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## FCC RELEASES "TRENDS IN THE INTERNATIONAL TELECOMMUNICATIONS INDUSTRY" REPORT

Washington, D.C. – Today, the Federal Communications Commission (FCC) released a report tracing trends in the U.S. international telecommunications industry. The International Bureau Strategic Analysis and Negotiations Division and the Wireline Competition Bureau Industry Analysis and Technology Division prepared the report, which is entitled *Trends in the International Telecommunications Industry*.

The report consists of 29 statistical tables relating to international traffic, circuits, pricing, and accounting rates. Key findings are:

- The average revenue billed to end users for a minute of international telephone service declined from \$1.34 in 1980 to \$1.00 in 1990, and then by 72% to \$0.28 by 2002. The number of U.S. billed minutes increased from 1.6 billion to 8.0 billion, and then to 36.0 billion during the same period.
- In 1975, international telephone service represented less than 5% of the revenues U.S. carriers received from providing long distance services. It grew to 19% of overall toll revenues over the next 20 years. In 2002, international service accounted for 17% of overall toll revenues.
- The decrease in settlement rates has more than offset the increase in U.S. billed minutes. The result was that net settlement payments from U.S. carriers to foreign carriers decreased 45% from \$5.4 billion in 1997 to almost \$3.0 billion in 2002.
- Dramatic increases in cable capacity and decreasing costs per circuit have led to declines in international service prices and increases in traffic. While most international carrier billed revenues come from international message telephone service, the vast majority of circuits now are used for other services.

The report is available for reference in the FCC's Reference Information Center, Courtyard Level, 445 12th Street, S.W., Washington, D.C. 20554. Copies may be purchased by calling the FCC's duplicating contractor, Best Copy and Printing, Inc., 445 12<sup>th</sup> Street, S.W., Room CY-B402, Washington, DC 20554, telephone 1-800-378-3160, facsimile 202-488-5563, or via e-mail <u>WWW.BCPIWEB.COM</u>. The report, including the spreadsheets containing the report's statistical tables and the figures, can be downloaded [file name: ITRND01.ZIP or ITRND01.PDF] from <u>www.fcc.gov/ib</u> and the FCC-State Link Internet site at <u>www.fcc.gov/wcb/iatd//intl.html</u>.

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