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TELEPHONE & DATA SYSTEMS INC /DE/  
Form SC 13D/A  
August 24, 2006

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 13D  
Under the Securities Exchange Act of 1934

Amendment No. 9

Telephone and Data Systems, Inc.

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(Name of Issuer)

Special Common Stock

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(Title of Class and Securities)

879433860

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(CUSIP Number of Class of Securities)

O. Mason Hawkins  
Chairman of the Board and C.E.O.  
and  
Andrew R. McCarroll  
Vice President & General Counsel

Southeastern Asset Management, Inc.  
6410 Poplar Avenue; Suite 900  
Memphis, TN 38119  
(901) 761-2474

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(Name, Address and Telephone Number of Person Authorized to  
Receive Notices and Communications)

August 22, 2006

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(Date of Event which Requires  
Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this Schedule because of Sections 240.13d-1(e), 240.13d-1(f), or 240.13d-1(g), check the following box: [ ]

CUSIP No. 879433860

13D

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(1) NAMES OF REPORTING PERSONS

Southeastern Asset Management, Inc.

I.D. No. 62-0951781

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(2) CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP:

- (a)  
(b) X

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(3) SEC USE ONLY

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(4) SOURCE OF FUNDS

OO: Funds of investment advisory clients

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(5) CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS  
REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

[X]

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(6) CITIZENSHIP OR PLACE OF ORGANIZATION  
Tennessee

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|   |                           |                                     |
|---|---------------------------|-------------------------------------|
| NUMBER OF SHARES BENEFICIALLY<br>OWNED BY EACH REPORTING PERSON<br>WITH | :                         | (7) SOLE VOTING POWER               |
|   | :                         | (Discretionary Accounts)            |
|   | :                         | 10,028,100 shares                   |
|   | :                         | (8) SHARED OR NO VOTING POWER       |
|   | :                         | 5,666,200 shares (Shared)           |
|   | :                         | 2,199,737 shares (None)             |
|   | :                         | (9) SOLE DISPOSITIVE POWER          |
|   | :                         | (Discretionary Accounts)            |
|   | :                         | 12,221,837 shares                   |
|   | :                         | (10) SHARED OR NO DISPOSITIVE POWER |
| :   | 5,666,200 shares (Shared) |                                     |
| :   | 6,000 shares (None)       |                                     |

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(11) AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

17,894,037 shares

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(12) CHECK BOX IF THE AGGREGATE AMOUNT IN ROW 11 EXCLUDES  
CERTAIN SHARES [X] See Item 5(a)

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(13) PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 11  
31.0%

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(14) TYPE OF REPORTING PERSON  
IA

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Note: All shares identified above are shares of the Issuer's class of Special Common Stock, and the percentage in Row 13 above relates to such class of Special Common Stock.

CUSIP No. 879433860

13D

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(1) NAMES OF REPORTING PERSONS

Longleaf Partners Fund

I.D. No. 63-6147721

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(2) CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP:

- (a)  
(b) X

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(3) SEC USE ONLY

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(4) SOURCE OF FUNDS  
OO: Funds of investment company shareholders

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(5) CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS  
REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) [ ]

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(6) CITIZENSHIP OR PLACE OF ORGANIZATION  
Massachusetts

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NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

: (7) SOLE VOTING POWER  
:  
: None

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: (8) SHARED VOTING POWER  
:  
: 5,666,200 shares

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: (9) SOLE DISPOSITIVE POWER  
:  
: None

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: (10) SHARED DISPOSITIVE POWER  
: 5,666,200 shares

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(11) AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
5,666,200 shares

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(12) CHECK BOX IF THE AGGREGATE AMOUNT IN ROW 11 EXCLUDES  
CERTAIN SHARES [ ]

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(13) PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 11  
9.8%

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(14) TYPE OF REPORTING PERSON  
IV

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Note: All shares identified above are shares of the Issuer's class of Special Common Stock, and the percentage in Row 13 above relates to such class of Special Common Stock.

CUSIP No. 879433860

13D

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(1) NAMES OF REPORTING PERSONS  
O. Mason Hawkins I.D. No. XXX-XX-XXXX

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(2) CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP:  
(a)  
(b) X

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(3) SEC USE ONLY

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(4) SOURCE OF FUNDS  
OO: None

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(5) CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS  
REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) [ ]

(6) CITIZENSHIP OR PLACE OF ORGANIZATION  
Citizen of United States

|   |   |   |
|---|---|---|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | : | (7) SOLE VOTING POWER<br>(Discretionary Accounts)<br>None |
|   | : | (8) SHARED VOTING POWER<br><br>None                       |
|   | : | (9) SOLE DISPOSITIVE POWER<br><br>None                    |
|   | : | (10) SHARED DISPOSITIVE POWER<br><br>None                 |

(11) AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
  
None (See Item 2)

(12) CHECK BOX IF THE AGGREGATE AMOUNT IN ROW 11 EXCLUDES  
CERTAIN SHARES [ ]

(13) PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 11  
0.0%

(14) TYPE OF REPORTING PERSON  
IN

Note: All shares identified above are shares of the Issuer's class of Special Common Stock, and the percentage in Row 13 above relates to such class of Special Common Stock.

Item 5. Interest in Securities of the Issuer

Item 5 shall be amended and restated as follows:

(a) The aggregate number and percentage of Securities to which this Schedule 13D relates is 17,894,037 shares of the Special Common Stock of the Issuer, constituting approximately 31.0% of the 57,782,076 shares outstanding.

|                  | Common<br>Shares Held | % of outstanding<br>Common Shares |
|------------------|-----------------------|-----------------------------------|
| <hr/>            |                       |                                   |
| Voting Authority |                       |                                   |
| Sole:            | 10,028,100            | 17.4%                             |
| Shared:          | 5,666,200*            | 9.8%                              |
| None:            | 2,199,737             | 3.8%                              |

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|       |            |       |
|-------|------------|-------|
| Total | 17,894,037 | 31.0% |
|-------|------------|-------|

\*Shares owned by Longleaf Partners Fund, a series of Longleaf Partners Funds Trust. Does not include 84,000 shares held by one non-discretionary account over which the filing parties have neither voting nor dispositive authority. Beneficial ownership is expressly disclaimed with respect to these shares.

Dispositive Authority

|         |            |       |
|---------|------------|-------|
| Sole:   | 12,221,837 | 21.2% |
| Shared: | 5,666,200* | 9.8%  |
| None:   | 6,000      | 0.0%  |
| Total   | 17,894,037 | 31.0% |

\*Shares owned by Longleaf Partners Fund, a series of Longleaf Partners Funds Trust. Does not include 84,000 shares held by one non-discretionary account over which the filing parties have neither voting nor dispositive authority. Beneficial ownership is expressly disclaimed with respect to these shares.

(b) Southeastern generally has the sole power to dispose of or to direct the disposition of the Securities held for discretionary accounts of its investment clients, and may be granted the sole power to vote or direct the vote of such Securities; such powers may be retained by or shared with the respective clients for shared or non-discretionary accounts, for which Southeastern generally makes recommendations with respect thereto. Shares held by any Series of Longleaf Partners Funds Trust are reported in the "shared" category.

(c) Transactions in the Securities during the last sixty days are attached as Schedule II.

(d) The investment advisory clients of Southeastern have the sole right to receive and, subject to notice, to withdraw the proceeds from the sale of the Securities, and the sole power to direct the receipt of dividends from any of the Securities held for their respective accounts. Such clients may also terminate the investment advisory agreements without penalty upon appropriate notice. Southeastern does not have an economic interest in any of the Securities reported herein.

(e) Not applicable.

SIGNATURES

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: August 24, 2006

SOUTHEASTERN ASSET MANAGEMENT, INC.

By /s/ Andrew R. McCarroll

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Andrew R. McCarroll  
Vice President & General Counsel

LONGLEAF PARTNERS FUND

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By /s/ O. Mason Hawkins

\_\_\_\_\_  
O. Mason Hawkins  
Trustee and Co-Portfolio Manager

O. MASON HAWKINS  
(Individually)

/s/ O. Mason Hawkins  
\_\_\_\_\_

Joint Filing Agreement

In accordance with Rule 13d-1(k) under the Securities Exchange Act of 1934, the persons or entities named below agree to the joint filing on behalf of each of them of this Amendment No. 1 to Schedule 13D with respect to the Securities of the Issuer and further agree that this joint filing agreement be included as an exhibit to this Amendment No. 1 to Schedule 13D. In evidence thereof, the undersigned hereby execute this Agreement as of August 24, 2006.

Southeastern Asset Management, Inc.

By: /s/ Andrew R. McCarroll

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Andrew R. McCarroll  
Vice President and General Counsel

Longleaf Partners Fund

By: /s/ O. Mason Hawkins

\_\_\_\_\_  
O. Mason Hawkins  
Trustee and Co-Portfolio Manager

O. Mason Hawkins, Individually

/s/ O. Mason Hawkins  
\_\_\_\_\_

SCHEDULE II

| Transaction Type | Date     | # of Shares* | Price per Share** |
|------------------|----------|--------------|-------------------|
| Purchase         | 07/28/06 | 1,900        | \$40.15           |
| Purchase         | 08/08/06 | 5,000        | \$39.81           |
| Purchase         | 08/11/06 | 1,000        | \$40.01           |
| Purchase         | 08/15/06 | 13,500       | \$40.56           |
| Purchase         | 08/16/06 | 38,000       | \$41.05           |
| Purchase         | 08/17/06 | 12,000       | \$41.09           |
| Purchase         | 08/22/06 | 9,600        | \$40.33           |
| Purchase         | 08/22/06 | 46,400       | \$40.33           |

Purchases by Southeastern's private account clients, unless otherwise indicated, in the ordinary course of business on the American Stock Exchange or through Electronic Communication Networks (ECNs).

\* Includes purchases by Longleaf Partners Fund as follows: N/A

\*\* Net of commissions.