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## **Cisco Projects Growth to Swell for Online Video**

By Bobby White

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Cisco Systems Inc. is projecting a sixfold jump in Internet traffic between 2007 and 2012, as online video becomes the biggest driver of global data communications.

The networking-equipment maker, as part of a study called the Cisco Visual Networking Index, predicts that Internet video -- which accounted for 5% of data traffic in 2005 -- will represent 30% of total data transfers by the end of this year. That will swell to 50% by 2012, Cisco estimates.

Behind the trend is the surging popularity of Web sites such as Google Inc.'s YouTube, where users go to watch and share videos. Video already accounts for more traffic than the entire Internet generated in 2000, according to the study.

"Over the last three years Internet traffic has exploded," says Suraj Shetty, vice president of world-wide service provider marketing for Cisco. And communications carriers that provide the Internet's infrastructure "are wondering how do they plan for this kind of growth," he said.

Cisco, the biggest maker of equipment used to deliver data over the Internet, developed the study to help communications carriers make such plans. In recent years, the rapid growth of traffic has worried some Internet providers, which fear that the flood of data could clog their networks. Cisco prepared the study by collecting data from phone and cable customers as well as market researchers and internal experts.

Overall, Cisco estimates, the current volume of Internet traffic transmitted a month globally is seven exabytes -- or quintillion bytes, the equivalent of about two billion DVDs -- and will reach 44 exabytes a month in 2012.

One big source of traffic in recent years has been file-sharing networks, which let PC users exchange videos and other files. That activity, while still growing, is shrinking as a percentage of traffic as more video is transferred from Web sites, Cisco says.

Web-based video is projected to overtake file-sharing as a percentage of Internet traffic in two years.

The study also found that Internet traffic is growing fastest in Latin America, followed by Western Europe and the Asia-Pacific region. The upswing in Internet penetration and the increasing number of universities and businesses with high-speed Internet connections

will result in Latin America having the highest growth rate through 2012, according to the report.