

For Immediate Release

CONSUMERS READY FOR CONVERGENCE BATTLE

TORONTO (September 1, 2004) – Canadians believe that phone and cable companies would be credible providers of services in each other's core business. This is one of the findings of **Fast Forward™**, a comprehensive independent trend research series by **Solutions Research Group**, a Toronto-based research firm.

Nationally, three-in-four Canadians (75%) believe that their phone company would do as good a job or better than cable companies in offering television services. An identical proportion, 75%, says that their cable company would be as good or better than the phone company in offering telephone services.

"Phone companies are looking to provide digital TV services via their phone lines while cable companies prepare to offer VoIP telephone service. Canadians believe that consumers will win in the end with new competition," said Kaan Yigit, President of Solutions Research Group and Study Director for Fast Forward.

Among the related findings:

- ▶ Broadband Internet and digital TV access continues to grow. 40% of Canadian homes have broadband access in 2004, up significantly from 31% in 2003. Similarly, digital TV penetration (digital cable and DTH) hit 40% in 2004, up from 34% in 2003.
- ▶ There are differences in perceptions of major telecom and cable players.
 - Bell has an edge in terms of perceived credibility and particularly in customer satisfaction. Bell ExpressVu and Mobility are ranked #1 in satisfaction in their respective categories, while Bell local service satisfaction ratings are in the top-three along with two other regional local phone companies. In the Internet category, however, Rogers Hi-Speed is ranked #1 in satisfaction.
 - Perceived credibility and overall satisfaction ratings for Shaw and Telus are very close. However, Shaw has an edge in the Internet category where Shaw High-Speed ranks #1 in customer satisfaction.

"Phone companies have greater resources and an additional advantage based on higher-than-average customer satisfaction over their rivals, particularly in Ontario, Quebec and Atlantic Canada. Cable companies, on the other hand, have the opportunity to leverage their strong value proposition in the Internet broadband area," said Kaan Yigit.

The information for this release comes from comprehensive telephone interviews with 1,605 Canadians in May 2004, conducted as part of **Fast Forward™**, Solutions Research Group's syndicated consumer trend research series. The **Fast Forward** database contains over 10,000 in-depth interviews with Canadians conducted since 1996. To maintain an unbiased perspective, Solutions Research Group funds its own syndicated research.

The sample for the most recent survey statistically reflects the regional and age/sex composition of the Canadian population. The results of the survey are accurate to ± 2.4 points for the population as a whole, 19 times out of 20.

FASTFORWARD™

This is the second of a series of releases from **Fast Forward**. Upcoming releases in the next two months will cover trends in wireless, digital home and personal technologies, media, and entertainment.

- 30 -

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