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FCC RELEASES SEMIANNUAL STUDY ON TELEPHONE TRENDS

The FCC has released a semiannual report on Trends in Telephone Service. The report is a summary of information collected by the Commission in much more detailed reports.

This report is available for reference in the Industry Analysis Division Reference Room, Common Carrier Bureau, 1250 23rd Street, N.W., Plaza Level. Copies may be purchased by calling International Transcription Services, Inc. (ITS) at (202) 857-3800. The report can also be downloaded from the **FCC-State Link** computer bulletin board at (202) 632-1361.

FCC

For further information, contact the Industry Analysis Division, Common Carrier Bureau, at (202) 632-0745.

INDUSTRY ANALYSIS DIVISION

FEDERAL COMMUNICATIONS COMMISSION

WASHINGTON, D.C. 20554

MAY 1994

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INTRODUCTION:

This publication summarizes a variety of information on telephone service. In most cases, the reports underlying this summary provide a much greater level of detail. More detailed information is available from the sources listed at the end of the document and through the automated FCC-State Link Bulletin Board. The bulletin board can be accessed via computer modem by dialing (202) 632-1361.

TELEPHONE SUBSCRIBERSHIP:

Under contract with the Federal Communications Commission, the Bureau of the Census includes questions on telephones as part of its Current Population Survey. This survey, which monitors demographic trends between the decennial censuses, has several strengths: it is conducted regularly by an expert agency, the sample is very large, and the questions are consistent. Thus, changes in the results can be compared over time with a great deal of confidence.

Almost fifteen million households have been added to the nation's telephone system since these surveys began in November 1983 -- reflecting both an increase in the total number of households and a small, but statistically significant, increase in the percentage of households that subscribe to telephone service. The Census data also reflect slight, but statistically significant, seasonal variations in penetration rates. This pattern, after allowing for effects of the upward trend in the data, is an increase of 0.3% from November to March, followed by a decrease of 0.2% from March to July, followed by a decrease of 0.1% from July to November.

Because of smaller sample sizes, state-by-state data are subject to greater sampling errors than the national data shown in Table 1. Consequently, the state-by-state data shown in Table 2 are based on annual average penetration rates.

TABLE 1

HOUSEHOLD TELEPHONE SUBSCRIBERSHIP IN THE U.S.

	HOUSEHOLDS (MILLIONS)	HOUSEHOLDS WITH TELEPHONES (MILLIONS)	PERCENTAGE WITH TELEPHONES	HOUSEHOLDS WITHOUT TELEPHONES (MILLIONS)	PERCENTAGE WITHOUT TELEPHONES
1983 NOVEMBER	85.8	78.4	91.4 %	7.4	8.6 %
1984 MARCH	86.0	78.9	91.8	7.1	8.2
JULY	86.6	79.3	91.6	7.3	8.4
NOVEMBER	87.4	79.9	91.4	7.5	8.6
1985 MARCH	87.4	80.2	91.8	7.2	8.2
JULY	88.2	81.0	91.8	7.2	8.2
NOVEMBER	88.8	81.6	91.9	7.2	8.1
1986 MARCH	89.0	82.1	92.2	6.9	7.8
JULY	89.5	82.5	92.2	7.0	7.8
NOVEMBER	89.9	83.1	92.4	6.8	7.6
1987 MARCH	90.2	83.4	92.5	6.8	7.5
JULY	90.7	83.7	92.3	7.0	7.7
NOVEMBER	91.3	84.3	92.3	7.0	7.7
1988 MARCH	91.8	85.3	92.9	6.5	7.1
JULY	92.4	85.7	92.8	6.7	7.2
NOVEMBER	92.6	85.7	92.5	6.9	7.5
1989 MARCH	93.6	87.0	93.0	6.6	7.0
JULY	93.8	87.5	93.3	6.3	6.7
NOVEMBER	93.9	87.3	93.0	6.6	7.0
1990 MARCH	94.2	87.9	93.3	6.3	6.7
JULY	94.8	88.4	93.3	6.4	6.7
NOVEMBER	94.7	88.4	93.3	6.3	6.7
1991 MARCH	95.3	89.2	93.6	6.1	6.4
JULY	95.5	89.1	93.3	6.4	6.7
NOVEMBER	95.7	89.4	93.4	6.3	6.6
1992 MARCH	96.6	90.7	93.9	5.9	6.1
JULY	96.6	90.6	93.8	6.0	6.2
NOVEMBER	97.0	91.0	93.8	6.0	6.2
1993 MARCH	97.3	91.6	94.2	5.7	5.8
JULY	97.9	92.2	94.2	5.7	5.8
NOVEMBER	98.8	93.0	94.2	5.8	5.8

TABLE 2

TELEPHONE PENETRATION BY STATE
(ANNUAL AVERAGE PERCENTAGE OF HOUSEHOLDS WITH TELEPHONE SERVICE)

STATE	1984	1993	CHANGE
ALABAMA	88.4 %	91.9 %	3.4 % *
ALASKA	86.5	89.9	3.4 *
ARIZONA	86.9	93.3	6.4 *
ARKANSAS	86.6	87.8	1.3
CALIFORNIA	92.5	95.8	3.3 *
COLORADO	93.2	96.1	2.9 *
CONNECTICUT	95.5	96.7	1.2
DELAWARE	94.3	96.5	2.3 *
DISTRICT OF COLUMBIA	94.9	90.2	−4.7 *
FLORIDA	88.7	93.8	5.1 *
GEORGIA	86.2	93.2	7.0 *
HAWAII	93.5	94.4	0.9
IDAHO	90.7	94.4	3.7 *
ILLINOIS	94.2	93.6	−0.5
INDIANA	91.6	93.7	2.1 *
IOWA	96.2	96.4	0.2
KANSAS	94.3	95.6	1.3
KENTUCKY	88.1	89.8	1.6
LOUISIANA	89.7	90.4	0.8
MAINE	93.4	96.0	2.6 *
MARYLAND	95.7	96.7	1.0
MASSACHUSETTS	95.9	96.9	1.1
MICHIGAN	92.8	95.6	2.7 *
MINNESOTA	95.8	96.1	0.3
MISSISSIPPI	82.4	87.2	4.8 *
MISSOURI	91.5	93.1	1.6
MONTANA	91.0	94.6	3.6 *
NEBRASKA	95.7	96.6	0.9
NEVADA	90.4	95.4	5.0 *
NEW HAMPSHIRE	94.3	96.0	1.6
NEW JERSEY	94.8	94.3	−0.5
NEW MEXICO	82.0	90.2	8.1 *
NEW YORK	91.8	93.5	1.7 *
NORTH CAROLINA	88.3	92.7	4.4 *
NORTH DAKOTA	94.6	97.1	2.4 *
OHIO	92.4	94.9	2.5 *
OKLAHOMA	90.3	92.1	1.9
OREGON	90.6	94.8	4.1 *
PENNSYLVANIA	94.9	97.3	2.4 *
RHODE ISLAND	93.6	95.5	1.9 *
SOUTH CAROLINA	83.7	89.8	6.2 *
SOUTH DAKOTA	93.2	93.7	0.5
TENNESSEE	88.5	92.0	3.5 *
TEXAS	88.4	91.6	3.2 *
UTAH	92.5	96.0	3.5 *
VERMONT	92.3	94.6	2.3
VIRGINIA	93.1	94.3	1.3
WASHINGTON	93.0	96.8	3.7 *
WEST VIRGINIA	87.7	90.6	2.9 *
WISCONSIN	95.2	96.9	1.7
WYOMING	89.9	93.9	4.0 *
TOTAL UNITED STATES	91.6	94.2	2.6 *

* CHANGE IS STATISTICALLY SIGNIFICANT AT THE 95% CONFIDENCE LEVEL.

DETAILS MAY NOT ADD DUE TO ROUNDING.

PRICE INDEXES FOR TELEPHONE SERVICES:

The Bureau of Labor Statistics (BLS) collects a variety of information on telephone service as part of three separate programs -- the Consumer Price Index (CPI), the Producer Price Index (PPI), and the Consumer Expenditure Survey. The following material illustrates the range of information available on price indexes.

1. Long Term Trends in Price Indexes:

A price index for telephone service was first published in 1935. Since that time, telephone prices have tended to increase at a slower pace than most other prices. Table 3 shows long run changes in the Consumer Price Indexes for all items, all services, telephone services, each of the seven major categories that currently constitute the overall CPI, and several services that are often characterized as being public utilities.

2. Comprehensive Price Indexes:

The CPI index of telephone services is based on a "market basket" intended to represent the telephone related expenditures of a typical urban household. It includes both local and long distance services. Changes in telephone prices tend to lag behind other price changes. Overall inflation in the American economy peaked in 1979 and 1980. In contrast, the price of telephone services rose most rapidly during the years 1981 through 1984. The annual rate of change is shown in Table 4 for the overall CPI (which measures the impact of inflation on consumers) and the CPI for telephone services. In addition, Table 4 shows the Gross National Product fixed weight price index prepared by the Bureau of Economic Analysis (which measures inflation throughout the economy).

3. Price Indexes for Local Service:

The CPI index of local telephone charges is based on a broadly defined "market basket" that includes monthly service charges, message unit charges, leased equipment, installation, service enhancements (such as tone dialing and call waiting), taxes, subscriber line charges, and all other consumer expenditures associated with telephone services except long distance charges. In contrast, the PPI index of monthly residential rates is much more narrowly defined. It is based only on monthly service charges for residential service, optional touch-tone service, and subscriber line charges. It excludes taxes and all other expenditures. The annual rates of change for these indexes of local costs are presented in Table 5.

4. Price Indexes for Long Distance Service:

Consumer price index data is available for intrastate toll and interstate toll services since December 1977. These series are also presented in Table 5. A variety of other more detailed indexes are available in the source materials indicated at the end of this publication.

Table 3

Long Term Changes for Various Price Indexes *
(Annual Rates of Change)

	1935 – 1993	1983 – 1993
CPI all items	4.1 %	3.8 %
CPI all services	4.6	4.7
CPI telephone services	2.1	2.0
CPI major categories		
– food & beverages	*	3.6
– housing	*	3.6
– apparel & upkeep	3.3	2.9
– transportation	3.9	2.8
– medical care	5.3	7.2
– entertainment	*	3.8
– other goods & services	*	6.7
CPI public transportation	5.1	5.3
CPI piped gas	3.7	0.2
CPI electricity	2.4	2.5
CPI sewer & water maintenance	*	6.1
CPI postage	4.3	3.8

* Series not established until after 1935.

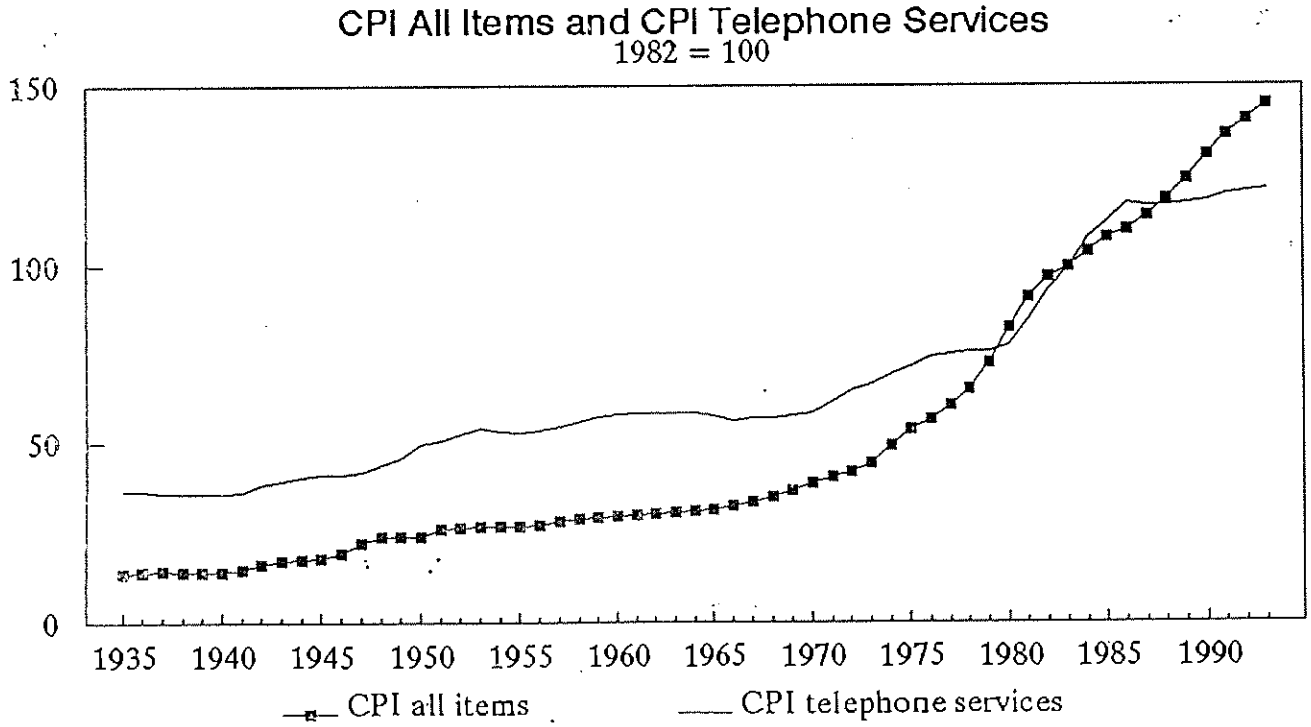


Table 4

Annual Changes in Major Price Indexes

	GNP Fixed Weight Price Index *	CPI: All Items	CPI: Telephone Services
1978	7.2 %	9.0 %	0.9 %
1979	8.8	13.3	0.7
1980	9.8	12.5	4.6
1981	8.5	8.9	11.7
1982	5.0	3.8	7.2
1983	3.4	3.8	3.6
1984	3.4	3.9	9.2
1985	3.6	3.8	4.7
1986	2.5	1.1	2.7
1987	3.4	4.4	−1.3
1988	4.2	4.4	1.3
1989	4.4	4.6	−0.3
1990	4.6	6.1	−0.4
1991	3.6	3.1	3.5
1992	3.3	2.9	−0.3
1993	2.8	2.7	1.8
1994 **	n.a.	2.5	1.9

* In 1992 the BEA revised the methodology for calculating the GNP Fixed Weight Price Index. The BEA revised the index for 1982 through the present. The Table shows percentage changes for the unrevised series for 1978 through 1982.

** The 1994 CPI changes are measured March through March.

CPI All Items and CPI Telephone Services
(Annual Rates of Change)

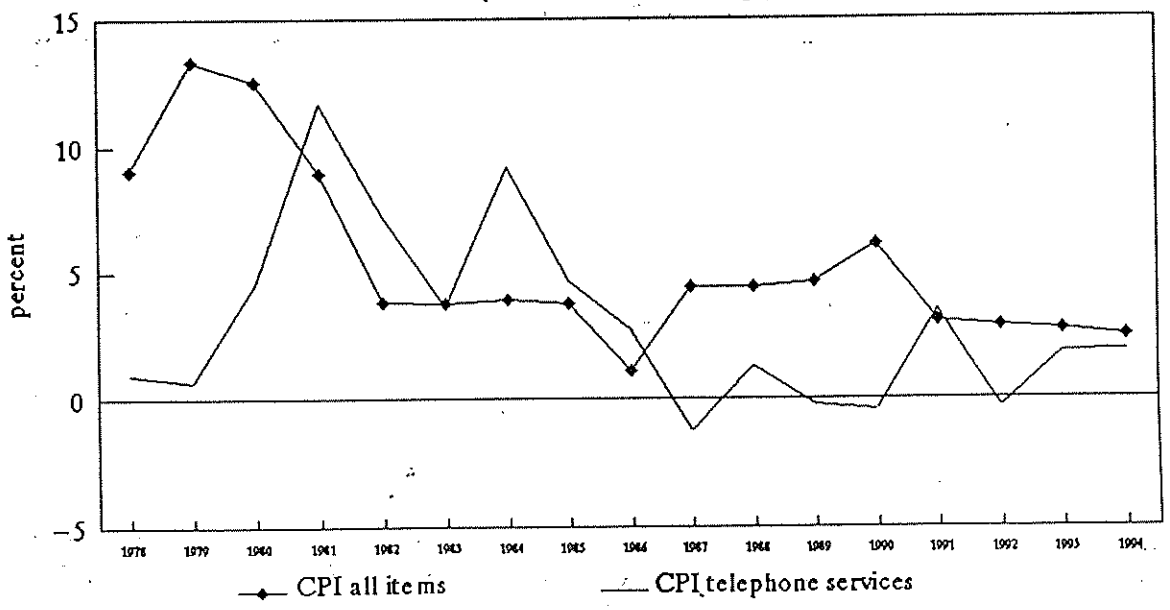


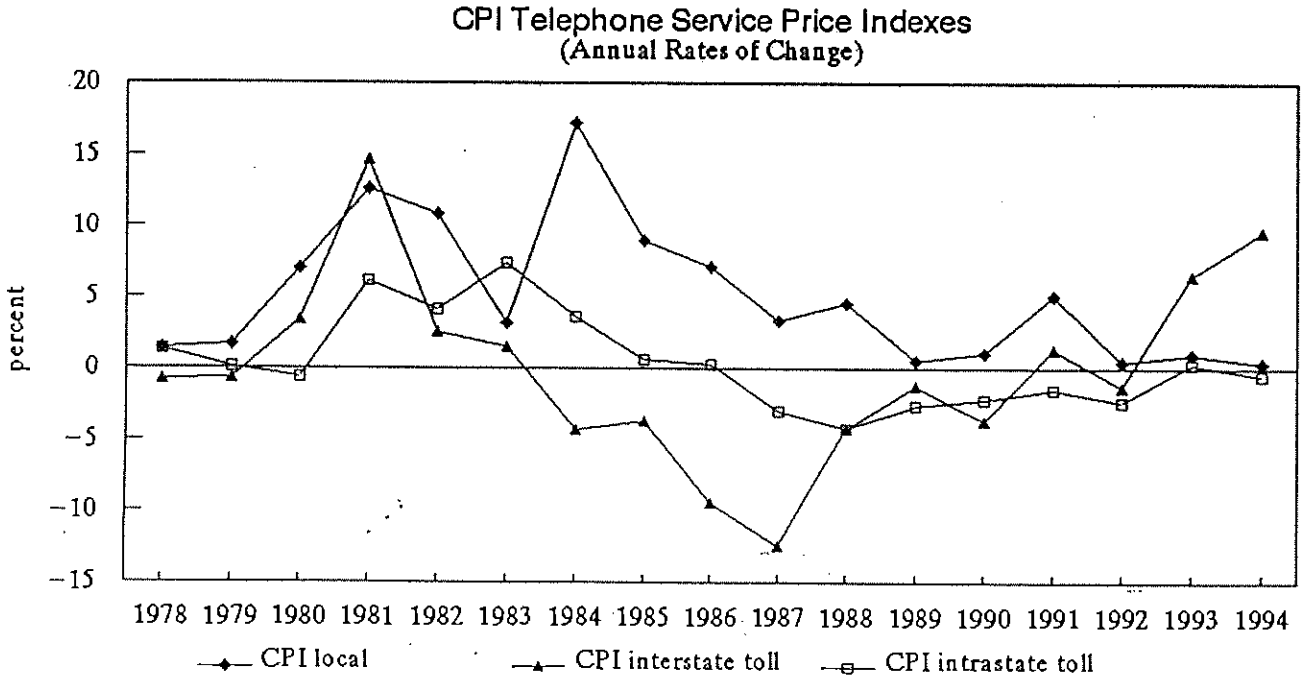
Table 5

Annual Changes in Price Indexes for Local and Long Distance Telephone Services

	Local Residential Service		Toll Service *	
	CPI: all local charges	PPI: Monthly Service Charges	CPI: Interstate Toll Calls	CPI: Intrastate Toll Calls
1978	1.4 %	3.1 %	−0.8 %	1.3 %
1979	1.7	1.6	−0.7	0.1
1980	7.0	7.1	3.4	−0.6
1981	12.6	15.6	14.6	6.2
1982	10.8	9.0	2.6	4.2
1983	3.1	0.2	1.5	7.4
1984	17.2	10.4	−4.3	3.6
1985	8.9	12.4	−3.7	0.6
1986	7.1	8.9	−9.4	0.3
1987	3.3	2.6	−12.4	−3.0
1988	4.5	4.6	−4.2	−4.2
1989	0.6	1.9	−1.3	−2.6
1990	1.0	1.5	−3.7	−2.2
1991	5.1	2.1	1.3	−1.5
1992	0.5	−0.2	−1.3	−2.4
1993	1.0	0.8	6.5	0.2
1994 **	0.4	0.4	9.6	−0.6

* CPI toll indexes represent rates for households. PPI toll indexes represent rate changes for both business and residential consumers.

** The 1994 index changes are measured March through March.



PRICE LEVELS:

1. Local Rate Levels:

The price indexes maintained by the Bureau of Labor Statistics indicate percentage changes in the price of telephone services. The BLS does not publish actual rate levels. Calculations of average rates are based on surveys by FCC staff. These surveys use the same sampling areas and weights used by the BLS in constructing the Consumer Price Index.

Table 6 presents average local rates for residential customers. In October 1993, the national average for flat rate residential service was $18.82 monthly, including taxes and subscriber line charges.

In most cities, consumers can subscribe to a service with a lower recurring charge than the cost of unlimited one party service. Lower priced service options include party line service and measured service. As of October 1993, the national average for the lowest generally available recurring charge was $6.36. The average minimum monthly bill, including subscriber line charges and taxes, was $11.27.

Table 6 also shows rates for a single-line business customer. These rates are representative of the cost of a local access line for small businesses.

2. Long Distance Rates:

In Table 7, AT&T's prices for directly dialed long distance calls are shown for January 1984 and April 1994. Higher charges apply to other types of calls such as those using operator assistance. Lower prices are available through calling plans and other volume discounts. In 1993, AT&T first began to charge different rates to residential and business customers. Since 1984, AT&T's charges for directly dialed interstate calls have been reduced about 35%.

Table 6

National Averages for Local Telephone Rates

	October Data										
	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993
Residential rates*											
Unlimited service	$10.50	$12.10	$12.17	$12.58	$12.44	$12.32	$12.30	$12.39	$13.10	$13.12	$13.21
Subscriber line charges	0.00	0.00	1.01	2.04	2.66	2.67	3.53	3.55	3.56	3.55	3.55
Taxes including 911 charges	1.08	1.25	1.36	1.51	1.56	1.58	1.70	1.85	2.00	2.03	2.06
Total	11.58	13.35	14.54	16.13	16.66	16.57	17.53	17.79	18.66	18.70	18.82
Lowest generally available rate	5.37	5.62	5.75	5.96	5.81	5.67	5.67	5.68	6.18	6.22	6.36
Subscriber line charges	0.00	0.00	1.01	2.04	2.66	2.67	3.53	3.55	3.56	3.55	3.55
Taxes including 911 charges	0.56	0.58	0.70	0.84	0.94	0.91	1.03	1.15	1.28	1.31	1.36
Total	5.93	6.20	7.46	8.84	9.41	9.25	10.23	10.38	11.02	11.08	11.27
Basic Connection***	35.01	43.71	44.32	45.63	44.04	42.94	42.71	43.06	42.00	41.52	41.38
Taxes	1.75	2.19	2.22	2.28	2.20	2.11	2.24	2.32	2.19	2.18	2.21
Total	36.76	45.90	46.54	47.91	46.24	45.05	44.95	45.38	44.19	43.70	43.59
Business rates **											
Representative rate	29.16	32.74	33.42	34.26	33.71	31.03	31.06	30.97	32.29	32.45	32.70
Touch-Tone service	**	**	**	**	**	2.45	2.43	2.35	1.84	1.71	1.67
Subscriber line charges	0.00	0.00	1.01	2.04	2.68	2.69	3.55	3.57	3.57	3.56	3.57
Taxes including 911 charges	3.35	3.77	3.96	4.17	4.18	3.95	4.21	4.32	4.42	4.57	4.63
Total	32.51	36.51	38.39	40.47	40.57	40.12	41.25	41.21	42.12	42.29	42.57
Average charge for 5 minute same zone daytime business call	0.085	0.090	0.090	0.092	0.092	0.091	0.093	0.093	0.091	0.093	0.094
Basic Connection***	56.04	68.84	70.82	72.94	72.15	70.48	71.05	71.36	72.75	72.55	71.41
Touch-Tone service	**	**	**	**	**	2.03	1.70	1.89	1.13	1.19	1.17
Taxes	3.08	3.79	3.90	4.01	3.97	3.92	4.06	4.15	4.32	4.33	4.25
Total	59.12	72.63	74.72	76.95	76.12	76.43	76.81	77.40	78.20	78.07	76.83
5 minute payphone call	0.168	0.212	0.222	0.223	0.226	0.228	0.228	0.228	0.228	0.228	0.235

* The residential rates shown in this table do not include additional charges for touch-tone service.

** The representative rate is based on the single-line rate for unlimited service where that service is offered, and the measured service rate plus additional charges for the first 200 five-minute messages in other cities. The representative business rate includes the additional monthly cost for touch-tone service for 1983 through 1987. The additional charge is shown separately thereafter.

*** Connection charges do not include drop line and block charges. Residential connection charges do not include additional charges for touch-tone service. Business connection charges for 1983 through 1987 include the additional connection charge for installing touch-tone service. The charge is shown separately thereafter.

Table 7

Changes in the Price of Directly Dialed Five Minute Long Distance Calls
(AT&T Tariff #1*)

Calling Distance in airline miles, rate center to rate center		Residential			Business		
		January 1984	April 1994	Percentage change	January 1984	April 1994	Percentage change
1 – 10	Day	$0.96	$1.15	19.8 %	$0.96	$1.27	32.1 %
	Evening	$0.57	$0.65	14.0	$0.57	$0.81	41.7
	Night & Weekend	$0.38	$0.55	44.7	$0.38	$0.81	112.5
11 – 22	Day	$1.28	$1.15	–10.2	$1.28	$1.27	–0.9
	Evening	$0.76	$0.65	–14.5	$0.76	$0.81	6.3
	Night & Weekend	$0.51	$0.60	17.6	$0.51	$0.81	58.3
23 – 55	Day	$1.60	$1.20	–25.0	$1.60	$1.27	–20.7
	Evening	$0.96	$0.75	–21.9	$0.96	$0.81	–15.9
	Night & Weekend	$0.64	$0.60	–6.2	$0.64	$0.81	26.2
56 – 124	Day	$2.05	$1.25	–39.0	$2.05	$1.38	–32.5
	Evening	$1.22	$0.75	–38.5	$1.22	$0.87	–29.1
	Night & Weekend	$0.82	$0.60	–26.8	$0.82	$0.87	5.5
125 – 292	Day	$2.14	$1.25	–41.6	$2.14	$1.38	–35.3
	Evening	$1.28	$0.80	–37.5	$1.28	$0.87	–32.4
	Night & Weekend	$0.85	$0.60	–29.4	$0.85	$0.87	1.8
293 – 430	Day	$2.27	$1.30	–42.7	$2.27	$1.38	–39.0
	Evening	$1.36	$0.80	–41.2	$1.36	$0.87	–36.4
	Night & Weekend	$0.90	$0.65	–27.8	$0.90	$0.87	–3.9
431 – 925	Day	$2.34	$1.35	–42.3	$2.34	$1.38	–40.9
	Evening	$1.40	$0.80	–42.9	$1.40	$0.87	–38.2
	Night & Weekend	$0.93	$0.70	–24.7	$0.93	$0.87	–7.0
926 – 1910	Day	$2.40	$1.35	–43.8	$2.40	$1.49	–38.0
	Evening	$1.44	$0.85	–41.0	$1.44	$0.92	–35.9
	Night & Weekend	$0.96	$0.70	–27.1	$0.96	$0.92	–3.9
1911 – 3000	Day	$2.70	$1.35	–50.0	$2.70	$1.49	–44.9
	Evening	$1.62	$0.85	–47.5	$1.62	$0.92	–43.1
	Night & Weekend	$1.08	$0.70	–35.2	$1.08	$0.92	–14.6
3001 – 4250	Day	$2.80	$1.50	–46.4	$2.80	$1.73	–38.2
	Evening	$1.68	$1.05	–37.5	$1.68	$1.21	–27.9
	Night & Weekend	$1.12	$0.80	–28.6	$1.12	$1.21	8.1
4251 – 5750	Day	$2.91	$1.65	–43.3	$2.91	$1.90	–34.6
	Evening	$1.74	$1.10	–36.8	$1.74	$1.27	–27.1
	Night & Weekend	$1.16	$0.85	–26.7	$1.16	$1.27	9.3

* AT&T initiated a new rate structure for business customers on July 1, 1993. The rate structure consolidates mileage bands and replaces the Evening and Night & Weekend periods with a single off–peak period. The new rates are shown in the old rate structure for the purposes of comparison. The standard residential rates are now shown on page 56 of AT&T Tariff No. 1. The standard business rates are now shown on page 178.330 of AT&T Tariff No. 1.

CONSUMER EXPENDITURES:

The Bureau of Labor Statistics conducts surveys of consumer expenditures, in part, to develop weights for CPI indexes. Table 8 shows expenditures for telephone service for all consumer units. Average annual expenditures on telephone service increased from $325 per household in 1980 to $623 in 1992.

About 2% of all consumer expenditures are devoted to telephone service. This percentage has remained virtually unchanged over the past 20 years, despite major changes in the telephone industry and in telephone usage.

The information on average telephone expenditures can be used to estimate the average monthly bills for households with telephone service. This average was about $55 per month for 1992. Monthly bills have increased significantly since 1980, due partly to higher local rates, but primarily due to more long distance calling. Residential toll calling grew by about 10% a year between 1985 and 1989 a period when toll rates declined dramatically. The average American household now spends more on long distance service than on basic local service, reflecting the growth in long distance calling since the AT&T divestiture in 1984.

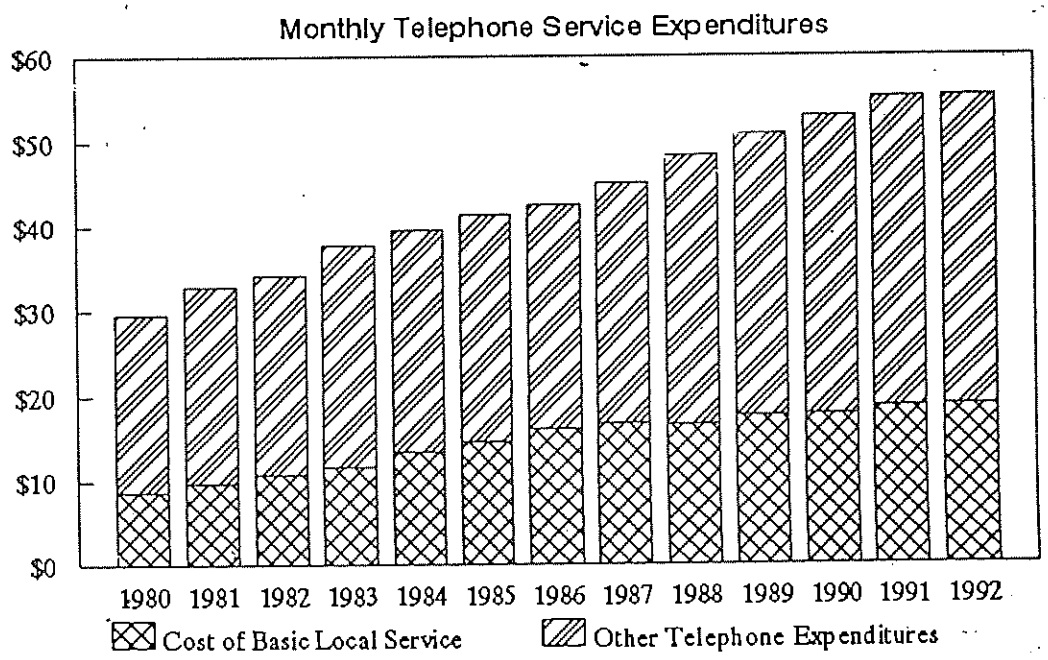
Table 8

Telephone Service Expenditures

Year	Annual Expenditures (Average for All Households)		Monthly Expenditures (for Households with Telephone Service)		
	Telephone Expenditures	Percentage of Total Expenditures	Basic Local Service Charge *	Toll and Other Telephone Expenditures **	Total Telephone Expenditures
1980	$325	1.9 %	$8.74	$21	$30
1981	360	2.1	9.71	23	33
1982	375	2.1	10.75	23	34
1983	415	2.1	11.58	26	38
1984	435	2.0	13.35	26	40
1985	455	1.9	14.54	27	41
1986	471	2.0	16.11	26	43
1987	499	2.0	16.66	28	45
1988	537	2.1	16.57	32	48
1989	567	2.0	17.53	33	51
1990	592	2.1	17.79	35	53
1991	618	2.1	18.66	36	55
1992	623	2.1	18.70	37	55

* Monthly service charges for unlimited local service, taxes, and subscriber line charges.

** Calculated as total monthly bill minus the cost of basic local service. Figures may not add due to rounding. The Toll and Other category is primarily toll, but also includes charges for equipment, additional access lines, connection, touch tone, call waiting, "900" service, directory listings, etc.



STATE TELEPHONE RATE CASES:

The actions of state regulatory commissions provide important indicators of future rate changes. Rate cases completed by the state commissions tend to result in immediate rate changes. At the same time, the amount of rate relief requested by local telephone companies, but not yet acted upon by state commissions, provides an indicator of future rate changes.

At the beginning of 1984, rate cases pending before state public utility commissions totaled nearly $7 billion dollars. During the first half of that year, state commissions completed action on a number of extraordinarily large rate cases. After 1984, the level of activity in state cases diminished substantially. Beginning in 1987, the dollar amount of rate reductions and refunds ordered by state commissions has usually exceeded the dollar amount of rate increases authorized.

The total amount of rate increases pending before public utility commissions is about $210 million. Since it typically takes more than a year for a rate case to be completed, the low level of pending cases -- viewed in conjunction with recent reductions ordered by state commissions -- should indicate a low level of rate changes for local and intrastate toll rates during the next year.

TABLE 9

STATE TELEPHONE RATE CASES
(MILLIONS OF DOLLARS)

	REVENUE INCREASES REQUESTED	REVENUE CHANGES ORDERED	REQUESTED INCREASES PENDING*
1984 FIRST QUARTER	$628	$1,176	$4,852
SECOND QUARTER	94	2,054	1,676
THIRD QUARTER	2,243	285	3,386
FOURTH QUARTER	1,059	361	3,672
1985 FIRST QUARTER	977	246	3,779
SECOND QUARTER	172	315	3,316
THIRD QUARTER	108	287	2,664
FOURTH QUARTER	370	307	1,437
1986 FIRST QUARTER	155	58	766
SECOND QUARTER	250	58	362
THIRD QUARTER	230	173	316
FOURTH QUARTER	9	1	323
1987 FIRST QUARTER	7	(33)	67
SECOND QUARTER	19	(112)	48
THIRD QUARTER	62	(94)	94
FOURTH QUARTER	58	(280)	125
1988 FIRST QUARTER	46	(215)	149
SECOND QUARTER	155	(232)	302
THIRD QUARTER	141	(388)	377
FOURTH QUARTER	15	(531)	199
1989 FIRST QUARTER	52	(204)	141
SECOND QUARTER	26	(108)	149
THIRD QUARTER	363	(49)	490
FOURTH QUARTER	6	(476)	420
1990 FIRST QUARTER	898	(135)	904
SECOND QUARTER	58	(110)	955
THIRD QUARTER	129	(317)	1,038
FOURTH QUARTER	24	110	230
1991 FIRST QUARTER	184	3	343
SECOND QUARTER	98	8	330
THIRD QUARTER	45	76	196
FOURTH QUARTER	54	(174)	104
1992 FIRST QUARTER	0	(126)	104
SECOND QUARTER	146	(91)	208
THIRD QUARTER	50	(173)	158
FOURTH QUARTER	10	(41)	160
1993 FIRST QUARTER	40	(56)	127
SECOND QUARTER	61	5	123
THIRD QUARTER	128	(11)	251
FOURTH QUARTER	24	(359)	213
ANNUAL DATA:			
1982	NA	2,882	NA
1983	NA	1,811 **	6,970
1984	4,024	3,876	3,672
1985	1,627	1,155	1,437
1986	644	290	323
1987	146	(519)	125
1988	358	(1,366)	199
1989	447	(839)	420
1990	1,109	(451)	230
1991	381	(87)	104
1992	205	(431)	160
1993	252	(421)	213

* END OF PERIOD.
** FIRST NINE MONTHS. DATA FOR LAST QUARTER NOT AVAILABLE.

CHANGES IN TECHNOLOGY AND EQUAL ACCESS:

1. Central Office Technology:

During the 1980's, the Bell Operating Companies replaced most of their older "electromechanical" switches with newer equipment. The newer offices use computers to switch calls. In the telephone industry these computers are referred to as "stored program control" switches. Switches with the most current technologies are fully digital. That is, computers are used to switch calls and, in addition, telephone conversations are converted to a digital form before being passed through the switch and later reconverted to their original analog form. Some offices are of an intermediate variety: the switching function is done by computer but the calls continue to be processed in their analog form. The spread of these technologies is shown in Table 10.

The use of digital technology has allowed local telephone companies to equip most of their offices for the provision of "equal access" to competing long distance carriers. Newer signaling systems have been developed that permit calls to be set up more quickly and efficiently. In the late 1980's, telephone company offices began to be converted to the newest system, "Signaling System 7." For several years the telephone industry has been working to develop standards for an Integrated Systems Digital Network (ISDN). One of the attractions of ISDN is that ordinary local telephone lines (copper loops) can transport high speed data between computers and handle more than one telephone conversation at a time. ISDN, however, has not yet been widely deployed. The number of offices and lines equipped for these features are shown in Table 11.

2. Equal Access:

The Bell Operating Companies serve more than 75% of the nation's telephone lines. Under the Modification of Final Judgment that settled the AT&T antitrust case, the Bell Operating Companies are obligated to offer equal access to all long distance carriers. The Bell Operating Companies have converted almost all of their lines to equal access, although there are a few lines at smaller, older offices where equal access is being provided as the offices are converted to more modern equipment. Independent telephone companies, which serve almost 25% of the nation's lines, are converting offices to equal access at a less rapid pace. Overall, more than 90% of the nation's telephone lines have been converted to equal access.

3. Data for Individual Companies and States:

The information shown in Tables 10 through 12 is based on special studies completed around 1989 and present a lengthy time series for data not usually available. Much more detailed data for the years 1989 through 1992 is available for the larger telephone companies. This information is reported on a state-by-state basis and can be obtained from the **FCC-State Link** bulletin board. Because the detailed data has not been carefully checked for inaccuracies and omissions, we have not summarized the results to update the projections shown in Tables 10 through 12.

The information in Table 13 shows the number of central offices in each state that had been converted to equal access as of May 1, 1994. About 75% of all central offices have been converted to equal access. Since the non-equal access offices tend to be smaller offices, the percentage of converted lines is significantly greater than the percentage of converted offices.

TABLE 10

CENTRAL OFFICES AND ACCESS LINES BY TECHNOLOGY (BELL OPERATING COMPANIES)

YEAR END	TOTAL OFFICES	ELECTRO–MECHANICAL OFFICES		ANALOG STORED PROGRAM CONTROL OFFICES		DIGITAL STORED PROGRAM CONTROL OFFICES	
1980	9,195	6,842	74.4 %	2,353	25.6 %	0	0.0 %
1981	9,198	6,647	72.3	2,527	27.5	24	0.3
1982	9,173	6,357	69.3	2,736	29.8	80	0.9
1983	9,156	6,075	66.3	2,910	31.8	171	1.9
1984	9,102	5,714	62.8	3,041	33.4	347	3.8
1985	9,124	5,244	57.5	3,020	33.1	860	9.4
1986	9,167	4,604	50.2	2,943	32.1	1,620	17.7
1987	9,190	3,819	41.6	2,833	30.8	2,538	27.6
1988	9,300	3,031	32.6	2,692	28.9	3,577	38.5
1989	9,338	2,416	25.9	2,519	27.0	4,403	47.2
1990 *	9,352	1,804	19.3	2,209	23.6	5,339	57.1
1991 *	9,338	1,199	12.8	2,166	23.2	5,973	64.0
1992 *	9,314	825	8.9	2,043	21.9	6,446	69.2
1993 *	9,320	659	7.1	1,919	20.6	6,742	72.3
1994 *	9,311	510	5.5	1,789	19.2	7,012	75.3

ACCESS LINES SERVED BY TYPE OF OFFICE (THOUSANDS)

YEAR END	TOTAL OFFICES	ELECTRO–MECHANICAL OFFICES		ANALOG STORED PROGRAM CONTROL OFFICES		DIGITAL STORED PROGRAM CONTROL OFFICES	
1980	81,032	44,930	55.4 %	36,092	44.5 %	10	0.0 %
1981	82,581	40,425	49.0	42,099	51.0	57	0.1
1982	83,819	36,813	43.9	46,803	55.8	203	0.2
1983	86,186	32,652	37.9	52,919	61.4	615	0.7
1984	88,630	30,074	33.9	56,404	63.6	2,151	2.4
1985	91,455	24,778	27.1	58,532	64.0	8,145	8.9
1986	93,630	19,491	20.8	59,252	63.3	14,886	15.9
1987	96,593	14,205	14.7	59,442	61.5	22,946	23.8
1988	99,564	8,707	8.7	60,364	60.6	30,493	30.6
1989	102,684	5,646	5.5	58,846	57.3	38,192	37.2
1990 *	106,016	2,987	2.8	56,991	53.8	46,038	43.4
1991 *	109,403	1,722	1.6	55,631	50.8	52,050	47.6
1992 *	112,655	954	0.8	53,843	47.8	57,858	51.4
1993 *	115,885	741	0.6	51,963	44.8	63,180	54.5
1994 *	121,706	803	0.7	52,258	42.9	68,646	56.4

* Projected in CC Docket 89–624.

TABLE 11

FEATURES AVAILABLE IN CENTRAL OFFICES (BELL OPERATING COMPANIES)

YEAR END	TOTAL OFFICES	EQUAL ACCESS OFFICES		SIGNALING SYSTEM 7 OFFICES		ISDN OFFICES	
1980	9,195	0	0.0 %	0	0.0 %	0	0.0 %
1981	9,198	0	0.0	0	0.0	0	0.0
1982	9,173	0	0.0	0	0.0	0	0.0
1983	9,156	0	0.0	0	0.0	0	0.0
1984	9,102	124	1.4	0	0.0	0	0.0
1985	9,124	1,891	20.7	0	0.0	0	0.0
1986	9,167	3,623	39.5	0	0.0	0	0.0
1987	9,190	4,823	52.5	29	0.3	4	0.0
1988	9,300	6,071	65.3	435	4.7	82	0.9
1989	9,338	6,788	72.7	931	10.0	179	1.9
1990 *	9,352	7,534	80.6	2,028	21.7	426	4.6
1991 *	9,338	7,951	85.1	2,834	30.3	1,591	17.0
1992 *	9,314	8,267	88.8	3,845	41.3	1,746	18.7
1993 *	9,320	8,449	90.7	4,566	49.0	1,952	20.9
1994 *	9,311	8,602	92.4	4,988	53.6	2,197	23.6

EQUIPPED ACCESS LINES BY TYPE OF OFFICE (THOUSANDS)

YEAR END	TOTAL OFFICES	EQUAL ACCESS OFFICES		SIGNALING SYSTEM 7 OFFICES		ISDN OFFICES	
1980	81,032	0	0.0 %	0	0.0 %	0	0.0 %
1981	82,581	0	0.0	0	0.0	0	0.0
1982	83,819	0	0.0	0	0.0	0	0.0
1983	86,186	146	0.2	0	0.0	0	0.0
1984	88,630	9,350	10.5	0	0.0	0	0.0
1985	91,455	49,241	53.8	0	0.0	0	0.0
1986	93,630	70,543	75.3	0	0.0	0	0.0
1987	96,593	81,743	84.6	1,035	1.1	12	0.0
1988	99,564	91,809	92.2	10,325	10.4	47	0.0
1989	102,684	97,410	94.9	21,917	21.3	111	0.1
1990 *	106,016	103,079	97.2	38,597	36.4	504	0.5
1991 *	109,403	107,205	98.0	53,066	48.5	1,053	1.0
1992 *	112,655	111,033	98.6	68,438	60.8	1,358	1.2
1993 *	115,885	114,669	99.0	79,926	69.0	1,874	1.6
1994 *	121,706	120,664	99.1	82,765	68.0	2,122	1.7

* Projected in CC Docket 89–624.

TABLE 12

EQUAL ACCESS CONVERSION SCHEDULE
(PERCENTAGE OF LINES CONVERTED)

	BELL COMPANIES	OTHER LARGE COMPANIES*	SMALL COMPANIES	TOTAL INDUSTRY
1984 THIRD QUARTER	1.1%	0.0%	0.0%	0.9%
FOURTH QUARTER	3.8	1.5	0.0	3.2
1985 FIRST QUARTER	12.1	2.4	0.0	9.8
SECOND QUARTER	26.9	3.7	0.0	21.4
THIRD QUARTER	43.0	4.0	0.0	34.0
FOURTH QUARTER	50.9	4.9	0.5	40.2
1986 FIRST QUARTER	56.8	11.9	2.7	46.0
SECOND QUARTER	61.9	18.4	4.0	51.0
THIRD QUARTER	71.5	27.4	5.9	59.9
FOURTH QUARTER	74.3	38.3	7.1	63.8
1987 FIRST QUARTER	76.4	45.3	9.1	66.6
SECOND QUARTER	77.7	50.9	10.9	68.7
THIRD QUARTER	80.4	57.9	12.7	72.0
FOURTH QUARTER	84.7	64.0	14.9	76.3
1988 FIRST QUARTER	86.5	66.2	15.8	78.1
SECOND QUARTER	87.4	68.5	17.3	79.3
THIRD QUARTER	88.5	71.3	18.6	80.6
FOURTH QUARTER	91.3	74.1	20.3	83.4
1989 FIRST QUARTER	92.6	76.5	22.0	84.8
SECOND QUARTER	93.4	77.6	23.1	85.7
THIRD QUARTER	94.1	79.1	24.3	86.5
FOURTH QUARTER	95.2	80.9	25.5	87.7
1990 FIRST QUARTER	95.7	81.9	26.5	88.4
SECOND QUARTER	96.0	83.3	29.0	89.0
THIRD QUARTER	96.4	83.8	30.3	89.5
FOURTH QUARTER	96.9	85.6	33.1	90.4
1991 FIRST QUARTER	97.1	85.9	33.8	90.6
SECOND QUARTER	97.2	86.5	35.3	90.9

* COMPANIES WITH $100 MILLION IN ANNUAL OPERATING REVENUES.

Table 13
Central Offices Converted to Equal Access as of May 1, 1994

	Bell Company Central Offices			Other Central Offices			Central Offices
	Equal Access	Non-Equal Access	% Equal Access	Equal Access	Non-Equal Access	% Equal Access	% Equal Access
Alabama	147	5	96.7 %	148	64	69.8 %	81.0 %
Alaska	0	0		34	218	13.5	13.5
Arizona	153	13	92.2	29	65	30.9	70.0
Arkansas	134	9	93.7	99	114	46.5	65.4
California	535	0	100.0	286	106	73.0	88.6
Colorado	228	5	97.9	17	55	23.6	80.3
Connecticut	3	0	100.0	135	13	91.2	91.4
Delaware	37	0	100.0	0	0		100.0
District of Col.	36	5	87.8	0	0		87.8
Florida	211	0	100.0	276	18	93.9	96.4
Georgia	147	51	74.2	138	109	55.9	64.0
Hawaii	0	0		70	28	71.4	71.4
Idaho	94	0	100.0	45	56	44.6	71.3
Illinois	263	53	83.2	480	265	64.4	70.0
Indiana	168	5	97.1	331	78	80.9	85.7
Iowa	162	9	94.7	373	125	74.9	80.0
Kansas	164	12	93.2	103	310	24.9	45.3
Kentucky	178	1	99.4	163	57	74.1	85.5
Louisiana	232	0	100.0	48	56	46.2	83.3
Maine	147	0	100.0	58	60	49.2	77.4
Maryland	204	21	90.7	0	1	0.0	90.3
Massachusetts	287	2	99.3	0	3	0.0	98.3
Michigan	338	30	91.8	200	172	53.8	72.7
Minnesota	201	17	92.2	358	130	73.4	79.2
Mississippi	199	7	96.6	27	32	45.8	85.3
Missouri	229	11	95.4	129	341	27.4	50.4
Montana	79	3	96.3	71	133	34.8	52.4
Nebraska	101	7	93.5	187	174	51.8	61.4
Nevada	24	29	45.3	48	21	69.6	59.0
New Hampshire	126	1	99.2	20	11	64.5	92.4
New Jersey	220	1	99.5	21	7	75.0	96.8
New Mexico	76	0	100.0	22	95	18.8	50.8
New York	612	2	99.7	217	100	68.5	89.0
North Carolina	146	0	100.0	305	66	82.2	87.2
North Dakota	104	14	88.1	10	174	5.4	37.7
Ohio	236	18	92.9	442	173	71.9	78.0
Oklahoma	117	100	53.9	147	152	49.2	51.2
Oregon	111	0	100.0	125	76	62.2	75.6
Pennsylvania	407	0	100.0	325	127	71.9	85.2
Puerto Rico	0	0		97	1	99.0	99.0
Rhode Island	33	0	100.0	0	0		100.0
South Carolina	120	0	100.0	142	15	90.4	94.6
South Dakota	107	7	93.9	85	69	55.2	71.6
Tennessee	203	2	99.0	98	83	54.1	78.0
Texas	561	29	95.1	460	258	64.1	78.1
Utah	79	9	89.8	19	60	24.1	58.7
Vermont	94	2	97.9	34	11	75.6	90.8
Virgin Islands	0	0		0	6	0.0	0.0
Virginia	231	10	95.9	212	43	83.1	89.3
Washington	162	0	100.0	173	71	70.9	82.5
West Virginia	146	2	98.6	50	39	56.2	82.7
Wisconsin	148	0	100.0	396	114	77.6	82.7
Wyoming	26	32	44.8	5	27	15.6	34.4
Total United States	8,766	524	94.4 %	7,258	4,582	61.3 %	75.8 %

* The information in this table is based on the NECA FCC Tariff No. 4 data base. Some companies do not report information on their remote switches in Tariff No. 4. As a result, central office counts may be lower than reported in other sources.

TELEPHONE LINES AND LOCAL TELEPHONE COMPANIES:

Within the telephone industry there are several alternative, but closely related, definitions of telephone lines or loops. While these differences often make it difficult to easily reconcile data from different statistical series, they are not usually large enough to affect comparisons among companies or trends over time.

Table 14 shows the nation's total number of local loops during each year. With virtually all businesses having telephone lines and more than 90% of the nation's households having telephone service, the growth in the number of lines tends to reflect growth in the population and the economy -- averaging about 3% per year.

There are about 1300 local telephone companies in the United States. Table 15 shows the number of companies and the number of switched access lines in each state.

Table 14

Total U.S. Telephone Lines
(Local Loops)

	Loops	Annual Growth
1980	102,216,367	N.A.
1981	105,559,222	3.3%
1982	107,519,214	1.9%
1983	110,612,689	2.9%
1984	112,550,739	1.8%
1985	115,985,813	3.1%
1986	118,289,121	2.0%
1987	122,789,249	3.8%
1988	127,086,765	3.5%
1989	131,631,708	3.6%
1990	136,184,680	3.5%
1991	139,413,353	2.4%
1992	143,478,120	2.9%

Table 15

Local Telephone Companies and Access Lines
by State as of June 30, 1993

State	Companies	Bell Company Lines	Other Company Lines	Total Lines
Alabama	30	1,598,419	390,385	1,988,804
Alaska	25	0	310,037	310,037
Arizona	12	1,867,149	120,701	1,987,850
Arkansas	29	787,618	365,038	1,152,656
California	22	13,800,043	3,974,856	17,774,899
Colorado	27	1,972,281	38,203	2,010,484
Connecticut	2	0	1,873,253	1,873,253
Delaware	1	422,424	0	422,424
District of Col.	1	789,404	0	789,404
Florida	13	4,806,471	3,068,407	7,874,878
Georgia	36	2,995,897	578,094	3,573,991
Hawaii	1	0	582,412	582,412
Idaho	20	391,519	133,292	524,811
Illinois	56	5,476,408	1,147,517	6,623,925
Indiana	42	1,757,049	1,095,415	2,852,464
Iowa	153	923,960	486,348	1,410,308
Kansas	40	1,116,698	223,855	1,340,553
Kentucky	19	997,624	713,240	1,710,864
Louisiana	20	1,883,746	144,027	2,027,773
Maine	19	572,957	109,324	682,281
Maryland	2	2,834,635	4,977	2,839,612
Massachusetts	3	3,643,331	3,387	3,646,718
Michigan	38	4,347,336	799,425	5,146,761
Minnesota	91	1,830,217	596,734	2,426,951
Mississippi	19	1,029,724	67,447	1,097,171
Missouri	44	2,080,792	696,830	2,777,622
Montana	16	330,106	96,074	426,180
Nebraska	42	469,608	392,187	861,795
Nevada	13	238,365	584,469	822,834
New Hampshire	12	609,183	40,048	649,231
New Jersey	3	4,980,552	160,658	5,141,210
New Mexico	14	629,223	104,021	733,244
New York	44	9,433,792	1,070,400	10,504,192
North Carolina	28	1,791,265	1,788,796	3,580,061
North Dakota	24	237,242	95,676	332,918
Ohio	42	3,265,031	2,298,353	5,563,384
Oklahoma	39	1,332,422	283,836	1,616,258
Oregon	34	1,060,902	507,875	1,568,777
Pennsylvania	39	5,163,215	1,509,613	6,672,828
Rhode Island	1	542,921	0	542,921
South Carolina	28	1,157,597	554,360	1,711,957
South Dakota	31	272,800	78,348	351,148
Tennessee	25	2,123,497	515,315	2,638,812
Texas	56	7,206,509	2,004,546	9,211,055
Utah	12	782,355	32,730	815,085
Vermont	9	271,937	52,395	324,332
Virginia	21	2,618,118	811,470	3,429,588
Washington	22	1,962,850	880,878	2,843,728
West Virginia	10	678,459	134,396	812,855
Wisconsin	95	1,773,959	908,819	2,682,778
Wyoming	10	226,262	19,358	245,620
United States	1435 *	107,083,872	32,447,825	139,531,697
Micronesia	1	0	12,650	12,650
Puerto Rico	2	0	1,017,541	1,017,541
Virgin Islands	1	0	52,791	52,791
Grand Total	1439 *	107,083,872	33,530,807	140,614,679

* This figure overstates the actual number of operating companies because many operating companies serve more than one state. There are about 1300 separate operating companies.

MINUTES OF CALLING:

1. Dial Equipment Minutes:

As in the case of telephone lines, there are many alternative measures of calling volumes. Most subscribers purchase service with unlimited local calling. As a result, most calls are not metered and estimates of total calling are subject to wide margins of error. Periodic studies are used within the telephone industry to estimate the number of calls and calling minutes for a variety of purposes. For example, periodic studies of dial equipment minutes (DEMs) are used to estimate the proportion of calling that is interstate and to allocate costs between interstate and intrastate services.

Dial equipment minutes are shown in Table 16. Dial equipment minutes are measured as calls enter and leave telephone switches. Therefore, two DEM minutes are counted for every conversation minute. The volume of local calls has grown at approximately the same rate as the number of local telephone lines. In contrast, the volume of long distance calling surged as prices fell. As a result, a greater portion of calls are long distance. Intrastate toll minutes increased from 8% of all minutes in 1980 to 12% in 1992. During that same period, interstate calling minutes increased from 8% of the total to 15%.

As shown in Table 17, the average telephone line is used primarily for local calling and is used somewhat less than an hour per day. This level has remained relatively constant for a long period of time despite increases in long distance calling and the introduction of facsimile machines and other devices that affect usage.

TABLE 16

DIAL EQUIPMENT MINUTES

(BILLIONS OF MINUTES)				
	LOCAL	INTRASTATE TOLL	INTERSTATE TOLL	TOTAL
1980	1,458	141	133	1,733
1981	1,492	151	144	1,787
1982	1,540	158	154	1,853
1983	1,587	166	169	1,923
1984	1,639	198	208	2,045
1985	1,673	222	250	2,145
1986	1,699	237	270	2,207
1987	1,713	253	295	2,261
1988	1,795	269	321	2,384
1989	1,829	286	344	2,459
1990	1,854	300	355	2,510
1991	1,868	304	368	2,540
1992	1,949	318	387	2,654
INCREASE OVER PRIOR YEAR				
1981	2 %	7 %	8 %	3 %
1982	3	5	7	4
1983	3	5	10	4
1984	3	19	23	6
1985	2	12	20	5
1986	2	7	8	3
1987	1	7	9	2
1988	5	6	9	5
1989	2	6	7	3
1990	1	5	3	2
1991	1	1	4	1
1992	4	5	5	4
PERCENT DISTRIBUTION				
1980	84 %	8 %	8 %	100 %
1981	83	8	8	100
1982	83	9	8	100
1983	83	9	9	100
1984	80	10	10	100
1985	78	10	12	100
1986	77	11	12	100
1987	76	11	13	100
1988	75	11	13	100
1989	74	12	14	100
1990	74	12	14	100
1991	74	12	14	100
1992	73	12	15	100

TABLE 17

LINE USAGE PER DAY

(DIAL EQUIPMENT MINUTES PER LOCAL LOOP)				
	LOCAL	INTRASTATE TOLL	INTERSTATE TOLL	TOTAL
1980	39	4	4	46
1981	39	4	4	46
1982	39	4	4	47
1983	39	4	4	48
1984	40	5	5	50
1985	40	5	6	51
1986	39	5	6	51
1987	38	6	7	50
1988	39	6	7	51
1989	38	6	7	51
1990	37	6	7	50
1991	37	6	7	50
1992	37	6	7	51
INCREASE OVER PRIOR YEAR				
1981	−1 %	4 %	5 %	0 %
1982	1	3	5	2
1983	0	2	7	1
1984	1	17	21	4
1985	−1	9	17	2
1986	−0	5	6	1
1987	−3	3	5	−1
1988	1	2	5	2
1989	−1	3	4	−0
1990	−2	1	−0	−1
1991	−2	−1	1	−1
1992	1	2	2	2

2. Access Minutes:

An alternative measure of interstate calling became available in 1984. "Switched access minutes" are those minutes transmitted by long distance carriers that also use the distribution networks of local telephone companies. The measure includes minutes associated with ordinary long distance calls and the "open end" of WATS-like calls. It excludes calls made on private telecommunications systems, on leased lines, and minutes on the "closed end" of WATS-like calls.

Table 18 shows the total number of interstate switched access minutes handled by all long distance carriers. The number of minutes has grown steadily since mid-1984, stemming from a combination of overall economic growth, price reductions, and extensive advertising. Premium minutes have grown rapidly, reflecting both strong underlying traffic growth and the conversion of offices to equal access. Non-premium minutes (minutes handled by AT&T's competitors in areas where equal access has not yet been provided) continue to decline as the process of conversion to equal access continues.

Telephone industry traffic experts usually argue that dial equipment minutes represent the best available information on the proportions of different types of calls while access minutes are the most accurate available data on the volume of interstate calling. However, for reasons that are far from clear, reported changes in access minutes are not entirely consistent with reported changes in dial equipment minutes.

TABLE 18

INTERSTATE SWITCHED ACCESS MINUTES
(FIGURES SHOWN IN BILLIONS)

	PREMIUM MINUTES	NON–PREMIUM MINUTES	TOTAL MINUTES
1984 THIRD QUARTER	32.0	5.5	37.5
FOURTH QUARTER	33.6	6.0	39.6
1985 FIRST QUARTER	32.9	6.6	39.6
SECOND QUARTER	34.9	6.6	41.5
THIRD QUARTER	36.6	6.2	42.8
FOURTH QUARTER	38.0	5.3	43.3
1986 FIRST QUARTER	38.8	4.3	43.0
SECOND QUARTER	41.0	3.8	44.8
THIRD QUARTER	43.2	3.5	46.7
FOURTH QUARTER	45.5	3.0	48.5
1987 FIRST QUARTER	48.0	3.2	51.2
SECOND QUARTER	49.3	3.1	52.5
THIRD QUARTER	52.1	2.9	55.0
FOURTH QUARTER	54.4	2.6	57.0
1988 FIRST QUARTER	56.6	2.4	59.0
SECOND QUARTER	57.3	2.3	59.6
THIRD QUARTER	59.8	2.3	62.1
FOURTH QUARTER	61.8	2.2	64.0
1989 FIRST QUARTER	64.1	2.1	66.2
SECOND QUARTER	66.5	2.0	68.5
THIRD QUARTER	67.7	2.0	69.7
FOURTH QUARTER	70.7	1.9	72.6
1990 FIRST QUARTER	72.9	1.9	74.7
SECOND QUARTER	74.0	1.8	75.8
THIRD QUARTER	76.1	1.8	77.9
FOURTH QUARTER	77.4	1.6	79.1
1991 FIRST QUARTER	77.7	1.5	79.2
SECOND QUARTER	80.4	1.5	81.9
THIRD QUARTER	81.2	1.4	82.6
FOURTH QUARTER	83.0	1.4	84.4
1992 FIRST QUARTER	84.5	1.2	85.6
SECOND QUARTER	85.4	1.1	86.5
THIRD QUARTER	86.9	1.0	88.0
FOURTH QUARTER	88.9	1.0	89.9
1993 FIRST QUARTER	90.1	0.9	91.0
SECOND QUARTER	90.7	0.8	91.5
THIRD QUARTER	93.0	0.7	93.7
FOURTH QUARTER	93.6	0.6	94.2
INCREASE OVER PRIOR YEAR:			
1986	18.3%	−41.0%	9.5%
1987	21.0%	−18.8%	17.8%
1988	15.5%	−22.5%	13.4%
1989	14.3%	−13.0%	13.3%
1990	11.6%	−11.3%	11.0%
1991	7.3%	−18.2%	6.7%
1992	7.3%	−26.8%	6.7%
1993	6.3%	−29.4%	5.8%

LONG DISTANCE CARRIERS:

Carrier Identification Codes provide information on the number of firms seeking to acquire certain types of interconnecting arrangements with local telephone companies. Any firm that seeks to use "trunk side" connections with local telephone companies is provided a carrier identification code so that traffic can be efficiently routed.

Beginning in 1986, a number of corporations, government agencies and other organizations began to acquire carrier identification codes for their own use, rather than for the purpose of providing telecommunications services to others. After that time, the use of such codes to estimate the number of long distance carriers became less reliable. We believe, however, that the number of firms obtaining these codes provides the best information available on the entry of new firms into the long distance market prior to 1986. The number of firms holding these codes is shown in Table 19.

Table 20 shows several alternative sources of information on the development of long distance carriers. A large share of the firms purchasing access--about 400 companies--purchase the premium access needed to provide direct dial long distance service.

Table 21 shows the number of long distance carriers that purchase equal access from the larger local telephone companies in each state. Equal access is the premium access used by major carriers to provide "1-plus" dialing. Within any state, a carrier purchasing access may concentrate its efforts in serving only a few exchanges or a small portion of the state. Thus, the number of carriers available to a particular customer will tend to be smaller than the number of long distance carriers that purchase access somewhere in the state. No data is available for Alaska, which is not served by any of the reporting local companies.

Most small long distance carriers purchase access in only one state, providing nationwide service from the area in which they operate by reselling services purchased from other carriers. Table 22 shows the evolution of larger carriers that purchase equal access.

Beginning in late 1993, all carriers with interstate revenues are required to file annual Telecommunications Relay Service Fund Worksheets. Over 2600 carriers filed these worksheets in 1993. Local telephone companies, cellular companies, and competitive access providers all filed worksheets because they earn revenues from interstate access service.

About 550 carriers reported revenues from long distance toll service. Of these carriers, about 350 were primarily engaged in offering non-operator services, about 50 specialized in offering operator services, and 150 reported both operator and non-operator revenues. The publication Carrier Locator: Interstate Service Providers lists each carrier that filed a worksheet along with the categories of revenues reported. It also contains an address and contact telephone number for each carrier.

TABLE 19
NUMBER OF CARRIER IDENTIFICATION CODES (CICS) ASSIGNED BY BELL COMMUNICATIONS RESEARCH

YEAR	NUMBER OF CICS ASSIGNED					
	ASSIGNED DURING QUARTER		WITHDRAWN DURING QUARTER		TOTAL ASSIGNED	
1982 FIRST QUARTER	11				11	
SECOND QUARTER	2				13	
THIRD QUARTER					13	
FOURTH QUARTER			2		11	
1983 FIRST QUARTER	4				15	
SECOND QUARTER	10				25	
THIRD QUARTER	8				33	
FOURTH QUARTER	9				42	
1984 FIRST QUARTER	12				54	
SECOND QUARTER	32*				86	
THIRD QUARTER	35				121	
FOURTH QUARTER	36		2		155	
1985 FIRST QUARTER	28		1		182	
SECOND QUARTER	30				212	
THIRD QUARTER	24				236	
FOURTH QUARTER	26		6		256	
1986 FIRST QUARTER	20				276	
SECOND QUARTER	56		1		331	
THIRD QUARTER	30				361	
FOURTH QUARTER	52				413	
1987 FIRST QUARTER	31				444	
SECOND QUARTER	51				495	
THIRD QUARTER	37		2		530	
FOURTH QUARTER	43				573	
1988 FIRST QUARTER	31		2		602	
SECOND QUARTER	27		8		621	
THIRD QUARTER	26		46		601	
FOURTH QUARTER	39		1		639	
1989 FIRST QUARTER	46				685	
SECOND QUARTER	31		2		714	
THIRD QUARTER	22		6		730	
FOURTH QUARTER	17				747	
1990 FIRST QUARTER	27				774	
SECOND QUARTER	23		3		794	
THIRD QUARTER	29		6		817	
FOURTH QUARTER	26		52		791	
1991 FIRST QUARTER	32		78		745	
SECOND QUARTER	35		13		766	
THIRD QUARTER	30		13		783	
FOURTH QUARTER	45		21		807	
1992 FIRST QUARTER	38		59		786	
SECOND QUARTER	51		6		831	
THIRD QUARTER	30		21		840	
FOURTH QUARTER	48		2		886	
YEAR	**FGB**	**FGD**	**FGB**	**FGD**	**FGB**	**FGD**
1993 FIRST QUARTER	N.A.	N.A.	N.A.	N.A.	694**	709**
SECOND QUARTER	47	41	3	4	738	746
THIRD QUARTER	24	45	23	31	739	760
FOURTH QUARTER	19	47	5	11	753	796

* CONVERSION FROM 2-DIGIT TO 3-DIGIT CIC.
** CONVERSION FROM 3-DIGIT TO 4-DIGIT CIC FOR FGB.
N.A. NOT AVAILABLE.
TOTAL DOES NOT INCLUDE CODES ASSIGNED TO INTERNATIONAL, CORRIDOR AND TANDEM.

TABLE 20

ALTERNATE SOURCES OF LONG DISTANCE CARRIER DATA

YEAR	MONTH	CARRIERS WITH PRESUBSCRIBED LINES	CARRIERS PURCHASING EQUAL ACCESS 1/	FIRMS WITH CARRIER IDENTIFICATION CODES	FIRMS PURCHASING ACCESS
1986	MARCH	*	169	231	*
	JUNE	*	183	276	*
	SEPTEMBER	*	190	302	506
	DECEMBER	*	210	334	533
1987	MARCH	*	211	360	561
	JUNE	*	213	397	*
	SEPTEMBER	*	224	421	*
	DECEMBER	223	239	451	540
1988	MARCH	*	238	471	511
	JUNE	242	248	489	519
	SEPTEMBER	*	256	464	506
	DECEMBER	253	266	493	510
1989	MARCH	*	274	520	519
	JUNE	276	287	544	*
	SEPTEMBER	*	304	560	*
	DECEMBER	302	318	577	514
1990	MARCH	*	289	594	512
	JUNE	314	288	611	506
	SEPTEMBER	*	304	636	511
	DECEMBER	325	304	601	499
1991	MARCH	*	306	571	505
	JUNE	355	327	597	542
	SEPTEMBER	*	337	605	538
	DECEMBER	388	351	631	576
1992	MARCH	*	361	616	595
	JUNE	425	370	659	577
	SEPTEMBER	*	379	654	587
	DECEMBER	414	394	692	599
1993	MARCH	*	*	*	*
	JUNE	412	401	*	*
	SEPTEMBER	*	401	*	*
	DECEMBER	*	420	*	*

* DATA NOT AVAILABLE

1/ DATA FOR THE PERIODS PRIOR TO MARCH 1990 INCLUDE A SMALL NUMBER OF FIRMS PURCHASING EQUAL ACCESS THAT WERE NOT CARRIERS.

TABLE 21

LONG DISTANCE CARRIERS PURCHASING EQUAL ACCESS BY STATE
DECEMBER 31, 1993

STATE	CARRIERS
ALABAMA	25
ALASKA	N.A.
ARIZONA	44
ARKANSAS	30
CALIFORNIA	58
COLORADO	40
CONNECTICUT	40
DELAWARE	6
DIST OF COLUMBIA	43
FLORIDA	51
GEORGIA	39
HAWAII	12
IDAHO	24
ILLINOIS	55
INDIANA	32
IOWA	24
KANSAS	27
KENTUCKY	30
LOUISIANA	32
MAINE	21
MARYLAND	36
MASSACHUSETTS	36
MICHIGAN	40
MINNESOTA	30
MISSISSIPPI	18
MISSOURI	38
MONTANA	16
NEBRASKA	16
NEVADA	24
NEW HAMPSHIRE	23
NEW JERSEY	52
NEW MEXICO	30
NEW YORK	55
NORTH CAROLINA	21
NORTH DAKOTA	12
OHIO	43
OKLAHOMA	47
OREGON	33
PENNSYLVANIA	70
RHODE ISLAND	31
SOUTH CAROLINA	24
SOUTH DAKOTA	17
TENNESSEE	32
TEXAS	121
UTAH	23
VERMONT	26
VIRGINIA	28
WASHINGTON	33
WEST VIRGINIA	20
WISCONSIN	39
WYOMING	14
UNDUPLICATED TOTAL	420

N.A. -- Not Available.

TABLE 22

NUMBER OF LONG DISTANCE CARRIERS PURCHASING EQUAL ACCESS IN FOUR OR MORE STATES

YEAR	MONTH	CARRIERS SERVING 45 OR MORE STATES	CARRIERS SERVING 25 TO 44 STATES	CARRIERS SERVING 12 TO 24 STATES	CARRIERS SERVING 4 TO 11 STATES	TOTAL CARRIERS SERVING 4 OR MORE STATES
1986	MARCH	2	6	1	14	23
	JUNE	2	6	1	14	23
	SEPTEMBER	3	5	1	15	24
	DECEMBER	3	5	1	14	23
1987	MARCH	3	5	1	18	27
	JUNE	3	4	2	20	29
	SEPTEMBER	3	4	2	19	28
	DECEMBER	3	3	4	16	26
1988	MARCH	3	5	4	12	24
	JUNE	4	4	4	18	30
	SEPTEMBER	4	5	3	17	29
	DECEMBER	4	5	3	21	33
1989	MARCH	4	6	3	24	37
	JUNE	5	6	4	28	43
	SEPTEMBER	5	7	7	30	49
	DECEMBER	7	5	9	34	55
1990	MARCH	7	5	8	37	57
	JUNE	7	6	9	38	58
	SEPTEMBER	6	5	9	38	58
	DECEMBER	6	3	12	37	58
1991	MARCH	6	2	14	38	60
	JUNE	5	3	15	39	62
	SEPTEMBER	5	3	16	41	65
	DECEMBER	6	3	15	44	68
1992	MARCH	6	3	16	52	77
	JUNE	5	6	17	50	78
	SEPTEMBER	6	8	15	52	81
	DECEMBER	9	6	11	55	81
1993	MARCH	*	*	*	*	*
	JUNE	9	6	11	66	92
	SEPTEMBER	8	7	15	66	96
	DECEMBER	7	7	16	68	98

*DATA NOT AVAILABLE.

LONG DISTANCE MARKET SHARES:

1. Minutes of Interstate Calling

Measures of switched access minutes first became available in 1984 and are shown above in Table 18. Such information is publicly available for the total industry and for AT&T but not for other carriers. Thus, access minutes can be used to compute a market share for AT&T but not for smaller carriers.

Since 1984, AT&T's traffic has grown at a rate slower than the industry average. The result has been a declining market share for AT&T. AT&T's market share is shown in Table 23. AT&T's share of the interstate market, measured in minutes, declined from over 80% in late 1984 to 60% by the end of 1993. At the same time, its share of the equal access market, which was 100% prior to the implementation of equal access, has also declined to about 60%.

2. "Presubscribed" Lines

Telephone lines are said to be "presubscribed" to the long distance carrier that receives the ordinary long distance calls placed on the line. Where equal access is available, each customer is asked to choose a long distance carrier. Thereafter, all of the customer's long distance calls will be routed to the chosen long distance carrier unless the customer alters normal dialing procedure -- for example, accessing an alternate long distance carrier by dialing special codes. Where equal access is not yet available, the use of long distance carriers other than AT&T usually requires alternative dialing procedures.

The National Exchange Carrier Association (NECA) provides information on the number of lines presubscribed to each long distance carrier. NECA collects the information from each local telephone company in order to comply with FCC rules that require NECA to recover certain expenses from the larger long distance carriers. This information is shown in Table 24.

NECA reports that, in June 1993, there were 141 million presubscribed lines in the United States. Special access lines, WATS lines, and other specialized lines are not included in the counts of presubscribed lines. The number of lines presubscribed to AT&T has remained roughly constant while the number of lines presubscribed to other carriers has grown. In mid 1993, about 72% of these lines were presubscribed to AT&T, 15% to MCI, and 6% to Sprint. About four hundred smaller carriers, serving 8 million lines, account for the remaining 6% of the industry.

3. Toll Revenues

In late 1993, all carriers with interstate revenues were required to file Telecommunications Relay Service Fund Worksheets. Because revenues derived from providing access to the intestate network are considered to be interstate, virtually all carriers are required to file information. Table 25 shows the total revenues reported by telecommunications common carriers for 1992. The four largest interexchange carriers--AT&T, MCI, Sprint, and LDDS--reported 88 percent of all operator service revenues for 1992, and 74% of other switched toll service revenues. Primarily as a result of differing treatments of international settlements, the total revenues and market shares shown in Table 25 differ from those that would be calculated from Table 26.

Long distance telephone companies with over $100 million in annual revenues report their annual revenues to the FCC. The revenues reported include both interstate and intrastate revenues. For most carriers, no information is available that separates interstate from intrastate service. In 1992, services provided by long distance carriers generated more than $59 billion in revenues. During the past few years, revenues have grown at a far slower pace than the volume of long distance calling because of sharp price cuts. Indeed, AT&T's total toll revenues have declined slightly since 1985 because the growth in calling volume was not sufficient to offset the effect of lower prices.

Long distance revenues are shown in Table 26. During 1984, AT&T's toll revenues of $35 billion accounted for about 90% of the revenues received by all long distance carriers. By 1992, with its revenues virtually unchanged, its share of total revenues had fallen to about 60%.

The largest local telephone companies, which provide a substantial amount of intrastate toll service, also file annual reports with the Commission. The total toll market, including the short haul toll traffic handled entirely by local telephone companies, was $73 billion in 1992, with AT&T accounting for about half of the total.

Chart 1 compares alternative measures of AT&T's market share using minutes, lines and revenues. In that chart, a second measure of revenues has been added. The alternative measure is based on financial reports to stockholders. Revenues reported to the FCC usually differ from revenues reported to stockholders. The largest differences tend to relate to the treatment of access charges and international settlements--accounting for the difference between the annual revenue share points labeled "FCC" and the revenue share line labeled "SEC" in Chart 1.

TABLE 23

AT&T'S SHARE OF INTERSTATE MINUTES

	PREMIUM MINUTES	ALL MINUTES
1984 THIRD QUARTER	98.7 %	84.2 %
FOURTH QUARTER	94.6	80.2
1985 FIRST QUARTER	99.8	83.0
SECOND QUARTER	95.5	80.3
THIRD QUARTER	92.2	78.9
FOURTH QUARTER	87.9	77.1
1986 FIRST QUARTER	88.2	79.5
SECOND QUARTER	84.7	77.5
THIRD QUARTER	82.8	76.6
FOURTH QUARTER	78.9	74.0
1987 FIRST QUARTER	77.8	72.9
SECOND QUARTER	76.3	73.7
THIRD QUARTER	75.2	71.2
FOURTH QUARTER	73.7	70.4
1988 FIRST QUARTER	72.8	69.8
SECOND QUARTER	71.8	69.0
THIRD QUARTER	70.8	68.2
FOURTH QUARTER	69.6	67.2
1989 FIRST QUARTER	68.9	66.8
SECOND QUARTER	66.8	64.8
THIRD QUARTER	66.3	64.4
FOURTH QUARTER	65.6	63.9
1990 FIRST QUARTER	64.6	63.0
SECOND QUARTER	63.6	62.1
THIRD QUARTER	64.0	62.5
FOURTH QUARTER	64.3	63.0
1991 FIRST QUARTER	64.3	63.0
SECOND QUARTER	62.8	61.7
THIRD QUARTER	63.0	61.9
FOURTH QUARTER	63.2	62.1
1992 FIRST QUARTER	63.1	62.2
SECOND QUARTER	60.8	60.0
THIRD QUARTER	61.0	60.2
FOURTH QUARTER	60.3	59.6
1993 FIRST QUARTER	61.6	61.0
SECOND QUARTER	60.7	60.1
THIRD QUARTER	60.5	60.1
FOURTH QUARTER	60.7	60.3

TABLE 24

"PRESUBSCRIBED" TELEPHONE LINES BY CARRIER
(Thousands of Lines)

	DEC 1987	JUNE 1988	DEC 1988	JUNE 1989	DEC 1989	JUNE 1990	DEC 1990	JUNE 1991	DEC 1991	JUNE 1992	DEC 1992	JUNE 1993
TOTAL NUMBER OF CARRIERS WITH PRESUBSCRIBED LINES	223	242	253	276	302	314	325	355	388	425	414	412
NUMBER OF PRESUBSCRIBED LINES:												
AT&T	101,653	100,833	100,206	100,007	99,397	99,613	100,062	101,014	101,498	101,384	101,204	101,771
MCI	9,991	10,941	12,150	13,672	15,056	16,664	17,435	17,603	18,330	19,190	20,167	21,171
SPRINT	5,836	6,382	7,197	7,675	8,168	8,148	8,744	8,702	8,354	8,424	8,856	8,621
ALL OTHER CARRIERS	3,987	4,509	4,808	5,393	5,863	6,152	6,168	6,577	7,105	7,705	8,498	9,052
TOTAL INDUSTRY LINES	121,467	122,665	124,361	126,747	128,482	130,777	132,409	133,896	135,287	136,704	138,725	140,615
ANNUAL CHANGE:												
AT&T	--	--	-1.4%	-0.8%	-0.8%	-0.4%	0.7%	1.4%	1.4%	0.4%	-0.3%	0.4%
MCI	--	--	21.6%	25.0%	23.9%	23.4%	15.8%	4.4%	5.1%	9.0%	10.0%	10.3%
SPRINT	--	--	23.3%	20.2%	13.5%	6.2%	7.1%	6.8%	-4.5%	-3.2%	6.0%	2.3%
ALL OTHER CARRIERS	--	--	20.6%	19.6%	21.9%	14.1%	5.2%	6.9%	15.2%	17.1%	19.8%	17.5%
TOTAL INDUSTRY LINES	--	--	2.4%	3.3%	3.3%	3.2%	3.1%	2.4%	2.2%	2.1%	2.5%	2.9%
PERCENTAGE SHARE OF TOTAL LINES:												
AT&T	83.7%	82.2%	80.8%	78.9%	77.4%	76.2%	75.6%	75.4%	75.0%	74.2%	73.0%	72.4%
MCI	8.2%	8.9%	9.8%	10.8%	11.7%	12.9%	13.2%	13.1%	13.5%	14.0%	14.5%	15.1%
SPRINT	4.8%	5.2%	5.8%	6.1%	6.4%	6.2%	6.6%	6.5%	6.2%	6.2%	6.4%	6.1%
ALL OTHER CARRIERS	3.3%	3.7%	3.9%	4.3%	4.6%	4.7%	4.7%	4.9%	5.3%	5.6%	6.1%	6.4%
TOTAL INDUSTRY LINES	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Table 25

Telecommunications Revenues Reported in TRS Fund Worksheets
(Dollar amounts shown in millions)

1992	Intrastate		Interstate		Intrastate + Interstate		Interstate	Four Largest IXCs 1/
	Revenue	As Percent of Total Intrastate	Revenue	As Percent of Total Interstate	Revenue	As Percent of Total Revenue	as % of Total	as % of Total
Local Exchange Service	$39,208	44.2 %	$20	0.0 %	$39,229	24.7 %	0.1 %	0.0 %
Local Private Line Service	1,048	1.2	1	0.0	1,049	0.7	0.1	0.0
Mobile Radio, Cellular, and Paging	6,507	7.3	431	0.6	6,937	4.4	6.2	0.0
Alternative Access, PCS & Other	6,529	7.4	1,112	1.6	7,641	4.8	14.6	0.0
Total Local Revenues	53,292	60.0	1,564	2.2	54,856	34.6	2.9	0.0
Interstate Access	45	0.1	21,648	30.9	21,692	13.7	99.8	0.0
Intrastate Access	8,225	9.3	1	0.0	8,226	5.2	0.0	0.0
Total Access Revenues	8,270	9.3	21,649	30.9	29,919	18.8	72.4	0.0
Operator Service	2,203	2.5	7,333	10.5	9,536	6.0	76.9	87.8
Non-operator Switched Toll Service	21,980	24.8	31,373	44.8	53,354	33.6	58.8	73.7
Long Distance Private Line Service	2,309	2.6	5,320	7.6	7,629	4.8	69.7	77.1
All Other Long Distance	733	0.8	2,723	3.9	3,456	2.2	78.8	58.5
Total Toll Revenues	27,225	30.7	46,749	66.8	73,974	46.6	63.2	75.1
Total Carrier Revenue	$88,787	100.0 %	$69,962	100.0 %	$158,749	100.0 %	44.1	35.0

1/ The four largest IXCs were AT&T, MCI, Sprint, and LDDS

Carrier Revenues

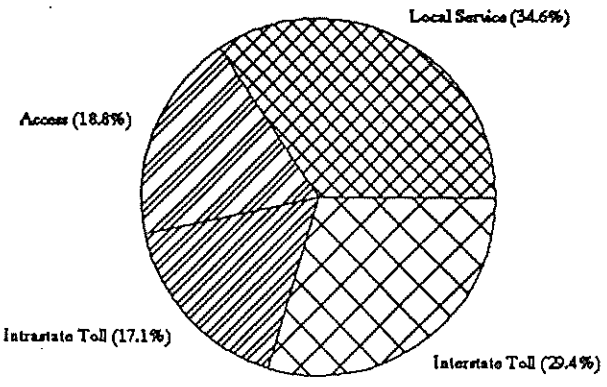


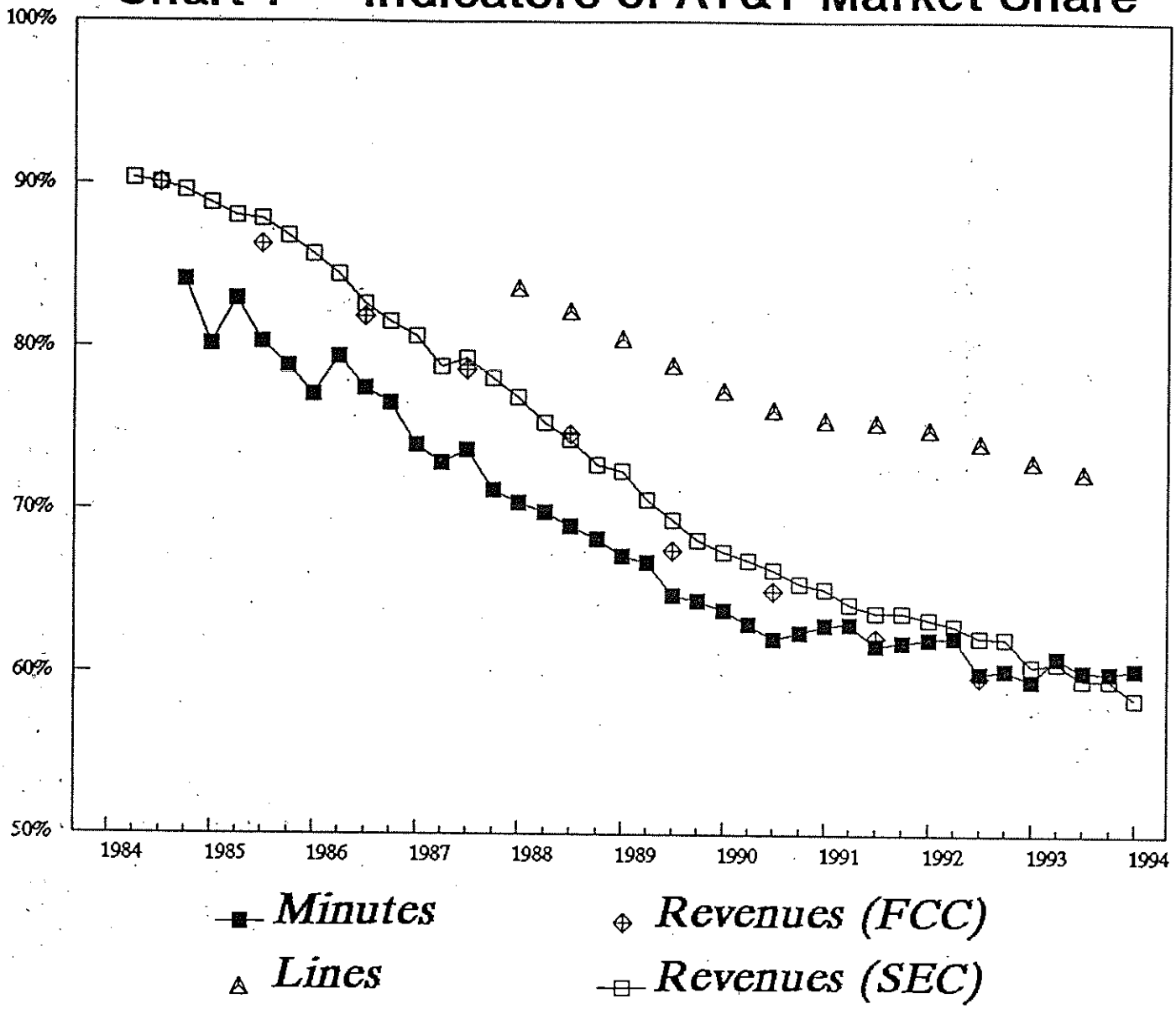
TABLE 26—TOTAL TOLL SERVICE REVENUES
(DOLLAR AMOUNTS SHOWN IN MILLIONS)

COMPANY	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
AT&T COMMUNICATIONS				$34,935	$36,770	$36,514	$35,219	$35,407	$34,549	$33,880	$34,384	$35,495
MCI TELECOMMUNICATIONS 1/	$413	$802	$1,326	1,761	2,331	3,372	3,938	4,886	6,171	7,392	8,266	9,719
(TELECOM*USA)				105	201	291	396	524	713			
SPRINT COMMUNICATIONS CO. 2/						1,141	2,592	3,405	4,320	5,041	5,378	5,658
(GTE SPRINT)	231	393	740	1,052	1,122	779						
(US TELECOM)					387	212						
LDDS COMMUNICATIONS, INC. 3/									110	154	263	601
(ADVANCED TELECOMMUNICATIONS CORP.)				72	86	124	162	178	326	342	356	
CABLE & WIRELESS COMMUNICATIONS, INC.					146	171	180	218	275	359	406	495
WILTEL, INC.									300	376	405	494
ALLNET 4/					309	450	395	394	334	326	347	376
(LEXITEL)					127							
METROMEDIA COMMUNICATIONS CORP. 5/									127	361	369	369
(ITT COMMUNICATION SERVICES, INC.)	83	128	163	161	241	282	287	379	404			
ALASCOM	191	238	257	255	271	267	262	272	278	259	338	333
LITEL TELECOMMUNICATIONS, CORP. dba									197	215	208	243
LCI INTERNATIONAL												
RCI LONG DISTANCE, INC.									104	142	155	168
INTERNATIONAL TELECHARGE, INC. dba									275	230	181	159
ONCOR COMMUNICATIONS, INC.												
COMSYSTEMS NETWORK SERVICES										130	131	135
TELESPHERE NETWORK, INC. 6/									192	293	308	
(NATIONAL TELEPHONE SERVICES, INC.)									150			
OTHERS 7/	144	263	443	414	639	992	1,352	1,623	2,359	2,582	3,765	4,927
TOTAL LONG DISTANCE CARRIERS				38,755	42,630	44,595	44,783	47,487	51,184	52,102	55,260	59,372
AT&T COMMUNICATIONS SHARE:				90.1%	86.3%	81.9%	78.6%	74.6%	67.5%	65.0%	62.2%	59.8%
MCI TELECOMMUNICATIONS SHARE:				4.5%	5.5%	7.6%	8.8%	10.3%	12.1%	14.2%	15.0%	16.4%
US SPRINT SHARE:				2.7%	2.6%	4.3%	5.8%	7.2%	8.4%	9.7%	9.7%	9.5%
ALL OTHER CARRIERS:				2.6%	5.6%	6.3%	6.8%	8.0%	12.0%	11.1%	13.1%	14.3%
BELL OPERATING COMPANIES				9,037	9,026	9,599	10,266	10,668	10,549	10,578	10,066	9,718
OTHER LOCAL TELEPHONE COMPANIES 7/				3,364	3,159	3,274	3,468	4,445	4,291	4,112	4,049	3,897
TOTAL LOCAL EXCHANGE COMPANIES				12,401	12,185	12,873	13,736	15,113	14,840	14,690	14,115	13,615
TOTAL TOLL SERVICE REVENUES 8/	39,180	43,919	48,970	51,156	54,815	57,468	58,519	62,600	66,024	66,792	69,375	72,987
AT&T COMMUNICATIONS SHARE:				68.3%	67.1%	63.5%	60.2%	56.6%	52.3%	50.7%	49.6%	48.6%
MCI TELECOMMUNICATIONS SHARE:				3.4%	4.3%	5.9%	6.7%	7.8%	9.3%	11.1%	11.9%	13.3%
US SPRINT SHARE:				2.1%	2.0%	3.3%	4.4%	5.4%	6.5%	7.5%	7.8%	7.8%
ALL OTHER CARRIERS:				2.0%	4.4%	4.9%	5.2%	6.1%	9.3%	8.7%	10.4%	11.6%
LOCAL EXCHANGE COMPANIES SHARE:				24.2%	22.2%	22.4%	23.5%	24.1%	22.5%	22.0%	20.3%	18.7%

SOURCES: LOCAL EXCHANGE CARRIER INFORMATION DERIVED FROM USTA ANNUAL REPORTS.
AT&T COMMUNICATIONS AND ALASCOM -- STATISTICS OF COMMUNICATIONS COMMON CARRIERS.
OTHER COMPANIES:
1981—1982: ANNUAL REPORT FORM P.
1983—1992: AS REPORTED PURSUANT TO FCC REPORT AND ORDER IN CC DOCKET 83—1291.

1/ MCI TELECOMMUNICATIONS AND TELECOM*USA MERGED DURING 1989.
2/ IN JULY 1986, GTE SPRINT AND US TELECOM MERGED INTO US SPRINT. THE INFORMATION SHOWN FOR GTE SPRINT AND US TELECOM FOR 1986 IS FOR JANUARY 1 – JUNE 30. THE INFORMATION SHOWN FOR US SPRINT FOR 1986 IS FOR JULY 1 – DECEMBER 31. EFFECTIVE FEBRUARY 26, 1992, THE COMPANY'S NAME BECAME SPRINT COMMUNICATIONS CO.
3/ LDDS COMMUNICATIONS, INC. AND ADVANCED TELECOMMUNICATIONS CORP. MERGED DURING 1992.
4/ ALLNET AND LEXITEL MERGED AT THE END OF 1985.
5/ METROMEDIA COMMUNICATIONS CORP. AND ITT COMMUNICATIONS CORP. MERGED DURING 1988. INFORMATION FOR 1989 WAS REPORTED SEPARATELY.
6/ TELESPHERE NETWORK, INC., AND NATIONAL TELEPHONE SERVICES, INC., MERGED DURING 1989. IN 1991, TELESPHERE NETWORK, INC., WENT INTO BANKRUPTCY.
7/ ESTIMATED BY FCC STAFF.
8/ WHILE TOTAL TOLL REVENUES ARE AVAILABLE PRIOR TO 1984, THE MANNER IN WHICH THEY WERE DIVIDED BETWEEN THE BELL SYSTEM AND OTHER TELEPHONE COMPANIES MAKES IT IMPOSSIBLE TO ACCURATELY DETERMINE THE AMOUNTS BILLED BY WHAT IS NOW AT&T COMMUNICATIONS, THE BELL COMPANIES, AND OTHER TELEPHONE COMPANIES.

Chart 1 – Indicators of AT&T Market Share



LIFELINE ASSISTANCE PROGRAMS:

The FCC has established two types of assistance programs for low income subscribers. Programs of the first type are designed to assist poor subscribers in affording the monthly costs of service, and are called "lifeline" plans. Other programs -- connection assistance or "Link-Up" programs -- are designed to help low income subscribers defray installation charges in order to begin receiving telephone service. Participating states have wide latitude in selecting means tests and shaping the benefits of the programs. In 1994, programs have been established in 49 states, the District of Columbia, the Virgin Islands, and the Commonwealth of Puerto Rico. The states with each type of program are indicated in Table 27, along with the year during which a program was first certified.

CELLULAR TELEPHONE SERVICE:

The Federal Communications Commission licenses cellular telephone companies but does not impose reporting requirements on the cellular industry. The Cellular Telecommunications Industry Association periodically publishes summary information on their industry, a selection of which is shown in Tables 28 and 29.

TABLE 27

LIFELINE AND LINK–UP TELEPHONE PROGRAMS (YEAR FIRST CERTIFIED)

STATE	LIFELINE	LINK–UP
ALABAMA		87
ALASKA	93	93
ARIZONA	86	88
ARKANSAS	86	87
CALIFORNIA	85	*
COLORADO	90	90
CONNECTICUT	94	87
DELAWARE		
DISTRICT OF COLUMBIA	86	87
FLORIDA	94	88
GEORGIA	91	90
HAWAII	86	89
IDAHO	87	88
ILLINOIS		93
INDIANA		88
IOWA		88
KANSAS		88
KENTUCKY		87
LOUISIANA		88
MAINE	87	87
MARYLAND	86	87
MASSACHUSETTS	90	90
MICHIGAN	89	89
MINNESOTA	88	88
MISSISSIPPI	91	88
MISSOURI	87	87
MONTANA	87	87
NEBRASKA		88
NEVADA	87	88
NEW HAMPSHIRE		88
NEW JERSEY		87
NEW MEXICO	87	87
NEW YORK	87	87
NORTH CAROLINA	86	87
NORTH DAKOTA	87	89
OHIO	87	87
OKLAHOMA		90
OREGON	86	88
PENNSYLVANIA		88
PUERTO RICO		88
RHODE ISLAND	87	87
SOUTH CAROLINA		87
SOUTH DAKOTA	88	88
TENNESSEE	92	88
TEXAS	88	87
UTAH	86	88
VERMONT	86	90
VIRGIN ISLANDS U.S.	91	91
VIRGINIA	87	87
WASHINGTON	87	90
WEST VIRGINIA	86	87
WISCONSIN	88	90
WYOMING	91	89

* CALIFORNIA PROVIDES AN INDEPENDENT CONNECTION ASSISTANCE PROGRAM.

TABLE 28

CELLULAR TELEPHONE SERVICE

		NUMBER OF SYSTEMS	SUBSCRIBERS
1984	DECEMBER	32	91,600
1985	JUNE	65	203,600
	DECEMBER	102	340,213
1986	JUNE	129	500,000
	DECEMBER	166	681,825
1987	JUNE	206	883,778
	DECEMBER	312	1,230,855
1988	JUNE	420	1,608,697
	DECEMBER	517	2,069,441
1989	JUNE	559	2,691,793
	DECEMBER	584	3,508,944
1990	JUNE	592	4,368,686
	DECEMBER	751	5,283,055
1991	JUNE	1,029	6,390,053
	DECEMBER	1,252	7,557,148
1992	JUNE	1,483	8,892,535
	DECEMBER	1,506	11,032,753
1993	JUNE	1,523	13,067,318
	DECEMBER	1,529	16,009,461

SOURCE: CELLULAR TELECOMMUNICATIONS INDUSTRY ASSOCIATION.

TABLE 29

CELLULAR TELEPHONE SERVICE: SURVEY RESULTS

		NUMBER OF SYSTEMS RESPONDING	PERCENT OF INDUSTRY SURVEYED	EMPLOYEES	SIX-MONTH REVENUES (THOUSANDS)	AVERAGE MONTHLY BILL
1984	DECEMBER	32	100.0%	1,404	$178,065	
1985	JUNE	85	100.0%	1,697	176,231	
	DECEMBER	101	100.0%	2,727	306,197	
1986	JUNE	122	96.0%	3,556	360,585	
	DECEMBER	160	95.3%	4,334	462,467	
1987	JUNE	192	88.0%	5,656	479,514	
	DECEMBER	297	97.2%	7,147	672,005	$96.83
1988	JUNE	409	99.9%	9,154	886,075	95.00
	DECEMBER	496	99.1%	11,400	1,073,473	98.02
1989	JUNE	513	99.1%	13,719	1,406,463	85.52
	DECEMBER	546	98.8%	15,927	1,934,132	89.30
1990	JUNE	554	98.8%	18,973	2,126,362	83.94
	DECEMBER	663	98.2%	21,382	2,422,458	80.90
1991	JUNE	905	96.4%	25,545	2,653,505	74.56
	DECEMBER	1,005	96.5%	26,327	3,055,017	72.74
1992	JUNE	1,129	96.3%	30,595	3,633,285	68.51
	DECEMBER	1,189	93.4%	34,348	4,189,441	68.68
1993	JUNE	1,110	92.2%	36,501	4,819,259	67.31
	DECEMBER	1,287	92.3%	39,775	6,072,906	61.48

SOURCE: CELLULAR TELECOMMUNICATIONS INDUSTRY ASSOCIATION.

INTERNATIONAL TELEPHONE SERVICE:

International telecommunications has become an increasingly important segment of the telecommunications market. International telephone calling -- propelled by technological innovation, increased economic integration with foreign countries, and stable or declining rates -- has skyrocketed. The number of calls has increased more than 600% since 1980. In 1992, Americans spent about $10.3 billion dollars on international calls. International private line revenues have also increased since 1980, but telex and telegraph services declined substantially over the same period. These trends are shown in Table 30.

U.S. and foreign carriers compensate each other when one carries traffic that the other bills. The number of calls billed in the United States increased at a faster pace than calls billed in foreign countries, contributing to rapid increases in net settlement payments to foreign carriers. These net payments reached $3.3 billion in 1992. Several factors, most notably lowered settlement rates, kept the net payments from growing significantly in 1992. Nonetheless, settlement payments represented 58.4% of the price of international telephone calls in 1992. Trends in settlement payments are shown in Table 31.

International carriers filed corrected 1992 traffic data on a country-by-country basis on October 31, 1993. Results for telephone service are summarized by region of the world in Table 32. Five markets -- Canada, Mexico, the United Kingdom, Germany, and Japan -- currently account for about half of the international calls billed in the United States.

Since 1985, when MCI first entered the market in competition with AT&T, numerous carriers have begun to provide international service. Table 33 lists the carriers that provided international service in 1992. Most of these carriers resold switched services of other carriers. Carriers reported $489 million of resale revenue in 1992. Twenty five U.S. carriers provided facilities based telecommunications service in 1992. The 1992 data show that these carriers billed about $10.8 billion for all international services, of which $10.3 billion was for telephone service. Table 34 shows the U.S. billed revenues by service for each facilities based carrier. Together, AT&T, MCI, and Sprint account for 96% of the facilities based service billed in the United States.

Table 30

International Service between Domestic U.S. and Foreign Points
(Minute, Message, and Revenue amounts shown in Millions)

	Telephone Service					Other Services			
			Billed Revenue			Billed Revenue			
	Minutes	Messages		Per minute	Per call	Telex	Telegraph	Private Line	Misc.
1980	1,569	199	$2,097	$1.34	$10.53	$325	$63	$115	
1981	1,857	233	2,239	1.21	9.61	350	62	126	
1982	2,187	274	2,382	1.09	8.70	363	56	138	
1983	2,650	322	2,876	1.09	8.92	379	54	154	
1984	3,037	367	3,197	1.05	8.71	394	46	158	
1985	3,350	411	3,435	1.03	8.37	415	45	172	
1986	3,917	482	3,891	0.99	8.07	390	42	175	
1987	4,480	570	4,559	1.02	8.00	360	35	191	
1988	5,190	687	5,507	1.06	8.02	310	30	194	
1989	6,109	835	6,517	1.07	7.80	243	27	208	
1990	7,215	984	7,626	1.06	7.75	196	24	201	
1991	8,986	1,371	9,096	1.01	6.63	200	15	303	$23
1992	10,156	1,643	10,179	1.00	6.20	155	16	313	24

Table 31

International Telephone Service Settlements
(Revenue amounts shown in Millions)

	Billed Revenue	Owed to Foreign Carriers	Retained Revenue	Due From Foreign Carriers	Net Settlements	Net Revenue	Average Settlement Per Minute	
							Owed For U.S. Billed	Due For Foreign Billed
1980	$2,097	$1,063	$1,034	$716	($347)	$1,750	$0.68	$0.62
1981	2,239	1,330	910	799	(531)	1,708	0.72	0.56
1982	2,382	1,674	708	961	(712)	1,670	0.77	0.60
1983	2,876	2,036	841	1,086	(950)	1,926	0.77	0.60
1984	3,197	2,269	928	1,066	(1,203)	1,994	0.75	0.54
1985	3,435	2,369	1,066	1,239	(1,130)	2,305	0.71	0.55
1986	3,891	2,802	1,089	1,387	(1,414)	2,476	0.72	0.56
1987	4,559	3,309	1,250	1,634	(1,675)	2,884	0.74	0.61
1988	5,507	3,868	1,640	1,840	(2,028)	3,480	0.75	0.62
1989	6,517	4,513	2,004	2,115	(2,398)	4,119	0.74	0.61
1990	7,626	5,079	2,547	2,317	(2,762)	4,863	0.70	0.60
1991	9,096	5,792	3,304	2,493 *	(3,298)	5,798	0.64	0.50
1992	10,179	5,945	4,234	2,601 *	(3,344)	6,835	0.59	0.46

* Includes Transiting Traffic.

Table 32

International Message Telephone Service For 1992

(Figures Rounded to the Nearest Million)

International Point	Traffic Billed in the United States					Traffic Billed in Foreign Countries				Total U.S. Carrier Retained Revenue
						Originating or Terminating in the United States			TRANSITING	
	Number Of Messages	Number Of Minutes	U.S. Carrier Revenue	Owed to Foreign Carriers	Retained Revenue	Number Of Messages	Number Of Minutes	Due From Foreign Carriers	Retained Revenue	
Western Europe	398	2,508	$2,593	$1,406	$1,187	306	1,464	$789	$43	$2,019
Asia	222	1,485	2,283	1,283	1,000	166	738	594	61	1,655
North and Central America	717	3,909	2,555	1,441	1,114	427	2,236	428	6	1,548
South America	101	716	823	558	265	53	235	178	3	446
Caribbean	94	711	705	440	265	48	243	135	11	411
Middle East	45	348	477	368	109	23	135	143	25	276
Oceania	31	187	263	103	160	33	158	81	8	249
Africa	26	205	304	192	112	14	62	61	2	175
Eastern Europe	23	193	264	169	95	12	70	57	1	153
Total for all International points	1,660	10,282	10,329	6,008	4,321	1,086	5,358	2,481	169	6,972

The region totals include all traffic reported by carriers serving Alaska, Hawaii, Puerto Rico, and the Conterminous United States, and include traffic between these points and off-shore U.S. points such as Guam and the U.S. Virgin Islands. The total for all international points also includes the traffic of carriers serving off-shore U.S. points.

U.S. Billed Minutes by Country

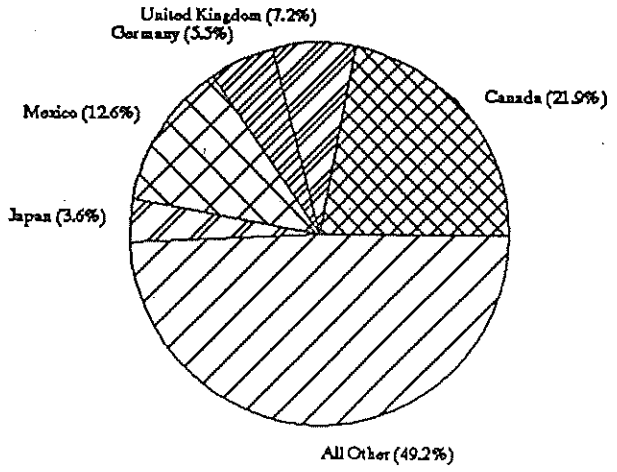


Table 33
CARRIERS FILING INTERNATIONAL TRAFFIC DATA FOR 1992

	FACILITIES BASED	RESALE
ACC LONG DISTANCE CORP.		*
ACCESS LONG DISTANCE		*
ADAMS TELEGRAPH CO., INC.		*
ADIR INT'L COMM. SVCS. CORP. LTD.		*
AFFORD-A-CALL CORP.		*
ALASCOM, INC.	*	
ALLNET COMMUNICATION SERVICES, INC.		*
AMERICAN NETWORK EXCHANGE, INC.		*
AMERICAN PIONEER TELEPHONE		*
AMERICAN SAMOA OFFICE OF COMMUNICATIONS	*	
AMERICAN SHARECOM, INC.		*
AMERICAN TELEGRAM CORPORATION		*
AMERICAN TELEPHONE AND TELEGRAPH, INC.	*	
AMER-I-NET SERVICES CORP.		*
BUSINESS TELECOM, INC. (BTI)		*
CABLE AND WIRELESS COMMUNICATIONS, INC.	*	*
CALL AMERICA BUSINESS COMMUNICATIONS		*
CALL TECHNOLOGY		*
CAPITAL NETWORK SYSTEM INC.		*
CELLULAR LONG DISTANCE SERVICE CORP.		*
CHARTER NETWORK		*
COMMONWEALTH LONG DISTANCE CO.		*
COMMUNIGROUP (KANSAS)		*
COMMUNIGROUP (MISSISSIPPI)		*
COM SYSTEMS		*
CONQUEST OPERATOR SERVICES CORP.		*
CONTINENTAL INTERCELL, INC.		*
CORPORATE SATELLITE COMMUNICATIONS, INC.	*	
CUSTOM TELECOMMUNICATIONS NETWORK (CTN) OF ARIZONA, INC.		*
DATACOMM INT'L CO., LTD.		*
DICKEYVILLE TELEPHONE CORP.		*
DIGITRAN CORPORATION		*
EASTERN TELELOGIC		*
EATELNET, INC.		*
EMI COMMUNICATIONS CORPORATION	*	
ENTERPRISE TELECOM SERVICES, INC.		*
EXECULINE OF SACRAMENTO, INC.		*
EXECULINES OF THE NORTHWEST		*
EXECUTIVE TELECARD LTD.		*
EXECUTONE INFORMATION SYSTEMS, INC.		*
FAIRCHILD COMMUNICATIONS SERVICES		*
FARMERS LONG DISTANCE, INC.		*
FEEK'S TELECOMMUNICATIONS, INC.		*
FONOROLA CORP.	*	
GENERAL COMMUNICATIONS CORP. (GCICC)		*
GOLDEN VALLEY TECHNOLOGIES		*
GTE	*	*
HORRY TELEPHONE LONG DISTANCE		*
HUGHES COMMUNICATIONS CARRIER SVCS., INC.	*	
IDB COMMUNICATIONS GROUP/CICI, INC.	*	
IN-FLIGHT PHONE CORPORATION		*
INTERLINK TELECOMMUNICATIONS, INC.		*
INTERNATIONAL TELECHARGE D/B/A ONCOR COMMUNICATIONS		*
IOWA NETWORK SERVICES, INC.		*
IT&E OVERSEAS, INC.	*	
LDCC, INC.		*
LDDS COMMUNICATIONS, INC.	*	*
LDS TELECOMMUNICATIONS CORP.		*
LITEL TELECOMM. CORP. D/B/A LCI INT'L		*
LONG DISTANCE SAVERS, INC.		*
MATRIX TELECOM		*
MCI/WESTERN UNION INTERNATIONAL	*	*
METROMEDIA COMMUNICATIONS CORP.		*
MICRONESIAN TELECOMM. CORP. (MTC)	*	
MICRONET, INC.	*	
MID-COM COMMUNICATIONS, INC.		*
MIDCO COMMUNICATIONS, INC.		*
MOBILE SATELLITE COMMUNICATIONS, INC. D/B/A PITTSBURGH INTERNATIONAL TELEPORT	*	
NATIONAL TECHNICAL ASSOCIATES		*
NORTHWEST NETWORK COMMUNICATIONS, INC.		*
NTS COMMUNICATIONS		*
OCOM CORPORATION		*
ONE CALL COMMUNICATIONS, INC.		*
ONE CALL COMMUNICATIONS, INC. D/B/A OPTICOM		*
OVERSEAS TELECOMMUNICATIONS INC. (OTI)	*	
PENNSYLVANIA ALTERNATIVE COMMUNICATIONS		*
POLAR COMMUNICATIONS, CORP.		*
RCI LONG DISTANCE NEW ENGLAND D/B/A/ LONG DISTANCE NORTH		*
RCI LONG DISTANCE, INC.		*
RESURGENS COMMUNICATIONS GROUP, INC.		*
RGT UTILITIES, INC.		*
SAN MARCOS LONG DISTANCE, INC.		*
SCHNEIDER COMMUNICATIONS		*
SOUTHERN SATELLITE SYSTEMS/LMC SATCOM	*	
SOUTHNET SERVICES CORPORATION		*
SPRINT	*	*
TACONIC LONG DISTANCE SERVICE CORP.		*
TELECOMUNICACIONES ULTRAMARINAS-P.R.	*	
TELEDIAL AMERICA, INC.		*
TELEFONICA LARGA DISTANCIA DE PUERTO RICO	*	*
TELEGROUP, INC.		*
TELEPHONE EXPRESS		*
THE ST. THOMAS & SAN JUAN TEL. CO. INC.	*	*
TRT/FTC COMMUNICATIONS, INC. D/B/A TRT COMMUNICATIONS, INC.	*	*
TTI TELECOMMUNICATIONS, INC.		*
UNITED TELEPHONE LONG DISTANCE		*
UPS TELECOMMUNICATIONS, INC.	*	
US FIBERCOM NETWORK, INC. (USF)		*
U.S. LINK, INC.		*
U.S. LONG DISTANCE		*
U.S.V.I. CELLULAR TELEPHONE CORP.		*
VARTEC TELECOM, INC.		*
WASHINGTON INT'L TELEPORT (WIT)		*
WESTINGHOUSE COMMUNICATION SVCS., INC.	*	
WILTEL, INC.	*	*
WORLD COMMUNICATIONS, INC.	*	*

Table 34
U.S. Billed Service to all International Points in 1992
By Facilities Based Carriers
(Revenue amounts shown in Millions)

	Telephone	Telex	Telegraph	Private Line	Miscellaneous
Conterminous U.S.	$10,124	$155	$16	$317	$24
Alaska	15				
Hawaii	44	*	*	3	*
Puerto Rico	48	*	*	2	
Total for Domestic U.S. points	10,231	156	16	323	24
Guam	59	1	*	*	
U.S. Virgin Islands	15			*	
All other U.S. points	24	*	*		
Total for All U.S. Points	10,329	156	16	323	24
Alascom, Inc.	15				
American Samoa Office of Communications	4				
American Telephone and Telegraph, Inc.	7,311	48	8	122	*
Cable and Wireless Communications, Inc.	4				
Corporate Satellite Communications, Inc.				*	
EMI Communications Corporation					*
Fonorola Corp.					
GTE	29			2	*
Hughes Communications Carrier Services, Inc.				*	
IDB Communications Group				42	*
IT&E Overseas, Inc.	35			*	
LDDS Communications, Inc.	1				
MCI / Western Union International	2,039	74	4	82	1
Micronesian Telecommunications Corp.	18	*	*		
Micronet					*
Mobile Satellite Communications, Inc.				*	
Overseas Telecommunications, Inc.				12	
Southern Satellite Systems, Inc. /LMC SatCom				1	
Sprint	786	*		1	19
Telecomunicaciones Ultramarinas de Puerto RI					
Telefonica Larga Distancia de Puerto Rico	*				
The St. Thomas & San Juan Telephone Co. Inc.	8			3	
TRT/FTC Communications, Inc.	35	34	3		3
UPS Telecommunications, Inc.				*	
Westinghouse Communications, Inc.				*	*
WilTel, Inc.				*	
World Communications, Inc.	10			34	

* Represents revenues greater than $0 but less than $500,000.

* * *

The information in this report and, in many cases more detailed information, can be obtained from the FCC-State Link Electronic Bulletin Board by calling 202-632-1361.

Printed copies of statistical reports are available in the Industry Analysis Division's Public Reference Room (Room 10 at 1250 23rd Street, N.W.) and from the Commission's duplicating contractor (International Transcription Services, Inc. (ITS) 202-857-3800).

Additional information on regulated carriers, including investments, revenues, expenses, and earnings, is contained in the annual Statistics of Communications Common Carriers, available from the U.S. Government Printing Office.

FCC rules require carriers to provide more detailed traffic data about international telephone service than about domestic service. Because of delays in international settlements, such information is typically received by the commission much later than domestic data and is usually published separately.

The information on cellular telephone service shown in Tables 28 and 29 was prepared by the Cellular Telecommunications Industry Association (1133 21st Street N.W., Washington, D.C. 20554, (202) 785-0081).

The United States Telephone Association represents virtually all local telephone companies (900 19th Street N.W., Washington D.C. 20006 -- (202) 835-3100). Like many trade associations, it collects information from each of its members. Annually, it publishes and sells statistical publications such as Phone Facts and Statistics of the Local Exchange Carriers.

Two widely used sources of names, addresses and other information for companies in the telephone industry are Telephony's Directory & Buyers' Guide for the Telecommunications Industry and the Telephone Engineer and Management Directory.

For more information, the following individuals may be contacted at (202) 632-0745:

Consumer Expenditures	Jim Lande
International Statistics	Linda Blake or Jim Lande
Lifeline Assistance Programs	Mary Green or Larry Povich
Lines and Calling Volumes	Alexander Belinfante
Long Distance Companies	Katie Rangos
Market Shares	Katie Rangos
Prices and Rates	Jim Lande
Quality of Service	Jonathan Kraushaar
State Rate Cases	Mike Lehner
Subscribership and Penetration	Alexander Belinfante
Technology and Equal Access	Jonathan Kraushaar
Telecomm. Relay Fund Worksheets	Jim Lande

Customer Response

Publication: Trends In Telephone Service: May 1994

You can help us provide the best possible information to the public by completing this form and returning it to the Industry Analysis Division of the FCC's Common Carrier 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	(_)	(_)	(_)	(_)	(_)
Data presentation	(_)	(_)	(_)	(_)	(_)
Timeliness of data	(_)	(_)	(_)	(_)	(_)
Completeness of data	(_)	(_)	(_)	(_)	(_)
Text clarity	(_)	(_)	(_)	(_)	(_)
Completeness of text	(_)	(_)	(_)	(_)	(_)

3. Overall, how do you rate this report?

Excellent	Good	Satisfactory	Poor	No opinion
(_)	(_)	(_)	(_)	(_)

4. How can this report be improved?

_____

_____

_____

_____

_____

_____

_____

_____

5. May we contact you to discuss your suggestions?
Name:
Telephone #:

To discuss the information in this report contact: Katie Rangos or Jim Lande at 202-632-0745		
Fax this response to	or	Mail this response to
202-632-1411		FCC/IAD Mail Stop 1600 F Washington, DC 20554