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FCC RELEASES ANNUAL TELECOMMUNICATIONS INDUSTRY REVENUE REPORT

Washington, D.C. – The Federal Communications Commission today released its annual report providing a general overview of revenues in the U.S. telecommunications industry, entitled *Telecommunications Industry Revenues*.

According to the report, the industry in 2003 reported \$291 billion in revenues — a decrease of less than 1% from 2002's \$292 billion. The report also shows dramatic shifts in the way universal service support is funded, reflecting the changing level of revenues reported by various sectors of the industry.

Other findings include:

- Wireless industry revenues grew 10% during 2003, from \$82 billion to \$90 billion.
- Revenues of competitive local telephone companies increased 10% during 2003, from \$15.3 billion to \$16.9 billion. These revenues accounted for about 13% of the \$126 billion of local telephone service provider revenues.
- Total toll service revenues continued to decline during 2003 — from \$84 billion to \$77 billion.
- Revenues for incumbent local exchange carriers decreased to \$109 billion in 2003, down from \$115 billion, or 5% from the previous year.

The report is available for reference in the FCC's Reference Information Center, Courtyard Level, 445 12th Street, SW, Washington, D.C. 20554. Copies may be purchased by calling Best Copy and Printing Inc. at 800-378-3160 or via e-mail at fcc@bcpweb.com. The report, including spreadsheets containing the statistical tables and figures, can also be downloaded from the **FCC-State Link** Internet site at www.fcc.gov/wcb/stats.

- FCC -

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News about the Federal Communications Commission can also be found
on the Commission's web site, www.fcc.gov.

TELECOMMUNICATIONS INDUSTRY REVENUES 2003

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Industry Analysis & Technology Division
Wireline Competition Bureau
March 2005



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Telecommunications Industry Revenues

This report provides an overview of U.S. telecommunications industry revenues and contributions to the universal service support mechanisms. The last report was released March 17, 2004.¹ Most of the data for 2003 are taken from April 1, 2004 filings of annual Telecommunications Reporting Worksheets (FCC Form 499-A). Revenue data collected on these worksheets are utilized in the Commission's administration of the universal service fund (USF), Telecommunications Relay Service (TRS), North American Numbering Plan (NANP) and local number portability (LNP) programs. FCC Form 499-A data also are used to calculate common carrier regulatory fees. Preliminary 2004 totals presented in Table 1, and 2004 and 2005 shares of universal service contributions by principal type of contributor presented in Table 12, are based on filings of quarterly Telecommunications Reporting Worksheets (FCC Form 499-Q).

The industry reported \$291 billion in telecommunications service revenues — a slight decrease from 2002's \$292 billion. Industry sector data include:

- The pace of revenue growth for the wireless industry remained strong. Wireless industry revenues grew 10% during 2003, from \$82 billion to \$90 billion.
- Revenues of competitive local telephone companies increased 10% during 2003, from \$15.3 billion to \$16.9 billion. These revenues accounted for about 13% of the \$126 billion of local telephone service revenues.
- Total toll service revenues continued to decline during 2003 — from \$84 billion to \$77 billion.
- Revenues for incumbent local exchange carriers decreased to \$109 billion in 2003, down about 5% from \$115 billion in 2002.
- Chart 1 illustrates changes in total end-user telecommunications revenues over time. The chart shows how the wireless service share of the industry has grown while the toll service share has declined.
- Chart 2 illustrates how the share of universal service contributions by principal type of service provider has changed dramatically since 1997.

¹ Industry Analysis and Technology Division, Wireline Competition Bureau, Federal Communications Commission, *Telecommunications Industry Revenues: 2002* (rel. March 17, 2004).

Chart 1
End-User Telecommunications Revenues

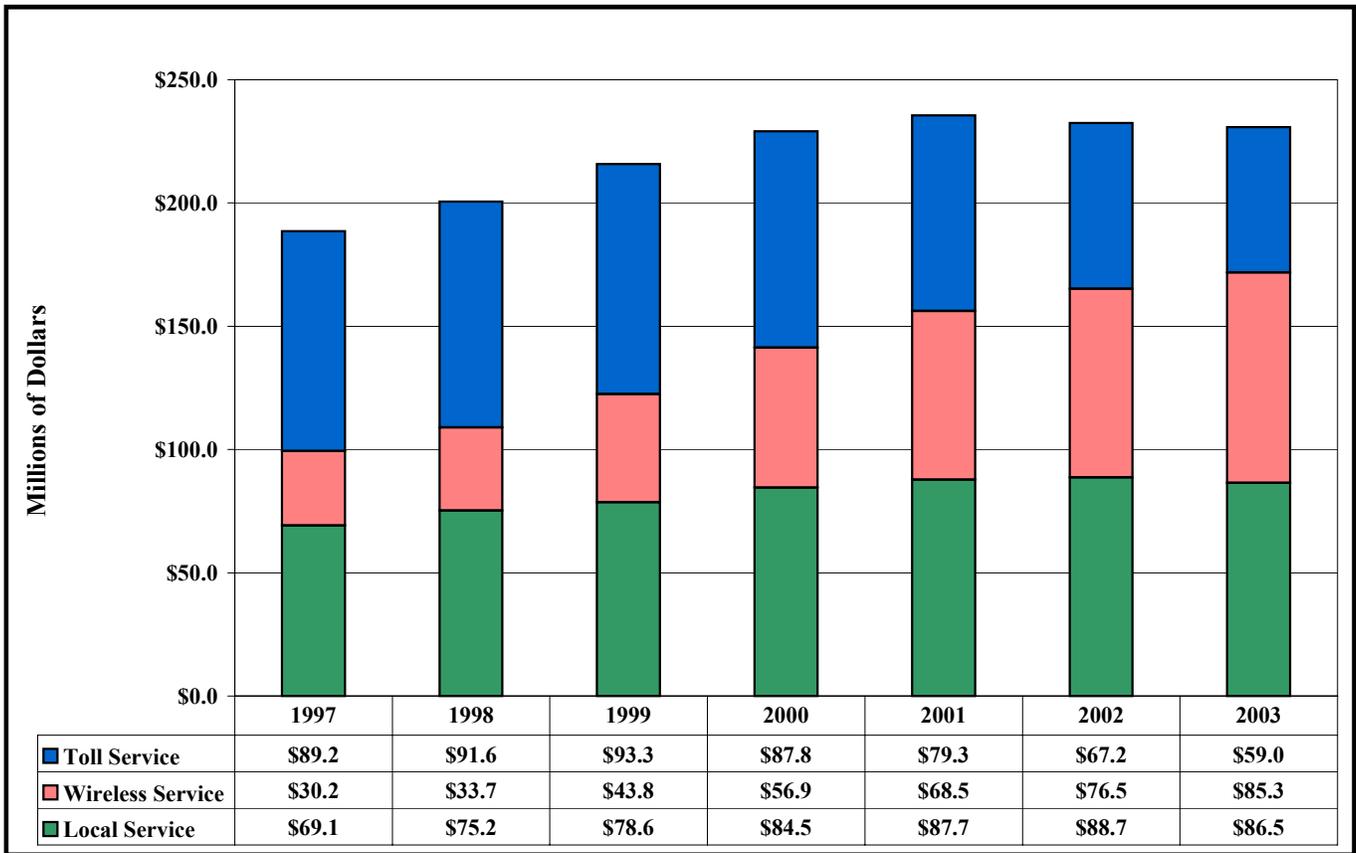
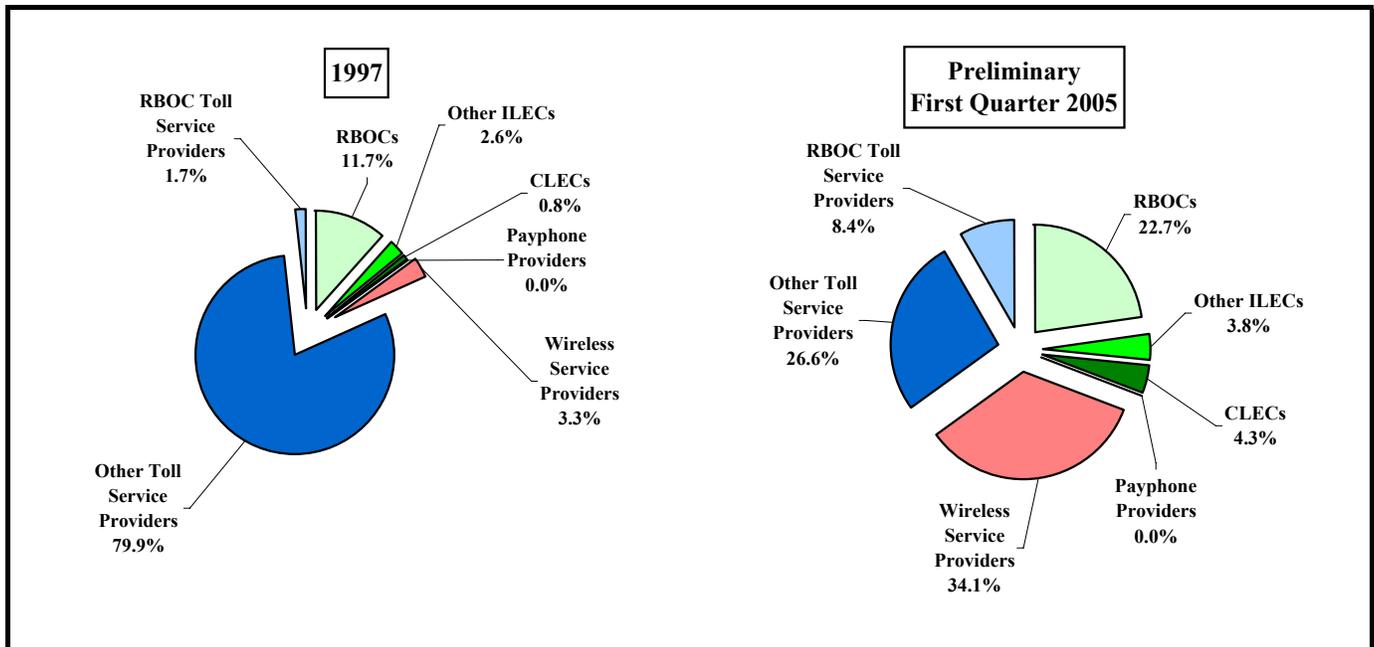


Chart 2
Share of Universal Service Contributions
By Principal Type of Contributor



FCC Form 499-A Filing Requirement

Virtually all providers of telecommunications must file FCC Form 499-A each year.² Telecommunications Reporting Worksheets are not filed directly with the FCC but rather with the Universal Service Administrative Company (USAC), which serves as the data collection agent. While the annual worksheets were due April 1, 2004, some providers filed late or submitted revised filings after that date. Year 2003 data do not include information from filings received after October 1, 2004 or information from filings that were incomplete.

FCC Form 499-A asks each filer to report total, interstate and international revenues in two broad categories: those billed to universal service contributors for resale (carrier's carrier revenues); and, those billed to *de minimis* telecommunications providers and end users (end-user revenues).³ Filers must provide further breakdowns of local, wireless, and toll services. The form also asks each filer to choose the communications business that best describes its operations:⁴

- All Distance Service Provider
- Coaxial Cable Local Exchange Service Provider
- Competitive Access Provider (CAP) or Competitive Local Exchange Carrier (CLEC)
- Cellular, Personal Communications Service (PCS) and Specialized Mobile Radio (SMR) Wireless Telephony Service Provider
- Incumbent Local Exchange Carrier (ILEC)
- Interexchange Carrier (IXC)
- Local Reseller
- Operator Service Provider (OSP)
- Other Local Service Provider
- Other Mobile Service Provider
- Other Toll Service Provider

² There are certain exceptions. Providers that offer telecommunications for a fee exclusively on a non-common carrier basis are not required to file if their total annual contribution to universal service would be less than \$10,000. Government entities that purchase telecommunications services in bulk on their own behalf, public safety and local government entities licensed under Subpart B of Part 90 of the Commission's rules, entities providing interstate telecommunications exclusively to government or public safety entities, broadcasters and various non-profit entities are not required to file. Finally, systems integrators that derive less than 5% of their systems integration revenues from the resale of telecommunications and entities that provide services only to themselves or to commonly owned affiliates need not file.

³ Telecommunications providers are considered *de minimis* and thus are not required to contribute to Universal Service (or file FCC Form 499-Q) if their annual contributions to Universal Service would be less than \$10,000. For universal service contribution purposes, underlying service providers treat *de minimis* firms as end users.

⁴ The detailed definitions of the filer categories are contained in section III.A of the *Instructions to the Telecommunications Reporting Worksheet, FCC Form 499-A* available at www.fcc.gov/Forms/Form499-A/499a.pdf. Filers identified as All Distance or Coaxial Cable Service Providers have been re-categorized for the purpose of creating summary statistics.

- Paging and Messaging Service Provider
- Payphone Provider
- Private Service Provider
- Prepaid Calling Card Provider
- Satellite Service Provider
- Shared-Tenant Service Provider
- Specialized Mobile Radio - Dispatch
- Toll Reseller
- Wireless Data Service Provider

FCC Form 499-A filers are instructed to report amounts actually billed to customers. This means that filers should report revenues net of discounts, but without making adjustments to reflect uncollectible revenues or international settlement payments or receipts.⁵ Most filers should be able to report revenues in this manner using information contained in their corporate books of account. Some service providers, however, have no business or regulatory requirements to record intrastate or international revenues separately from interstate revenues, or to use the detailed revenue categories contained in the worksheets. In addition, many wireless providers use the interim safe harbor percentages to estimate the interstate portion of their revenues.⁶

FCC Form 499-A filings sometimes contain mistakes. Initial examination of the data occasionally reveals carrier types, revenue amounts and/or revenues reported in service categories inconsistent with the known operations of the filer. Some corrections have been made based on supplemental filer information. Nonetheless, disaggregated data are likely to be less accurate than industry totals.

Statistical Tables

Table 1 shows the major components of telecommunications revenues for 1993 through 2004. For 1997 through 2003, this table was created by aggregating the revenues in the major classifications designated on FCC Form 499-A. FCC Form 499-Q data was used to provide preliminary figures for 2004.

Tables 2 and 3 provide a more detailed look at annual industry revenues over time. Generally, FCC Form 499-A revenue data can be tabulated in two distinct ways: by type of service provided and by type of business. **Table 2** categorizes revenues by type of service and shows, for example, that carriers reported \$89.7 billion in wireless service revenues for 2003. This total includes wireless service revenues from some carriers that are not identified as wireless carriers. In

⁵ Filers began to provide some information on uncollectible revenues starting with the February 1, 2003 FCC Form 499-Q filing. Beginning in the second quarter of 2003, contributions have been based on projected collected revenues, rather than billed revenues for a prior period.

⁶ See the *Instructions to the Telecommunications Reporting Worksheet, FCC Form 499-A* section III.C.3. available at www.fcc.gov/Forms/Form499-A/499a.pdf.

contrast, **Table 3** shows that wireless service providers reported total revenues of \$89.3 billion in 2003, including some revenues for fixed local and toll services.

Revenue data for 1993 through 1996 were summarized from information filed on TRS worksheets. Revenue data for 1997 and 1998 were derived by combining TRS worksheet and universal service worksheet data. Starting with 1999, revenue data were summarized from FCC Form 499-A, which replaced both the TRS and universal service worksheets. Because of reporting changes, data for 1997 forward are not entirely consistent with data for prior years. For example, *special access* revenues were included with *other access* revenues prior to 1997 but have been included with *local private line services* since then. Similarly, through 1996, filers reported as *other local and mobile* revenues substantial amounts of customer premises equipment, billing and collection, and other types of revenues that are excluded from contributions to universal service. These revenues are now reported as *non-telecommunications* revenues. Both tables contain estimates of non-telecommunications revenues that had been reported in prior years. Based on staff estimates, the 1996 telecommunications revenues reported on TRS Worksheets would have been \$10.5 billion lower if revenues had been reported using current instructions.

Some inconsistencies exist in the 1997 - 2003 period. For example, filers were required in 1997 to include inside wiring maintenance revenues as part of local exchange revenues. In 1998, filers were instructed to report these revenues as non-telecommunications service revenues. The local exchange service revenue data in Table 2 would show a greater increase from 1997 to 1998 if the same reporting instructions had been used for each year. Note also that each year, many filers erroneously report substantial amounts of *switched toll* revenues as *other long distance* revenues. The data are examined and some revenues are reclassified based on staff research. Even so, the *other long distance* category of Table 2 probably continues to contain some *switched toll* revenues, perhaps significant amounts in some years.

Changes in reporting procedures may have induced some of the large increase in non-telecommunications revenues that occurred in 2002. Prior to 2002, each legal entity providing telecommunications was required to file separately. Starting in 2002, entities meeting specific conditions were allowed to file on a consolidated basis. For some companies, the books at the consolidated-entity level include substantial amounts of non-telecommunications revenues for legal entities that do not individually provide telecommunications and therefore would not be required to file on an individual basis. Their revenues, however, must be included when filings are made on a consolidated basis because the revenues are recorded on the consolidated books.

Table 4 illustrates how data from the FCC Form 499-A are used to develop funding bases for USF, NANP, LNP and TRS contribution mechanisms. Each of the four programs is supported by a slightly different group of telecommunications providers under slightly different rules. As noted above, providers are considered *de minimis* for USF purposes if their annual contribution is expected to be less than \$10,000. While such providers are thus not required to file FCC Form 499-Q, *de minimis* status does not exempt service providers from filing FCC Form 499-A because contributions to TRS, NANP and LNP are required regardless of the expected annual amount. Note also that NANP, LNP, and TRS each draw contributions from a

larger pool of providers than does USF. Specifically, all telecommunications carriers in the United States must contribute to meet the costs of NANP (47 C.F.R. § 52.17), and all telecommunications carriers that provide service in areas covered by the regional LNP database must contribute to meet the costs of LNP (47 C.F.R. § 52.32). Thus, only those providers that are not carriers are not required to contribute. Cost recovery for TRS is slightly different. Every carrier providing interstate services must contribute to the TRS Fund (47 C.F.R. §64.604 (c)(5)(iii)(A)). In this case, providers that are not carriers, and carriers that do not provide interstate services are not required to contribute. See Figure 3 of the *Instructions to the Telecommunications Reporting Worksheet, FCC Form 499-A*, which can be found on the FCC's web site at www.fcc.gov/Forms/Form499-A/499a.pdf.

Revenue data for individual filers are not available to the public. However, Tables 5 through 8 present detailed industry roll-ups by type of revenue and type of filer. **Table 5** provides a detailed breakout of revenues for each of the FCC Form 499-A revenue categories used to report services provided to other filers for resale. **Table 6** displays similar detail for each of the revenue categories used to report telecommunications service provided to end users. **Table 7** combines data from Tables 5 and 6 with data on non-telecommunications revenues to develop total industry revenues. **Table 8** provides more aggregated revenue information by type of filers. The revenue categories presented in Tables 5 through 7 are explained in the FCC Form 499-A filing instructions.

Table 9 presents an estimate of average revenue per conversation minute. Based on the methodology in Table 9, FCC staff estimated that end users were billed an average of 8 cents for each minute of interstate and international toll calling made during 2003. The average price for each interstate domestic conversation minute was estimated to be 7 cents during 2003. These estimates and year-over-year changes in these estimates should be treated with great caution for a number of reasons. For instance, terminating access minutes are used as a proxy for billed conversation minutes. In certain cases, the two measures track each other closely. Subscriber toll-free calls that terminate on dedicated access lines and some other classes of calls generate access minutes that are billed as terminating minutes only. Some calls, however, generate originating access minutes only or bypass ILEC switched facilities on both ends and therefore generate no access minutes. Some subscriber toll-free calls, on the other hand, do not terminate on dedicated access lines and therefore may generate two terminating access minutes per conversation minute.

Another problem is that since 1999, NECA filings report total access minutes without a breakout for originating and terminating minutes. The totals are allocated based on carrier common line (CCL) minutes reported in access tariff filings by ILECs that are subject to price-cap regulation and in the NECA pool access tariff filings. Also, some toll calls handled over VoIP networks may terminate via local minutes rather than interstate access minutes. On balance, the preceding problems may result in an upward bias in the revenue per minute estimates. For 2003, the staff estimates that revenue per minute estimates may be overstated by as much as 20%.

The methodology presented in Table 9 mitigates some problems associated with using terminating access minutes as a proxy for conversation minutes. For example, some

conversation minutes do not result in ILEC access minutes because they terminate on the facilities of CLECs. These carriers do not report access minutes. Table 9 presents estimates of these minutes based on CLEC shares of local service revenues. These amounts are used to adjust terminating access minutes.

Moreover, the methodology presented in Table 9 adjusts terminating access minute totals to better reflect international traffic. International settlement minutes are reported based on the billing status of calls rather than where the calls actually originate. Thus, some U.S. billed calls actually originate in foreign points and vice versa. However, most U.S. billed calls originate in the United States and generate originating but not terminating access minutes. These minutes are added to the reported totals for terminating access minutes so that terminating access minutes better represent conversation minutes. Similarly, foreign billed minutes, which usually generate terminating access minutes, are removed from the terminating access minute total.

One category of U.S. billed international calls merits special treatment. *Country-direct* and *country-beyond* calls are placed from foreign points, directly with U.S. carriers. Country-direct calls generally originate overseas and terminate in the United States. Such calls are billed by U.S. carriers, generate settlement payments to foreign carriers, and are reported in section 43.61 traffic data reports as U.S. billed calls. Country-beyond calls are similar, but both originate and terminate at foreign points. Country-direct calls result in terminating access minutes. Country-beyond calls generally do not. Unfortunately, section 43.61 data do not separate country-direct from country-beyond calls. This is not a problem for allocating originating access minutes between interstate and international calls, because neither type of call results in appreciable originating access minutes. In estimating interstate terminating access minutes, however, staff chose to subtract country-direct and country-beyond minutes. This means that the number of total interstate terminating minutes, which is used to represent interstate conversation minutes, is biased downward. Staff did not include country-direct or country-beyond minutes with international conversation minutes because country-beyond revenues are reported separately as *international-to-international service* revenues on FCC Form 499-A and are therefore subtracted when calculating international revenue per minute. Country-direct revenues, however, remain in the revenue base but the corresponding minutes have been removed from the estimate of international conversation minutes. This bias may be offset by the fact that many international-to-international calls generate U.S. billed settlement minutes and are counted as conversation minutes.

An increasing share of switched traffic either originates or terminates on wireless telephones. Some wireless minutes and some wireless revenues are included in the revenue per minute calculations. Terminating access minutes include calls that originate on a wireless telephone and terminate on a wireline telephone, but do not include any calls that terminate on wireless telephones. Switched revenues include all long distance charges that are itemized on wireless customers' bills but do not include any portion of revenues reported as wireless monthly service or airtime charges. Many interstate wireless calls are billed under "bucket of minutes" plans and have no explicit toll charges associated with them. Staff does not have sufficient data to assess whether inclusion of some wireless toll minutes and some wireless carrier revenues results in an upward or downward bias in the revenue per minute calculations.

End-user switched toll revenue data also are problematic. Through 1996, the figures shown are based on TRS gross revenue data. In order to translate reported gross revenues to end-user revenues, 80% of revenues reported by toll resellers were netted from the total. A second problem is that in some years, filers classified substantial amounts of switched service revenues as (non-switched) *other toll*. While significant effort has been devoted to identifying and reclassifying these amounts, the *other toll* category shows a \$1.3 billion drop from 1997 to 1998, which suggests that the 1997 figure may still contain significant amounts of misreported switched service revenues.

Starting in 1998, many toll carriers used fixed monthly charges to recover account maintenance, ILEC presubscribed interexchange carrier charges (PICCs), and both federal and state universal service contributions. Some toll carriers reported some of these surcharges as local service tariffed PICC charges. An attempt was made to identify these amounts and include them with switched toll revenues. Some filers bill customers percentage surcharges to recover universal service contributions. While filers must separately identify the universal service surcharges on their universal service worksheets, it is not possible to identify a precise amount that is attributable to interstate toll service. The Table 9 adjustments to reflect both PICC and universal service costs and end-user charges should be taken as approximate.

Table 9 also shows a number of assumptions that were made in order to separate international revenue data from interstate revenue data. Filers did not separately report end-user revenues for international services for years before 1999. For 1999 and 2000, it appears that many FCC Form 499-A filings understate international revenues and overstate interstate revenues. This could happen if, for example, a filer split revenues between interstate and international service based on a ratio of interstate to international minutes, rather than on actual billings. This would not reduce contribution requirements for the filer but does make the breakout shown in Tables 5, 6, and 7 less reliable. For 2001, carriers reported \$1.5 billion more international revenues in FCC Form 499-A filings than they did in section 43.61 filings. The section 43.61 international traffic data appears to be more reliable, but lacks breakouts of carrier's carrier and end-user revenues. Based on staff analysis of the FCC Form 499-A data, a simple methodology is used to convert section 43.61 international traffic revenue data into estimates of international end-user revenues for message telephone service. The same methodology is used in all years.

While the FCC does collect detailed international traffic data, there is no clean match between categories of minutes actually reported and the international service end-user revenue data presented in Table 9. The amounts of international-to-international revenues are estimated for 1996 and earlier. Also, an increasing amount of international traffic is being carried on resold private lines and via other new arrangements. It seems likely that much of this traffic is not being properly reported in traffic data reports. For these reasons, the breakout between interstate revenues per-minute and international revenues per-minute is likely to be significantly less accurate than the combined estimate.

Table 10 presents an estimate of average revenue per conversation minute, net of access and universal service contribution costs. These estimates indicate that access and universal

service contribution costs have declined over time, and that revenues per minute net of access and universal service contribution costs have declined over time as well. The table uses the data on minutes developed in Table 9 and therefore has the attendant uncertainties. The analysis also uses international settlement payment data which, while relatively good, include settlements associated with international-to-international traffic. The analysis does not account for special access payments from toll carriers to local exchange carriers. In some cases, toll carriers recover the cost of these services through charges that are reported as switched toll revenues and that therefore are reflected in per-minute revenue estimates.

FCC Form 499-A asks filers to identify the share of their carrier's carrier and end-user telecommunications revenues attributable to different regions of the country. **Table 11** shows total end-user telecommunications revenues by region for local, toll and wireless filers. **Table 12** provides data about the relative magnitude of universal service contributions from different classes of telecommunications providers.

Since the second quarter of 2003, universal service contributions have been based on projected collected interstate and international end-user revenues rather than on actual billed revenues from a prior quarter. On the first day of the second month of each quarter, filers report preliminary data for billed revenues from the previous quarter, and project billed and collected universal service contribution base amounts for the upcoming quarter. For example, on November 1, 2004, filers reported data for the third quarter of 2004 and projected revenues for the first quarter of 2005. Far less detail is filed on the quarterly FCC Form 499-Q than on the annual FCC Form 499-A. Revenue detail for the historic quarter includes total, interstate and international U.S. telecommunications revenues, divided into carrier's carrier and end-user categories. For the coming quarter, filers provide only billed and projected collected interstate and international end-user revenues. Rollups of the quarterly data are available on the FCC's website at: <http://www.fcc.gov/wcb/iatd/lec.html>.

USF, TRS, NANPA and LNP rules prohibit the fund administrators from releasing company-specific information contained in FCC Form 499-A and FCC Form 499-Q worksheets. Revenue data for individual filers are not available to the public.

Table 1
Overview of Telecommunication Industry Revenues 1/
(Dollar Amounts Shown in Millions)

	1997	1998	1999	2000	2001	2002	2003	Preliminary 5/ 2004
Carrier's Carrier Revenues 2/								
Local Service 3/	\$28,289	\$29,374	\$33,156	\$36,621	\$40,108	\$38,412	\$37,742	\$38,794
Wireless Service	2,752	3,060	4,652	5,144	6,180	5,020	4,465	5,305
Toll Service	11,598	13,448	14,934	21,849	19,999	16,476	18,205	17,244
Intrastate	16,201	18,892	22,293	25,553	27,848	25,770	24,825	24,974
Interstate and International 4/	26,562	27,114	30,449	38,060	38,439	34,138	35,587	35,801
Total	\$42,639	\$45,882	\$52,742	\$63,613	\$66,287	\$59,907	\$60,412	\$60,775
End User Revenues 2/								
Local Service 3/	\$69,137	\$75,189	\$78,608	\$84,526	\$87,704	\$88,712	\$86,474	\$85,920
Wireless Service	30,199	33,714	43,843	56,857	68,507	76,501	85,254	95,503
Toll Service	89,193	91,607	93,311	87,767	79,302	67,222	58,983	50,557
Intrastate	117,454	123,216	134,919	147,465	155,347	154,815	150,889	151,550
Interstate and International 4/	70,952	77,170	80,844	81,685	80,165	77,619	79,822	76,727
Total	\$188,406	\$200,386	\$215,763	\$229,149	\$235,513	\$232,434	\$230,711	\$228,277
Total Revenues								
Local Service 3/	\$97,426	\$104,563	\$111,764	\$121,147	\$127,812	\$127,123	\$124,216	\$124,714
Wireless Service	32,951	36,775	48,495	62,000	74,687	81,521	89,718	100,808
Toll Service	100,791	105,055	108,246	109,615	99,301	83,697	77,188	67,801
Intrastate	133,655	142,108	157,212	173,018	183,195	180,585	175,714	176,524
Interstate and International 4/	97,514	104,284	111,293	119,745	118,605	111,756	115,409	112,528
Total	\$231,168	\$246,392	\$268,505	\$292,762	\$301,799	\$292,341	\$291,123	\$289,052

Note: Detail may not add to totals due to rounding.

1/ Data include revenues for *de minimis* filers as well as for other carriers that are exempt from universal service contribution requirements.

2/ Carrier's carrier revenues are reported on the FCC Form 499-A as sales to other universal service contributors for resale. This includes, for example, access services that local exchange carriers provide to toll carriers. Sales to *de minimis* resellers, end-user customers, governments, non-profits, and any other non-contributors are treated as end-user revenues. Filers contribute to the universal service funding mechanisms based on their end-user revenues.

3/ Payphone revenues are included with local service revenues in this table.

4/ Revenues from calls that both originate and terminate in foreign points are reported as end-user revenues, and are included in this table through 2003, but are not included in the universal service contribution base.

5/ Preliminary 2004 data are based on FCC Form 499-Q quarterly filings. Companies that do not contribute to universal service are not required to make these filings. The quarterly filings include preliminary data for the just closed quarter and projections for the coming quarter, and therefore are not as accurate as the subsequent annual filings. Also, FCC Form 499-Q filers do not separate revenue by type of service. Therefore, revenue totals by service type for 2004 are based on type of filer rather than on data filed by service.

Source: Data for 1997 and 1998 primarily based on FCC Form 457 Universal Service Worksheets, with data from 1997 FCC Form 431 TRS Worksheets used for service providers not required to file a Universal Service Worksheet. Starting in 1999, data summarized from FCC Form 499-A Telecommunications Reporting Worksheets, which replaced both FCC Form 431 and FCC Form 457.

Table 2
Telecommunications Industry Revenues by Service
(Dollar Amounts Shown in Millions)

	TRS Worksheet Data				Universal Service & TRS Data		FCC Form 499-A Data				
	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Local Exchange	\$40,176	\$42,245	\$45,194	\$48,717	\$53,771	\$59,245	\$64,940	\$69,947	\$72,346	\$71,320	\$70,606
Pay Telephone 1/					2,182	2,536	2,218	1,932	1,585	1,192	1,063
Local Private Line 2/	1,088	1,138	1,226	1,616	8,282	10,403	12,914	16,864	21,966	23,070	22,415
Other Local 3/	1,508	1,407	3,233	2,674	2,847	2,179	2,501	3,249	3,391	3,418	3,242
Subscriber Line Charges 2/	6,884	7,310	7,597	7,829	8,327	11,052	10,826	11,563	12,127	12,758	12,136
Access 2/	23,948	25,449	26,314	27,812	21,423	18,449	18,105	17,017	15,096	13,955	12,972
Universal Service Surcharges on Local Service Bills 4/ Worksheets						103	260	575	1,301	1,410	1,783
					595	595					
Total Local Service	73,604	77,548	83,564	88,647	97,426	104,563	111,764	121,147	127,812	127,123	124,216
Wireless Service	9,213	12,863	16,883	23,444	32,760	36,240	48,117	61,505	74,006	80,678	88,023
Universal Service Surcharges on Wireless Service Bills 4/ Worksheets						345	379	495	681	842	1,696
					189	189					
Total Wireless Service 3/	9,213	12,863	16,883	23,444	32,950	36,775	48,495	62,000	74,687	81,521	89,718
Operator 1/	10,772	10,539	11,170	10,975	12,002	12,205	10,049	11,406	10,389	7,902	6,567
Non-Operator Switched Toll	60,591	61,468	65,217	73,751	72,059	74,168	78,389	75,183	65,325	54,475	50,178
Long Distance Private Line	8,067	9,043	9,719	10,665	10,504	11,952	13,169	16,189	16,402	15,108	15,316
Other Long Distance	3,095	3,428	3,523	4,299	4,695	3,386	3,656	3,372	3,259	2,445	2,222
Universal Service Surcharges on Toll Service Bills 4/ Worksheets						1,810	2,983	3,467	3,927	3,767	2,905
					1,532	1,532					
Total Toll Service	82,525	84,478	89,629	99,691	100,793	105,055	108,246	109,615	99,301	83,697	77,188
Total Telecommunications 3/	165,342	174,890	190,076	211,782	231,168	246,392	268,505	292,762	301,799	292,341	291,122
Non-Telecommunications 3/	7,518	8,324	9,071	10,474	25,633	27,944	33,144	42,261	48,036	60,406	65,186
Total Reported Revenues	172,860	183,214	199,147	222,256	256,801	272,019	301,648	335,023	349,835	352,747	356,308
Service Reported as:											
Intrastate 3/	96,927	102,603	112,923	127,849	133,654	142,108	157,212	173,018	183,195	180,585	175,714
Interstate and International	75,933	80,611	86,224	94,407	97,514	104,284	111,293	119,745	118,605	111,756	115,409
Total Telecommunications 3/	\$172,860	\$183,214	\$199,147	\$222,256	\$231,168	\$246,392	\$268,505	\$292,762	\$301,799	\$292,341	\$291,123

See notes on next page.

Notes for Table 2.

Note: Detail may not add to totals due to rounding. Some data for prior years have been revised.

- 1/ TRS filers generally reported pay telephone revenues as local service revenues, access revenues or operator toll revenues. The Universal Service and FCC Form 499-A worksheets contain a separate category for payphone coin revenues. Starting in 1997, payphone revenues include payphone compensation received from toll carriers.
- 2/ TRS Worksheet filers generally reported special access revenues as access revenues. Reporting changes implemented with the Universal Service Worksheet explain the increase in local private line revenues and the fall in access revenues shown for 1997. TRS Worksheet filers included subscriber line charges with other access charges. For the years 1992 - 1996, these revenues have been disaggregated by assuming that the end-user access revenues in Table 4.2 of *Statistics of Communications Common Carriers* represents 93% of industry total subscriber line charge revenues. Universal Service Worksheet filers report subscriber line charges in a separate category. The increase from 1997 to 1998 represents PICC charges levied by ILECs as well as \$1.2 billion of PICC pass-through charges levied by toll carriers.
- 3/ Significant amounts of enhanced services, billing and collection, CPE and other non-telecommunications revenues were reported in the TRS mobile and other local service categories through 1996. Universal Service Worksheet filers report these revenues in the non-telecommunications category. For prior years, the amounts of non-telecommunications revenues reported as mobile and other local revenues were estimated as 70% of the amounts that Tier 1 ILECs reported in ARMIS as miscellaneous and nonregulated revenues (currently account 5200 + account 5280) and 10% of amounts reported as mobile service revenues. These amounts have been removed from Other Local and moved to the Non-Telecommunications.
- 4/ Charges on end-user bills identified as recovering state or federal universal service contributions are reported separately from local, wireless and toll revenues. Reported amounts are apportioned between local, wireless and toll service based on the proportions of local, wireless and toll intrastate and interstate revenues by type of carrier.

Source: Data for 1993 through 1996 summarized from FCC Form 431 TRS Worksheets. Data for 1997 and 1998 primarily based on FCC Form 457 Universal Service Worksheets, with data from 1997 TRS Worksheets used for service providers not required to file a Universal Service Worksheet. Starting in 1999, data summarized from FCC Form 499-A Telecommunications Reporting Worksheets, which replaced both FCC Form 431 and FCC Form 457.

Table 3
Telecommunications Revenues Reported by Type of Carrier
(Dollar Amounts Shown in Millions)

Service Provider Category 1/	TRS Worksheet Data				Universal Service & TRS Data		FCC Form 499-A Data				
	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Incumbent Local Exchange Carriers 2/	\$88,728	\$91,527	\$95,612	\$100,021	\$105,154	\$108,234	\$112,216	\$116,158	\$117,885	\$114,990	\$109,480
Competitive Access Providers (CAPs) and Competitive Local Exchange Carriers (CLECs)	191	281	623	1,011	1,919	3,348	5,652	9,814	12,998	13,043	15,509
Local Resellers					206	410	511	879	1,393	1,538	721
Other Local Exchange Carriers					157	36	171	11	329	406	338
Private Service Providers					112	147	87	39	15	281	267
Shared-Tenant Service Providers					87	93	87	202	46	42	22
Competitors of ILECs	191	281	623	1,011	2,481	4,034	6,508	10,945	14,781	15,309	16,857
Fixed Local Service Providers	88,920	91,807	96,235	101,032	107,634	112,268	118,725	127,103	132,666	130,300	126,337
Payphone Providers	175	300	349	357	933	1,101	1,213	972	836	641	523
Wireless Telephony Including Cellular, Personal Communications Service (PCS) and SMR Telephony Carriers 2/	8,294	11,933	15,488	21,400	29,944	33,139	46,513	59,823	71,887	78,568	88,168
Paging & Messaging Service 2/					2,861	3,161	3,232	3,102	2,197	1,473	1,007
Specialized Mobile Radio (SMR) Dispatch							186	191	214	206	33
Wireless Data Service Providers and Other Mobile Service Providers 2/	868	845	1,277	1,909	225	731	221	164	110	220	135
Wireless Service Providers	9,161	12,777	16,765	23,310	33,030	37,032	50,152	63,280	74,596	80,467	89,342
Interexchange Carriers (IXCs)	61,118	66,381	70,938	79,057	79,080	83,443	87,570	87,311	81,272	68,146	61,246
Operator Service Providers (OSPs)	695	536	500	461	603	590	337	635	611	554	567
Prepaid Calling Card Providers			16	238	519	888	866	727	133	460	812
Satellite Service Providers					1,011	475	280	336	373	406	663
Toll Resellers	1,869	2,840	4,220	6,564	8,010	9,885	9,211	10,641	8,797	9,279	9,294
Other Toll Carriers	711	709	773	577	348	710	150	1,758	2,516	2,089	2,339
Toll Service Providers	64,393	70,466	76,447	86,896	89,570	95,992	98,414	101,407	93,702	80,934	74,920
Adjustments 3/	2,693	(461)	280	187	0	0	0	0	0	0	0
Total Telecommunications Revenues	\$165,342	\$174,890	\$190,076	\$211,782	\$231,168	\$246,392	\$268,505	\$292,762	\$301,799	\$292,341	\$291,123

Note: Some data revised for 1993 through 1996.

- 1/ Filers are asked to select for themselves a service provider category that best describes their operations. The choices have changed over the years. For example, most satellite service providers identified themselves as other toll carriers in their 1997 FCC Form 431 TRS worksheets because there was no separate category for satellite service providers. Similarly, paging carriers typically identified themselves as other mobile carriers.
- 2/ Significant amounts of enhanced service, billing and collection, CPE and other non-telecommunications revenues were reported on TRS worksheets by incumbent local exchange carriers (ILECs) and wireless carriers through 1996. Universal Service Worksheet filers report these revenues in the non-telecommunications category. For prior years, the amounts of non-telecommunications revenues reported as mobile and other local revenues were estimated as 70% of the amounts that Tier 1 ILECs reported in ARMIS as miscellaneous and nonregulated revenues (currently account 5200 + account 5280) and 10% of amounts reported as mobile service revenues. These amounts have been removed from incumbent local exchange carrier totals.
- 3/ Adjustments include some amounts withheld to preserve confidentiality and revisions made after the initial publication of the data.

Source: Data compiled from FCC Form 431, FCC Form 457 and FCC Form 499-A filings.

Table 4
Contribution Base Revenues By Program 1/: 2003
(Dollar Amounts Shown in Millions)

		2003
Revenues subject to universal service contribution		
	Interstate and international end-user revenues	\$79,822
less	revenues for international - to - international services	1,148
less	international revenues of international-only filers and international revenues that were excluded because of the 12% rule 2/	1,573
less	interstate and other international revenues for 1,903 filers who are <i>de minimis</i> or otherwise exempt from universal service support requirements	59
less	<u>uncollectible contribution base revenues</u>	<u>2,010</u>
equals		\$75,032
Revenues subject to TRS contribution		
	Interstate and international end-user revenues	\$79,822
less	interstate and international revenues for 317 filers who claim to be exempt from interstate telecommunications relay service (TRS) contribution requirements	320
less	interstate and international revenues for services provided for resale but reported as end user because it was provided to carriers that do not contribute to universal service support mechanisms	<u>186</u>
equals		\$79,316
Revenues subject to NANPA contribution		
	Total telecommunications service end-user revenues (including intrastate, interstate and international)	\$230,711
less	telecommunications revenues for 520 filers who claim to be exempt from North American Numbering Plan Administration (NANPA) contribution requirements	917
less	telecommunications revenues for services provided for resale but reported as end user because it <u>was provided to carriers that do not contribute to universal service support mechanisms</u>	<u>230</u>
equals		\$229,564
Revenues subject to LNP contribution		
	Total telecommunications service end-user revenues (including intrastate, interstate and international)	\$230,711
less	telecommunications revenues for 506 filers who claim to be exempt from local number portability administration (LNP) contribution requirements	958
less	telecommunications revenues for services provided for resale but reported as end user because it <u>was provided to carriers that do not contribute to universal service support mechanisms</u>	<u>230</u>
equals		\$229,523

- 1/ This table shows how contribution bases differ for different programs and provides relative magnitudes, but does not provide the actual amounts used for determining contribution amounts. Amounts shown represent the amounts contained in the FCC Form 499-A database as of October 1, 2003. The universal service administrator continues to receive additional and corrected filings. Exempt amounts were based on revenues and the filer certification statements contained in the FCC Form 499-A filings. The fund administrators use carrier type, revenue type and additional information requested from filers to review exemption claims (and in some instances, failure to make claims.) The universal service fund administrator bills delinquent filers based on estimated revenues and therefore can include estimated revenue amounts in contribution base amounts. As a result of these factors, actual contribution bases have been based on slightly different amounts than those shown. Note also that universal service contribution factors are set quarterly based on different amounts than those shown. Note also that universal service contribution factors are set quarterly based on FCC Form 499-Q filings. FCC Form 499-A data are used for true-up and auditing purposes. Also note that local number portability contribution amounts are determined by region of the country rather than on a nationwide basis.
- 2/ International revenues are excluded from the contribution base if the total of amount of interstate revenues for the filing entity consolidated with all affiliates is less than 12% of the total of interstate and international revenues for the filing entity consolidated with all affiliates. See 47 C.F.R. § 54.706(c). The threshold was increased from 8% to 12% in 2002. See *Federal-State Joint Board on Universal Service*, et al., CC Docket Nos. 96-45, 98-171, 90-571, 92-237, 99-200, 95-166, 98-170, Further Notice of Proposed Rulemaking and Report and Order, 17 FCC Rcd 3752, 3806, para. 125 (2002). In addition, filers that provide only international services are exempt regardless of services offered by affiliates.

Table 5
Revenues from Telecommunications Service Provided for Resale 1/: 2003
(Dollar Amounts Shown in Millions)

Data from FCC Form 499-A Line	Regional Bell Operating Company Incumbent Local Exchange Carriers				Other Incumbent Local Exchange Carriers			
	Intrastate	Interstate	International	Total	Intrastate	Interstate	International	Total
<u>Fixed local service</u>								
303 Monthly service, local calling, connection charges, vertical features, and other local exchange service including subscriber line and PICC charges to IXCs								
a Provided as unbundled network elements	\$3,288	\$470		\$3,759	\$116	\$15	*	\$131
b Provided under other arrangements	919	226		1,145	112	90	*	202
Total Line 303	4,207	697		4,904	228	105	*	333
304 Per-minute charges for originating or terminating calls								
a Provided under state or federal access tariff	2,887	2,139		5,026	2,559	1,119	3	3,681
b Provided as unbundled network elements or other contract arrangement	1,246	841		2,087	69	23	*	93
Total Line 304	4,133	2,980		7,113	2,628	1,142	3	3,773
305 Local private line & special access	686	9,480		10,166	275	1,117	*	1,392
306 Payphone compensation from toll carriers	68	71		139	7	10	*	17
307 Other local telecommunications service revenues	1,334	330		1,664	25	3		27
308 Universal service support revenue received from federal or state sources	621	886		1,507	592	1,733	*	2,325
Total fixed local service provided for resale	11,048	14,444		25,492	3,753	4,111	4	7,867
<u>Mobile service (including wireless telephony, paging & messaging, and other mobile services)</u>								
309 Monthly, activation, and message charges except toll	49	19		68	11	4	*	14
Total mobile service provided for resale	49	19		68	11	4	*	14
<u>Toll service</u>								
310 Operator and toll calls with alternative billing arrangements (credit card, collect, international call-back, etc.)	*			*	1	*		1
311 Ordinary long distance (MTS, customer toll-free 800/888/877/866 service, "10-10 calls", associated monthly account maintenance, PICC pass-through, and other switched services not reported above)	253	*		253	8	3	*	11
312 Long distance private line services	18	5		23	7	6		13
313 Satellite services								
314 All other long distance services	1	1		2	7	2		9
Total toll service provided for resale	272	6		279	23	11	*	34
Total service provided for resale (carrier's carrier)	\$11,370	\$14,469		\$25,839	\$3,787	\$4,125	\$4	\$7,916

Note: Amounts may not add to totals due to rounding.

* Denotes values greater than \$0 but less than \$500,000.

1/ Includes a proportionate share of amounts reported on Line 403 as surcharges or other amounts on bills identified as recovering state or federal universal service contributions.

Table 5
Revenues from Telecommunications Service Provided for Resale 1/: 2003
Continued
(Dollar Amounts Shown in Millions)

Data from FCC Form 499-A Line	CLECS and Other Fixed Local Competitors				Payphone Providers			
	Intrastate	Interstate	International	Total	Intrastate	Interstate	International	Total
<i>Fixed local service</i>								
303 Monthly service, local calling, connection charges, vertical features, and other local exchange service including subscriber line and PICC charges to IXCs								
a Provided as unbundled network elements	\$115	\$182	\$3	\$300	*			*
b Provided under other arrangements	96	11		106				
Total Line 303	211	192	3	406	*			*
304 Per-minute charges for originating or terminating calls								
a Provided under state or federal access tariff	609	616	8	1,232				
b Provided as unbundled network elements or other contract arrangement	427	214	*	641				
Total Line 304	1,036	830	8	1,874				
305 Local private line & special access	579	375	1	954	1	*	*	1
306 Payphone compensation from toll carriers	2	4	*	6	66	44	1	111
307 Other local telecommunications service revenues	112	217		329	1	*	*	1
308 Universal service support revenue received from federal or state sources	11	5		15	*	*	*	*
Total fixed local service provided for resale	1,950	1,623	12	3,584	67	44	1	112
<i>Mobile service (including wireless telephony, paging & messaging, and other mobile services)</i>								
309 Monthly, activation, and message charges except toll	1	*		1				
Total mobile service provided for resale	1	*		1				
<i>Toll service</i>								
310 Operator and toll calls with alternative billing arrangements (credit card, collect, international call-back, etc.)	27	*	*	27	1	*	*	1
311 Ordinary long distance (MTS, customer toll-free 800/888/877/866 service, "10-10 calls", associated monthly account maintenance, PICC pass-through, and other switched services not reported above)	104	102	72	278	*	*	*	*
312 Long distance private line services	144	383	50	577				
313 Satellite services								
314 All other long distance services	14	17	2	33	*	*		*
Total toll service provided for resale	289	502	124	915	1	*	*	1
Total service provided for resale (carrier's carrier)	\$2,239	\$2,125	\$136	\$4,500	\$69	\$44	\$1	\$114

Note: Amounts may not add to totals due to rounding.

* Denotes values greater than \$0 but less than \$500,000.

1/ Includes a proportionate share of amounts reported on Line 403 as surcharges or other amounts on bills identified as recovering state or federal universal service contributions.

Table 5
Revenues from Telecommunications Service Provided for Resale 1/: 2003
Continued
(Dollar Amounts Shown in Millions)

Data from FCC Form 499-A Line	Cellular, PCS and SMR Wireless Telephony				Other Wireless			
	Intrastate	Interstate	International	Total	Intrastate	Interstate	International	Total
<u>Fixed local service</u>								
303 Monthly service, local calling, connection charges, vertical features, and other local exchange service including subscriber line and PICC charges to IXCs								
a Provided as unbundled network elements	\$1			\$1				
b Provided under other arrangements	1.3	0.5	*	1.8				
Total Line 303	2	1	*	3				
304 Per-minute charges for originating or terminating calls								
a Provided under state or federal access tariff	1	1	*	2				
b Provided as unbundled network elements or other contract arrangement	40	5	*	45	1	*		1
Total Line 304	40	6	*	46	1	*		1
305 Local private line & special access	22	*		23				
306 Payphone compensation from toll carriers	*	*		*	*	*		*
307 Other local telecommunications service revenues	1	*		1				
308 Universal service support revenue received from federal or state sources	50	51	*	101				
Total fixed local service provided for resale	115	59	*	173	1	*		1
<u>Mobile service (including wireless telephony, paging & messaging, and other mobile services)</u>								
309 Monthly, activation, and message charges except toll	3,024	1,107	11	4,142	131	18	*	149
Total mobile service provided for resale	3,024	1,107	11	4,142	131	18	*	149
<u>Toll service</u>								
310 Operator and toll calls with alternative billing arrangements (credit card, collect, international call-back, etc.)	1	*		1				
311 Ordinary long distance (MTS, customer toll-free 800/888/877/866 service, "10-10 calls", associated monthly account maintenance, PICC pass-through, and other switched services not reported above)	323	131	1	455	1	*		1
312 Long distance private line services	*	*	*	1				
313 Satellite services			1	1	2	2	2	6
314 All other long distance services	2	1		2				
Total toll service provided for resale	325	133	2	459	3	2	2	7
Total service provided for resale (carrier's carrier)	\$3,463	\$1,298	\$13	\$4,775	\$135	\$20	\$2	\$157

Note: Amounts may not add to totals due to rounding.

* Denotes values greater than \$0 but less than \$500,000.

1/ Includes a proportionate share of amounts reported on Line 403 as surcharges or other amounts on bills identified as recovering state or federal universal service contributions.

Table 5
Revenues from Telecommunications Service Provided for Resale 1/: 2003
Continued
(Dollar Amounts Shown in Millions)

Data from FCC Form 499-A Line	Toll Carriers				Total All Filers			
	Intrastate	Interstate	International	Total	Intrastate	Interstate	International	Total
<i>Fixed local service</i>								
303 Monthly service, local calling, connection charges, vertical features, and other local exchange service including subscriber line and PICC charges to IXCs								
a Provided as unbundled network elements	\$43	\$11	\$1	\$54	\$3,563	\$678	\$4	\$4,245
b Provided under other arrangements	23	8	—	32	1,151	336	*	1,487
Total Line 303	66	19	1	86	4,714	1,014	4	5,731
304 Per-minute charges for originating or terminating calls								
a Provided under state or federal access tariff	29	27	3	58	6,083	3,902	14	9,999
b Provided as unbundled network elements or other contract arrangement	67	38	1	106	1,850	1,122	1	2,973
Total Line 304	96	65	4	165	7,933	5,024	15	12,972
305 Local private line & special access	123	68	1	192	1,685	11,040	2	12,726
306 Payphone compensation from toll carriers	6	14	1	20	148	144	2	293
307 Other local telecommunications service revenues	23	1		23	1,495	550	*	2,045
308 Universal service support revenue received from federal or state sources	25	1	*	26	1,298	2,676	*	3,974
Total fixed local service provided for resale	339	167	6	512	17,273	20,446	22	37,742
<i>Mobile service (including wireless telephony, paging & messaging, and other mobile services)</i>								
309 Monthly, activation, and message charges except toll	65	25		90	3,280	1,173	11	4,465
Total mobile service provided for resale	65	25		90	3,280	1,173	11	4,465
<i>Toll service</i>								
310 Operator and toll calls with alternative billing arrangements (credit card, collect, international call-back, etc.)	97	299	1,341	1,736	125	299	1,341	1,766
311 Ordinary long distance (MTS, customer toll-free 800/888/877/866 service, "10-10 calls", associated monthly account maintenance, PICC pass-through, and other switched services not reported above)	2,339	4,755	3,792	10,885	3,028	4,993	3,865	11,885
312 Long distance private line services	809	2,362	248	3,419	979	2,756	298	4,032
313 Satellite services	*	73	120	193	2	75	122	199
314 All other long distance services	113	107	57	277	137	127	58	323
Total toll service provided for resale	3,358	7,595	5,557	16,510	4,271	8,249	5,685	18,205
Total service provided for resale (carrier's carrier)	\$3,762	\$7,787	\$5,563	\$17,112	\$24,825	\$29,869	\$5,718	\$60,412
Note: Amounts may not add to totals due to rounding.								
* Denotes values greater than \$0 but less than \$500,000.								
1/ Includes a proportionate share of amounts reported on Line 403 as surcharges or other amounts on bills identified as recovering state or federal universal service contributions.								

Table 6
Revenues from Telecommunications Service Provided to End Users: 2003
(Amounts Shown in Millions)

Data from FCC Form 499-A Line	Regional Bell Operating Company Incumbent Local Exchange Carriers				Other Incumbent Local Exchange Carriers			
	Intrastate	Interstate	International	Total	Intrastate	Interstate	International	Total
<u>Fixed local service</u>								
404 Monthly service, local calling, connection charges, vertical features, and other local exchange service charges except for federally tariffed subscriber line charges and PICC charges	\$42,516	\$406		\$42,922	\$7,338	\$14	*	\$7,351
405 PICC charges levied by a local exchange carrier on a no-PIC customer and tariffed subscriber line charges	230	8,873		9,103	62	1,890	1	1,954
Total local exchange (Line 404 + Line 405)	42,746	9,279		52,024	7,400	1,904	1	9,305
406 Local private line and special access service	2,651	3,504		6,155	345	346	*	691
407 Payphone coin revenues	341	15		355	24	*	*	25
408 Other local telecommunications service revenues	771	6		777	81	3	*	85
Line 403 surcharges on fixed local service 1/	178	1,070		1,248	25	185		210
Total fixed local service provided to end users	46,686	13,873		60,559	7,875	2,439	1	10,315
<u>Mobile service (including wireless telephony, paging & messaging, and other mobile services)</u>								
409 Monthly and activation charges	172	1		173	47	8		55
410 Message charges including roaming, but excluding toll charges	89	8		97	16	4		20
Line 403 surcharges on mobile service 1/	1	1		2	*	1		1
Total mobile service provided to end users	262	10		272	62	13		76
<u>Toll service</u>								
411 Prepaid calling card (including card sales to customers and non-carrier distributors) reported at face value of cards	2	*		2	*	*		*
412 International calls that both originate and terminate in foreign points								
413 Operator and toll calls with alternative billing arrangements (credit card, collect, international call-back, etc.) other than revenues reported on Line 412	129	2		130	7	1	*	8
414 Ordinary long distance (MTS, customer toll-free 800/888/877/866 service, "10-10" calls, associated monthly account maintenance, PICC pass-through, and other switched services not reported above)	2,788	73		2,861	290	39	1	330
415 Long distance private line services	1,022	1		1,022	76	5	*	81
416 Satellite services					*			*
417 All other long distance services	41	*		42	8	1	*	10
Line 403 surcharges on toll service 1/	7	7		13	1	3	*	4
Total toll service provided to end users	3,988	82		4,070	383	49	1	433
Total telecommunications service provided to end users	50,936	13,965		64,901	8,320	2,502	2	10,824
422 Uncollectible revenue/bad debt expense associated with end user revenues other than Line 412	1,077	187		1,263	107	21	*	128
423 Net universal service contribution base revenues	\$49,859	\$13,779		\$63,638	\$8,214	\$2,481	\$2	\$10,697
Note: Amounts may not add to totals due to rounding. * Denotes values greater than \$0 but less than \$500,000. 1/ Includes a proportionate share of amounts reported on Line 403 as surcharges or other amounts on bills identified as recovering state or federal contributions.								

Table 6
Revenues from Telecommunications Service Provided to End Users: 2003

Continued
(Amounts Shown in Millions)

Data from FCC Form 499-A Line	CLECS and Other Fixed Local Competitors				Payphone Providers			
	Intrastate	Interstate	International	Total	Intrastate	Interstate	International	Total
<u>Fixed local service</u>								
404 Monthly service, local calling, connection charges, vertical features, and other local exchange service charges except for federally tariffed subscriber line charges and PICC charges	\$5,842	\$184	\$12	\$6,038	*			*
405 PICC charges levied by a local exchange carrier on a no-PIC customer and tariffed subscriber line charges	9	768	*	777	*	*		*
Total local exchange (Line 404 + Line 405)	5,851	952	12	6,815	*	*		*
406 Local private line and special access service	898	1,517	*	2,415	3	*	*	3
407 Payphone coin revenues	18	13	*	31	307	14	*	322
408 Other local telecommunications service revenues	262	5	*	267	*	*	*	*
Line 403 surcharges on fixed local service 1/	30	173	1	205	*	*		*
Total fixed local service provided to end users	7,058	2,660	14	9,732	310	14	*	325
<u>Mobile service (including wireless telephony, paging & messaging, and other mobile services)</u>								
409 Monthly and activation charges	8	1	*	10				
410 Message charges including roaming, but excluding toll charges	1	*	*	2				
Line 403 surcharges on mobile service 1/	*	*	*	*				
Total mobile service provided to end users	10	2	*	11				
<u>Toll service</u>								
411 Prepaid calling card (including card sales to customers and non-carrier distributors) reported at face value of cards	1	2	21	24	*	*	*	*
412 International calls that both originate and terminate in foreign points			*	*				
413 Operator and toll calls with alternative billing arrangements (credit card, collect, international call-back, etc.) other than revenues reported on Line 412	40	25	2	67	69	14	*	83
414 Ordinary long distance (MTS, customer toll-free 800/888/877/866 service, "10-10" calls, associated monthly account maintenance, PICC pass-through, and other switched services not reported above)	783	830	207	1,819	*	*	*	*
415 Long distance private line services	184	305	23	512				
416 Satellite services	14	11	*	25				
417 All other long distance services	37	20	7	64				
Line 403 surcharges on toll service 1/	5	94	3	102	*	*		*
Total toll service provided to end users	1,064	1,286	263	2,614	70	14	*	84
Total telecommunications service provided to end users	8,132	3,948	277	12,357	380	28	1	409
422 Uncollectible revenue/bad debt expense associated with end user revenues other than Line 412	226	95	10	330	4	1	*	5
423 Net universal service contribution base revenues	\$7,906	\$3,854	\$267	\$12,027	\$376	\$27	\$1	\$404

Note: Amounts may not add to totals due to rounding.

* Denotes values greater than \$0 but less than \$500,000.

1/ Includes a proportionate share of amounts reported on Line 403 as surcharges or other amounts on bills identified as recovering state or federal contributions.

Table 6
Revenues from Telecommunications Service Provided to End Users: 2003

Continued
(Amounts Shown in Millions)

Data from FCC Form 499-A Line	Cellular, PCS and SMR Wireless Telephony				Other Wireless			
	Intrastate	Interstate	International	Total	Intrastate	Interstate	International	Total
<u>Fixed local service</u>								
404 Monthly service, local calling, connection charges, vertical features, and other local exchange service charges except for federally tariffed subscriber line charges and PICC charges	\$51	\$1	*	\$52	\$8	*	*	\$8
405 PICC charges levied by a local exchange carrier on a no-PIC customer and tariffed subscriber line charges	—	4	—	4	—	1	—	1
Total local exchange (Line 404 + Line 405)	51	5	*	57	8	1	*	9
406 Local private line and special access service	14	*		14	18	*		18
407 Payphone coin revenues	*	*		*	*	*		*
408 Other local telecommunications service revenues	3			3	10	1		11
Line 403 surcharges on fixed local service 1/	*	*	*	1	*	*		*
Total fixed local service provided to end users	68	6	*	74	37	2	*	39
<u>Mobile service (including wireless telephony, paging & messaging, and other mobile services)</u>								
409 Monthly and activation charges	39,067	10,314	160	49,541	750	94	*	844
410 Message charges including roaming, but excluding toll charges	24,133	7,067	43	31,242	54	34	1	89
Line 403 surcharges on mobile service 1/	227	1,416	1	1,644	2	15	*	17
Total mobile service provided to end users	63,427	18,797	203	82,427	806	143	1	951
<u>Toll service</u>								
411 Prepaid calling card (including card sales to customers and non-carrier distributors) reported at face value of cards	6	2	1	9	*	*	*	*
412 International calls that both originate and terminate in foreign points			*	*			1	1
413 Operator and toll calls with alternative billing arrangements (credit card, collect, international call-back, etc.) other than revenues reported on Line 412	18	5	*	23	*	*		*
414 Ordinary long distance (MTS, customer toll-free 800/888/877/866 service, "10-10" calls, associated monthly account maintenance, PICC pass-through, and other switched services not reported above)	599	201	13	813	10	6	*	16
415 Long distance private line services	2	1	*	3	*	1		1
416 Satellite services	*	*	*	*	3	5	*	9
417 All other long distance services	3	17	2	22	*	*	*	*
Line 403 surcharges on toll service 1/	2	19	*	21	*	1	*	1
Total toll service provided to end users	631	244	17	892	14	14	2	29
Total telecommunications service provided to end users	64,125	19,047	220	83,393	856	159	3	1,018
422 Uncollectible revenue/bad debt expense associated with end user revenues other than Line 412	1,527	412	4	1,944	12	3	*	15
423 Net universal service contribution base revenues	\$62,598	\$18,635	\$216	\$81,449	\$844	\$156	\$2	\$1,002

Note: Amounts may not add to totals due to rounding.

* Denotes values greater than \$0 but less than \$500,000.

1/ Includes a proportionate share of amounts reported on Line 403 as surcharges or other amounts on bills identified as recovering state or federal contributions.

Table 6
Revenues from Telecommunications Service Provided to End Users: 2003

Continued
(Amounts Shown in Millions)

Data from FCC Form 499-A Line	Toll Carriers				Total All Filers			
	Intrastate	Interstate	International	Total	Intrastate	Interstate	International	Total
<u>Fixed local service</u>								
404 Monthly service, local calling, connection charges, vertical features, and other local exchange service charges except for federally tariffed subscriber line charges and P ICC charges	\$4,127	\$389	\$13	\$4,528	\$59,882	\$994	\$24	\$60,900
405 P ICC charges levied by a local exchange carrier on a no-P IC customer and tariffed subscriber line charges	1	297	*	297	301	11,833	1	12,136
Total local exchange (Line 404 + Line 405)	4,127	686	13	4,826	60,183	12,827	26	73,036
406 Local private line and special access service	114	276	4	393	4,042	5,643	4	9,689
407 Payphone coin revenues	20	17	1	38	710	59	2	770
408 Other local telecommunications service revenues	25	28	*	54	1,153	44	*	1,197
Line 403 surcharges on fixed local service 1/	14	105	1	119	248	1,533	2	1,783
Total fixed local service provided to end users	4,300	1,111	18	5,430	66,335	20,106	33	86,474
<u>Mobile service (including wireless telephony, paging & messaging, and other mobile services)</u>								
409 Monthly and activation charges	858	268	39	1,164	40,902	10,687	199	51,787
410 Message charges including roaming, but excluding toll charges	239	82	1	322	24,532	7,195	44	31,771
Line 403 surcharges on mobile service 1/	1	30	*	32	232	1,463	1	1,696
Total mobile service provided to end users	1,098	380	40	1,517	65,666	19,344	244	85,254
<u>Toll service</u>								
411 Prepaid calling card (including card sales to customers and non-carrier distributors) reported at face value of cards	59	121	658	838	69	124	681	874
412 International calls that both originate and terminate in foreign points			1,146	1,146			1,148	1,148
413 Operator and toll calls with alternative billing arrangements (credit card, collect, international call-back, etc.) other than revenues reported on Line 412	813	1,046	608	2,467	1,076	1,093	610	2,779
414 Ordinary long distance (MTS, customer toll-free 800/888/877/866 service, "10-10" calls, associated monthly account maintenance, P ICC pass-through, and other switched services not reported above)	9,773	17,322	5,359	32,454	14,243	18,470	5,580	38,293
415 Long distance private line services	1,512	6,766	1,387	9,664	2,796	7,078	1,410	11,284
416 Satellite services	7	98	135	240	25	115	135	274
417 All other long distance services	531	603	155	1,289	620	642	164	1,426
Line 403 surcharges on toll service 1/	45	2,607	111	2,763	60	2,731	114	2,905
Total toll service provided to end users	12,740	28,563	9,559	50,861	18,889	30,252	9,842	58,983
Total telecommunications service provided to end users	18,139	30,053	9,617	57,809	150,889	69,702	10,120	230,711
422 Uncollectible revenue/bad debt expense associated with end user revenues other than Line 412	699	997	319	2,015	3,651	1,715	332	5,699
423 Net universal service contribution base revenues	\$17,440	\$29,056	\$8,152	\$54,648	\$147,238	\$67,987	\$8,639	\$223,864

Note: Amounts may not add to totals due to rounding.

* Denotes values greater than \$0 but less than \$500,000.

1/ Includes a proportionate share of amounts reported on Line 403 as surcharges or other amounts on bills identified as recovering state or federal contributions.

Table 7
Total Revenues: 2003
(Amounts Shown in Millions)

Data from FCC Form 499-A Line	Regional Bell Operating Company Incumbent Local Exchange Carriers				Other Incumbent Local Exchange Carriers			
	Intrastate	Interstate	International	Total	Intrastate	Interstate	International	Total
Fixed local service other than payphone [Lines 303, 304, 305, 307, 308, 404, 405, 406, 408, and a portion of 403 1/]	\$57,327	\$28,231		\$85,558	\$11,598	\$6,539	\$5	\$18,141
Payphone [Lines 306 and 407]	408	86		494	31	11	*	42
Mobile service [Lines 309, 409, 410, and a portion of 403 1/]	312	29		341	73	17	*	90
Toll service [Lines 310, 311, 312, 313, 314, 411, 412, 413, 414, 415, 416, 417, and a portion of 403 1/]	4,260	88		4,348	406	61	1	467
Total telecommunications service revenues	62,306	28,434		90,740	12,107	6,627	6	18,740
Total telecommunications service provided for resale (from Table 1.5)	11,370	14,469		25,839	3,787	4,125	4	7,916
Total telecommunications service provided to end users (from Table 1.6)	<u>50,936</u>	<u>13,965</u>		<u>64,901</u>	<u>8,320</u>	<u>2,502</u>	<u>2</u>	<u>10,824</u>
Total telecommunications service revenues	62,306	28,434		90,740	12,107	6,627	6	18,740
418 Enhanced services, inside wiring maintenance, billing and collection, customer premises equipment, published directory, dark fiber, Internet access, cable TV program transmission, and non-telecommunications service revenues	---	---	---	11,012	---	---	---	2,741
419 Gross billed revenues from all sources	---	---	---	101,752	---	---	---	21,481
421 Uncollectible revenue/bad debt expense associated with gross billed revenues				1,593				207
Total collected revenues from all sources				\$100,159				\$21,274

Note: Amounts may not add to totals due to rounding.

* Denotes values greater than \$0 but less than \$500,000.

1/ Includes a proportionate share of amounts reported on Line 403 as surcharges or other amounts on bills identified as recovering state or federal universal service contributions.

Table 7
Total Revenues: 2003
Continued
(Amounts Shown in Millions)

Data from FCC Form 499-A Line	CLECS and Other Fixed Local Competitors				Payphone Providers			
	Intrastate	Interstate	International	Total	Intrastate	Interstate	International	Total
Fixed local service other than payphone [Lines 303, 304, 305, 307, 308, 404, 405, 406, 408, and a portion of 403 1/]	\$8,989	\$4,265	\$25	\$13,279	\$5	*	*	\$5
Payphone [Lines 306 and 407]	19	17	*	37	373	58	1	433
Mobile service [Lines 309, 409, 410, and a portion of 403 1/]	11	2	*	12				
Toll service [Lines 310, 311, 312, 313, 314, 411, 412, 413, 414, 415, 416, 417, and a portion of 403 1/]	1,353	1,788	388	3,529	71	14	*	85
Total telecommunications service revenues	10,371	6,073	413	16,857	449	72	2	523
Total telecommunications service provided for resale (from Table 1.5)	2,239	2,125	136	4,500	69	44	1	114
Total telecommunications service provided to end users (from Table 1.6)	<u>8,132</u>	<u>3,948</u>	277	<u>12,357</u>	<u>380</u>	<u>28</u>	<u>1</u>	<u>409</u>
Total telecommunications service revenues	10,371	6,073	413	16,857	449	72	2	523
418 Enhanced services, inside wiring maintenance, billing and collection, customer premises equipment, published directory, dark fiber, Internet access, cable TV program transmission, and non-telecommunications service revenues	---	---	---	10,095	---	---	---	31
419 Gross billed revenues from all sources	---	---	---	26,952	---	---	---	554
421 Uncollectible revenue/bad debt expense associated with gross billed revenues				594				5
Total collected revenues from all sources				\$26,358				\$548

Note: Amounts may not add to totals due to rounding.

* Denotes values greater than \$0 but less than \$500,000.

1/ Includes a proportionate share of amounts reported on Line 403 as surcharges or other amounts on bills identified as recovering state or federal universal service contributions.

Table 7
Total Revenues: 2003
Continued
(Amounts Shown in Millions)

Data from FCC Form 499-A Line	Cellular, PCS and SMR Wireless Telephony				Other Wireless			
	Intrastate	Interstate	International	Total	Intrastate	Interstate	International	Total
Fixed local service other than payphone [Lines 303, 304, 305, 307, 308, 404, 405, 406, 408, and a portion of 403 1/]	\$182	\$65	*	\$247	\$37	\$2	*	\$40
Payphone [Lines 306 and 407]	*	*		*	*	*		*
Mobile service [Lines 309, 409, 410, and a portion of 403 1/]	66,451	19,904	214	86,569	937	161	1	1,099
Toll service [Lines 310, 311, 312, 313, 314, 411, 412, 413, 414, 415, 416, 417, and a portion of 403 1/]	956	377	19	1,351	17	16	4	36
Total telecommunications service revenues	67,589	20,346	233	88,168	991	179	5	1,175
Total telecommunications service provided for resale (from Table 1.5)	3,463	1,298	13	4,775	135	20	\$2	157
Total telecommunications service provided to end users (from Table 1.6)	<u>64,125</u>	<u>19,047</u>	<u>220</u>	<u>83,393</u>	<u>856</u>	<u>159</u>	<u>3</u>	<u>1,018</u>
Total telecommunications service revenues	67,589	20,346	233	88,168	991	179	5	1,175
418 Enhanced services, inside wiring maintenance, billing and collection, customer premises equipment, published directory, dark fiber, Internet access, cable TV program transmission, and non-telecommunications service revenues	---	---	---	18,801	---	---	---	1,680
419 Gross billed revenues from all sources	---	---	---	106,969	---	---	---	2,854
421 Uncollectible revenue/bad debt expense associated with gross billed revenues				2,284				23
Total collected revenues from all sources				\$104,685				\$2,831

Note: Amounts may not add to totals due to rounding.

* Denotes values greater than \$0 but less than \$500,000.

1/ Includes a proportionate share of amounts reported on Line 403 as surcharges or other amounts on bills identified as recovering state or federal universal service contributions.

Table 7
Total Revenues: 2003
Continued
(Amounts Shown in Millions)

Data from FCC Form 499-A Line	Toll Carriers				Total All Filers			
	Intrastate	Interstate	International	Total	Intrastate	Interstate	International	Total
Fixed local service other than payphone [Lines 303, 304, 305, 307, 308, 404, 405, 406, 408, and a portion of 403 1/]	\$4,613	\$1,247	\$23	\$5,883	\$82,751	\$40,350	\$52	\$123,153
Payphone [Lines 306 and 407]	26	31	2	59	857	203	3	1,063
Mobile service [Lines 309, 409, 410, and a portion of 403 1/]	1,163	405	40	1,607	68,946	20,517	255	89,718
Toll service [Lines 310, 311, 312, 313, 314, 411, 412, 413, 414, 415, 416, 417, and a portion of 403 1/]	16,099	36,157	15,116	67,372	23,160	38,501	15,527	77,188
Total telecommunications service revenues	21,901	37,840	15,180	74,920	175,714	99,571	15,838	291,123
Total telecommunications service provided for resale (from Table 1.5)	3,762	7,787	5,563	17,112	24,825	29,869	5,718	60,412
Total telecommunications service provided to end users (from Table 1.6)	<u>18,139</u>	<u>30,053</u>	<u>9,617</u>	<u>57,809</u>	<u>150,889</u>	<u>69,702</u>	<u>10,120</u>	<u>230,711</u>
Total telecommunications service revenues	21,901	37,840	15,180	74,920	175,714	99,571	15,838	291,123
418 Enhanced services, inside wiring maintenance, billing and collection, customer premises equipment, published directory, dark fiber, Internet access, cable TV program transmission, and non-telecommunications service revenues	---	---	---	20,827	---	---	---	65,186
419 Gross billed revenues from all sources	---	---	---	95,747	---	---	---	356,309
421 Uncollectible revenue/bad debt expense associated with gross billed revenues				2,808				7,514
Total collected revenues from all sources				\$92,939				\$348,794

Note: Amounts may not add to totals due to rounding.

* Denotes values greater than \$0 but less than \$500,000.

1/ Includes a proportionate share of amounts reported on Line 403 as surcharges or other amounts on bills identified as recovering state or federal universal service contributions.

Table 8
Revenues by Type of Carrier 1/: 2003
(Dollar Amounts Shown in Millions)

Data from FCC Form 499-A	Telecommunications Services Provided for Resale 2/				Telecommunications Services Provided to End Users 2/			
	Fixed Local	Mobile	Toll	Total	Fixed Local	Mobile	Toll	Total
Regional Bell Operating Companies	\$25,492	\$68	\$279	\$25,839	\$60,559	\$272	\$4,070	\$64,901
Other Incumbent Local Exchange Carriers (ILECs)	<u>7,867</u>	<u>14</u>	<u>34</u>	<u>7,916</u>	<u>10,315</u>	<u>76</u>	<u>433</u>	<u>10,824</u>
Total ILECs	33,360	83	312	33,755	70,875	348	4,503	75,726
Competitive Access Providers (CAPs) and Competitive Local Exchange Carriers (CLECs)	3,306	1	770	4,077	9,067	9	2,356	11,432
Local Resellers	19		4	23	604	2	92	698
Private Service Providers	17		93	111	24	*	133	157
Shared-Tenant Service Providers	1		*	1	15		7	22
Other Local Service Providers	<u>240</u>	<u>—</u>	<u>48</u>	<u>288</u>	23	*	26	49
Total Local Competitors	3,584	1	915	4,500	9,732	11	2,614	12,357
Fixed Local Service Providers	36,944	84	1,228	38,255	80,606	359	7,117	88,082
Payphone Service Providers	112		1	114	325		84	409
Wireless Telephony Including Cellular, Personal Communications Service (PCS) and SMR Telephony Carriers	173	4,142	459	4,775	74	82,427	892	83,393
Paging & Messaging Service Providers	1	144	7	152	1	833	21	855
Specialized Mobile Radio (SMR) Dispatch					*	33	*	33
Wireless Data and Other Mobile Service Providers		5		5	38	84	9	130
Wireless Service Providers	174	4,291	466	4,931	113	83,377	921	84,411
Interexchange Carriers (IXCs)	383	1	12,754	13,138	4,853	333	42,922	48,107
Operator Service Providers (OSPs)	2		64	66	3		498	501
Prepaid Calling Card Providers	6		77	83	58	40	631	729
Satellite Service Providers		5	191	196		15	452	467
Toll Resellers	69	84	1,497	1,650	442	1,130	6,071	7,644
Other Toll Carriers	52		1,926	1,979	73	*	287	360
Toll Service Providers	512	90	16,510	17,112	5,430	1,517	50,861	57,808
All Filers	\$37,742	\$4,465	\$18,205	\$60,412	\$86,474	\$85,254	\$58,983	\$230,711

Note: Amounts may not add to totals due to rounding.

* Denotes values greater than \$0 but less than \$500,000.

1/ Revenues are classified by the primary carrier type of each reporting entity. For example, revenues reported by an RBOC affiliate that identifies itself as an IXC are included in the table as IXC revenues. Many LECs provided both local and long distance services as part of package plans. Most of the revenues for the toll portion of these bundles were reported as toll revenues on FCC Form 499-A filings of LEC toll affiliates.

2/ Telecommunications service provided for resale consists of services provided to other contributors to federal universal service support mechanisms for resale. Revenues from services provided to firms that are *de minimis* under or exempt from federal universal service support mechanisms are reported as end-user service and are subject to contribution requirements.

Table 8
Revenues by Type of Carrier 1/: 2003
Continued
(Dollar Amounts Shown in Millions)

Data from FCC Form 499-A	Universal Service	Telecommunications Service Revenues					Other Revenues 4/	Total	
	Contribution Base Revenues 2/ 3/	Intrastate	Interstate	International to International	Other International	Total			
Regional Bell Operating Companies	\$13,778	\$62,306	\$28,434			\$90,740	\$11,012	\$101,752	
Other Incumbent Local Exchange Carriers (ILECs)	<u>2,483</u>	<u>12,107</u>	<u>6,627</u>	—		6	<u>18,740</u>	<u>2,741</u>	<u>21,481</u>
Total ILECs	16,262	74,413	35,061			6	109,480	13,753	123,233
Competitive Access Providers (CAPs) and Competitive Local Exchange Carriers (CLECs)	3,827	9,631	5,492	*		385	15,509	5,819	21,328
Local Resellers	136	574	141			6	721	132	853
Private Service Providers	114	58	192	*		17	267	3,812	4,079
Shared-Tenant Service Providers	6	16	4			3	22	37	59
Other Local Service Providers	<u>15</u>	<u>92</u>	<u>244</u>	—		<u>1</u>	<u>338</u>	<u>295</u>	<u>633</u>
Total Local Competitors	4,097	10,371	6,073	*		412	16,857	10,095	26,952
Fixed Local Service Providers	20,359	84,784	41,134	*		418	126,337	23,848	150,185
Payphone Service Providers	28	449	72			2	523	31	554
Wireless Telephony Including Cellular, Personal Communications Service (PCS) and SMR Telephony Carriers	18,848	67,589	20,346	*		233	88,168	18,801	106,969
Paging & Messaging Service Providers	112	872	132	1		2	1,007	411	1,418
Specialized Mobile Radio (SMR) Dispatch	1	33	1			*	33	70	103
Wireless Data and Other Mobile Service Providers	45	87	46	*		1	135	1,199	1,334
Wireless Service Providers	19,006	68,580	20,525	2		236	89,342	20,481	109,823
Interexchange Carriers (IXCs)	31,480	17,716	33,085	1,011		9,434	61,246	16,882	78,127
Operator Service Providers (OSPs)	147	344	191			31	567	170	737
Prepaid Calling Card Providers	55	74	65	1		671	812	28	841
Satellite Service Providers	351	72	183	46		362	663	1,656	2,319
Toll Resellers	4,185	3,403	3,817	66		2,008	9,294	1,986	11,279
Other Toll Carriers	211	291	499	22		1,527	2,339	105	2,444
Toll Service Providers	36,429	21,901	37,840	1,146		14,033	74,920	20,827	95,747
All Filers	\$75,821	\$175,714	\$99,571	\$1,148		\$14,690	\$291,123	\$65,186	\$356,309

Note: Amounts may not add to totals due to rounding.

Contribution base revenues revised March 9, 2005

* Denotes values greater than \$0 but less than \$500,000.

- 1/ Revenues are classified by the primary carrier type of each reporting entity. For example, revenues reported by an RBOC affiliate that identifies itself as an IXC are included in the table as IXC revenues. Many LECs provided both local and long distance services as part of package plans. Most of the revenues for the toll portion of these bundles were reported as toll revenues on FCC Form 499-A filings of LEC toll affiliates.
- 2/ Telecommunications service provided for resale consists of services provided to other contributors to federal universal service support mechanisms for resale. Revenues from services provided to firms that are *de minimis* under or exempt from federal universal service support mechanisms are reported as end-user service and are subject to contribution requirements.
- 3/ Universal service contribution base revenues consist of all interstate and international end-user telecommunications revenues except for international-to-international revenues reported on Line 412. The totals include revenues from filers who are *de minimis* or otherwise exempt from contributing. This table also includes international revenues that were exempt from contribution because of the 12 percent rule. See Table 4 for details on exempt amounts. Contribution base amounts reported as uncollectible on Line 422 have been removed.
- 4/ Carriers report non-telecommunications service revenues on Line 418. This category includes enhanced services, inside wiring maintenance, billing and collection, customer premises equipment, published directory, dark fiber, Internet, foreign carrier and other non-U.S. telecommunications service revenues.

Table 9
Estimates of Average Revenue per Conversation Minute
(Dollar Amounts and Minutes Shown in Millions)

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Interstate operator service revenues 1/	\$7,052	\$6,561	\$6,878	\$6,454	\$7,113	\$6,971	\$5,747	\$6,603	\$5,480	\$3,843	\$2,508
+ Other interstate switched toll revenues 2/	\$36,477	\$38,843	\$42,139	\$47,865	\$42,075	\$42,620	\$45,026	\$38,753	\$32,870	\$26,431	\$24,050
+ International-to-international toll revenues 3/	\$111	\$166	\$249	\$374	\$561	\$1,121	\$983	\$1,087	\$924	\$636	\$1,148
+ Charges on bills identified as USF contributions 4/						\$878	\$2,213	\$2,830	\$2,945	\$2,361	\$2,028
+ PICC pass-through reported as SLC revenues 5/						\$1,208	\$0	\$0	\$0	\$0	\$0
- 80% of revenues reported by toll resellers	\$1,001	\$1,251	\$2,582	\$4,211	n.a.						
= Total end-user switched toll revenues	\$42,528	\$44,153	\$46,435	\$50,107	\$49,325	\$52,797	\$53,969	\$49,273	\$42,219	\$33,270	\$29,734
- International-to-international toll revenues 3/	\$111	\$166	\$249	\$374	\$561	\$1,121	\$983	\$1,087	\$924	\$636	\$1,148
= U.S. international and interstate end-user switched toll revenues	\$42,417	\$43,987	\$46,186	\$49,733	\$48,764	\$51,677	\$52,986	\$48,186	\$41,295	\$32,634	\$28,586
End-user international MTS revenues 6/	\$11,564	\$12,543	\$14,335	\$14,598	\$15,661	\$14,726	\$14,980	\$14,909	\$11,380	\$9,956	\$8,944
- International reoriginating revenues 13/	\$0	\$0	\$28	\$43	\$248	\$287	\$370	\$430	\$712	\$574	\$633
- International-to-international toll revenues 3/	\$140	\$166	\$249	\$374	\$561	\$1,121	\$983	\$1,087	\$924	\$636	\$1,148
= International revenues for U.S. end users	\$11,424	\$12,377	\$14,058	\$14,180	\$14,853	\$13,318	\$13,627	\$13,391	\$9,743	\$8,746	\$7,163
Total end-user switched toll revenues	\$42,528	\$44,153	\$46,435	\$50,107	\$49,325	\$52,797	\$53,969	\$49,273	\$42,219	\$33,270	\$29,734
- End-user international MTS revenues 6/	\$11,564	\$12,543	\$14,335	\$14,598	\$15,661	\$14,726	\$14,980	\$14,909	\$11,380	\$9,956	\$8,944
= Interstate domestic switched end-user revenues	\$30,965	\$31,610	\$32,100	\$35,509	\$33,664	\$38,071	\$39,507	\$34,364	\$30,840	\$23,314	\$20,790
U.S. billed international minutes	11,513	13,616	15,889	19,325	22,753	24,250	28,515	29,216	33,280	35,988	42,664
- Country-direct/beyond minutes 9/	294	350	500	728	1,053	933	1,736	1,935	1,330	1,127	1,422
- Reoriginating minutes 13/	0	0	5	26	98	532	802	1,412	4,414	3,664	5,354
= U.S. billed international minutes excluding country-direct/beyond and reoriginating	11,219	13,266	15,384	18,571	21,602	22,785	25,978	25,869	27,536	31,197	35,888
ILEC originating interstate access minutes 7/	157,114	162,043	169,236	173,300	181,900	184,000	208,267	204,154	194,464	175,092	153,275
+ Estimated CLEC originating minutes 8/	432	580	1,218	1,816	4,118	6,452	12,079	18,034	22,947	21,186	22,991
- U.S. billed international minutes excluding country-direct/beyond and reoriginating 9/	11,219	13,266	15,384	18,571	21,602	22,785	25,978	25,869	27,536	31,197	35,888
= Domestic originating access minutes	146,327	149,357	155,071	156,545	164,416	167,667	194,369	196,319	189,875	165,081	140,378
ILEC terminating interstate access minutes 7/	214,126	239,360	262,712	292,800	315,400	334,800	344,465	363,295	345,306	310,908	290,792
+ Estimated CLEC terminating minutes 8/	589	856	1,891	3,068	7,141	11,739	20,757	32,092	40,746	37,620	43,619
- Country-direct/beyond international settlement minutes 9/	294	350	500	728	1,053	933	1,736	1,935	1,330	1,127	1,422
Foreign billed international settlement minutes 10/	5,678	6,385	7,121	8,291	9,107	10,208	10,765	12,719	13,478	13,575	13,575
= Domestic terminating access minutes	208,743	233,481	256,982	286,849	312,381	335,398	352,721	380,734	371,245	333,826	319,414
Conversation minutes 11/											
U.S. interstate and international minutes	219,962	246,747	272,366	305,420	333,984	358,183	377,163	406,603	398,780	365,023	355,302
International conversation minutes 9/	11,219	13,266	15,384	18,571	21,602	22,785	25,016	25,869	27,536	31,197	35,888
Interstate domestic conversation minutes	208,743	233,481	256,982	286,849	312,381	335,398	352,147	380,734	371,245	333,826	319,414
End-user revenue per											
U.S. interstate and international minute	\$0.19	\$0.18	\$0.17	\$0.16	\$0.15	\$0.14	\$0.14	\$0.12	\$0.10	\$0.09	\$0.08
International conversation minute 12/	\$1.02	\$0.93	\$0.91	\$0.76	\$0.69	\$0.58	\$0.54	\$0.52	\$0.35	\$0.28	\$0.20
Interstate domestic conversation minute	\$0.15	\$0.14	\$0.12	\$0.12	\$0.11	\$0.11	\$0.11	\$0.09	\$0.08	\$0.07	\$0.07

See notes on next page.

Notes for Table 9.

n.a. - not applicable

Note: Some data for prior years have been revised.

- 1/ Starting in 1997, interstate operator service revenues are interstate and international prepaid calling card revenues (currently Table 6, Line 411) plus revenues from interstate and international operator and toll calls with alternative billing arrangements (currently Table 6, Line 413).
- 2/ Starting in 1997, other interstate switched toll revenues are equal to revenues from interstate and international ordinary long distance and other switched toll services (currently Table 6, Line 414).
- 3/ Starting in 1997, amounts shown are revenues from international calls that both originate and terminate at foreign points (currently Table 6, Line 412). International-to-international revenues were not reported separately prior to 1997. Amounts for 1992 through 1996 were estimated using a 50% growth rate. Most international-to-international services are provided to foreign customers. Some international-to-international services, such as call-back service, generate both originating and terminating access minutes.
- 4/ Carriers only report aggregate universal service surcharge revenues. Such revenues are allocated across services based on the share of contribution base revenues generated by each service.
- 5/ PICC charges were introduced in 1998. The reporting instructions for 1998 data were not clear and many toll carriers reported PICC pass-through charges as local revenues rather than as toll revenues. Carrier-by-carrier information was used to identify misclassified amounts to ensure that the amount of toll revenues for 1998 was accurate.
- 6/ Table 2 of *Trends in the U.S. International Telecommunications Industry* contains estimates of international end-user revenues. Preliminary figures are used for 2003. Note that these figures differ significantly from data contained in Table 6 herein. Table 3 in *Trends in the U.S. International Telecommunications Industry* contains data for country-direct/beyond and reoriginated minutes.
- 7/ Based on National Exchange Carrier Association (NECA) filings. Separate data were available for originating and terminating access minutes through 1998. Beginning in 1999, ILEC total interstate access minutes (*Monitoring Report*, Table 8.1) are allocated between originating and terminating based on the originating and terminating shares of carrier common line (CCL) minutes of use reported by carriers subject to price-cap regulation and all local exchange carriers in the NECA pool (see *Trends in Telephone Service*, Table 1.4. The May 2004 edition contains data for 2003.) These figures exclude the minutes of rate-of-return ILECs.
- 8/ CLEC access minutes are estimated based on the local service competitors share of the local services market. Data taken from Table 8.7 of *Trends in Telephone Service*. That table includes all local service revenues of local carriers, but includes only local exchange service revenues of wireless and toll carriers.

Local service competitors' share of local revenues	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
	0.3%	0.4%	0.7%	1.0%	2.3%	3.5%	5.8%	8.8%	11.8%	12.1%	15.0%

- 9/ World total MTS minutes billed in the United States from *Section 43.61 International Telecommunications Data* includes data for all U.S. points, all settlement arrangements and all U.S. carriers. Billing types covered are 1, 11, and 21. (See the *International Data* report for an explanation of billing types.) Starting in 1995, carriers separately reported country-direct/beyond minutes. Most country-direct traffic generates terminating access minutes and generally represents billed end-user revenues from U.S. customers. Country-beyond minutes generally do not result in access minutes and generate revenues that are reported as international-to-international. Some other international-to-international traffic, however, results in access minutes and ordinary U.S. billed minutes of traffic. In the absence of better assumptions, and recognizing the offsetting bias for call-back minutes, the country-beyond/direct minutes are treated as terminating access minutes but are not included as international conversation minutes.
- 10/ World total MTS minutes originating or terminating in the United States but billed in foreign countries are from *Section 43.61 International Telecommunications Data*. Includes data for all U.S. points, all settlement arrangements and all U.S. carriers. Billing types covered are 2, 12, and 22. (See the *International Data* report for an explanation of billing types.) Foreign billed minutes of international traffic generate terminating access minutes.
- 11/ International conversation minutes are estimated as U.S. billed international traffic minutes excluding country-direct/beyond and reoriginating minutes. Domestic conversation minutes are estimated as domestic terminating access minutes. An unknown quantity of conversation minutes result in reported interstate or international switched toll revenues but not in reported interstate access minutes. This may result in an upward bias in the revenue per minute estimates. For 2002 and 2003, revenue per minute estimates may be overstated by as much as 10% or 20%.
- 12/ International revenue per-minute amounts published herein differ from estimates published in *Trends in the U.S. International Telecommunications Industry*, Table 2, because the latter estimates include revenues and billed minutes associated with calls that originate and terminate at foreign points.
- 13/ Reorigination traffic originates and terminates outside of the United States. U.S. carriers receive settlement like payments for this service which are reported as U.S. billed revenues in 43.61 reports. For FCC Form 499 reporting, these amounts are treated as settlements and not reported as revenues. Reorigination data are taken from Table 3 in *Trends in the U.S. International Telecommunications Industry* and from *Section 43.61 International Telecommunications Data*.

Table 10
Estimates of Access and Universal Service Contribution Costs per Conversation Minute
(Dollar Amounts and Minutes Shown in Millions, Per-Minute Amounts Shown in Dollars and Cents)

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Minutes data from Table 9 1/											
ILEC originating interstate access minutes	157,114	162,043	169,236	173,300	181,900	184,000	208,267	204,154	194,464	175,092	153,275
Originating minutes of international traffic	11,219	13,266	15,384	18,571	21,602	22,785	25,978	25,869	27,536	31,197	35,888
Domestic originating access minutes	146,327	149,357	155,071	156,545	164,416	167,667	194,369	196,319	189,875	165,081	140,378
ILEC terminating interstate access minutes	214,126	239,360	262,712	292,800	315,400	334,800	344,465	363,295	345,306	310,908	290,792
Terminating minutes of international traffic	5,972	6,735	7,621	9,019	10,159	11,141	12,501	14,654	14,808	14,702	14,997
U.S. Interstate and international conversation minutes	219,962	246,747	272,366	305,420	333,984	358,183	377,163	406,603	398,780	365,023	355,302
International conversation minutes	11,219	13,266	15,384	18,571	21,602	22,785	25,016	25,869	27,536	31,197	35,888
Interstate domestic conversation minutes	208,743	233,481	256,982	286,849	312,381	335,398	352,147	380,734	371,245	333,826	319,414
End-user revenue per minute data from Table 9											
U.S. interstate and international minute	\$0.19	\$0.18	\$0.17	\$0.16	\$0.15	\$0.14	\$0.14	\$0.12	\$0.10	\$0.09	\$0.08
International conversation minute	\$1.02	\$0.93	\$0.91	\$0.76	\$0.69	\$0.58	\$0.54	\$0.52	\$0.35	\$0.28	\$0.20
Interstate domestic conversation minute	\$0.15	\$0.14	\$0.12	\$0.12	\$0.11	\$0.11	\$0.11	\$0.09	\$0.08	\$0.07	\$0.07
Access cost per interstate 2-ended minute 2/	\$0.067	\$0.068	\$0.065	\$0.061	\$0.056	\$0.039	\$0.033	\$0.024	\$0.018	\$0.016	\$0.014
Originating access minutes	\$0.031	\$0.032	\$0.031	\$0.029	\$0.026	\$0.022	\$0.018	\$0.013	\$0.010	\$0.008	\$0.007
Terminating access minutes	\$0.034	\$0.034	\$0.033	\$0.030	\$0.028	\$0.016	\$0.013	\$0.011	\$0.008	\$0.007	\$0.007
Access cost per average conversation minute 3/											
U.S. interstate and international minutes	\$0.055	\$0.054	\$0.050	\$0.045	\$0.041	\$0.026	\$0.022	\$0.016	\$0.012	\$0.010	\$0.009
International conversation minutes	\$0.049	\$0.049	\$0.047	\$0.043	\$0.039	\$0.030	\$0.026	\$0.019	\$0.014	\$0.012	\$0.010
Interstate domestic conversation minutes	\$0.055	\$0.054	\$0.051	\$0.046	\$0.041	\$0.026	\$0.022	\$0.016	\$0.012	\$0.010	\$0.009
Universal service contributions assessed on a per-line basis (\$millions) 4/	\$873	\$891	\$907	\$944	\$973	\$0	\$0	\$0	\$0	\$0	\$0
Expressed per minute 5/:											
U.S. interstate and international minutes	\$0.004	\$0.004	\$0.003	\$0.003	\$0.003	\$0.006	\$0.007	\$0.007	\$0.006	\$0.006	\$0.006
International conversation minutes	\$0.004	\$0.004	\$0.003	\$0.003	\$0.003	\$0.025	\$0.025	\$0.029	\$0.020	\$0.019	\$0.014
Interstate domestic conversation minutes	\$0.004	\$0.004	\$0.003	\$0.003	\$0.003	\$0.005	\$0.005	\$0.005	\$0.005	\$0.005	\$0.005
CLEC access revenues assessed on a per-minute basis (\$millions) 6/					\$26	\$93	\$213	\$369	\$573	\$854	\$901
Expressed per conversation minute					\$0.0001	\$0.0003	\$0.0006	\$0.0009	\$0.0014	\$0.0023	\$0.0025
International-to-international revenues as % of total international end-user revenues 7/	1.0%	1.3%	1.7%	2.6%	3.6%	7.6%	6.6%	7.3%	8.1%	6.4%	12.8%
Net international settlement payouts (\$millions) 7/	\$3,704	\$4,289	\$4,919	\$5,601	\$5,207	\$4,663	\$4,477	\$4,335	\$2,649	\$2,560	\$2,650
Per U.S. interstate and international minute	\$0.017	\$0.017	\$0.018	\$0.018	\$0.015	\$0.012	\$0.011	\$0.010	\$0.006	\$0.007	\$0.007
Per international conversation minute	\$0.327	\$0.319	\$0.314	\$0.294	\$0.232	\$0.189	\$0.167	\$0.155	\$0.088	\$0.077	\$0.064
PICC charges billed by Tier 1 carriers (\$millions) 8/						\$2,000	\$2,258	\$1,732	\$571	\$134	\$72
Expressed per conversation minute						\$0.006	\$0.006	\$0.004	\$0.001	\$0.000	\$0.000
Access and universal service contribution costs 9/ per:											
U.S. interstate and international minute	\$0.076	\$0.075	\$0.072	\$0.066	\$0.059	\$0.050	\$0.046	\$0.038	\$0.027	\$0.026	\$0.024
International conversation minute 10/	\$0.380	\$0.371	\$0.364	\$0.340	\$0.275	\$0.249	\$0.224	\$0.209	\$0.126	\$0.111	\$0.092
Interstate domestic conversation minute	\$0.059	\$0.058	\$0.054	\$0.049	\$0.044	\$0.037	\$0.034	\$0.026	\$0.019	\$0.018	\$0.016
Revenue per-minute net of access and universal service contribution costs, per:											
U.S. interstate and international minute	\$0.117	\$0.104	\$0.098	\$0.096	\$0.087	\$0.094	\$0.094	\$0.081	\$0.077	\$0.064	\$0.056
International conversation minute 10/	\$0.638	\$0.562	\$0.550	\$0.423	\$0.413	\$0.335	\$0.314	\$0.309	\$0.228	\$0.170	\$0.108
Interstate domestic conversation minute	\$0.089	\$0.078	\$0.071	\$0.075	\$0.064	\$0.077	\$0.078	\$0.064	\$0.064	\$0.052	\$0.049
Access and universal service contribution costs as a percentage of revenue per minute											
U.S. interstate and international minutes	39.3%	41.8%	42.2%	40.8%	40.3%	34.8%	33.1%	31.7%	25.9%	28.8%	29.8%
International conversation minutes	37.3%	39.8%	39.9%	44.6%	40.0%	42.6%	41.6%	40.3%	35.5%	39.4%	46.0%
Interstate domestic conversation minutes	40.0%	42.6%	43.2%	39.3%	40.7%	32.3%	30.2%	28.7%	23.3%	25.3%	24.9%

See notes on next page.

Notes for Table 10.

Note: Some data for prior years have been revised. Some 2002 international data are preliminary. See text for additional commentary.

- 1/ The number of conversation minutes is based on the number of access minutes. An unknown quantity of conversation minutes result in reported revenues but do not result in interstate access minutes. Therefore, the analysis may overstate average access and universal service contribution costs per minute. Note that the end-user revenue per-minute data taken from Table 9 includes revenues from universal service pass-through charges levied on end users by filers to recover contribution amounts.
- 2/ Originating and terminating per-minute charges are derived from data in Table 1.2 of *Trends in Telephone Service*. Charges for the year are calculated as charges for the first and second half of each year, weighted by the actual access minutes for the respective halves.
- 3/ Access cost per average conversation minute is calculated as the total cost of originating and terminating access (based on ILEC but not CLEC access minutes and costs per minute shown in the table) divided by conversation minutes. For example, for international minutes, originating access minutes equal the U.S. billed international minutes excluding country-direct/beyond minutes and hubbing minutes. Similarly, terminating access minutes equal the number of foreign billed minutes plus country-direct/beyond minutes. Ideally, country-direct minutes would be treated differently from country-beyond minutes, but Section 43.61 international traffic data reports do not contain that breakout. For simplicity, all CLEC minutes are treated as domestic access minutes.
- 4/ Source: National Exchange Carrier Association (NECA). Through 1997, toll carriers were assessed based on the number of presubscribed lines.
- 5/ Through 1997, universal service contributions per minute were calculated as the assessments based on lines divided by all U.S. conversation minutes. Starting with 1998, the amounts are estimated as the approximate contribution rate for interstate and international revenues times the average per-minute charges.
- 6/ Interstate access per-minute revenues reported on FCC Form 457 and FCC Form 499-A by carriers other than ILECs.
- 7/ *Section 43.61 International Telecommunications Data*. Totals exclude settlement payouts for hubbing service. Net international settlement payouts have been reduced by the ratio of international-to-international service revenues to total international end-user revenues, reflecting the assumption that these revenues cause a proportionate share of net settlement payouts.
- 8/ Since 1998, Tier 1 incumbent local exchange carriers were allowed to recover a portion of interstate expenses through presubscribed interexchange carrier charges (PICCs) on access lines. Where the access line was presubscribed, the PICC was levied on the interexchange carrier (IXC) and the associated revenues were reported as carrier's carrier revenues. The PICC charges shown in the table are based on Tier 1 carrier charges as well as line count information from Tariff Review Plans and from the *Statistics of Communications Common Carriers*. Where consumers did not have a presubscribed IXC, however, the ILEC billed the PICC charge to the customer rather than the IXC. We estimated that 97% of ILEC PICC revenues were collected from IXCs. Note that PICCs on residential and single line business lines were eliminated on July 1, 2000 and that PICC charges largely have been phased out for other lines.
- 9/ Includes tariffed per-minute access charges, net international settlement payouts, universal service contributions and PICC charges but excludes the cost of dedicated access lines.
- 10/ The net cost of settling international traffic consists of the settlement payouts for U.S. billed traffic less the settlement receipts for foreign billed traffic. The minutes of foreign billed traffic are not included as international conversation minutes because U.S. carriers do not bill U.S. customers for this traffic. U.S. carriers incur terminating access charges for these minutes and international transmission costs. The terminating access costs are included in the cost per-minute estimates. *Trends in the U.S. International Telecommunications Industry* shows end-user revenue per minute handled, as compared to end-user revenue per U.S. billed conversation minute shown herein.

Table 11
End-User Telecommunications Service Revenues
By Region of the Country: 2003
(Dollar Amounts Shown in Millions)

	By Type of Service			All Services	
	Fixed Local and Payphone	Wireless	Toll including Satellite	Total for Region	Region as Percent of Total
Southeast: Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, Puerto Rico, South Carolina, Tennessee, and U.S. Virgin Islands	\$19,893	\$21,464	\$10,784	\$52,140	22.6 %
Western: Alaska, Arizona, Colorado, Idaho, Iowa, Minnesota, Montana, Nebraska, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington, and Wyoming	10,979	10,991	6,819	28,789	12.5
West Coast: California, Hawaii, Nevada, American Samoa, Guam, Northern Mariana Islands, and Wake Island	10,373	11,390	7,920	29,683	12.9
Mid-Atlantic: Delaware, District of Columbia, Maryland, New Jersey, Pennsylvania, Virginia, and West Virginia	11,269	9,230	9,131	29,631	12.8
Mid-West: Illinois, Indiana, Michigan, Ohio, and Wisconsin	12,202	10,331	8,809	31,342	13.6
Northeast: Connecticut, Maine, Massachusetts, New Hampshire, New York, Rhode Island, and Vermont	10,468	8,581	8,291	27,341	11.9
Southwest: Arkansas, Kansas, Missouri, Oklahoma, and Texas	10,942	13,266	6,813	31,021	13.4
Filers that did not identify revenues by region 1/	348	0	415	764	0.3
Total	\$86,474	\$85,254	\$58,983	\$230,711	100.0 %

1/ Filers that are exempt from contributing to local number portability administration are not required to provide a breakout by region of the country.

Table 12
Share of Universal Service Contributions 1/
By Principal Type of Contributor
Using Traditional Carrier Categories 2/

Service Provider Category	1997	1998	1999	2000	2001	2002	2003	Preliminary 1/ Q1	
								2004	2005
Regional Bell Operating Companies (RBOCs) Including CLEC Affiliates.	11.7 %	14.4 %	14.3 %	16.2 %	18.3 %	19.9 %	19.9 %	22.6 %	22.7 %
Incumbent Local Exchange Carriers (ILECs) Other Than RBOCs	2.6	1.4	1.5	1.7	2.1	2.8	3.2	3.8	3.8
Competitive Local Exchange Carriers (CLECs) Local Resellers and Other Local Carriers Other Than RBOCs	0.8	1.3	2.6	2.2	2.7	3.3	3.5	3.9	4.3
Total: Fixed Local Service Providers	15.1	17.1	18.5	20.1	23.1	26.0	26.6	30.3	30.9
Payphone Providers	0.0	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0
Wireless Service Providers	3.3	5.1	6.6	9.2	12.0	17.2	24.8	32.6	34.1
RBOC Toll Service Providers	1.7	1.7	2.0	2.3	3.0	3.4	5.0	7.7	8.4
Other Toll Service Providers	79.9	76.0	72.9	68.3	61.9	53.3	43.6	29.4	26.6
Total: Toll Service Providers	81.6	77.7	74.9	70.6	64.9	56.7	48.6	37.1	35.0
Total All Filers	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

1/ For years 1997 through 2002, the percentages are based on shares of reported subject interstate and international end-user billed revenues.

The percentages shown for 2003 are based on shares of reported subject interstate and international end-user collected revenues. Preliminary percentages shown for 2004 and first Quarter 2005 are based on projected collected revenues from FCC Form 499-Q filings. Calculations exclude revenues for calls that both originate and terminate in foreign points. Calculations for years 1999 through 2003 include revenues for all filers.

De minimis carriers were exempt from filing FCC Form 457 worksheets, which were used to identify 1997 and 1998 revenues, and are now exempt from filing FCC Form 499-Q worksheets.

2/ Prior to 2004, the FCC Form 499-A asked each filer to identify a single category of communications business that best described its operations. The service provider categories listed on FCC Form 499-A correspond to traditional breakdowns of the industry. Starting in 2004, carriers were allowed to specify more than one category and were allowed to identify themselves as an *All Distance* service provider. Revenues have been categorized using the traditional industry classification that best described each company.

Source: 1997 and 1998: FCC Form 457 filings; 1999 through 2003: FCC Form 499-A filings; 2004 and 2005: FCC Form 499-Q filings.

Customer Response

Publication: *Telecommunications Industry Revenues: 2003*

You can help us provide the best possible information to the public by completing this form and returning it to the Industry Analysis & Technology Division of the FCC's Wireline Competition Bureau.

1. Please check the category that best describes you:

- press
- current telecommunications carrier
- potential telecommunications carrier
- business customer evaluating vendors/service options
- consultant, law firm, lobbyist
- other business customer
- academic/student
- residential customer
- FCC employee
- other federal government employee
- state or local government employee
- Other (please specify)

2. Please rate the report: Excellent Good Satisfactory Poor No opinion

- | | | | | | |
|----------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Data accuracy | (<input type="checkbox"/>) |
| Data presentation | (<input type="checkbox"/>) |
| Timeliness of data | (<input type="checkbox"/>) |
| Completeness of data | (<input type="checkbox"/>) |
| Text clarity | (<input type="checkbox"/>) |
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3. Overall, how do you rate this report? Excellent Good Satisfactory Poor No opinion

- | | | | | | |
|--|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| | (<input type="checkbox"/>) |
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4. How can this report be improved?

5. May we contact you to discuss possible improvements?

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