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Covad Enhances Business-Class DSL with Industry-Leading SLAs

*Announces New Master Agent, National Communications Group,
at the Spring 2008 Channel Partners Conference & Expo*

Las Vegas, NV – March 12, 2008 – Covad Communications Group Inc., (AMEX: DVW), a leading national provider of integrated voice and data communications, announced at the Spring 2008 Channel Partners Conference & Expo that it will offer an enhanced, business-class product - Business DSL - as part of its industry-leading broadband access portfolio. For small and medium businesses with a critical need for secure, reliable internet connection, these products will provide consistent business-class connectivity at an affordable price, backed by dedicated support and service-level agreements (SLAs).

Covad Business DSL, which is offered on a data-only, dedicated line, provides the quality of service that is necessary to support hosted applications, servers and other mission-critical business functions. Enhanced with static IP addressing, and industry-leading, aggressive SLAs backed by service credits, Covad Business DSL has a 24X7X365 dedicated support team with a target average repair time of 24 hours or less. Many other providers only offer a "best effort" on repair time. These types of SLAs have traditionally been offered for symmetrical DSL and T1 services, but Covad has added these business-class features to their asymmetric services to better meet the needs of business customers. These added features underscore Covad's commitment to reliability and excellence of service for all types of businesses.

"We are excited to introduce industry-leading SLA guarantees on a business-class DSL service," said Patrick Bennett, general manager of Covad Branded Services. "We have listened to our channel partners, who told us that business customers are demanding reliable, affordable broadband connection. Covad has given it to them throughout its product portfolio."

Covad delivers high speed Internet access communications over its fully-managed, nationwide network. In addition to its Business DSL product, with download speeds up to 15.0 Mbps, Covad offers standard T1, a Bonded T1 service with speeds up to 3.0 Mbps, and fixed wireless broadband at speeds up to 45.0 Mbps.

At the Spring 2008 Channel Partners Conference & Expo, Covad also announced that it has signed a Master Agent agreement with National Communications Group, an Internet and data connectivity provider to enterprise customers nationwide. This agreement enables National Communications Group to better serve its enterprise customers by adding Covad's Business DSL product, as well as T1, Bonded T1 and fixed wireless broadband services, to its enterprise-class and data network of consulting, training, and security solutions.



"National Communications Group forms alliances with companies that complement its total solutions package of voice and data services," said Sam Levine, President of National Communications Group. "Covad's wireline and wireless broadband services enable us to bundle voice and data solutions to provide our customers with the high speed and reliable internet access their businesses need."

Covad remains the 'easy to do business with' choice for channel partners. Under the Master Agent program, Covad better serves its customers by pairing sales partners with a designated Covad channel manager specialized in joint selling and presales technical support. The Master Agent program is also equipped with a web-based Alliance Center partner portal which offers sales and marketing tools, product and pricing information, online training courses, and customer support contacts. A nationwide footprint and wide breadth of business-class services empowers Covad and its sales agents to keep SMB and enterprise customers a step ahead.

For more information on becoming a Covad partner, please visit www.covadalliance.com.

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About Covad

Covad is a leading nationwide provider of integrated voice and data communications. The company offers DSL, Voice Over IP, T1, broadband wireless, Web hosting, managed security, IP and dial-up, and bundled voice and data services directly through Covad's network and through Internet Service Providers, value-added resellers, telecommunications carriers and affinity groups to small and medium-sized businesses and home users. Covad broadband services are currently available across the nation in 44 states and 235 Metropolitan Statistical Areas (MSAs) and can be purchased by more than 57 million homes and businesses, which represent over 50 percent of all US homes and businesses. Corporate headquarters is located at 110 Rio Robles San Jose, CA 95134. Telephone: 1-888-GO-COVAD. Web Site: www.covad.com.

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The foregoing contains "forward-looking statements" which are based on management's current information and beliefs as well as on a number of assumptions concerning future events made by management. Examples of forward-looking statements include expectations regarding Covad's ability to successfully sell its services through National Communications Group. Readers are cautioned not to put undue reliance on such forward-looking statements, which are not a guarantee of performance and are subject to a number of uncertainties and other factors, many of which are outside Covad's control that could cause actual results to differ materially from such statements. These risk factors include our ability to rapidly expand and deploy these services and changes in technologies, among other risks. For a more detailed description of the risk factors that could cause such a difference, please see Covad's 10-K, 10-Q, 8-K and other filings with the Securities and Exchange Commission. Covad disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. This information is presented solely to provide additional information to further understand the results of Covad.