

Verizon
Up to Speed LIVE

April 16, 2020

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[Commercial lead-in]

- >> We are always preparing.
- >> Make sure that the network is working all the time.
- >> We are constantly looking at it. We are constantly monitoring and take that responsibility very seriously.
- >> That's the rewarding thing about the work we do, is whenever we see a customer able to communicate back to their loved ones.
- >> That is why we do what we do.
- >> We are relentlessly committed to the network, so at a time like this, Americans can stay connected to work, school, and most importantly, to each other.

[Music playing]

- >> Most people think of Verizon as a reliable phone company.
- >> But to businesses, we are a reliable partner.
- >> We are engineers.
- >> Cloud architects.
- >> Developers.
- >> Data scientists.
- >> We keep companies ready for what's next.
- >> We do things like protect their data.
- >> With security built right into their business.
- >> We virtualize their operations with software-based network technologies.
- >> Even building AI into the customer experience.
- >> We also keep them ready for the next big opportunities.
- >> Like 5G.
- >> It's going to make things just incredible.
- >> Almost all of the Fortune 500 partner with us.
- >> Companies of all sizes.
- >> No matter what business you're in, digital transformation never stops.
- >> Verizon keeps business ready. .

- >> The network has to be prepared to absorb whatever is going to come its way.
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[End of Commercial lead-in]

>> Jeremy Godwin: Hello, good morning, good evening, and good night, noon eastern here Thursday April 16th for you, another action packed Up to Speed live for you today. You have asked a lot of questions over the course of the last few weeks now, and we are getting those live in through our live@Verizon.com mailbox, as well as the ask Christy mailbox that we have out there for folks. We want to use today's episode to answer a lot of those questions that continue to come up so we can get some clarification on things and just so people are in the know. One piece that I want to start with though, some business news this morning that we'll go to Hans for, you know, you announced we entered into an agreement to acquire the Blue Jeans network. Blue Jeans is a trusted enterprise-grade videoconferencing and event platform that serves some of the world's largest brands as well as small businesses. Hans, I saw you on CNBC and Yahoo Finance this morning talking about that. Why do you think this is the right move, especially in the circumstances that we have right now, and then also a general update from you to get us started here today?

>> Hans Vestberg: Hey, hey, good morning, Jeremy, and good evening. Good afternoon wherever you are, VTeamers. It's great to be back on the show today. I was absent yesterday for certain reasons.

Let's start with Blue Jeans. As I say all the time, the management team and our organization are actually working in two ways there. We have the crisis management that is so important to take care of our safety and health for our employees and seeing that we are doing the right thing for society, and that's -- Christy and our team is doing a terrific job on that. At the same time, we want to work business as usual, and this is business as usual for us. I can only tell you that we started to talk to Blue Jeans almost a year ago as a good add-on to our portfolio for videoconferencing. That videoconferencing system is enterprise-grade. There are thousands of customers, and, of course, we see that as a great addition. So it was a great addition for our Verizon Business Group portfolio, because that's where it's going to reside, because they are offering this to our customers, and our customers are doing this digital transformation every day and actually adding even videoconferencing into it. And, of course, with what's happening in today's world with this pandemic and all of that, this is becoming even more, of course, important for our customers. So that's one of the reasons. The other reason that we also said, we want to invest in our Verizon Business Group, because we think that's a great opportunity there.

Thirdly, we see that video is going to be an important piece of our 5G offering in the future, because with that lower latency, the processing, all of that, video will be important. So that is another reason why this is the right thing to do.

And, finally, all of our customer groups will benefit from this Blue Jeans acquisition, and Verizon Media Group is very much into video. The Consumer Group will probably see

opportunity as well here, and we as a corporation will of course start using Blue Jeans as well.

So, there are many, many good reasons why we are doing that, and it fits straight into our strategy. So, first of all, I want to welcome all of the employees from Blue Jeans, from my team and beyond this call today, so most welcome to Verizon, and forward together is our tagline for this day. So, welcome. That's the reason on Blue Jeans, and, of course, it's also showing that we as a corporation can actually handle both the crisis and doing daily business, and again, I have been on some meetings today, but I also am attending the 5G governance today, where we basically run through everything that we are doing in 5G. And it's just important to understand that we need to do both of those.

Quickly, just an update on the employees side, I have to say so much awesome feedback on the way that we are innovating in the field with the virtual installations and supporting customers. It's just amazing, but we also see that our frontline in the store continues to do innovation and capture customers, and that's so important for us.

On the network side, we had a network release out yesterday. Impressive to see that from the baseline, where everything went up a crazy 110% on gaming, VPN, and all of that, week over week, we see very little movement right now. Actually, it was a little bit down in some areas.

The only unique thing we saw this week was on Easter Sunday, we were up 35% on videoconferencing. That tells me that people were doing Easter or celebrating the holiday in another way. They were actually seeing that they were doing videoconferencing.

So, that's on the network, and the team is doing great work together with I.T. to keep this up and moving. So it's an exciting day, of course, inviting the Blue Jeans team. It's going to take some time to make it through the final approval, but that's probably not more than 30-60 days. So, great, welcome all Blue Jeans friends.

>> Jeremy Godwin: Yes, welcome to those folks, and that is Hans Vestberg, our chairman and CEO there. I wanted to introduce him properly to our new friends and our new teammates. Now I want to go over to Christy Pambianchi, who is our HR leader for the company. We have got to get back into the form of introducing you guys to our new folks.

Christy, anything that you want to add about that team joining us today?

>> Christy Pambianchi: I would just like to extend my personal welcome to all of the employees of Blue Jeans to the Verizon family. We are really excited to have you on board with us, and we are really looking forward to the work we'll do over the integration to make sure that we can bring all of the awesome capabilities of Blue Jeans and all of the talents that they have into the VTeam family and continue to delight all of the customers that we have with this new capability and platform. So, for any of those watching on Twitter, please help me welcome our Blue Jeans colleagues.

>> Jeremy Godwin: Thanks so much for that, Christy. So let's jump right into some questions now. We have got questions lined up for both Christy and Hans. Hans, we want to start with you. You mentioned you weren't able to join us yesterday. You had a meeting with President Trump and some other business leaders. Carmen in Lake Mary wants to know if you could share a little bit about that conversation, and, you know,

when will we get back to normal and open up the economy as the President has been talking about?

>> Hans Vestberg: I think the call was very much focused on opening the economy, and I think that all CEOs that were on the call that I attended, everyone wants to open the economy as soon as possible, but all also understand that the safety and health of the citizens, all of the employees of all of the corporation, is the most important, and steps have to be taken there, and that was the conversation. There was a lot of sharing between CEOs what they are doing. In our case, of course, we have to say that we are open, because many of our frontline employees are still working to keep up the networks. We have basically never closed down, even though we totally redid how we work, and of course we have 115,000 employees working from home. So that was a lot of the discussion, and then of course there was discussion about what's going to be needed for getting the economy back, and also some pharmaceutical CEOs were on the call talking about the vaccine, et cetera. So it was more about sharing what we are doing, and the private sector really understands that we play a vital role to get the economy back and start this country again when it's the right time, given that the first priority is the health and safety of the citizens and the employees.

So that was a broad summary of the telephone call.

>> Jeremy Godwin: That's good, Hans. Thank you for that.

Christy, along those same lines, a lot of questions about what our future looks like when we return. I know we keep saying we are open for business. Let's make it clear, we have got people working day in and day out right now doing things around the clock. People want to know, what are we going to do about social distancing? Open seating? Less folks in the office? What do all of those things mean for us?

>> Christy Pambianchi: Great question, Jeremy. I agree, that's top of mind for the VTeamers and I also think society in general. We have 115,000 VTeamers doing their jobs from home. We talked about the crisis response and how we have sustained all of the pieces of that going forward. Now we are in this modified adjusted operational state, and we are looking at getting all of our business as usual KPIs and metrics to our normal business standards so that this becomes an effective way of operating for us. Finally, we are beginning to planning for various government jurisdictions around the world seeking to reopen society and lifting stay-at-home orders. What does that mean for us, and how do we consider running the way things are modified right now? I think it's safe to say that there's a lot still evolving. We heard that from Hans. Top of mind for our employees will be how do we create, if we decide to return to the office, how do we create safe work spaces, and while we are still navigating in certain countries constraints on testing kits and supplies. We don't have a vaccine. I think for us, we are really concentrating on how do we operate in this state effectively and hit all of those metrics, because that future state is still a little undefined. We are doing work as a VLC as we speak to really determine the parameters of what that will look like for us. One thing I will say, things won't just flip like a light switch to the way things were before for all of the health reasons stated.

>> Jeremy Godwin: Good to note. Folks, we appreciate all of these questions. We'll make sure we get them all. We mentioned a common thread, we are continuing to work. Some of our retail specialists and solutions specialists out there right now, we

have done what we call a redeployment with folks still helping customers. I want to play a video of people doing their training and taking their first calls as telesales reps.

[Video playing]

>> The whole past month has been a bit of a whirlwind, and when I found out the company was looking into redeployment options and giving us the option to do our job from home, it was a big relief.

>> At first, we thought how could all of us be working from home. Like, how would this be possible? There's so many employees. But then when it came out, they said we have the option to do telesales, customer service, I thought right off the bat, I knew I wanted to do telesales, getting back into the rhythm of what I was doing before. I'm missing it so much.

>> We were reassured that the redeployment would be something that we were used to doing. I guess that raised my comfort level of knowing that I would be able to do something that I already know how to do.

>> Really, honestly, I looked at that as no matter where I was placed, I was going to take that as an opportunity to learn. Right now, I'm able to get the best on the job experience and not have to worry about where my retail job is at the moment.

>> Good morning everyone. Just a quick tour of my new workstation and my new equipment here, and I am currently selling from my couch with a decent view. We sent off a laptop, a mouse, a headset for taking the calls, ethernet cable.

>> After just a couple of days of setting up the computer and doing training, you're pretty much ready to go on the calls.

>> The training was definitely put together in a way that valued our skills and then even built on them. I was able to, in seven hours, have a relatively strong working knowledge of how to receive the calls, how to route the calls, and how to do the different things that we need to do and do it all remotely.

>> There's going to be growing pains. There's going to be, you know, trial and error, and we'll figure it out as we go. But as far as selling and offering the right solution for customers, that's just something we do every day. The identity of our job is pretty much the same. We are just working with different tools.

>> I mean, at the end of the day, whether you're talking to a customer on the phone or you're front-facing with a customer, you're still that same person.

>> What we do in the stores, we are customer service. We are telesales. We are tech support. We are everything wrapped up into one, so it just makes sense to put us in these roles. It's awesome for us to kind of see a different place in the business, but it's also amazing for our business to be able to take advantage of these employees that they have kind of cross-trained, and now we can help them in a different way.

>> Thank you for calling Verizon Wireless. My name is Danielle. With whom do I have the pleasure of speaking to?

>> I am extremely pleased to get back into making phone calls. I want to get in there and be able to help these people.

>> A month ago, I would have never imagined myself in this position. It's emotional. Like I said, I can't undersell just how valuable I feel.

>> I am thrilled to get back to doing something close to what I'm used to doing.

>> It's almost like starting a brand-new job while keeping the same job. So there's a bit in there, a bit of butterflies, and hopefully it's a quick adjustment, and we'll be, you know, working like we have been doing this for years in no time.

>> Good, good reflections there from the team. I think I recognize Jim from one of my nearby stores. He's always helpful when I go in there, and I think back to my days as a customer service rep when I started with the company, and the skills you learn are universal. You're helping a customer, making good things happen for them. It's good to see. I want to jump into more questions. Hans, this one is coming your way. As a business, and I saw you talking about this this morning as well, as a business, how is Verizon doing and holding up right now?

[End of video]

>> Hans Vestberg: I think, first of all, we are in a duality. That's so important. We don't know how long we will have this type of a situation, and we want to come out stronger as a company and even more proud of the company when this is all over. So that I think is so important. So we are holding up well. As I said, today, I spent a couple of hours on the 5G and fiber projects, which are extremely strategic for the company, and I can tell you the innovation and the drive I see in the teams continuing to do it, they work in different places. Everybody is on the videoconference instead of in a big conference room, but they are doing it anyhow. So I think we are holding up well, and I think that many, as we heard on this, at least from -- which was just amazing to see how our employees are capable of doing new things and just liking it, and I see that across the company. So we are holding up well.

And when it comes to how we are performing financially, you're going to have a great opportunity next week, because we are going to have the earnings call, and that's nothing that we compromise on. So tune in for the earnings call next week. It's going to be, of course, much more detailed on how we are doing financially and what we are seeing out there, so I would just encourage you to be there, and Jeremy is going to be there probably as well.

>> Yep, and I have plans next Friday at noon. Imagine that. We'll be bringing in other members of the leadership team to bring you the 1Q results webcast as we have done on Up to Speed now, I think this is day 24, that will be next Friday at noon.

Christy, on mental health, how do we all keep ourselves well during this time, and if people do need assistance, where can they go for those resources?

>> Christy Pambianchi: That's a great question, and we know this is on a lot of employees' minds, and so a couple of things I would offer. First, Learning Portal 2.0, which all employees can access, I want to just highlight that we still continue to add content around mental health and wellness and really putting a curriculum together there. So people should go in and check, and we'll keep reminding on the COVID web page when there's new things in there. That's a really great resource for people. We also have the employee assistance program, which can be accessed online, and through the EAP, you can understand that there's workshops and other self-help ideas that are there. There's also a phone number, and you can call and talk to a EAP representative who can then further connect you or give you direction to support services that may be helpful to you for whichever dimension of employee assistance you're looking for, whether that's personally for you, for a family member, for grieving,

for, you know, depression, for other mental health, you know, ailments and challenges that people are facing in this very difficult time.

And then, finally, we have Lighthouse Online, our telemedicine provider, and they have both a psychiatric and psychology practice. Employees can go on there, find a practitioner and schedule appointments just like you would with an on premise visit, and you can do that via telemedicine. This is found to be a very effective way to reach a lot of people, even before the COVID crisis. Those are a couple of suggestions for anyone out there thinking about wanting to get some more support.

>> Jeremy Godwin: Christy, thank you for that. I want to stick with you, Christy, for this next question. It seems to be one of the most asked that comes up about vacation. Will we be extending the accrual beyond what's already been announced?

>> Christy Pambianchi: We know this is on a lot of VTeamers' reminds, and it's really tied to how we are operating the business and what's going on around the world, where we have states and governments with states of emergency and shelter-in-place positions. We have said we are going to operate like this through the end of April, and Hans and the VLC are coming together to understand what we think we are going to do beyond April, and in that process, we'll revisit any responses that we have in our COVID response. We don't have any active plans to change that, but I would say the situation is constantly changing.

>> Jeremy Godwin: Like you said, the resource page, all of that is available to folks externally. You can go to inside Verizon.com, and there is the Inside Verizon app that can be downloaded on the Google Play store or the Apple apps store, a place to stay in the know to know what's going on there.

Hans, a question for you on this side. Have we considered using any of our technology for testing?

>> Hans Vestberg: Any of our technology for testing? So, what do you mean? We use all of the technology that we have. I'm on Fios, 4G network, everything that we have, the routers and everything.

>> Jeremy Godwin: I guess the question was around, hey, in hospitals, for first responders, what are we doing to equip them with technology that we can use to help with testing. Sorry about that.

>> Hans Vestberg: Okay, those types of things. Yeah, our teams are extremely close to all of the hospitals and first responders and emergency operation centers that are set up by the federal government. What we are doing, we are supporting them with connectivity. Sometimes it's devices, wi-fi, et cetera, in order to get them up and running. So, yes, definitely, Tami and her team is doing a great job to see that we are supporting all of these efforts, because some of the bases that are set up, I think Landres [phonetic] in London talked about that when he was on Up to Speed. Maybe outside of cities, connectivity is not super good, and then we have to fortify that. So, yes, we are helping with testing, mainly from a technology point of view. That's what we do.

>> Jeremy Godwin: Yeah, good know there. Switching gears in the questions, Hans, sticking with you and then to Christy for this. You know, as parents, how are your families doing with any of this? Any tips or hints of how you're making the days work?

>> Hans Vestberg: I continue on the testing. They are testing all of the technology we have here as well, because I have a daughter that is going to college. She's actually

working from home, so she's doing everything. My son is a senior in high school, so he's doing remote learning, and my wife is here as well trying to keep up with us. So we are using all technologies. I think that it works pretty well. To be honest, of course, it's new for everyone, but I think that, again, the technology is so vital for us so we can -- so they can stay connected with their friends, so I can connect with my family in Sweden and then my wife's family in Sweden. So that is important, but we are hanging in there, trying to do exercises together and watch Pay it Forward together in the evenings, so we are doing a lot of new stuff.

>> Jeremy Godwin: Good, good. Christy, about for you?

>> Christy Pambianchi: Lots of change. I have four kids. Two of them were in college, and their colleges have obviously been closed and suspended for the semester, and two here in local schools, one in high school and one in middle school, so, the dining room is now the classroom for my middle school and high schooler. My college student, who is studying trumpet, is practicing in what was our basement family room. So that's his -- that's why you don't hear the trumpet every day. He's three and a half stories below where I am. I'm in the top story of our house, where I do the broadcasts and work all day, my husband has taken over the kitchen, and my other student is working at his desk in his room. I think it's a lot of adjusting, and I think we miss a lot of the social contact. I'm a really big extrovert, so I put on a Sunday night social hour with my three sisters. We just did a Zoom birthday party for my husband's father and granddad this week. I think it's the VTeamers finding ways to stay connected to our friends, family, and helping kids do that.

>> Jeremy Godwin: I'll bump up my daily reminder, reach out to those you know and love, and let them know what you know and love about them.

Two more questions for you, Christy. A lot of feedback on the Verizon gear you're wearing every day, as well as Hans. Folks want to know, where can they pick that up? I think I had a question from Jerome come in about that. Where can they get some of that?

>> Christy Pambianchi: Great news, there's going to be an online store where our employees can buy these shirts. They will be at a discount, and we are really excited about that, and so more to come where people can get the shirts and VTeam gear that we have been wearing. There's an online store, and a portion of the proceeds, if you were to purchase it, will go to our V2V fund. So for anybody doing this, I want to thank you in advance, because the V2V fund is so important for our Verizon employees.

>> Jeremy Godwin: For folks watching, we'll have a link to that today for you on inside Verizon. One final thing for you, Christy, before Hans wraps up. For those VTeamers out there with medical backgrounds, how are we supporting them, and how are they doing all of this at this point?

>> Christy Pambianchi: Thank you so much. A number of jurisdictions have actually put out an ask for people that are certified in the medical field, whether it's as an EMT, a nurse, a doctor, a variety of medical professions, and asked if you're out there, can you please come work for us and volunteer your time to help. So, we are putting out and communicating today a new phase, where if we have any of our VTeam employees that qualify to those requests from the government to come help work, we will support you with a paid leave so you can go serve in the medical community, helping society fight the coronavirus. So, that's new and out there today on the web page.

>> Jeremy Godwin: Christy, thanks for that, and thanks to all of the folks -- you hear these stories, and they are working full-time during the day, and it may be a volunteer firefighter or paramedic or auxiliary police officer in the evening. Thank you to those folks.

Hans, no more questions for you from me at this point, but I do want to go to you for our final wrap-up of the day, please, sir.

>> Hans Vestberg: A couple of quick things. I think that I feel that it is important to remind everybody about the safety and health sort of things we have going on internally in the company but also as individuals. Don't forget that we have -- this pandemic is extremely tough, and many people are suffering, and I just want us to be extremely careful, and that I think is so important.

Secondly, I want to thank all of the VTeamers for the work they are doing, being able to have this company open and actually operating almost as normal, at the same time keeping all of the safety and health issues at bay. So, thank you very much for that, and, ultimately, I think we made a point today that we'll continue as a company, acquiring Blue Jeans, which is the enterprise-grade videoconferencing system, which is going to be a great addition to us, and we welcome all of those employees today, even though it's special times, and I know that Tami has been on a Blue Jeans conference with all of the employees and talking to them, of course, so I welcome all of those, and I thank all of the VTeamers for all of the great work you're doing. And I'll see you very soon.

And remember, it's Pay It Forward tonight. I feel the thunder sometimes from Jeremy. I like that, because he was preparing to say that, but as I feel it, you heard it first from me. Tonight is Luke Bryan. He's a very famous country singer. So you can tune into that.

Okay, Jeremy. Let's see what you have for summary.

>> Jeremy Godwin: Oh, I have got one better than Luke Brian for you, but I expect you to sing a few bars for us here tomorrow, Hans, when we come back live.

I want to start out with a thank you note one of our younger customers left us in Newton, Massachusetts. Dear workers, thank you for getting my internet back. I think your workers deserve all of the credit. I liked the ladder truck. Now I can play video games, from Brandon, a child in Newton, Massachusetts. How cool, they had some issues there, and the team was able to rewire the neighborhood to get them back up. A couple of other things, just announced earlier today for a preorder on VerizonWireless.com is the Care Smart watch, the wearable that provides safety and well-being for seniors, really delivering a peace of mind that all families could use right now, to keep folks connected while giving their loved ones, like I said, that peace of mind. And then tomorrow, we have an extended Up to Speed live after the 12:00-12:30, Guru will be joining us with a special guest, Dr. Patel, answering some of your questions about the COVID-19 side of things with the pandemic. You've sent a lot of good questions. Keep those coming to us at live@Verizon.com. It's a great day to watch together at home, supporting the World Health Organization with a lot of big names as a part of the show this weekend to do some good and bring us together. And like Hans said, even though he took it from me, at 8:00 p.m. we have Luke Brian on Up to Speed, on Yahoo! and Facebook, a lot of ways to watch that, so no excuses if you don't do that tonight at 8:00 p.m. eastern, 5:00 p.m. Pacific. We covered a lot of ground today, and I

appreciate all of the questions and I appreciate Hans and Christy for taking time to answer those. We'll be back tomorrow at noon. Until next time, you're Up to Speed.
(End of webcast.)