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## Cingular sells Interactive subsidiary to venture-capital group

By [Dan Meyer](#)  
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Cingular Wireless L.L.C. said it has agreed to sell its Cingular Interactive L.P. subsidiary, including the Mobitex network, customer service operations, information technology systems and a majority of its current Interactive customer base to affiliates of venture-capital company Cerberus Capital Management L.P. for an undisclosed amount.

Cingular Interactive's current management team, including President Charles Nelson, are expected to continue in their current positions.

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"This is great news for our customers, channel partners and technology partners," Nelson said. "We are maintaining our relationship with Cingular ... while at the same time creating a focused wireless data network operator with a highly motivated group of employees and owner. With our new financial resources and our critical mass of customers and partners, we expect to assume a strong leadership position in providing new-generation enterprise solutions to customers."

Cingular said that it will retain all direct e-mail customers as well as several major accounts, and it will continue to purchase data services from Cingular Interactive for its Mobitex-based corporate e-mail, IMPlus and certain other data customers.

"Cingular will continue to serve its wireless e-mail and data customers with a full line of packet data offerings, including Mobitex, GPRS and EDGE," said Ralph de la Vega, chief operating officer for Cingular. "The Mobitex resale agreement with Cingular Interactive combined with our GPRS/EDGE networks gives Cingular customers the maximum flexibility in finding wireless data products to suit their needs."

Cingular Interactive served 735,000 subscribers at the end of the second quarter, but has seen a steady decline in its customer base from a high of 835,000 subscribers at the end of the first quarter of 2003 as the carrier has increasingly emphasized its higher-speed GPRS and EDGE data networks.

Cingular Interactive claims its Mobitex network currently covers 93 percent of the U.S. business population in 492 metropolitan statistical areas and 130 airports and supports approximately 25 percent of all Research In Motion Ltd. Blackberry users worldwide.

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