



New Broadband and Dynamic Infrastructures for the Internet of the Future

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Broadband Today

- Deployment strong and growing
- Fueled by massive non-governmental investment
- Launching future-proof technologies
- Addressing societal problems
- Currently enabled by pro-investment public policy



U.S. Broadband at a Glance

U.S. Broadband Status:

- Broadband available to 94% of U.S. households
- 63% of households subscribe to broadband
- Over 80% of population has *multiple* broadband platform and provider choices
- 50% of subscribers receive 3+ Mbps, 32% receive 6+ Mbps actual speed

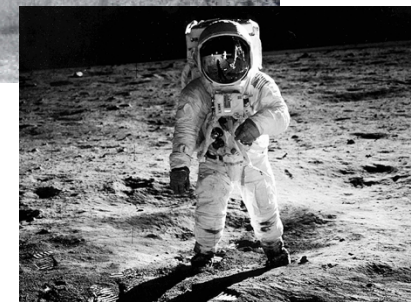
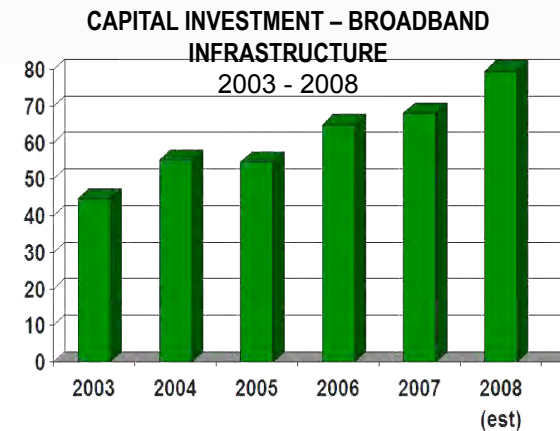
Government Activity:

- US Economic Recovery Plan provides \$7 billion to reach underserved
- FCC developing National Broadband Plan
- Support for High-tech classrooms, health info technology, and smart electric grid



Private Investment Drives U.S. Broadband Deployment

- Total Private Capital Invested in Broadband: \$367 Billion (2003-2008)
- 2008 Annual Capital Investment up 78% over 2003
- Scale and scope of broadband construction greater than 1950's Interstate Highway System and 1960's Apollo Space Program



Verizon Deploying Fastest, Most Powerful Networks



FiOS: Fiber-to-the-Home

- \$23 billion invested by Verizon in FiOS deployment by 2010.
- Most advanced fiber-optic network in the U.S., delivers converged communications, information and entertainment services (covering roughly 18 million premises by 2010)
- FiOS services already available to 13.2 million homes and businesses



Verizon Deploying Fastest, Most Powerful Networks *(cont.)*



Wireless Broadband

- 3G (EV-DO)
 - Verizon EV-DO in 245 major metro areas with population of 288 million (up to 3Mbps down / 1Mbps up; avg. 1.4Mbps / 8Kbps)
- 4G Long Term Evolution (LTE)
 - Verizon LTE commercial rollout begins before YE 2009
 - Testing with China Mobile and Vodafone
 - LTE likely wireless broadband technology in global markets
- Open Development Initiative (ODI)
 - Joint Innovation Lab developing applications with Vodafone, China Mobile, and Softbank



Using Broadband Has Profound Societal Impact



■ Environment

- Broadband use can reduce carbon emissions by 22% by 2020
- Help achieve energy independence and environmental goals
- Telework, smart grids and smart highway/transportation systems can reduce total U.S. oil consumption by up to 21%

■ Healthcare

- Electronic health care records and remote monitoring tools using broadband will reduce both costs and medical errors



■ Serving people with Disabilities

- Fosters effective communication, expands employment opportunities, and enables educational and social interactions via remote interpreting applications, and telemedicine

