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Company Summary
CORPORATE PARTICIPANTS

Joseph Russo  Verizon Communications Inc. - Executive VP & President of Global Networks and Technology

CONFERENCE CALL PARTICIPANTS

Jeffrey Fan  Scotiabank Global Banking and Markets, Research Division - Director of Telecommunication Services and Canadian and U.S. Telecom & Cable Equity Research Analyst

Maher Yaghi  Scotiabank Global Banking and Markets, Research Division - MD of Telecom & Media Analyst

PRESENTATION

Jeffrey Fan - Scotiabank Global Banking and Markets, Research Division - Director of Telecommunication Services and Canadian and U.S. Telecom & Cable Equity Research Analyst

Good morning. I hope everyone can take a quick seat, and we'll get going. For those of you who don't know me, my name is Jeff Fan. I'm the Global Head of Equity Research at Scotiabank. And on behalf of the bank, it's my pleasure to welcome you all to the 27th Annual Scotiabank Telecom, Media and Technology Conference.

As many of you can attest to, we do a great job with conferences across all industries. And this conference is very special to me because for half of those 27 years, I sat up there on stage and I asked the questions. And so I'm very excited to be back here.

TMT has been and will continue to be an important sector for Scotiabank. And our team at global banking and markets is strongly committed to supporting our clients in the sector, whether it's leveraging our deep industry expertise to generate ideas to help our institutional investors, managing their portfolios or leveraging those same expertise to create the innovation -- innovative solutions and advice to help our corporate partners.

And we continue to invest in our talent and capabilities to better support our clients in this space. Over the last 2 years, we've added U.S. software research coverage based in San Fran, and we will be looking for continued growth.

So over the next 2 days, you will hear from highly respected leaders of some of the top TMT companies in Canada and the U.S., who will discuss key themes and trends impacting their sectors. We will also have keynote presentations on each day of the conference.

On day 1 today, Maher Yaghi will lead a session on Canadian telecom policy with an expert independent consultant, Dennis Beland. And on day 2, I have the pleasure of discussing AI investments and possibilities ahead featuring Mark Machin, Founder and Managing Partner of Intrepid Growth Partners, which focuses directly on AI investments.

And last but definitely not least, to end the last quarter of the conference, tomorrow afternoon, we will host a Demystifying AI Summit. For those who are not aware, Demystifying AI was a term coined by our research team last year. Instead of just focusing on the AI technology itself, the team focused on how AI can be applied to generate value for the various verticals. And to continue on that theme, our corporate access team composed 3 thoughtfully created sessions with leading industry experts hosted by our very own Scotiabank leaders in cyber, data analytics and AI.

As in prior conferences, our award-winning Canadian equity research team will be joining us to lead some of these conversations that we've planned for you over the next 2 days. They are Maher Yaghi, who follows telecom and media. And on the software and services side, Kevin Krishnaratne, Divya Goyal and David Weiss.

On behalf of GBM, thank you to our speakers and everyone here for your participation and for your continued support.

So without further ado, let me turn the mic over to Maher.
Great.

Joseph Russo - Verizon Communications Inc. - Executive VP & President of Global Networks and Technology

Good morning, everyone. Where would you like me to sit?

Maher Yaghi - Scotiabank Global Banking and Markets, Research Division - MD of Telecom & Media Analyst

Why don’t you sit in the middle? I’ll sit here on the side. This year, my back is good. So...

Joseph Russo - Verizon Communications Inc. - Executive VP & President of Global Networks and Technology

You won’t be laying down...

Maher Yaghi - Scotiabank Global Banking and Markets, Research Division - MD of Telecom & Media Analyst

I won’t be laying down like last year. Thank you, everyone, for coming. It’s a pleasure to have you, Joe, here join us today for -- start to kick off the conference. You’re the guy who they call if something goes wrong in the network.

Joseph Russo - Verizon Communications Inc. - Executive VP & President of Global Networks and Technology

Yes.

QUESTIONS AND ANSWERS

Maher Yaghi - Scotiabank Global Banking and Markets, Research Division - MD of Telecom & Media Analyst

How is it to be responsible of an organizational network like Verizon and think about the future? Can you tell us a little bit how you got here and where are your big objectives when you think about network building?

Joseph Russo - Verizon Communications Inc. - Executive VP & President of Global Networks and Technology

Yes. My -- before we get started, I always want to start because I’m sure through this conversation, I’ll be making some forward-looking statements. So I want to make sure that you all take note of our safe harbor statement. You could see it here or you can find it on our Investor website.

Okay. So now that’s out of the way. By the way, I could see it there, but I don’t know if you could see it here.

Maher Yaghi - Scotiabank Global Banking and Markets, Research Division - MD of Telecom & Media Analyst

Yes, it’s on the slide.
Joseph Russo - Verizon Communications Inc. - Executive VP & President of Global Networks and Technology

Oh, there and there.

Maher Yaghi - Scotiabank Global Banking and Markets, Research Division - MD of Telecom & Media Analyst

You're covered.

Joseph Russo - Verizon Communications Inc. - Executive VP & President of Global Networks and Technology

Very good. So just a little bit about me. So I've been with Verizon almost 29 years now. It's the only company I've actually ever worked for. I started as intern many years ago in one of our consumer call centers.

And then my first job was in the network operations center in Washington, D.C. with one of our former companies, Bell Atlantic. But -- so it's an honor to now lead the network and technology organization. And for us, we have a very clear mission at Verizon. And our brand and our business is built around our mission to build and operate the best, most reliable, highest-performing and secure networks for our customers so that they can do all the things they want to do.

So when we think about our investment strategy, it's all focused on that. We are looking to create networks that empower people to do all sorts of things. So last year, we made tremendous investments in the network. We're doing the same this year, and we have a lot that we see in front of us as well.

Maher Yaghi - Scotiabank Global Banking and Markets, Research Division - MD of Telecom & Media Analyst

What are the main objectives when you think about 2024? What are the key targets that you'd like to achieve in terms of deployment, in terms of coverage both on wireless and maybe Fios as well?

Joseph Russo - Verizon Communications Inc. - Executive VP & President of Global Networks and Technology

Yes, sure. So last year, we invested $18.8 billion in our business. And it's rooted in really 2 big things we're always focused on. As I mentioned before, it starts with the mission, which is all about customer experience. So if you think about the wireless network, there were a few things that we put in priority order for our investment.

The first may be actually one that doesn't get talked a lot about, but it's just ensuring that the experience our customers, both business and consumer, are getting meets our standards. And we have a very clear standard for all of our customer segments as to what performance we expect them to have on our wireless network by sector.

So any sector in the network that is not meeting that threshold, that's the first dollar I spend is to provide a solution to make sure that, that customer experience is met. And there's lots of tools we use in our toolbox to do that, but that's the first priority.

The second priority last year in the wireless network was to aggressively expand our ultra wideband network. So this comes in 2 flavors for us. It's continuing to deploy our millimeter wave spectrum and then an aggressive rollout of our C-band spectrum.

So millimeter wave is typically in your dense urban, your venues, public spaces. I live in a beach town. Millimeter wave is a great tool to use to meet the capacity in those kind of towns. So millimeter wave deployments like that.
And then C-band is all about putting C-band pretty much where our macro network exists today in our mid-band footprint across the nation. So that was kind of the second big priority is to continue to aggressively deploy ultra wideband. We crossed 240 million POPs covered in the United States, and we'll continue to build out to our mid-band footprint going forward.

And then third in the wireless network is just new coverage and capacity, right? So this is -- we have the vast majority of the United States covered, certainly where people live, work and play. But there are pockets that pop up that we'll do coverage or capacity adds as well. So that kind of is the main focus of the wireless network.

On the Fios side or fiber side, kind of 2 big programs. The first is largely wrapped up in '23, which was our -- what we call our One Fiber build. So we chose 60 markets across the country years ago that we wanted to have our own fiber assets in order to serve our backhaul for our wireless network. We weren't getting what we wanted from an economics perspective and a performance perspective.

So we did a build-out that largely culminated last year building out those fiber markets. And we now have over 50% of our wireless sites on our own fiber, which gives me great performance and flexibility and economics.

And then the second piece of fiber is our build-out of our Fios product, which is our fiber-to-the-home and business product. Last year, we did around 500,000 new homes and businesses in our footprint. And that may seem like a small number, especially if you compare it to some of one of my competitors.

But we've been in the fiber business for over 20 years. So I have the majority of my ILEC footprint already built out with fiber. So now we're just continuing to expand on that in these kind of increments where we feel like it's economically the right play. And with the government BEAD funding, it gives us a little bit more flexibility to extend that program into the future. So...

**Maher Yaghi** - Scotiabank Global Banking and Markets, Research Division - MD of Telecom & Media Analyst

You made a conscious decision a few years ago to focus on C-band when some of your competitors tried to go the faster way, deploy the fast -- in Canada as well, we have that kind of divergence between the companies investing. So tell us maybe your experience with C-band in terms of cost versus coverage. And if you had to choose again, would you have chosen this way to go?

**Joseph Russo** - Verizon Communications Inc. - Executive VP & President of Global Networks and Technology

Yes. My team and I are super excited about our C-band assets. On average, we have 160 megahertz across the U.S., which is a tremendous asset for us to deploy. We've seen great propagation characteristics. And the usage of that C-band spectrum has just been exploding as more and more customers get access to it and more and more customers buy our premium plans with premium devices.

A lot of the usage is now moving to that spectrum. And it just provides capacity and capabilities. Not to mention, and I'm sure we'll talk about it because I'm sure it's on everyone's mind is once I deploy C-band, I also have the capacity I need to also offer fixed wireless access. So we're doubling down on our C-band build, and we're aggressively deploying C-band on our existing macro network.

**Maher Yaghi** - Scotiabank Global Banking and Markets, Research Division - MD of Telecom & Media Analyst

Yes. You touched on fixed wireless. So we had explosive growth. We saw consumers looking to take the product, both yours and T-Mobile.

**Joseph Russo** - Verizon Communications Inc. - Executive VP & President of Global Networks and Technology

Yes.
Maher Yaghi - Scotiabank Global Banking and Markets, Research Division - MD of Telecom & Media Analyst

We've seen the impact on the cable companies in the U.S. So it's a market upheaval type of change. The big question on people's mind is how sustainable that growth is. And will the network, your mobile network suffer? And will you have to make choices eventually between taking a wireless customer versus a fixed wireless customer?

Joseph Russo - Verizon Communications Inc. - Executive VP & President of Global Networks and Technology

Yes. Well, let me give a little bit of background to put my answer in context. The first is our approach to fixed wireless access is a mobility-first approach. So -- and I'll talk about that a little bit more in detail here in a second. But think about that first, mobility first approach, and I'll explain why that is an important point.

The second thing is you have to be very good, which we, I think, are industry-leading in 2 big things. One is you need to have really good modeling around RF propagation so that you understand can you deliver the service that a customer is going to need with your spectrum. And I think we have wonderful, wonderful tools and capabilities in that space.

And then the second is that you need to have really great capacity management capabilities, which we've invested tremendously in over the past several years that affords us the ability to really manage capacity sector by sector. So when I think back to the kind of first statement I made around being mobility first, we use what we call excess capacity for fixed wireless access.

So we model out our mobile usage. We predict it out several years by sector. And then we figure out how much we can put in the market for fixed wireless access. So we're not trying to make a choice, as you said, between adding a mobility customer and adding a fixed wireless. We have a bias to say our mobile network is first, and whatever excess capacity that we have we'll sell for fixed wireless access.

The good news is with 1,600 megahertz of millimeter wave and 160 on average megahertz of C-band, I have a lot of capacity in my ultra wideband network, which affords us the ability to continue to grow that fixed wireless access business. We're targeting around 350,000 adds per quarter.

And we've been really successful at building the capacity needed for the business units to continue to grow at that pace on our way towards -- we've publicly announced that we're trying to get to 4 million to 5 million by the end of next year, and we're well ahead of that pace. We're at 3 million-plus customers now.

So in your question though was, okay, so how long does this...

Maher Yaghi - Scotiabank Global Banking and Markets, Research Division - MD of Telecom & Media Analyst

How long can it...

Joseph Russo - Verizon Communications Inc. - Executive VP & President of Global Networks and Technology

Can this go? And being a person who was rooted 20 years ago in the building of Fios, I was dealing with back then a copper-based network. And it was very apparent to us that, that copper network was not going to be a sustainable future.

And I often get this question, and I start by saying that because I don't see our wireless network in the same way at all. I see tremendous upside in our wireless technology that we've already seen through the various generations with new radio technology, new spectrum being added to the network, new advancements that give me more bits per hertz. There's all sorts of investments that will continue to happen in that wireless industry that I just think make the fixed wireless access product viable for a very long time because we'll be continuing to invest. And unlike copper that has all sorts of physical constraints to it, I don't see the same in the wireless space.
And then the second reason why I’m so bullish on the longevity of fixed wireless access is today, our C-band product is a 300 megabit per second product. Our millimeter wave product is pushing 1 gigabit per second.

When we look at even peak volumes that come out of a consumer’s home, even the biggest homes with streaming and gaming and all these kind of things, customers are using far less than that. So there’s tremendous headroom as well to continue to deliver the experience as customers want with the product we even have today, no less all the advances that we see coming in the near future.

Maher Yaghi - Scotiabank Global Banking and Markets, Research Division - MD of Telecom & Media Analyst

Is it fair to say that the big chunk of customers in your network on FWA don’t consume more than 100, 150 megabyte per second?

Joseph Russo - Verizon Communications Inc. - Executive VP & President of Global Networks and Technology

Yes. And we see that not only in fixed wireless access, but it’s the exact same profile in Fios. The usage profile for customers, like you said, peak data rates coming out of our top-tier customers in both fiber and in fixed wireless access are 100 megabit per second or less, yes.

Maher Yaghi - Scotiabank Global Banking and Markets, Research Division - MD of Telecom & Media Analyst

So we can look for increased speeds on FWA, increased capacity, network slicing is going to help probably down the road?

Joseph Russo - Verizon Communications Inc. - Executive VP & President of Global Networks and Technology

Yes, standalone in general gives us uplift as well.

Maher Yaghi - Scotiabank Global Banking and Markets, Research Division - MD of Telecom & Media Analyst

So this could be continuing to grow for multiple years. So why do you think T-Mobile has chosen to start changing pricing on their network product? It’s as if they’re having to decide in terms of capacity versus revenue. You have not moved in that direction.

Joseph Russo - Verizon Communications Inc. - Executive VP & President of Global Networks and Technology

No. First of all, I’ll just start by saying I won’t comment on what they do because I have no idea of the kind of capabilities they have or how they build their network. When I look at the capabilities we have to do capacity management, the spectrum holdings that we have, we don’t see that as a blocker and the need to throttle -- yes, to throttle demand, right?

We like the path we’re on. And we often get the question, why don’t we go even faster? But whenever you’re building a new business, operationally, you have to scale at a pace. It allows the organization to grow.

Maher Yaghi - Scotiabank Global Banking and Markets, Research Division - MD of Telecom & Media Analyst

To learn.
Joseph Russo - Verizon Communications Inc. - Executive VP & President of Global Networks and Technology

Exactly, learn, grow effectively, you’re not being inefficient in the way you’re operating. So we like the path we’re on. We’re very diligent and financially responsible around that. So I don’t know what they’re doing.

Maher Yaghi - Scotiabank Global Banking and Markets, Research Division - MD of Telecom & Media Analyst

Can you remind us in terms of markets in the U.S. in terms of cover -- and where do you -- I mean how in many markets you sell FWA or what percent of the...

Joseph Russo - Verizon Communications Inc. - Executive VP & President of Global Networks and Technology

Yes. So generally, we’re in every market we’ve deployed C-band, which is around 2/3 of the United States. And we’ve crossed 50 million households covered with that mid-band spectrum that we offer fixed wireless access. We still also have a 4G fixed wireless access product that we offer, and we have a millimeter wave product. So -- but you’re talking more than 50 million households covered.

Maher Yaghi - Scotiabank Global Banking and Markets, Research Division - MD of Telecom & Media Analyst

Great. We’re starting to see some improvement on the loading on wireless recently on the consumer side. And how much network quality is behind that improvement as...

Joseph Russo - Verizon Communications Inc. - Executive VP & President of Global Networks and Technology

When you say loading, what do you mean by loading?

Maher Yaghi - Scotiabank Global Banking and Markets, Research Division - MD of Telecom & Media Analyst

Subscriber.

Joseph Russo - Verizon Communications Inc. - Executive VP & President of Global Networks and Technology

Okay. Yes.

Maher Yaghi - Scotiabank Global Banking and Markets, Research Division - MD of Telecom & Media Analyst

So subscriber loading has improved in Q3, Q4 sequentially. And as you increase that C-band coverage, do you think there’s a linkage between what you’re seeing on the end user side and the loading on the subscriber side?

Joseph Russo - Verizon Communications Inc. - Executive VP & President of Global Networks and Technology

Yes. There’s a few things that Sampath and I have done in 2023 that are delivering those kind of results. And I’ll speak just a little bit to some of the things that Sampath has done in the Consumer business.

We went back to a local sales and marketing model that we got away from in COVID. And that change has made tremendous improvement in just our ability to be where our customers are, to target promotions and messages to customers where it makes sense to them, where they live, work, play, reinvigorated this local sales team.
And we coupled that last year also with moving from group compensation to individual sales compensation in the stores. And to be honest, we didn’t realize how much of an impact that would also have on just how we approach customers and attract them onto the Verizon network.

So there were some deliberate actions taken in the consumer space that I think have helped. For me, I mentioned before that in ’23, we really doubled down on making sure that our #1 priority aligned with our mission was we were not going to have any sectors where a customer wasn’t getting the experience that they expected from Verizon.

And through COVID, we had what I often call a lot of hotspots. People moved around in places that our models didn’t predict. The Texans and the Floridas, et cetera, had population explosions. And we had some work to do to shore that up.

We did a great job in ’23 of making sure that those sectors were shored up. And we saw a direct result on improved churn in those markets because customers expect my brand to be the best, and we’re falling a little short in those markets. So that helped.

And then the final thing was our ultra wideband network. As we continue to deploy millimeter wave and C-band, we directly see improved churn and more customers buying our premium plans. So as I’ve now gotten to above 240 million POPs with access to our ultra wideband network, we are absolutely seeing that. We’re keeping more of our existing base, and we’re attracting more customers to the Verizon brand.

So all of those things, we see all driving to those results that you just mentioned in the third and fourth quarter.

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**Maher Yaghi - Scotiabank Global Banking and Markets, Research Division - MD of Telecom & Media Analyst**

Great. Maybe no conference these days can’t be done without talking about AI. But apart from AI and 5G, new use cases, I think about telecom and with Amazon, I don’t want to name names here. But basically, the telcos – somehow telcos don’t get the full potential or revenue generation from their network. Somebody else ends up making money on your network.

So in the AI’s world, you think telecom -- telco companies are going to be able to monetize somehow the network that they built? Or it’s going to end up being a market for a newcomer who will utilize software and run on these networks?

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**Joseph Russo - Verizon Communications Inc. - Executive VP & President of Global Networks and Technology**

First, I never complained that we don’t get value from the network that we built. Our customers value the connectivity that we provide and the best, most reliable network that we provide. And as a result, they pay us very well every month, and our subscription business is a great business.

Now do we often wonder, could we have done things differently in the 4G world to potentially extract more value? Of course, right? But I do like the business we’re in. And I think it’s a very healthy and stable business.

As I look forward and think about AI or all of the investments we’re trying to make, here’s what I would say. I do think there’s a lot of opportunity. As I talk about our ultra wideband network, and I haven’t mentioned our leading MEC profile that we’ve done over the past several years. But we see that a combination of our ultra wideband network with low latency edge computing provides a new platform for all sorts of capabilities.

And again, it’s being built out now. There’s a lot of work that still has to be put in place. We still have to get some of the 5G advanced features in standalone and slicing that will really also unlock the capabilities.

But if I put all those things together and say, we now have the capability with standalone to slice the network to provide ultra high downlink and uplink and low latency, I think that’s a platform that will enable tremendous innovation. And I think it will enable device innovation, it will invite application innovation. I think AI has a place to play here with XR-type environments, personal assistant environments, where it’s leveraging these capabilities that we’re building in the network.
How that all gets monetized, we'll see how that works. But my job is to provide those kind of platforms so that -- and work with the partners to develop those ecosystems so that our customers now have something. Whether it’s an enterprise or a consumer, they now have a problem that they can solve with something that never could be solved before. And hopefully, they value it so much that they’re willing to pay us to get access to it.

So I think there's tremendous upside on 5G. We often get a little impatient, I think, as an industry because we make these huge investments. But I lived through the 4G era. I lived through the Fios era, where these investments, they take time to pay off, but I'm fine with that. That's the way the industry works.

Maher Yaghi - Scotiabank Global Banking and Markets, Research Division - MD of Telecom & Media Analyst
At the end of the day, we like -- we track free cash flow.

Joseph Russo - Verizon Communications Inc. - Executive VP & President of Global Networks and Technology
Yes. We do pretty well on that one, too.

Maher Yaghi - Scotiabank Global Banking and Markets, Research Division - MD of Telecom & Media Analyst
You guys -- in terms of free cash flow guidance for '24, it was up there in terms of expectations. So how should we think about CapEx for '24, '25, '26 for Verizon as you end that C-band deployment? And what's the steady state, let's say, capital intensity that we think you should...

Joseph Russo - Verizon Communications Inc. - Executive VP & President of Global Networks and Technology
Yes. So I won't comment on anything beyond '24 that's already been shared. But we -- as I mentioned, our '23 capital spend was $18.8 billion. We've guided that this year, it will come down to $17 billion to $17.5 billion. And that's largely based on 2 -- 3 programs that we kind of finished up in 2023. I talked about the One Fiber build-out that largely ended. Our 5G core is now fully built out and operational. And then the third, Kyle and Hans started this many years ago, but we have what we call our intelligent edge network. And it's really a modernization of the network from the edge all the way back to the core, and that now is fully complete as well.

So that allowed me to continue to build out my ultra wideband network at the same pace as '23 with roughly $1.5 billion less capital intensity. So we're not slowing down at all in our ultra wideband build-out of C-band and millimeter wave, but we are now back to BAU capital in '24 at that $17 billion to $17.5 billion.

Maher Yaghi - Scotiabank Global Banking and Markets, Research Division - MD of Telecom & Media Analyst
Long term, I mean, in terms of capital intensity, beyond the ups and downs when you deploy new networks, how do you look at Fios in terms of deployment going forward? Are we just sticking with these new builds or there could be a potential for brownfield changes and increased penetration?

Joseph Russo - Verizon Communications Inc. - Executive VP & President of Global Networks and Technology
Yes, our strategy right now is that the most financially viable solutions for our fiber-to-the-home, our Fios product is in our ILEC footprint, right? I have existing infrastructure. I have existing resources, et cetera, et cetera. And like I said, for 20 years, we've been building that out. And we're now at the point where we're starting to get to the rural areas that financially don't make a lot of sense for us to do.
The customer per prem passed price point is just beyond what we think is financially responsible. BEAD funding will help that, right? So we love that, and we're participating aggressively in that. But we would have to figure out a different model in order to serve those customers.

And we're always exploring that. We're always looking at what are the price points? Where can we be creative in the way we build? Where can we use BEAD funding, et cetera. All those goes into the calculation.

But right now, our Fios kind of build out this year, we said we're going to be around 400,000 new open for sale. That may go up or down depending on BEAD funding. But generally, that's kind of where we see the pace right now. We'll see how it evolves and what opportunities. But that's currently where our strategy is.

Maher Yaghi - Scotiabank Global Banking and Markets, Research Division - MD of Telecom & Media Analyst
Working with outside JV structures to build brand-new fiber networks is not currently...

Joseph Russo - Verizon Communications Inc. - Executive VP & President of Global Networks and Technology
We're -- yes, we always look at that. I mean you can imagine that people approach me all the time for those kind of opportunities. At the end of the day, we run it through our financial models and say, does this make sense for us? And so far, none have. So we're not pursuing any right now, but we'll see. Again, we're always open to that.

Maher Yaghi - Scotiabank Global Banking and Markets, Research Division - MD of Telecom & Media Analyst
Maybe if you can tell us how do you see -- I know it's a bit far, but I like these long-term questions. Satellite, terrestrial networks, Fios, fiber optic, how should we think about telecom in 5, 10 years? Is it more an infrastructure company or a service provider? How does the business model change over time?

Joseph Russo - Verizon Communications Inc. - Executive VP & President of Global Networks and Technology
It's a good question. So if I think about kind of all those things, for me, first and foremost, I think mobility broadband and cloud are all kind of -- and you'll hear Hans say that all the time, are all critical pieces of our everyday lives.

So I'll start with mobility. If I look out in the next several years, as I mentioned before, I think we'll continue to build out the ultra wideband capabilities. We'll continue to build out low latency MEC capabilities. And 5G advanced features, devices, use cases will all continue to emerge.

And I think it opens up all sorts of possibilities for companies like Verizon, who have a great brand and really focused on building out the best, most reliable networks to capture additional use cases and new revenue streams.

In the fiber space, again, we've been doing that a long time. I think more companies are now starting to figure out that, that's...

Maher Yaghi - Scotiabank Global Banking and Markets, Research Division - MD of Telecom & Media Analyst
It's important, that bundle....

Joseph Russo - Verizon Communications Inc. - Executive VP & President of Global Networks and Technology
That's where they want to go.
So I do think that we'll see more fiber being invested in across the country. And we'll do our piece of that. But for us, that's kind of something we've done already, not something that we're focused on for the future that much.

And then I think, in general, we have done a tremendous job of creating a brand where customers get more than just connectivity. We offer perks. We offer all sorts of bundling with new value-added applications, etc., that our customers value. And we have deals with partners that allow us to put that all together and use our great distribution, our stores, our great centers, our great billing capabilities to also just give customers a really great value proposition beyond paying for just the connectivity, but getting more experience.

**Maher Yaghi - Scotiabank Global Banking and Markets, Research Division - MD of Telecom & Media Analyst**

Yes. That's great. We're running out of time. That was a great half hour.

**Joseph Russo - Verizon Communications Inc. - Executive VP & President of Global Networks and Technology**

Yes. Thank you.

**Maher Yaghi - Scotiabank Global Banking and Markets, Research Division - MD of Telecom & Media Analyst**

I hope everybody here got answered some of their questions on their mind. And thank you. Thank you for coming.

**Joseph Russo - Verizon Communications Inc. - Executive VP & President of Global Networks and Technology**

Thank you very much. Appreciate it.