



For Immediate Release:
NetRatings, Inc.

Grace Kim (408) 941-2932
Max Heineman (212) 703-5953

FILE-SHARING APPLICATION USAGE DIPS AFTER WARNING FROM THE RECORDING INDUSTRY, ACCORDING TO NIELSEN//NETRATINGS

NEW YORK — July 14, 2003— Nielsen//NetRatings, the global standard for Internet audience measurement and analysis, reports a decline in traffic for several popular file-sharing applications following the June 24 announcement by the Recording Industry Association of America that people who illegally downloaded music could be sued or prosecuted.

Traffic to KaZaA declined by one million unique visitors during the week ending July 6 at home, a 15 percent drop one week after the announcement (see Table 1). Across the board, traffic fell at other popular applications. Morpheus.com drew 231,000 unique visitors during the week ending July 6, decreasing 15 percent from the previous week. Surfers logging onto iMesh declined 16 percent, recording 214,000 unique visitors, while BearShare did not make Nielsen//NetRatings’ reporting cutoff after the legal warning was announced.

“With the negative publicity and threat of steep fines, some surfers appear to be backing off,” said Greg Bloom, senior Internet analyst, Nielsen//NetRatings. “However, with millions of loyal users, these applications aren’t likely to go offline in the near future.”

Table 1. Weekly Trend of Select File-Sharing Applications (U.S., Home)

Application	Unique Audience (000)		% Growth
	6/29/2003	7/6/2003	
KaZaA	6,526	5,577	-15%
Morpheus	272	231	-15%
iMesh	255	214	-16%
BearShare	192	N/A	N/A

Source: Nielsen//NetRatings, July 2003

About Nielsen//NetRatings

Nielsen//NetRatings is the global standard for Internet audience measurement and analysis and is the industry’s premier source for online advertising intelligence with its NetView, AdRelevance, @Plan and WebRF services. Covering 70 percent of the world’s Internet usage, the Nielsen//NetRatings services offer syndicated Internet and digital media research reports and custom-tailored data to help companies gain valuable insight into their business. For more information, please visit www.nielsen-netratings.com.

Editor’s Note: Please source all data to Nielsen//NetRatings.

###