feel free to call us with any questions or comments at (443) 519-5527. Custom research is available on request.

## How It Benefits You

**CapEx Report** is a valuable tool for telecom equipment vendor CEOs, CMOs, CTOs, CFOs, business planners, market strategists, sales executives, telecom network planners, management consultants, financial analysts, and investors.

With the carrier spending details at hand, you can prepare highly-qualified business plans, develop precise major account strategies for individual carrier customers, and adapt better to changing market conditions.

In short, **CapEx Report** will help you make your numbers.

The results will show up on your top line!

## Why It Is Important for You!

**CapEx Report** is a valuable tool for developing your marketing and sales plans and strategies.

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Use it to its full potential and see the results in your top-line performance.

Order now to start realizing the value in your investment in the **CapEx Report**.

For more information, contact me directly at [john@skylinemarketing.com](mailto:john@skylinemarketing.com), or visit our Web site at [www.skylinemarketing.com](http://www.skylinemarketing.com).

*We'll help you make your numbers!!*

Sincerely,

John M. Celentano  
Publisher

Enclosures

P.S. Order an annual subscription today, and we will send you a complimentary copy of the **CapEx Report\_2008 Annual Report!**

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## Appendix

### CapEx Report™ U.S. Coverage List (at year-end 2008)

<p><b>Regional Bell Operating Companies (RBOCs)</b> AT&amp;T Qwest (US West) Verizon</p> <p><b>Independent Operating Companies (IOCs)</b> Alaska Communications System Cincinnati Bell Century Tel Consolidated Communications D&amp;E Communications EMBARQ Fairpoint Communications Frontier Communications Hickory Tech Iowa Telecom New Ulm Telecom Otelco Shenandoah Telecom SureWest Communications TDS Telecom Warwick Valley Telephone Windstream</p> <p><b>Competitive Local Exchange Carriers (CLECs)</b> Cbeyond FiberNet Telecom ITC^DeltaCom RCN Corp. tw Telecom XO Communications</p>	<p><b>Cable MSOs</b> Cable One (Washington Post Co.) Cablevision Systems Charter Communications Comcast Insight Communications Mediacom Time Warner Cable</p> <p><b>Interexchange Carriers (IXCs)</b> Global Crossing Level 3 Communications Qwest Long Distance Sprint Long Distance</p> <p><b>Wireless Carriers</b> AT&amp;T Mobility Sprint-Nextel Verizon Wireless T-Mobile USA Centennial Communications Clearwire Leap Wireless MetroPCS US Cellular</p>
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## About Skyline Marketing Group

Skyline Marketing Group is a high-caliber research and consulting firm specializing in telecommunications network infrastructure markets with a focus on, broadband access, next generation switching, optical networking, wireless, and DC power systems.

Simply, we know telecom!

Our services comprise market research, strategy consulting, and M&A investment advice. We advise the leading telecom and IT equipment manufacturers, service providers, and investor groups worldwide.

We apply our extensive industry knowledge and experience to showing our clients novel ways to add significantly to their top line. Over the years, our contribution has resulted in more than \$1.1 billion in incremental revenues for our clients.

Our mission: ***We help you make your numbers!!***

For more information about our products and services, visit our Web site at [www.skylinemarketing.com](http://www.skylinemarketing.com), or contact us at:

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