

## Netflix reaches milestone with delivery of one billionth DVD

by Bend\_Weekly\_News\_Sources

Netflix, the world's largest online movie rental service, today said it has delivered the one billionth DVD since the company's subscription service was launched in September 1999. The milestone was reached yesterday, when the drama "Babel" arrived at the home of a subscriber in Helotes, Tex., from Netflix's distribution center in Houston.

Netflix said it viewed the one billionth delivery as symbolic of the company's rapid subscriber growth, high levels of customer satisfaction and a record of operational excellence. Netflix's service is widely recognized as among the best and most reliable in Internet commerce and has for four consecutive polls been named the number one Web site for customer satisfaction by the independent researchers ForeSee Results and FGI Research.

The company said it would give the recipient of the milestone DVD a free lifetime membership to Netflix and would also mark the occasion with an update to the theme line of its current TV advertising campaign, which will now read "Over one billion movies delivered so far. Zero late fees." The theme had previously referred to "Nearly one billion ... "

The one billion deliveries span a movie library that now numbers 70,000 titles. On September 23, 1999, the day Netflix inaugurated its subscription service from a small warehouse in San Jose, Calif., the title count was barely north of 2,000. Subscriber destinations that day included Tucson, Ariz. ("True Crime"), Annapolis, Md. ("Analyze This") and Pottstown, Pa. ("Dr. Strangelove"). Today, Netflix serves more than 6.3 million subscribers and ships approximately 1.5 million of its trademark red mailers per day from 42 distribution centers geographically dispersed across the United States.

"A billion of anything is a lot and it's certainly a nice round number," said Reed Hastings, co-founder and CEO of Netflix. "What it really says to us, however, is that we've been lucky to have such supportive customers over the last seven years and that we've provided them with a distinctive customer experience."

The road to a billion deliveries passed a number of markers. The company delivered its 100,000th DVD in October 1999, its one millionth the following month and its 100 millionth in May 2003. Over the years, the service's five most frequently rented movies have been, in order, "Crash," "Mr. and Mrs. Smith," "Walk the Line," "Hotel Rwanda," and "Million Dollar Baby."