

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): August 2, 2004

CELLULAR TECHNICAL SERVICES COMPANY, INC.

(Exact Name of Registrant as Specified in Charter)

Delaware ----- (State or Other Jurisdiction of Incorporation)	0-19437 ----- (Commission File No.)	11-2962080 ----- (IRS Employer Identification No.)
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2815 Second Avenue, Suite 100, Seattle, Washington ----- (Address of Principal Executive Offices)	98121 ----- (Zip Code)
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Registrant's telephone number, including area code: (206) 733-8180

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits.

(a) Exhibits

99.1 Press Release dated August 2, 2004

Item 12. Results of Operations and Financial Condition

Cellular Technical Services Company, Inc., announced its second quarter financial results for 2004 on August 2, 2004.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: August 2, 2004

CELLULAR TECHNICAL SERVICES COMPANY, INC.

By: /s/ Bruce York

Name: Bruce York

Title: Vice President and Chief Financial Officer

Exhibit Index

Exhibit No.	Description
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99.1	Press Release dated August 2, 2004

Cellular Technical Services Reports 2004 Second-Quarter Results

Seattle, August 2, 2004 - Cellular Technical Services Company, Inc. (OTC Symbol: CTSC.OB) ("CTS"), today reported its second quarter financial results for 2004.

(in 000's except per share amounts)	Three Months Ended June 30, 2004	Three Months Ended June 30, 2003	Six Months Ended June 30, 2004	Six Months Ended June 30, 2003
Revenue	\$--	\$13	\$--	\$171
Net Loss	(\$ 149)	(\$ 305)	(\$ 270)	(\$ 680)
Net Loss Per Share (basic and diluted)	(\$0.06)	(\$0.13)	(\$0.11)	(\$0.30)

CTS reported losses of \$149,000 for the second quarter of 2004 and \$270,000 for the first six months of 2004. Both periods reflect no revenue and significant reductions in operating expenses all resulting from the closure of our ISIS phonecard operations and layoffs of personnel. The 2003 periods included recognition of the remaining revenue from our Isis phonecard subsidiary.

Steve Katz, CTS Chairman and CEO noted, "At June 30, 2004 we had \$2.3 million in cash and no debt. We are continuing to evaluate business alternatives including several investment opportunities. We have concluded the discovery period on our one outstanding litigation matter and expect some resolution during this year. We remain optimistic about the outcome; however, we are unable to assess the likelihood of a positive decision at this time. Our investment in KSI/TruePosition was written down to zero in late 2002. We have had recent discussions concerning this investment and believe that it may have some positive future value for CTS; however, at this time we are unable to determine how much or when. Today we have one full-time employee remaining. For the remaining six months of 2004, we forecast incurring a total of approximately \$0.3 million in expenses including employee compensation, remaining amortization of non-cash compensation, costs of maintaining the business as a public entity and insurance."

Special Note Regarding Forward-Looking Statements: This press release may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainties that could cause actual results for CTS or its affiliates to differ materially from those expressed or implied in the applicable statements. These risks and uncertainties include but are not limited to: CTS' ability to acquire or develop future business operations; the uncertainty of its ability to gain acceptance of any new products or services, if such are acquired or developed; the competition for business opportunities and the ability of competitors who are larger or better financed than CTS to acquire such opportunities in lieu of CTS; vulnerability to specific factors such as technological obsolescence, limited customer base and manufacturing difficulties, all of which may be dependent upon the nature of any specific acquisition or development by CTS; dependence on key personnel; the availability of financing; and other risks described in CTS' filings with the Securities and Exchange Commission.

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CELLULAR TECHNICAL SERVICES COMPANY, INC.

Article I SELECTED CONSOLIDATED BALANCE SHEET DATA

	(in 000's)	
	June 30, 2004	December 31, 2003
Cash	\$2,327	\$2,651
Accounts Receivable, net	4	11
Total Assets	2,405	2,681
Working Capital	2,266	2,499

Stockholders' Equity

2,271

2,505

CELLULAR TECHNICAL SERVICES COMPANY, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in 000's, except per share amounts)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2004	2003	2004	2003
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REVENUES				
Phonecards	\$ --	\$ 13	\$ --	\$ 171
COSTS AND EXPENSES				
Cost of phonecards	--	14	--	217
Sales and marketing	--	--	--	28
General and administrative	158	330	290	661
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Total Costs and Expenses	158	344	290	906
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LOSS FROM OPERATIONS	(158)	(331)	(290)	(735)
OTHER INCOME, net	3	3	6	19
INTEREST INCOME, net	6	23	14	36
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LOSS BEFORE INCOME TAXES	\$ (149)	\$ (305)	(270)	(680)
PROVISION FOR INCOME TAXES	--	--	--	--
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NET LOSS	\$ (149)	\$ (305)	(270)	(680)
	=====	=====	=====	=====
BASIC AND DILUTED SHARE DATA:				
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Loss per share	\$ (0.06)	\$ (0.13)	\$ (0.11)	\$ (0.30)
	=====	=====	=====	=====
WEIGHTED AVERAGE SHARES OUTSTANDING:				
Basic and diluted	2,450	2,292	2,450	2,292