CenturyLink Ranks #1 on the U.S. Ethernet LEADERBOARD for the Third Consecutive Year

Vertical Systems Group’s U.S. Carrier Ethernet services market share analysis for mid-year 2019 shows that CenturyLink has secured the number one LEADERBOARD position for the third consecutive year.

LEADERBOARD RESULTS

Carrier Ethernet LEADERBOARDs are industry benchmarks for measuring market leadership in the delivery of retail Ethernet services.

Seven companies gained a position on the mid-year 2019 U.S. Carrier Ethernet LEADERBOARD based on retail port share (in rank order): CenturyLink, AT&T, Verizon, Spectrum Enterprise, Comcast, Windstream and Cox.

To qualify for this LEADERBOARD, each network provider attained share of four percent (4%) or more of the U.S. Ethernet services market as of June 30, 2019.

CHALLENGE TIER

The U.S. Challenge Tier includes Ethernet service providers with market share between 1% and 4%.

Six companies attained a Challenge Tier citation for mid-year 2019 (in alphabetical order): Altice USA, Cogent, Frontier, GTT, Sprint and Zayo.
ETHERNET LEADERBOARD RECAP

- The latest U.S. LEADERBOARD includes four Incumbent Carriers (CenturyLink, AT&T, Verizon, and Windstream) plus three Cable MSOs (Spectrum Enterprise, Comcast, and Cox).

- LEADERBOARD companies supply the majority of retail customer Ethernet ports installed in the U.S.

- All seven companies on the Mid-Year 2019 U.S. LEADERBOARD have received MEF CE 2.0 certification, which ensures that their Ethernet services comply with industry-recognized specifications.

- CenturyLink holds third position on Vertical’s Mid-Year 2019 Global Provider Ethernet Services LEADERBOARD, following AT&T (U.S.) and Colt (U.K.), respectively. Ranked in positions four through seven are BT Global (U.K.), Orange Business Services (France), Verizon (U.S.) and NTT (Japan). This industry benchmark for the multinational Ethernet network services segment ranks service providers based on share of ports installed outside of their respective home countries.

MARKET PLAYER TIER

Other providers selling U.S. retail Ethernet services with port share below 1% are in the Market Player tier.

The mid-year 2019 Market Player tier includes the following companies (in alphabetical order): Alaska Communications, American Telesis, Atlantic Broadband, BT Global, Cincinnati Bell, Consolidated Communications, Crown Castle Fiber, DQE Communications, Expedient, FiberLight, FirstLight, Fusion, Global Cloud Xchange, Great Plains Communications, Logix Fiber Networks, LS Networks, Masergy, MetTel, Midco, Momentum Telecom, NTT America, Orange Business, RCN Business, Segra, Sparklight Business, Tata, TDS Telecom, Telstra, TPx, Unite Private Networks, US Signal, WOW!Business and other companies selling retail Ethernet services in the U.S. market.
**U.S. Market Trends**

The U.S. Carrier Ethernet market has a solid growth outlook through 2023, driven by customer network migration to higher bandwidth services that ensure reliable, dedicated connectivity for enterprise applications.

- The top two vertical segments using Ethernet in the U.S. are Business Services and Financial. The next largest verticals are Education and Healthcare.

- In the first six months of 2019 the U.S. Ethernet market sustained steady port growth of just above five percent. More than 55,000 new Ethernet ports were installed at customer sites nationwide during this time period.

- 1 Gbps Ethernet services delivered over optical fiber are projected to generate the most revenue in 2019. Key benefits for customers implementing fiber-based Ethernet are lower costs per bit for bandwidth and the ability to scale to adapt to application needs.

- 100 Mbps remains the most widely installed port speed at U.S. customer sites.

- Dedicated Internet Access (DIA) is the fastest growing Ethernet service based on projected port demand. Purchase drivers for Ethernet DIA include dedicated high-speed Internet access connectivity to public clouds, SaaS applications, SD-WAN underlay, and other services.

- Average pricing for Ethernet bandwidth continues to decline across every service type and speed segment. Declining prices and changing service mixes are pressuring revenue growth.

“Demand for Ethernet bandwidth continues to soar as customers upgrade their networks to Gigabit speed services. Within the past two years aggregate bandwidth connectivity to enterprise sites in the U.S. has grown 88%.”

Rick Malone, principal Vertical Systems Group
**Mid-Year 2019 Ethernet Market Share Calculations**

Market share calculations for this mid-year 2019 U.S. LEADERBOARD analysis are based on the number of billable retail Ethernet customer ports per service provider as tracked by Vertical Systems Group.

Calculations use the U.S. Ethernet base as of June 30, 2019. Share figures include retail ports only (i.e., no wholesale services).

All ports are counted equally for share calculations, regardless of the access rate of the port. The speed segments tracked for market analysis are 10+ Gbps, 1 Gbps, 100 Mbps, 10 Mbps, and Sub-10 Mbps.

Vertical Systems Group defines six Carrier Ethernet service types from a market perspective based on what network service providers are offering and enterprise customers are purchasing.

The Ethernet service segments included in this analysis are Dedicated Internet Access (DIA), Ethernet Access to MPLS VPNs, Ethernet Private Lines (EPL), Ethernet Virtual Private Lines (EVPL), Metro LAN, and WAN VPLS (Virtual Private LAN Service).
About Vertical Systems Group

Vertical Systems Group is recognized worldwide as a leading market research and strategic consulting firm specializing in defensible quantification of the networking industry.

Detailed Ethernet statistics and port share results that power the Mid-Year 2019 U.S. Carrier Ethernet LEADERBOARD are available exclusively by subscription to Vertical Systems Group’s ENS (Emerging Networks Service) Research Programs.

Contact us for more information
www.verticalsystems.com