



Invested in New Jersey

An Interview with Dennis M. Bone, President, Verizon New Jersey

EDITORS' NOTE Dennis Bone started his Verizon career in 1979 as an outside plant engineer for New Jersey Bell. He worked in operations, competitive assessment, regulatory matters, and external affairs before being named President and Chief Executive Officer of Bell Atlantic-West Virginia in July of 1995. He returned to New Jersey in June of 2000 as President of Verizon New Jersey. Bone is a 1973 graduate of the West Virginia University Institute of Technology with a Bachelor of Science in mathematics. He also has a Master of Business Administration in finance and economics from Rutgers University and a Master of Science in counseling from Johns Hopkins University. In addition, he has been awarded three honorary doctorates. Bone is on the Board of Trustees of the New Jersey Institute of Technology and the Liberty Science Center. He is Chairman of Choose New Jersey as well as the State Employment and Training Commission and he just stepped down as Chairman of the New Jersey State Chamber of Commerce.



Dennis M. Bone

COMPANY BRIEF Headquartered in New York, Verizon Communications Inc. (www.verizon.com/nj) is a global leader in delivering broadband and other wireless and wireline communications services to mass market, business, government, and wholesale customers. Verizon Wireless serves 94.1 million customers nationwide. Verizon also provides converged communications, information, and entertainment services over America's most advanced fiber-optic network, and delivers innovative, seamless business solutions to customers around the world. Verizon employs a diverse workforce of more than 194,000.

How important is New Jersey to Verizon's overall business?

Verizon has three business units: one is wireless that we operate across the U.S.; the second is landline in 13 states including New Jersey; and finally, through the assets we bought from MCI, we have a global IP network with offices and networks in cities and countries throughout the world. We operate one of the largest IP networks around the world.

New Jersey is very important because we have built out our FiOS network to reach over two million homes and we have a large concentration

of (FiOS) customers. In addition, we have invested heavily in our wireless network in New Jersey – especially our new 4G (fourth generation) network – and have a large base of wireless customers, many with smart phones and data plans. So we have invested heavily in New Jersey and have a strong market share.

We also relocated our corporate center to Basking Ridge, New Jersey, which serves as the headquarters of Verizon Wireless and Verizon Telecom – so we have a lot of management assets in New Jersey as well.

With the economic crisis, did you see a major impact on the business in New Jersey and do you foresee growth ahead?

Yes, the New Jersey economy certainly provided a strong headwind for growth over the past three years. We saw weakness in both the consumer and business segments in New Jersey and elsewhere. However, as reported in our most recent quarter's earnings announcement, we are experiencing revenue growth. We have also reaffirmed our guidance towards the growth targets we had set out for The Street.

But the unemployment rate in New Jersey is still above 9 percent so there are a lot of people who are unemployed or under employed who can't buy the services they otherwise would buy if they were fully employed. The economy remains a challenge.

In New Jersey, Governor Christie has focused on reaching out to the business community and strengthening the public/private partnership, which he is fostering via Choose New Jersey. Why did you feel it was so critical to take a leadership role in Choose New Jersey?

A rising tide lifts all boats. If businesses find New Jersey a great place to invest and as a result of that investment, people are getting good jobs and the economy is really strong, then that rising tide will lift Verizon's boat.

Governor Christie has brought sweeping changes to the state in terms of making it more of a pro-business place for businesses to grow and thrive. He has also changed the dialogue in the state because it's not just Republican Governor Christie who is talking about creating a stronger business environment. Many legislative leaders in the New Jersey legislature, which is controlled by Democrats, are also talking this way.

So from a business point of view, the pendulum is swinging in a very good direction.

Is there an effective understanding outside of New Jersey about what the state has to offer as a location for business and investment?

No, not at all. When we benchmarked how New Jersey gets the word out to attract investment, we realized we were not doing a good job as a state. That is the impetus behind Choose New Jersey, our aggressive outreach arm. New Jersey has so much to offer companies but what we have to offer was being dulled by some of the challenges that the state has.

We have great strengths such as our workforce and excellent education system. We also have great transportation networks where, for example, you can quickly be on a plane flying nonstop to many different destinations around the globe.

New Jersey is a center for global commerce, which includes port, rail, and highway transportation that links New Jersey to tens of millions of people within a short period of time.

These assets are vital to many businesses and we need to promote these assets to companies outside of New Jersey.

For Verizon New Jersey's business going forward, what are you most focused on to make sure the brand continues its strong leadership position within the state?

First and foremost is continuing to invest in building the nation's best broadband networks, both wireless and wireline. In wireless, for example, it's continuing to build out that 4G network across New Jersey that brings awesome capabilities to handheld devices, laptop computers, iPads, and tablet computers. This network dramatically increases data speed, which facilitates all the applications and programming coming down the pike.

Our continued investment in FiOS and fiber networks are also tremendous investments for New Jersey and for the company. These networks bring businesses and consumers a state-of-the-art broadband experience, which has spurred additional investment and innovation across the industry.

But the industry is very competitive now, and we need to continue to work to get regulation and public policy aligned with the realities of that new industry to attract more investment. ●