

Telecommunications Private Line Services Revenue to Decline through 2012, Says Insight Research Corporation

BOONTON, N.J., Jan. 27 (SEND2PRESS NEWSWIRE) – After years of steady growth, the \$34 billion private line services market is entering a period of declining revenue, says a market analysis study from Insight Research. Private lines are point-to-point circuits leased by enterprises from telecommunications carriers in order to link enterprise sites to each other and to the Internet. Private lines are also used by cellular carriers to link their towers to land line networks.

According to Insight's report, "[Private Line and Wavelength Services, 2009-2014](#)," the transition from frame relay/ATM networking to IP networks will put a drag on private line revenue growth for several years.

Revenue from frame relay/ATM legacy services have been counted as private lines since they provide dedicated transport between locations. Enterprise customers are migrating away from legacy services to IP networks because, bit for bit, IP is priced lower. Private line revenue is thus taking a hit.

"The transition away from frame and ATM will put a break on overall private line industry revenue growth for a couple of years," says Insight president Robert Rosenberg.

"However, private line demand remains strong for wireless backhaul, local bandwidth for caching IPTV video services, and for facilitating VoIP. These are the growth areas for private line, and will be in the years ahead. The transition away from frame and ATM is a temporary blip, and we expect to see overall growth return to the private line sector by 2013," Rosenberg concluded.

"Private Line and Wavelength Services 2009-2014" evaluates the total private line market and segments it by local and long distance private line service revenue, wholesale and retail private line revenue, revenue by type of carrier, revenue by T1, T3 or OC-n circuit class, as well as the number of T1, T3, and OC-n private lines sold. Estimates of wavelength revenues are also provided.

A free report excerpt, table of contents, and ordering information is available online at www.insight-corp.com/reports/pl09.asp.

The full, 162-page report is available immediately for \$3995 (hard copy). Adobe Acrobat (PDF) report licenses are also offered. Visit our Website or call (973) 541-9600 for details.

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