

The 2002 Content Distribution *At The Edge* Report

Prospectus for Charter Subscribers

Introduction

Web-based content distribution has gone through a dramatic cycle over the past three years. Thirty-six months ago, the concept didn't exist. In 1999, when Akamai came onto the scene, Internet infrastructure focus moved from devices within the network to service functionality at the edge of the network. With Akamai's soaring market cap, venture investment flowed, adding a new acronym to our dialog – YAAK ("Yet Another Akamai Killer"). With the bursting of the dot com bubble, investment in content distribution services has slowed as investors began asking ventures to "show me the money." A lot has changed since 1999 when we wrote our initial report on Content Delivery and Distribution. Content Delivery Networks are in wide spread use, accelerating access to everything from simple, static content, to dynamic news feeds, to rich multimedia streams. During this time, the performance of the underlying Internet hasn't improved significantly, while the value of performance and reliability across the Internet is increasing as the Internet revolution continues. In parallel, the design of new applications

that leverage the Internet applications are driving a technical revolution yielding a distributed, Web Services system model, in turn driving new demands for what content delivery networks offer – robustness, scaling and cost-efficiency. NetsEdge Research Group is launching a new, multi-client market opportunity and analysis study on the evolving Content Distribution market. Charter subscriptions are now available.

Charter subscribers to *The 2001 Content Distribution At The Edge Report* receive:

- Participation in the study definition
- Earliest access to the study results
- A special applications analysis briefing, with a deep dive look into present and future CDN applications.
- Earliest access to the study's market segmentation and sizing information
- On-going access to the study team
- A comprehensive strategic briefing with the study team

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Market Overview

Catalyzed by the demand for increasingly rich and effective content, and robust, high-performance delivery, we've seen the emergence of content delivery networks, capturing the attention of technology vendors, network service providers, content publishers, and business managers. The first CDNs ingeniously built content acceleration systems exploiting caching technology. Going forward, we'll see the co-evolution of server and accelerator technologies and services, intertwined with the evolution of applications and application structure driven by the needs and uses of the Internet. Acceleration services will play a vital role in delivering necessary performance through the Internet, as well as offering fundamental cost-efficiency benefits as a means of scaling application and service capability using shared resources.

Building on NetsEdge proven experience in this highly valued market, this report will define and analyze present and future Internet acceleration opportunities, dissect present and anticipated applications based on CDN technology and analyze opportunities from both technology and market perspectives. This report will provide the best early segmented forecasts of this market's size and growth.

The objectives of the content delivery networks report are to answer these vitally important questions:



- What is the market opportunity? How will the market divide between the use of optimized Internet connectivity and overlay network services? Do overlay networks stop at caching or continue to evolve? What are the major driving forces and technical hurdles to overcome?
- What are the present and future applications for CDN networks? How are rich media applications changing this landscape? What is the impact of evolving eBusiness integration? How do Web services strategies such as Microsoft.NET, IBM WebSphere and SunOne fit it? What are the successes and failures of applications on these networks?
- What drives demand for these services? What is the customer value proposition? How do and should customers measure and value the use of CDN networks and technologies? What are customers planning to use CDN networks for? Why is this so different than for raw bandwidth?
- What are the implications of CDN networks on network hosting providers? Will the CDN strategies of hosting companies yield any important customer successes? What about other network providers? What are the strengths and weaknesses of network alliance technical and business models?
- What has been the impact of CDN evolution on content publication systems? What is the likely co-evolution?
- What is the market size and growth as a whole? For U.S. and International segments? For key sub-markets such as streaming video? By segment? By technology?
- Who are the participants in this market, and how does this new opportunity relate to their existing businesses? Which vendors stand the most to win or lose by the growth of content delivery and distribution? How will the market divide up between enterprise systems, service offerings and service offering alliances?
- What is the likely impact of standards? To what degree will standards like the Content Alliance and emerging IETF standards become definitive and catalyze action?

About NetsEdge Research Group

Although the Internet-focused market research and strategy firm NetsEdge Research Group (NRG) is newly formed, its lead analysts, Peter Christy and John Katsaros, have covered the content delivery market since its inception. Building from their extensive research in Internet caching and Internet traffic management, Peter and John produced the industry's first in depth report on the CDN market. NRG encompasses both consulting and research services focusing on the changes in business applications and Internet infrastructure that are occurring at the edge of the Internet. Peter Christy and John Katsaros, principals of NRG, are recognized figures and spokesmen for the industry.



Report Outline

Executive Summary

- Chapter 1: Introduction – CDN Summary
- Chapter 2: Content Delivery and Distribution Market Size
- Chapter 3: Content Distribution Market Segments
- Chapter 4: Applications for Content Delivery Networks
- Chapter 5: The Case Against Simplistic ROI Arguments
- Chapter 6: Interview Survey Results
- Chapter 7: E-Mail Survey
- Chapter 8: Content Distribution Market Size and Share Study
- Chapter 9: Content Distribution Networking Market Landscape
- Chapter 10: Content Distribution Networking Company Overview
- Chapter 11 : CDN Service Vendors

Accellion
Akamai
AT&T
BT Ignite
Centerspan
ChainCast
Cidera
Conxion
Digital Island
Globix
iBEAM/Williams Communications
Loudeye
Mirror Image
NET-36/PanAmSat
Netli
RealNetworks Inc
Speedera Networks
Streaming Media Corporation
Volera, Inc

Chapter 12 : CDN Technology Vendors

ActiVia Networks
Castify Networks
Eplication
Fantistic Corporation
Kinecta
SinoCDN



Storigen
Unitech
Venation

Chapter 13 : Caching Vendors

CacheFlow
Cachier
Cisco Systems
Compaq Computer
Dell
eMikolo Networks
epicrealm
Ezaro
F5
IBM
iMimic Networking
Infolibria
Inktomi
Microsoft
Network Appliance
Skystream Networks
Volera, Inc
XLON Technologies