

# Briefs: U.S. wireless market posts healthy growth

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The number of wireless subscribers continues to rise steadily, Standard & Poor's said in a report Thursday.

In a study on the U.S. cell-phone market, the credit-rating agency said that subscription is seeing "healthy low-double digit subscriber, usage, and revenue growth," given that cell phones are now essential to everyday and business life.

"Rising data services revenue is helping mitigate declining unit pricing for voice services, and recent industry consolidation provides newly combined companies opportunities for operating efficiencies, while carriers continue to benefit from barriers to entry that include substantial investment requirements and spectrum scarcity," said credit analyst Eric Geil.

But he warned that competition in the industry is still strong and could intensify as penetration growth slows, while ongoing initiatives to improve service quality and data capability are keeping capital expenditures high.

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