

"Does Congestion Matter?"

The Phoenix Center's
2009 Annual U.S. Telecoms Symposium
December 3, 2009



Mark Wegleitner
Senior VP – Technology
Verizon

- **Every Day, More Than 100 Million People Connect Using The Verizon Network:**
 - **1.7 Billion Text Messages Exchanged**
 - **50 Million Video/Pictures Exchanged**
 - **400 Million E-mails Received**
 - **8.7 Petabytes Of Video Streamed**
 - **5 Billion Potential Threats Monitored And Acted Upon**
 - **1 Billion Phone Calls Connected**

- Reaching More People With Ever More Capacity And “Smarts”
- More Than \$80 Billion Invested In The Last Five Years

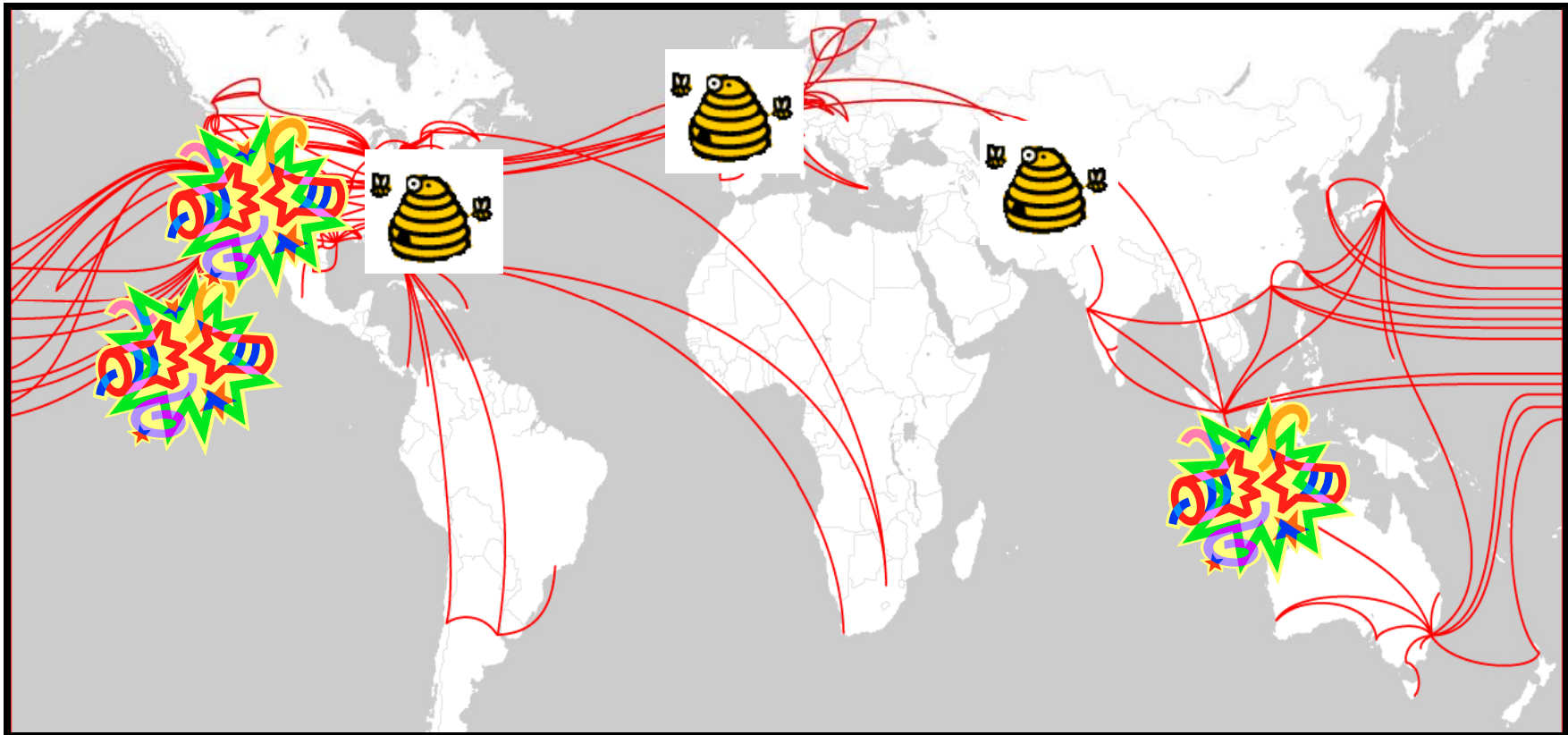


Investing in Access Bandwidth



| FiOS | Wireless |
|--|---|
| <ul style="list-style-type: none">• FiOS Network Deployed In 16 States• 17 Million Homes Passed By YE 2010• FiOS TV Available In 14 States<ul style="list-style-type: none">- NYC- Washington, DC- Philadelphia- Pittsburgh- Newark | <ul style="list-style-type: none">• 3G Network Available To 284M People• \$30 B Invested In Capex In The Last Five Years• 4G Broadband Will Be Available To 100 Million People In 2010<ul style="list-style-type: none">- Current Trials In Seattle And Boston- Up And Running In 25 - 30 Markets By YE- Everywhere Else Soon Thereafter |

Congestion



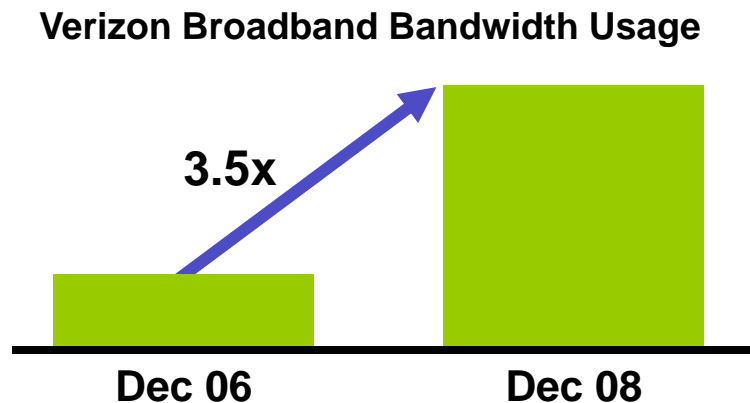
**Network Congestion And Points Of Failure Are Unpredictable
In Time, Place And Severity.**

- **Increase In Bandwidth Intensive Applications**

- Video
- Virtual Worlds
- Cloud Computing

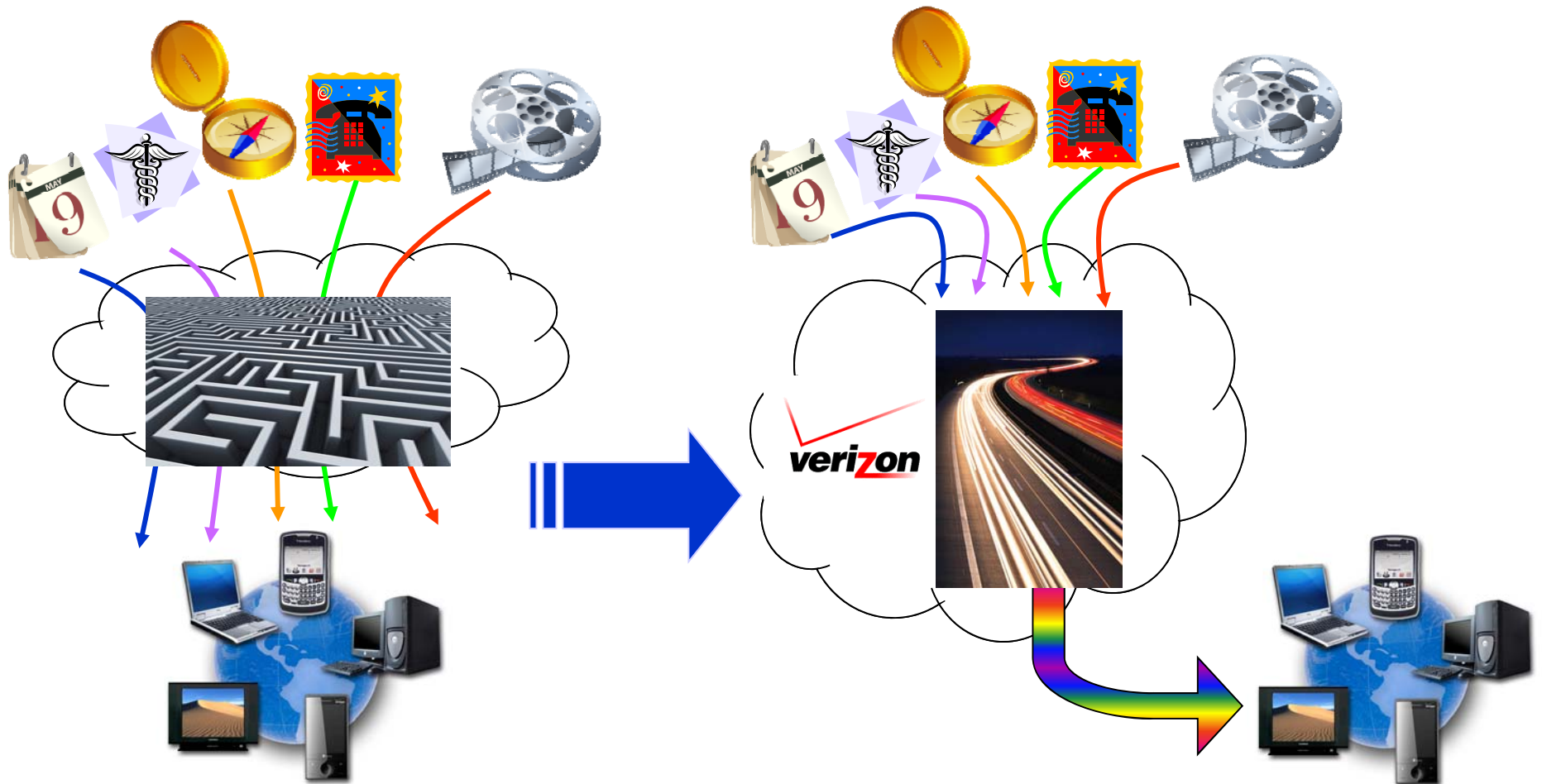
- **Increase In Delay Sensitive Applications**

- VoIP
- Video Conferencing
- Financial Transactions



Investing In The Network To Meet Demand

Smart Networks



Wireless Open Development Eco-System



Some Areas of Common Ground



- **An Open Internet**
- **The Four Principles**
- **Users Should Have The Final Say About Their Internet Experience — The Software They Use, The Hardware They Plug In, The Services They Access**
- **Future Growth Of The Web Requires Advanced And Open Networks And Incentives For Investment/Innovation**

