BUILDING-BASED LOCAL EXCHANGE CARRIER REVENUES TO REACH NEARLY $1 BILLION BY 2004, FINDS NEW REPORT FROM NEW PARADIGM RESOURCES GROUP

CONTROL OF “FIRST MILE,” ABUNDANCE OF UNWIRED COMMERCIAL REAL ESTATE AND SIGNIFICANT MARKET ADVANTAGES GIVE BLECS ROOM TO GROW

CHICAGO, APRIL 16, 2001 – New Paradigm Resources Group, Inc., (NPRG), the leading research firm covering the competitive communications industry, today released the second edition of its BLEC Report™, finding that Building Local Exchange Carriers are poised to generate revenues of nearly $1 billion by 2004, up from $71 million in 2000.

BLECs partner with office building owners to wire multi-tenant buildings for state-of-the-art broadband services. The in-building network gives BLECs control of the “first mile,” the network connection from an office tenant to the global communications network outside the building, enabling BLECs to more easily provision and maintain broadband services for building tenants.

“Broadband is quickly becoming a cost of doing business, and office building tenants often face hurdles to fast installation, high capacity and quality service if they have to rely on traditional carriers,” said Terry Barnich, President of NPRG. “BLECs, by creating and managing in-building networks, are well positioned to meet these needs, and with more than 700,000 office buildings in the U.S. lacking broadband capabilities, BLEC business opportunities are huge.”

According to the report, BLECs have four major advantages over traditional carriers that are driving BLEC business opportunities. First, real estate owners see a BLEC-installed broadband network as a building amenity. Second, BLEC broadband services help building owners market office space to tenants. Third, BLECs generally increase building revenues by giving real estate owners a share in the communications revenue BLEC services generate, and fourth, BLECs typically assign an onsite technician who can provide immediate assistance to building tenants.
“BLECs are well positioned to dominate the market for multi-tenant building communications services,” said Craig Clausen, Senior Vice President of NPRG. “The BLEC Report™ profiles the leading BLEC players, their strategies and networks, offering valuable insights to a promising sector of the telecommunications industry. With the forecasts and outlook included in this report, industry analysts should have a basis for future activities for BLECs.”

The BLEC Report™ is part of an evolving line of reports produced by NPRG, which publishes the CLEC Report™, the definitive research and analysis tool for the Competitive Local Exchange Carrier industry. With the fast-moving competitive telecommunications market always shifting focus, NPRG’s reports guide analysts, venture capitalists, and financial experts with unbiased research.

The BLEC Report™ is being sold in hardcopy and is available on CD-ROM as well. Multi-user site licenses of the BLEC Report™ are also available. For more information or to place an order, call 312-980-4796 or visit NPRG on the Web at www.nprg.com.

About New Paradigm Resources Group

New Paradigm Resources Group, Inc. is a research and consulting firm monitoring and analyzing developments in the competitive telecommunications industry. NPRG maintains an extensive array of proprietary databases that support our foundational industry reports, which, in turn, fuel our client-specific expert consulting work. NPRG publishes the CLEC Report™, a biannual multi-volume review of the state, trends and future of the competitive local telecom industry, as well as the ISP Report™, DSL Report™, ASP Report™, Utilities in Telecom Report™ and the BLEC Report™.