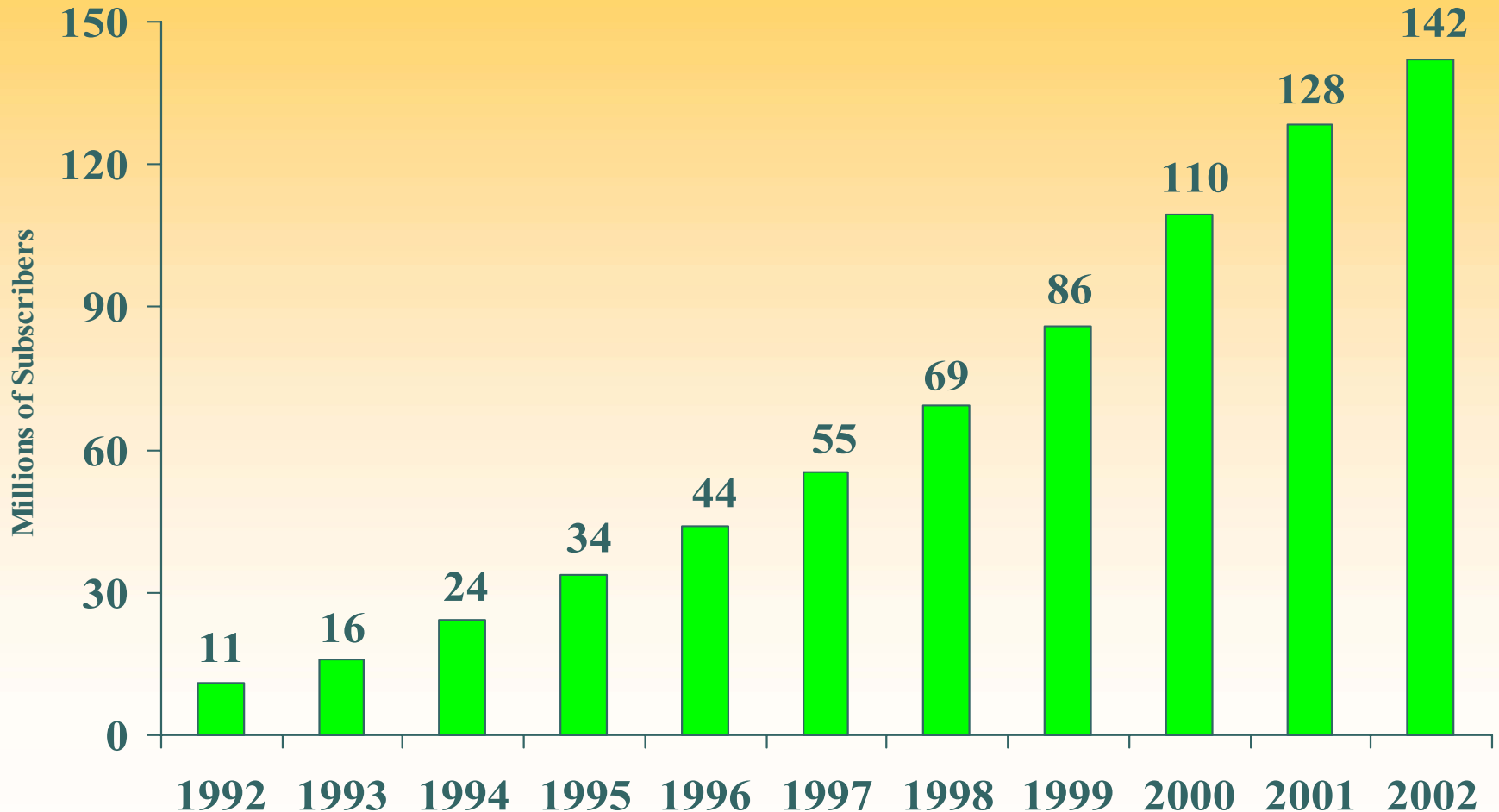


Report to Congress

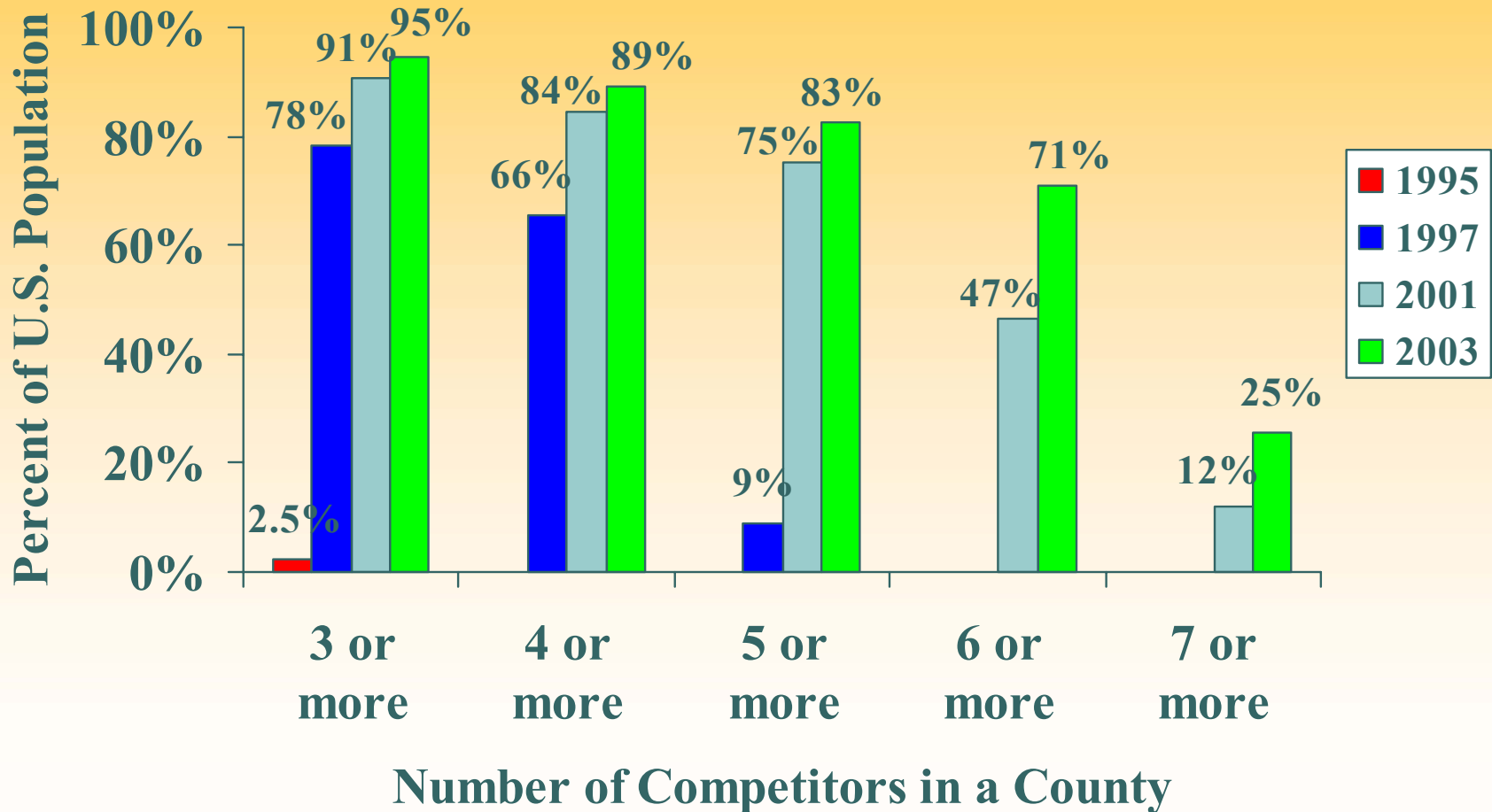
**Eighth Annual
CMRS Competition Report**

June 26, 2003

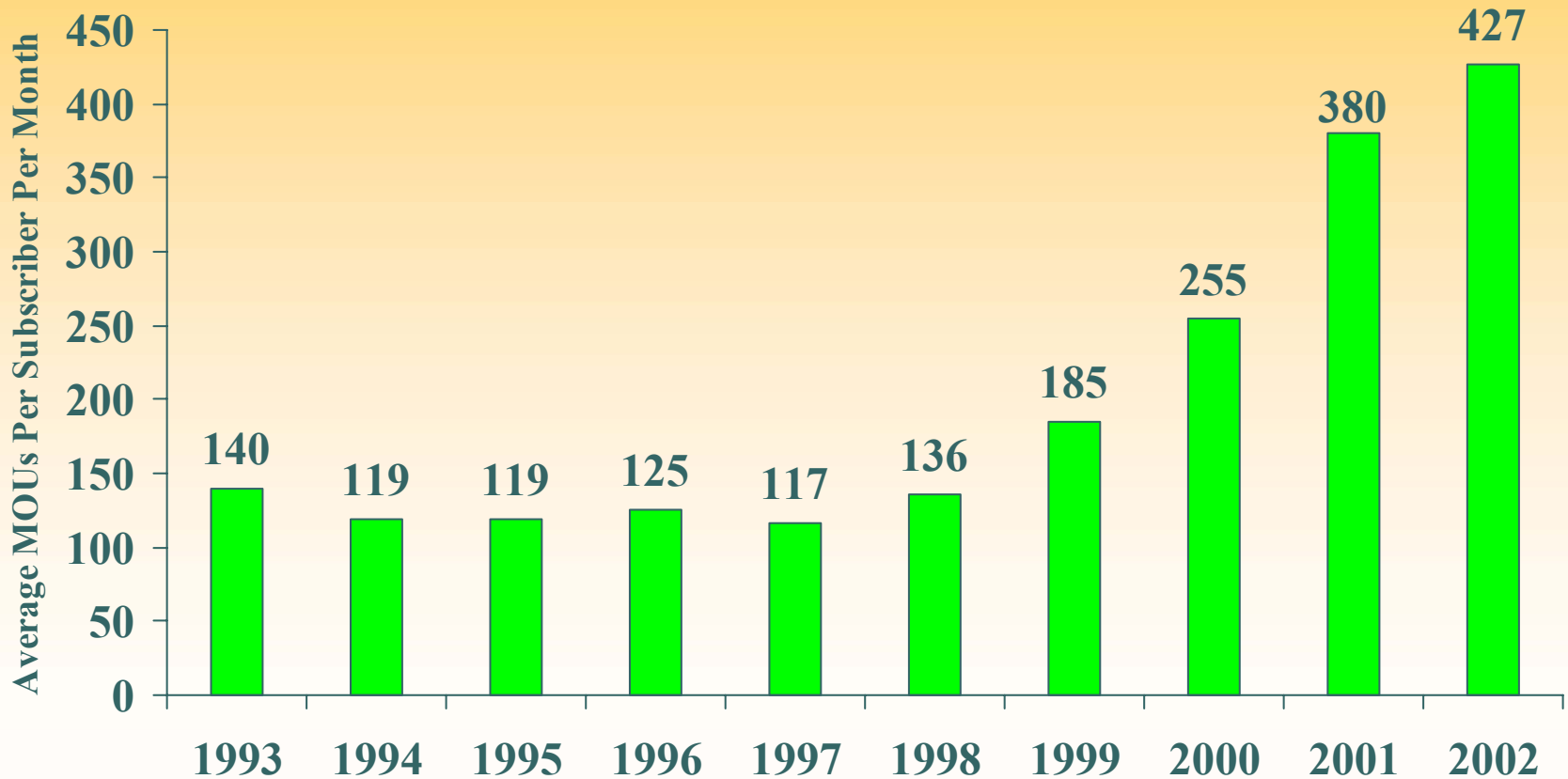
Total US Commercial Wireless Subscribers



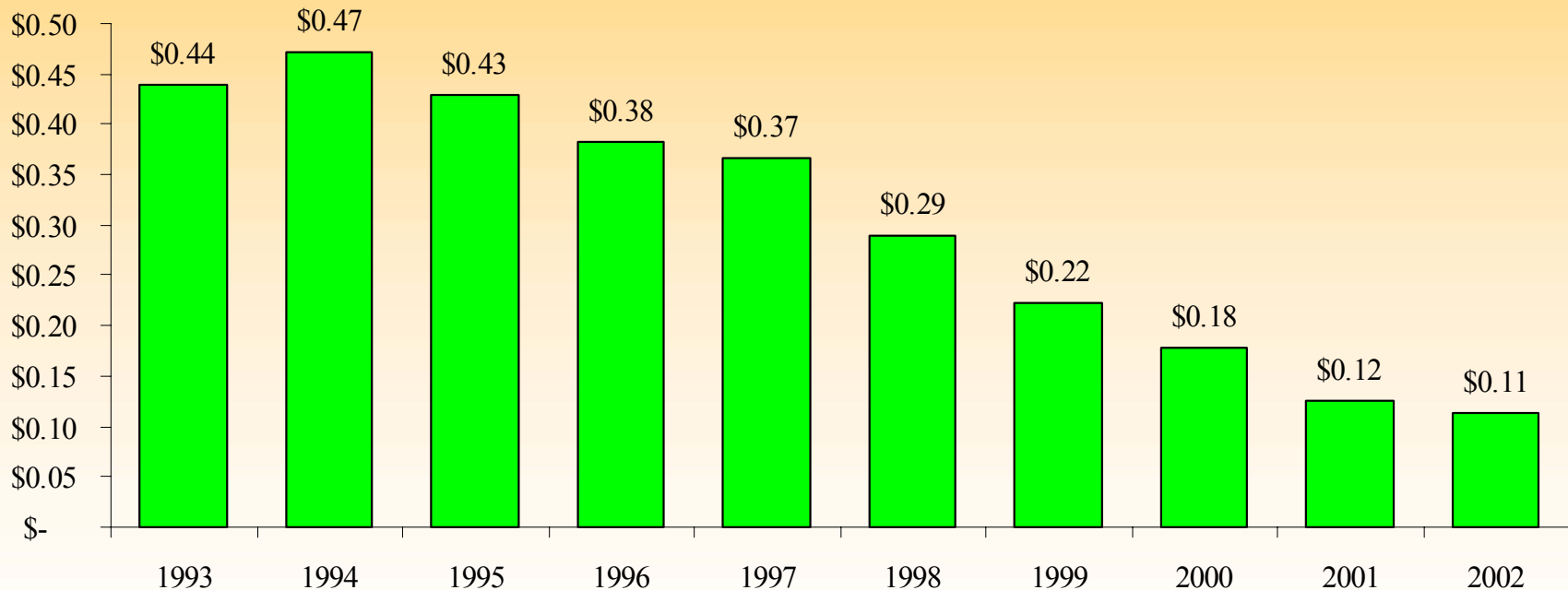
Mobile Telephone Competition



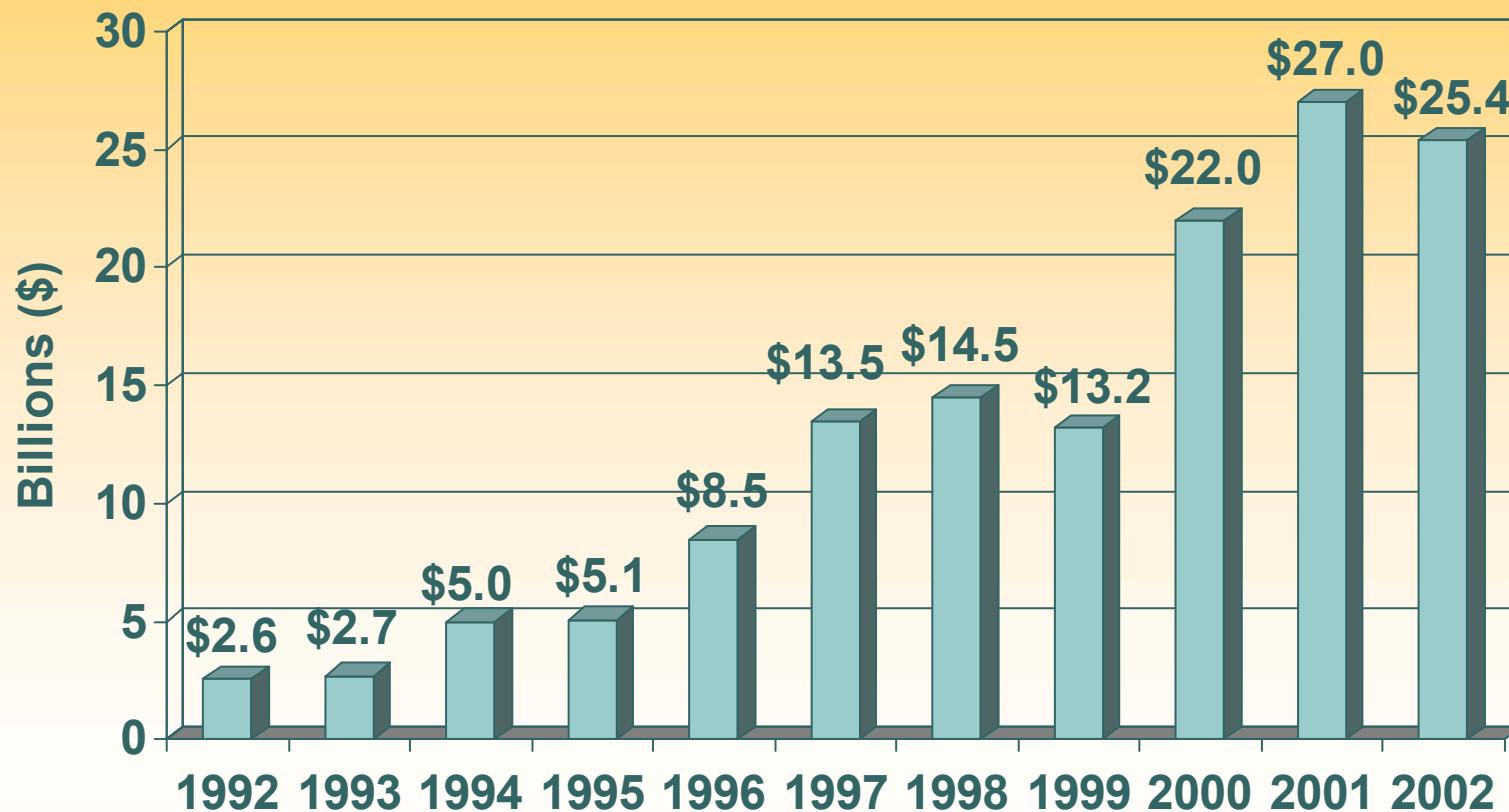
Average Minutes-of-Use per Month



Average Revenue Per Minute for Mobile Telephone Service

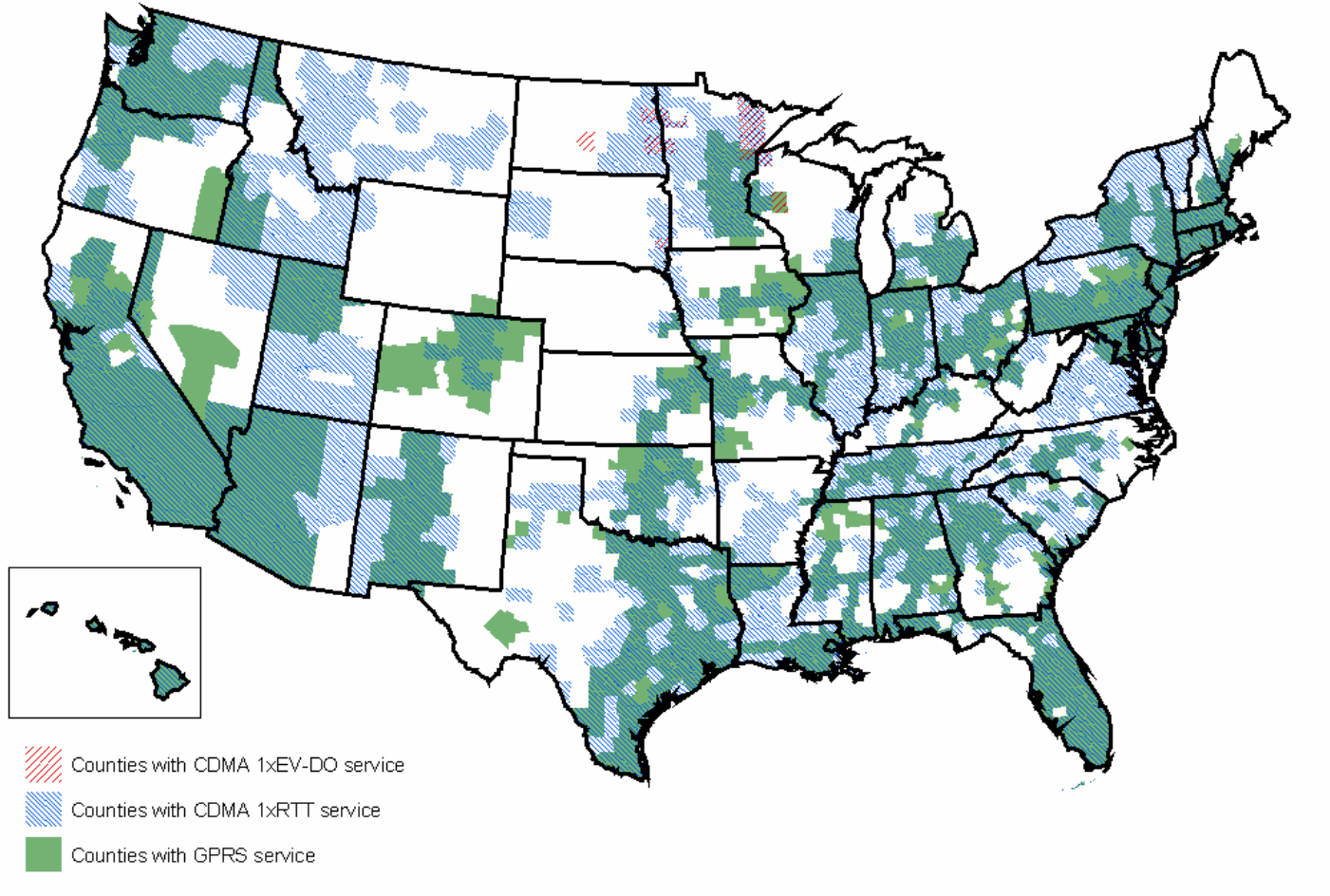


Annual Wireless Capital Investment 1992-2002



Next Generation Network Rollout

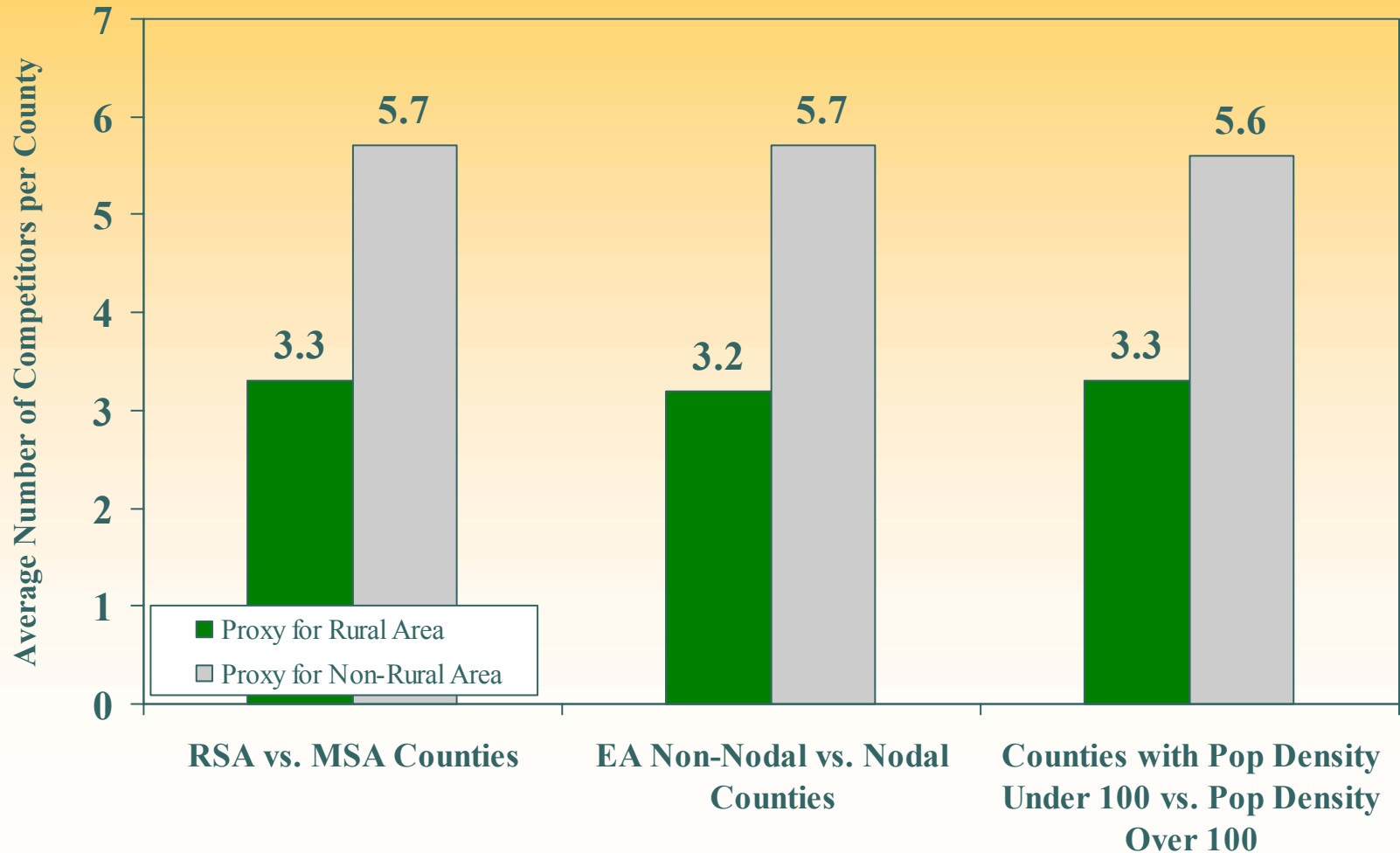
**Next Generation Network Rollout in the United States
Estimated by County**



Mobile Data Services

- 11.9 million mobile telephone users subscriber to mobile Internet subscribers at the end of 2002
- 2.3 million users of data-only mobile devices at the end of 2002
- Mobile data services:
 - Paging
 - Text messaging
 - Ring tones
 - Games
 - Multimedia messaging
 - Web browsing
 - E-mail access
 - Corporate server access
- 20% of all mobile telephone subscribers used text messaging services during 4Q02

Urban vs. Rural Comparisons: Coverage

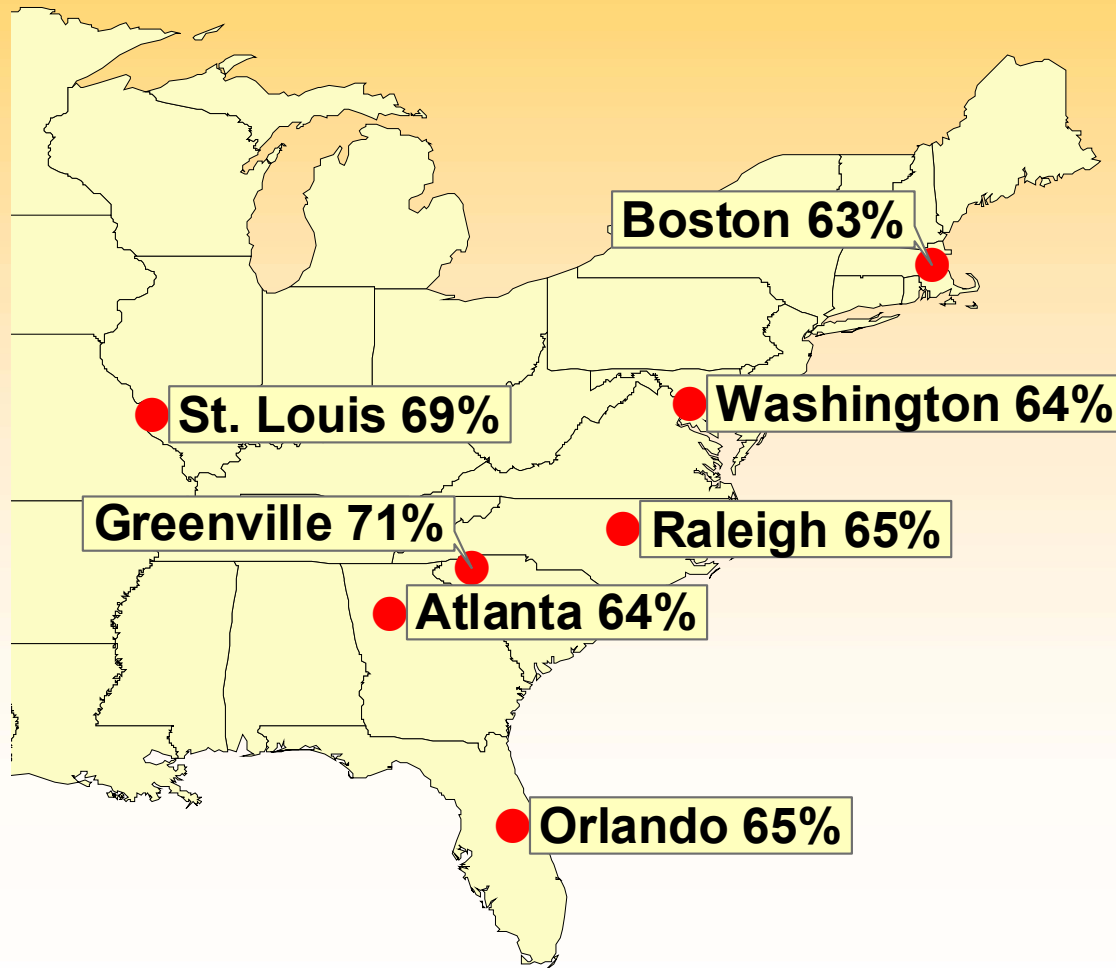


Wireless – Wireline Competition

- Wireless now accounts for 30 percent of total telecommunications sector revenues and has displaced 30 percent of total wireline minutes.
- For the average household, wireless represents 27 percent of total telecommunications expenditures.
- The long distance, local and payphone segments of the telecommunications industry have all been losing business to wireless substitution:

“Why use a pay phone, a calling card, or a hotel phone when prices are generally higher on a per-minute basis relative to wireless? Also, given that a large number of night and weekend minutes are now regularly included in wireless pricing schemes . . . , it is often cheaper to use your wireless phone while in your home.” --UBS Warburg

Major Metropolitan Areas with the Highest Penetration Rates



Estimated U.S. Penetration by Age Group

