

Eric Dickson's Breakaway Stocks

Special Report: “The Coming Internet Meltdown: What Microsoft, Amazon and CNN Are Doing To Avoid IT And How You Can Make 3,210%”

Company in Focus: Limelight Networks (LLNW)

Limelight Networks (LLNW) is a leading provider of high-performance content delivery network services. The company digitally delivers content for traditional and emerging media companies, or content providers, including businesses operating in the television, music, radio, newspaper, magazine, movie, videogame and software industries.

Using Limelight's content delivery network, or CDN, content providers are able to provide their end-users

with a high-quality media experience for rich media content, including video, music, games, software and social media.

As consumer demand for media content over the Internet has increased, and enabling technologies such as broadband access to the Internet has proliferated, consumption of rich media content has become increasingly important to Internet end-users.

Therefore to the content providers that serve them, eMarketer estimates that nearly 60% of all Internet users regularly watched videos online, and approximately 80% are expected to do so by within 2-3 years.

On top of that, the mobile market, with the advent of smart phones and tablets, has increasingly strained the internet.

Facebook alone has stated in July of 2011 that 250,000 million users access their accounts via their mobile devices and that those users are twice as active as non-mobile users.

And this is only growing... IMS research estimates that 420 million smart phones will sell in 2011 and that number is expected to reach 1 Billion by 2016.

Limelight developed their services and architected their network specifically to meet the unique demands content providers face in delivering rich media content to large audiences of demanding Internet end-users.

LLNW's comprehensive solution delivers content providers a high-quality, highly scalable, highly reliable offering at a low cost.

As of recent, approximately 1300 customers are using Limelight Networks to deliver the high-quality media experiences that their consumers seek online.

Content providers seeking to deliver rich media content to end-users via the Internet have two primary alternatives:

- Deliver content using basic Internet connectivity or;
- Utilize a Content Delivery Network (CDN).

The basic Internet, which is a complex web of networks, is effective for delivering many types of content but

can be ineffective for delivering rich media content with satisfactory performance.

Internet protocols are designed to reliably transport data packets, but the packets can be lost or delayed in transit. When data packets are lost or delayed during the delivery of rich media content, the result is noticeable to users because playback is interrupted.

This interruption causes songs to skip, videos to freeze and downloads to be slower than acceptable for demanding consumers. We see this all the time.

This lack of performance and its dramatic effect on user experience make the delivery of rich media content via the basic Internet extremely challenging.

In response to this challenge, some content providers have chosen to invest significant capital to build the infrastructure of servers, storage and networks necessary to bypass, as much as possible, the public Internet.

The substantial capital outlay and the development of the expertise and other technical resources required to manage such a complex infrastructure can be time-

consuming and prohibitively expensive for all but the largest companies.

As a result, many companies have chosen to rely on one or more CDNs for the delivery of their content. Most early CDNs were built and configured to deliver the objects typically found in basic web sites such as photos or graphics, but were not configured for the large files and large content libraries associated with today's rich media.

Benefits of LLNW's Solution to Customers

Limelight has designed their CDN solution specifically to handle the demanding requirements of delivering rich media content over the Internet. The company's solution enables content providers to provide their end-users with high-quality experiences across any digital media type, content library size or audience scale without expending the capital and developing the expertise needed to build and manage their own networks.

LLNW's CDN solution delivers the following benefits to our customers:

High-Quality User Experience

LLNW enable users to receive their requested content such as movies, television shows, games, songs and software downloads in a timely manner and to enjoy a high-quality media experience.

They accomplish this, in part, by delivering content from servers that can be closer to users than a content provider's own servers, and by delivering more than half of their content volume directly to a user's access network, bypassing much of the congestion typically experienced in the public Internet.

The company also operates a dedicated high-speed (10 gigabits per second) backbone that enables them to move content quickly between locations on the network.

High Scalability Across Media Type, Library Size, and Audience Size

LLNW's current global delivery capability exceeds 1 terabit per second. This capacity allows the company to support traffic spikes associated with special one-time or unexpected events.

Limelight's highly scalable infrastructure also enables it to maintain their performance levels as their

customers' audiences grow, media file sizes increase and content libraries expand.

High Reliability

Limelight's distributed CDN architecture, managed by their proprietary software, seamlessly and automatically responds in real time to network and data center outages.

Each of their CDN locations connects to multiple Internet backbone and broadband Internet service provider networks, and has multiple redundant servers, enabling the company to continue serving content even if a particular network connection or server fails.

Comprehensive Solution

LLNW can begin delivery services for a new customer within days of a customer's placement of an order.

LLNW also supports both download and streaming delivery in a broad variety of formats, including Adobe Flash, MP3 audio, QuickTime, RealNetworks RealPlayer and Windows Media.

In addition, their value-added services include a web-based customer portal that provides management information reports and a download manager that simplifies the downloading process for the end-user. Lastly, they offer custom services to address customers' non-standard delivery needs.

Low Content Delivery Costs

Their content delivery services enable customers to avoid the substantial upfront and ongoing capital requirements of upgrading and maintaining their data centers and networks in order to deliver media content themselves.

Customers benefit from the lower cost associated with the delivery of content using Limelight's infrastructure, which is designed specifically for delivering rich media content, and the expertise they have acquired from serving their customers.

LLNW's Strategy

The company's strategic goal is to be the provider of choice in the delivery of rich media content. Key elements of the company's strategy include:

- Continuing to focus on customers with rich media content, a market which the company believes represents a stable and growing business opportunity;
- Expanding their CDN infrastructure to address significant growth opportunities and increase their market penetration in key international markets, including Europe and the Asia Pacific region;
- Continuing to innovate in order to enhance their content delivery capabilities;
- Expanding our CDN capacity to further advantages associated with the scale of the company's network;
- Enhancing sales and distribution channels to broaden customer relationships and deepen penetration of existing customer accounts; and
- Expanding partner relationships to further complement their service offerings

Major Customers of LLNW

One thing that LLNW has is a tremendous lineup of high profile customers. We're not just talking about companies you've never heard of. There is a long list of major players that rely and have banked on Limelight's technology.

Customers like:

Amazon.com: LLNW is the content delivery network for Amazon Unbox™, a new high-quality digital video download service from Amazon.com (NASDAQ: AMZN).

Utilizing Limelight's global, high-performance network, Amazon Unbox offers consumers thousands of DVD-quality TV shows, movies, and other videos from around the world, all delivered via the Internet to PCs, Media Center PCs, and a family of compatible portable media players.

"We selected Limelight Networks' high-performance content delivery network for delivery of the Unbox service because it was built from the ground up for digital media," said Bill Carr, Amazon.com's vice president of digital media. "Leveraging the full range of Limelight's capabilities, we can reliably and instantaneously deliver these high-quality video files

to our customers, saving them a trip to the video store.”

Microsoft (MSFT): the company announced a technology and services agreement with Microsoft under which Limelight will help improve the performance, scalability, and reliability of Internet delivery of media content and online services, including video, music, games, software, and social media, across Microsoft's global Internet properties.

Right now, LLNW has Microsoft as a client. There have been rumors for a very long time that Bill Gates wants LLNW and every time this has come up, LLNW has outright refused. Why sell to MSFT when you can take huge amounts of their cash as one of their providers? It's just simple business.

CNN: CNN used Limelight's CDN (Content Delivery Network) to run their websites efficiently and hassle free.

Possibility Of Facebook

Landing facebook as a major customer is something than any service provider would love to come by. Having

this titan in your back pocket is a sure way to explode your business and your share price.

Limelight's Limelight Video Platform (LVP) provides a complete online video solution to manage, publish, measure, and monetize high quality video content on the web and we are thinking that in the not so distant future, LLNW will land Facebook.

Right now, LLNW has captured 3 of the major players on the DOW 30. As time ticks by, LLNW will be chipping away at the rest of them and in the end, earnings will mount exponentially.

Earnings

Earnings with LLNW are ridiculous and we expect that over the course of the next few quarters, LLNW will literally explode. Have a look at one of the most recent press releases regarding earnings and specific company highlights:

- Mobile internet and tablet computing revenue growth of approximately 150% year-over-year.
- Online video platform growth of approximately 200% year-over-year.

- Site and application acceleration services growth of approximately 40% year-over-year.
- Enterprise cloud storage growth of approximately 60% year-over-year.
- Revenues of \$183,327,000 in 2010 - up 42% from 2008.
- Gross Profits more than doubled from 2009 to 2010.

Conclusion

With Limelights capabilities in an increasingly attractive and critical market, they're uniquely positioned to become an integral part of the next age of internet experience.

Their current revenues are strong, a little more than 50% on their market cap.. representing, especially with their existing infrastructure, a possible buyout target. One thing to look for with a buyout is Goldman Sachs, who owns 27% of the company since taking them public in 2007. They'll need to at least break even on the deal if there is going to be a buyout.

Either way, investor should experience continue growth, outside of a total U.S market collapse. At current,

shares are trading at a discounted and attractive range.