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## CORPORATE PARTICIPANTS

**Joshua Sheffer** *Amdocs Limited - President & CEO*

## CONFERENCE CALL PARTICIPANTS

**Ashwin Vasant Shirvaikar** *Citigroup Inc, Research Division - Director and U.S. Computer and Business Services Analyst*

## PRESENTATION

**Ashwin Vasant Shirvaikar** - *Citigroup Inc, Research Division - Director and U.S. Computer and Business Services Analyst*

(technical difficulty) afternoon session, and we're beginning with Amdocs. I am Ashwin Shirvaikar. I'm Citi's Payments Processors and IT Services Analyst. It's my great pleasure to welcome Shuky Sheffer, who is the President and CEO of Amdocs. Shuky, welcome. Thank you for doing this.

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**Joshua Sheffer** - *Amdocs Limited - President & CEO*

Thank you.

## QUESTIONS AND ANSWERS

**Ashwin Vasant Shirvaikar** - *Citigroup Inc, Research Division - Director and U.S. Computer and Business Services Analyst*

So let me start off by asking, 1 year as CEO, of course, you were familiar with Amdocs quite a bit before that as well. But what have you seen in the last 1 year that you kind of liked at Amdocs? But equally importantly, what have you seen that you think should change?

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**Joshua Sheffer** - *Amdocs Limited - President & CEO*

Okay. So by the way, Shuky is a nickname for Joshua, so if you think about this is a strange name.

So I'm almost 11 months at this -- CEO of Amdocs. I can tell you that what I was excited in the first year, I think the one of the most important thing for us is to make sure that we are relevant and ahead of the market. So when I look at Amdocs strategy today or the different pillar of the strategy and to what degree we are relevant to what the market is doing, so I think a very good fit. And this is I think what encourage me a lot and make me very opportunistic from our core business BSS versus solution. I think we took a decision 3 to 5 years ago that we saw that the market is going to convergence and consolidation. So we make sure that our platform will be completely, what we call, multi-play to address any type of business. It could be wireless, broadband, Pay TV, IoT whatever. So I think this direction was proved to be right. I mean we see all the -- actually, today, we see the third wave of consolidation and convergence. It used to be, many years ago, wireless with wireless, then it goes wireless with broadband, then it was fixed line. Then it become wireless fixed line and Pay TV and now obviously, media. So we're seeing AT&T and Comcast. So I think that this direction was proved to be very right.

The other strategic areas that we took, which are relevant is obviously, about our network offering, giving the fact that 5G right now is accelerating. Our media offering and all the D2C trend in the market, you see Disney, you see others and the offering that's being bring both from the media and content management and also from the storefront to the overall monetization model.

So generally speaking, I think that the fit between where the industry and our customers are going, I think, this is something which is very encouraging.

Regarding change. What would -- could be different. I think that the company is constantly changing. So we see change not as something, it's almost a must. You're used to doing the company's strategy meeting every couple of years, then we move to every year, then we move to every 6



months, now we are doing it every 3 months, making sure that our strategy is right because the market is so dynamic. So I think that we -- change for us, we almost need to reinvent ourselves all the time from how we deliver the services, methodologies, new technologies, cloud net, in micro services. So from every aspect of the business, we see change is a must in order to continue to stay relevant. And adopting technologies, business trends, new areas that you want to get. So -- and then -- I mean, we always have areas to fix, and we are always saying at Amdocs that we spend 90% of the time to fix the 10%, which is not working. So there is a lot to focus on this. But overall, I am very encouraged by my first year.

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**Ashwin Vassant Shirvaikar** - Citigroup Inc, Research Division - Director and U.S. Computer and Business Services Analyst

Okay, okay. That's a good setup. You mentioned in the course of your answer, of course, the product portfolio of what Amdocs brings to the market and arguably, one of the if not the most diverse portfolios that, that exist. There is convergence but can you still maybe, for the benefit of maybe new investors in the room, explain sort of the setup of the portfolio, Amdocs one, digital one? And how it is changing currently?

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**Joshua Sheffer** - Amdocs Limited - President & CEO

Okay. So we have different line of business or different line of products with a very robust portfolio. Obviously, the core business is what we call BSS. Also, BSS is billing support system is pretty legacy name. I mean we are doing for our customer everything that deal with monetization, from the storefronts, the ordering part, the provisioning, also billing and catalogs. So everything which relates to monetization, including the operation support system that provision all the services. So this is the traditional BSS services. On top of it we added in the last several years, 2 areas of line of portfolios that we didn't have before. The first one was in the network domain. When we saw the trend and the way actually the network is going to be software-defined network rather than proprietary hardware and software bundled together, we thought it make sense to especially in construction domain, this is the right place for us. In this, we have done some investments, some partnership at the time with AT&T and ONAP. So going to the network domain, this was a new portfolio for us. And actually, it represent for us a new growth engine. This -- the whole network portfolio is very robust, if -- on network optimization, radio optimization, 5G deployment. So the whole the network domain, which is software related, we are not going to build the radio equipment. So this is something that we developed.

The third area is media. Content and media. All our customers are dealing with media. Some of them even are just distributors. Some of them even look at Comcast and AT&T. Some of them are even -- is through the different M&As become content creators. So we saw this as a right place for us to be. And then in the media domain, what we do is from the content itself. We acquired a company a couple of years ago called Vubiquity, so we are a market leader in content management, digital rights and everything about content, and also all their subscription models and on the monetization models that -- so if you are an OTT, Amdocs can bring you an end-to end solution, from the storefront to the monetization, to the dealing with the content. So this is another area that we push a lot.

And the third thing is services. I think that Amdocs' unique model has proven to be very successful in the -- in over the years, that we are not a product company, we are not a services company, we are not operation company, we are doing everything around our product. So we can come to the market with a full offering, we are going -- we obviously -- we believe, come with the best product to the market. We can also implement a product and operate a product. So this is a very unique. Because the majority of our competitors are either doing services or doing products. So this holistic, full accountability model is something which is very appreciative by customers. Because there is very, very -- it's clearly the accountability model. So this is -- so I said we have a lot of product portfolio. We are doing a lot services, [they're on our] products, by also -- but not on other people product, but I think that overall, this is the main portfolio of the company.

The -- our customers are evolved over the years because the portfolio evolves. So it used to be the traditional wireless company, then it become -- everyone Pay TV customers, like the Comcast of the world or Charter of the world or Altice. Then obviously, we evolved to the Disney's and Amdocs' customer from content management and WarnerMedia and Netflix and iTunes. So the -- when we grew with our portfolio, obviously, the portfolio of our customer become much more robust.

**Ashwin Vasant Shirvaikar** - Citigroup Inc, Research Division - Director and U.S. Computer and Business Services Analyst

Okay, okay. And so in the context of what you explained with the BSS, OSS going to network domain, going to the media and the package of services, is that today a relative importance that you can talk about within the context of the bundle? I mean is BSS, OSS still very important, central, I think, you start with that?

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**Joshua Sheffer** - Amdocs Limited - President & CEO

Yes. This is the core business, and this has also evolved. There are 3 reasons to do transformations today, if you look at the Board of our customer. Some of it comes from consolidation. They have different consolidation in the world. You can see Vodafone in Germany built Liberty Global, you see in U.S. So usually, consolidation is a trigger for transformation. The only way to bring all these new companies together is by doing a transformation.

The second one is if you want to be digital company. Now digital companies not just having a nice website and mobile application, it means that you have an end-to end -- these are processes. That if you want to come, it's a very complex offer to the market, you can come with a very complex offering, installing a very sophisticated catalog, making sure that in minutes you can come with new offering rather than months that it takes today. So this is the second reason, become a digital company. This is another driver for transformation.

And the third one is emerging technology. Right now, obviously, the most current one is 5G. If you want to come with the right 5G offering into the market, new monetization model, this is in the different areas of transformation.

So what we've seen probably in the last couple of years that the level of transformation is actually getting bigger because of different reasons. And then -- and we are enjoying and we have a very great win rate in this domain. And I think that -- so this is what -- the core engine itself is a growth engine, and is going very nicely.

The other network and media, they are actually also growing. And they are another -- additional growth engine. And then when we come to a customer today, we are giving all the best of offering. So we can start with BSS, expand to OSS, [2-minute] services. And most of customers needs deploying 5G network. So we have now 5G offering, et cetera. So this is the strategy.

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**Ashwin Vasant Shirvaikar** - Citigroup Inc, Research Division - Director and U.S. Computer and Business Services Analyst

Now you've seen -- you had managed service, of courses, is offering for the better part of 2 decades. But you're seeing some recent success there, both from a geography perspective and just kind of diversification of who's asking for it. Why is that? What is driving that?

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**Joshua Sheffer** - Amdocs Limited - President & CEO

I think there are 2 reasons for this. First of all, you're right, last quarter, we have highest quarter ever in Managed Services activities, and we like Managed Services. This is strategic relationship with the customer. This is recurring revenue. This is stability in the partnership and the relationship. This is -- it's a high value both for Amdocs and definitely for our customers. But the 2 reasons that you can -- we can see pickup in Managed Services is, a, that historically, we are very successful in Managed Services, mainly in North America. And there was question, if we can be successful in APAC, in Latin America or even in Europe. And one of the main growth driver is we're able to duplicate this model also to APAC and Europe and Latin America.

The majority of our engagement today in APAC, and we have done extremely well in APAC, I think we are by far the market leader in APAC, is that we are able to transform the majority of our engagement to Manage Services. So this the first one, geography expansion.

The second one is a new model as we came to the market, that we call Managed Transformation. Usually, historically, we will do the project. And after we finished the project successfully, then we have dialogue with the customer and we might expand the relationship to also to operate our systems. So this is the Managed Services, after the project finished.

Today, we are coming with a new model, which is called Managed Transformation. It meaning from day 1, we are taking an operating the legacy system of the customer. We are modernizing it to the new system and continue to operate the new system. So actually the engagement of Managed Services starting in day 1. This model has become more popular, brings a lot of value to our customer. This is why it's another reason for we see pickup in the Managed Services.

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**Ashwin Vasant Shirvaikar** - Citigroup Inc, Research Division - Director and U.S. Computer and Business Services Analyst

Okay, okay. And then the obvious question from a financial investor standpoint that can come is, as your relationships with your clients get deeper, broader, many more layers get added to it. How are you capturing it? Is there incremental economic value to be captured? And how are you capturing it? Are the conversations with your clients changing as it relates to maybe more performance-based, maybe more outcome or output-based or anything like that? Or how is that relationship changing?

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**Joshua Sheffer** - Amdocs Limited - President & CEO

I think, first of all, the fact that we continue to innovate and evolve our offering is a must. I mean -- and we need to reinvent ourselves. I mean if you are not -- reinvent yourself within the customer environment, soon enough, you're going to be a legacy player and you're going to be treated as legacy. So keeping reinventing and bringing innovation to customer and more value, this is something, it was -- this is not true for now. It was always the right thing to do.

I think right now, the fact that we can bring much more best offering comparing to what use -- helping us to deal with some of the current trends. Obviously, people wants to improve TCO, to cut cost. So what we do right now, when we have agreement with customer, if you take an existing agreement and you just extend it, most time you end up doing the same thing for less money.

So by -- so this is why every engagement with customer when we evolve it, we want to bring more innovation. It's easier when you have a broader portfolio and more innovation. So I think that overall, it helps us that even if in some customer, you can see some decline in BSS, so then we can get some pickup in network.

The customer wants no network in media. So it help us to mitigate some of the -- sometime some pressure that customer have and to continue to grow within the customer environment by offering additional parts of our portfolio.

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**Ashwin Vasant Shirvaikar** - Citigroup Inc, Research Division - Director and U.S. Computer and Business Services Analyst

Okay, okay. You mentioned -- the answer before last, you mentioned, Managed Transformation. In the last 3 years, Amdocs has signed, I mean, a very large number of Managed Transformation deals. This is uncommonly successful. Of course, it has also had an impact on cash flow and so on. Could you kind of maybe disaggregate, what a typical Managed Transformation deal looks like? What the lifecycle of that looks like?

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**Joshua Sheffer** - Amdocs Limited - President & CEO

Okay. Usually, Managed Transformation, there is a different lifecycle of cash or cash flow between the recurring business. Because when you take the business, we start to offer the business from day 1, and we have a recurring revenue. And there is the project base. The project base, like any, I don't think it's something -- tell you something you don't know. Usually, what happens is when we sign a transformation, there is different milestone for transformation. We recognize the revenue based on percent of completion, but we can invoice the customer when we reach the milestone. And this is sometimes -- well, sometime cause some pressure on the cash because we can invoice the customer only when we get to milestone. We are very -- we're doing very good in meeting the milestone because of our delivery capabilities. But when you are running 20, 30 transformations at the same time, obviously, there is -- could be some pressure. But I think that with the right discipline, we are managing it pretty well. And I can tell you that transformation, this is the lifeline of the company. Whenever you get -- this can lead to a project, then lead to Managed Services, then

lead to network sales and media service. So this is -- so we -- on one hand, sometimes it creates some pressure, as we mentioned. But on the other hand, this is getting new logos, getting to new -- we just announced Altice Portugal today. We have some business in Portugal but this is a big one.

Three years ago, we have 0 customer in Italy, now we have 3, all the main big ones. So all this new transformation and new project, it's the lifeline of the company

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**Ashwin Vasant Shirvaikar** - Citigroup Inc, Research Division - Director and U.S. Computer and Business Services Analyst

Okay, okay. Understood. So in terms of -- when investors look at that cash flow impact, as you mentioned, it would seem, it is more severe in year 1, gets better in year 2 and 3. So if you look at sort of the cohort of your older projects, Managed Transformation and projects. Are they now in a space where they're nice cash flow-positive and you can look forward and say, it's going to be the outcome that you expected, hopefully?

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**Joshua Sheffer** - Amdocs Limited - President & CEO

Well, first of all, we continue to win, as we should. And then -- so even if we finished some transformation, then suddenly we have new one, which is great. So I don't see big change over time.

I think we are doing much better in monetizing -- in managing it. I think that the company has a lot of focus on cash conversion, in meeting the milestone. So I think it's from a -- you're not going to see different trend because as we speak, we continue to win. So even if we finish one project and collect all the money, now we're starting a new project. So there's different lifecycle. Right now, we are definitely in peak time in transformation, which I think is very good for the company. So -- and we committed to deliver 100% cash conversion this year. So I think that this -- although it create some pressure, but it should not hold us from continue to do good cash conversion.

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**Ashwin Vasant Shirvaikar** - Citigroup Inc, Research Division - Director and U.S. Computer and Business Services Analyst

Okay, okay. So switching gears a bit. If I look through Amdocs earnings calls over time, and your public conversations with investors over time, the topic of industry consolidation always comes up. This has been true 10 years ago, this has been true 15 years ago, it's true now. Is the consolidation that we are seeing now different, to some extent, I think you kind of addressed it whereby bringing in the importance of content and media. But apart from couple of easily -- easy examples we can point to, is it broadly different? How you have brought in post deal? Is it different? I mean, is something changing in that, that investors should think about?

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**Joshua Sheffer** - Amdocs Limited - President & CEO

No. I think that the type of consolidation today, in a way, is helping our strategy. Because I think that if historically, 2 big postpaid -- sorry, prepaid, simple billing carriers were consolidating. I think still we are the market leader, and we have a lot to offer. But if you talk about someone that is combining broadband assets, Pay TV assets, wireless assets and media assets, it's very complex. And this is play to our sweet spot. So whenever there is a more complexity, this is where we are bringing more value. So I think the fact that consolidation today is part of the conversion strategy of our customers, it's playing through our sweet spot. Because then they need to do much more complex system that can support different line of businesses. This is what -- our claim for fame.

So from this prospect, I think the type of consolidation that happens today, and you can see it also in Europe, in Latin America and definitely, in North America, it's something that play to our sweet spot.

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**Ashwin Vasant Shirvaikar** - Citigroup Inc, Research Division - Director and U.S. Computer and Business Services Analyst

Okay, okay. And as it relates to consolidation and ordinarily, I would stay away from mention of individual clients. But in this case, I don't think a conversation about Amdocs is complete without mentioning AT&T. So can you talk about the AT&T relationship? And how it is evolving?



**Joshua Sheffer** - Amdocs Limited - President & CEO

First of all, we have a very great -- we have very good relationship with AT&T. And we are having different -- many different variety of activities with AT&T. We're supporting all AT&T mobility. We are supporting U-verse or the DIRECTV. We are supporting AT&T Mexico. And we are doing all the Managed Services and all the activities in Cricket. And we have activities also in the network domain. So it is very, very broad activity to be doing in AT&T. We had headwinds in AT&T in the last couple of years, it's not the secret that AT&T is focused on debt reduction and also making solid effort to cut some, discussion is pending, which obviously, impact us. I just can't tell you that -- we mentioned, I think, a quarter ago that we see the revenue in AT&T. We are now in the last months of our -- we are a October to September company, so this is our last months of quarter 4.

So we said couple of quarters ago that we see stabilization more or less of the level of Q2. And we have a lot of discussion with AT&T to see how we can help them, both to cut cost, be ready for the next-generation offering that they're coming. So I think good discussion. We need to translate it to -- also to new agreements. But I think that we have, for many years, strategic relationship with AT&T. All the consumer, I don't mind, if AT&T is running on analog system. So I think -- and we're enjoying a very solid relationship. So this is the focus right now, and we hope to fix it.

**Ashwin Vasant Shirvaikar** - Citigroup Inc, Research Division - Director and U.S. Computer and Business Services Analyst

Yes, yes. And management change at AT&T should not be because it's a long-term relationship contractual?

**Joshua Sheffer** - Amdocs Limited - President & CEO

Actually, we know all the leadership. We know John Stankey for many, many years. We know Tadeo, we know Jack (inaudible) new CEO, actually. We know him very well. So all this -- we are very familiar with -- we have a very long relationship with all the leadership team of AT&T.

**Ashwin Vasant Shirvaikar** - Citigroup Inc, Research Division - Director and U.S. Computer and Business Services Analyst

Okay, okay. Fair enough. Let's talk about consolidation, but different way, your own M&A. And over time, Amdocs has made a lot of different acquisitions, adding product capability builds over time. The -- talk broadly, I guess, if you can talk broadly about your M&A philosophy and rationale first, and then we will get into the recent deal, which I think is quite exciting. Yes.

**Joshua Sheffer** - Amdocs Limited - President & CEO

Okay. In Amdocs, strategy drives M&A. This is -- we have a strategy and then we decide how this impact M&A.

We do 3 types of M&A. The first one is consolidation competitor. By the way, TTS Wireless is also a type of consolidation because we are doing these type of services. And actually, we were competing with TTS Wireless. So consolidation, we took -- we bought [Converse], I think, 4 years ago, which is a competitor in the BSS domain. So this is the first type.

The second type is what we call bolt-on technology.

The majority of the core product of Amdocs is done organically by our very, very big -- very, very good R&D of Amdocs. But sometimes, we see some products, it can complement the core product that we have. And we decide that like any organization buy versus build, technology exist. It can come faster, can come with some incumbency with customer. So this is what we call bolt-on technology, when we pick, what we believe, can enhance our portfolio.

The third type of consolidation is when you want to go to a new area. So we looked at the media for many years. We thought what could be Amdocs' angle to media. Eventually, we found that what we believe is the right thing for us. Then it moved to the M&A department, and we found Vubiquity that get us a great company, a market leader in this domain, a great blue-chip customers.



So this is the M&A strategy, and this is the different type of M&As.

If you're relating to TTS Wireless, the reason that -- the rationale behind this acquisition is mainly 5G.

They have capabilities in 5G. They have incumbency with T-Mobile, with AT&T and Verizon. The biggest customer is T-Mobile. Deployment of 5G is much more complex than 4G because of density and other issues. The technology is great, but the deployment itself is much more complex. All our customer are going to deploy 5G definitely. It comes with incumbency knowledge how to deploy 5G. Hundreds of network engineers, which is very difficult to find right now in North America. So giving the trend on the pickup of 5G, we thought this is the right thing to do, to be ready to support 5G deployment in North America.

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**Ashwin Vassant Shirvaikar** - Citigroup Inc, Research Division - Director and U.S. Computer and Business Services Analyst

Okay, okay. And just to kind of keep talking a little bit more about 5G. And I think I asked you on a couple of occasions on earnings calls and such about how you see 5G evolving and developing and being deployed. And it's -- part of it is the deployment itself. But part of it is the additional capabilities that it brings, which might widen your client base. Do you see that still happening? And could you maybe describe how you see 5G evolution?

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**Joshua Sheffer** - Amdocs Limited - President & CEO

So first of all, 5G is a bad name. Because from 3G to 4G it was evolution, from 4G to 5G, this is revolution. It's completely -- you cannot compare the technologies and what it brings. But I guess this is the naming so we are not going to challenge it.

But we have 3 angle to 5G. The first one is, all our customer are going to deploy 5G. So we wanted, this is why this is the rationale for TTS Wireless, and they need to optimize the network. So this is why we want to have capabilities -- software capabilities and deployment capabilities of 5G.

The second angle is actually 5G will accelerate NAV and software-defined network. This is something that we started to invest 3 or 4 years ago. And the network is completely virtualized, so have capabilities of orchestration in this area. We believe this is going to accelerate this -- the software-defined network project.

The third one and a very important one is monetization. In network environment, which is what you call standalone network 5G, meaning that both the radio and the core network of 5G, there is much more capabilities than today and the challenge is how you monetize it. So all the monetization domain of 5G, this is something that we are investing. You can think about this today, in North America, you can pay \$70, \$80 to T-Mobile or AT&T and get all-you-can-eat package of postpaid with unlimited data. By the way, without quality of service, it's best effort. You can have one speed in one neighborhood, drive couple of miles, get a different speed.

In 5G, given the fact that there's low latency, you have network slicing, you can do quality of service. Suddenly, it gives you much more opportunity. I will give you an example, you can sell a package with Edge computing included, IVR glasses and the quality of service of different speed for a gamer, that he is playing and ask for premium for this.

So the whole monetization in use cases model of 5G that are going to evolve will need a different support on the BSS systems. On top of it, you will have to upgrade your charging system. Because all the protocols of 5G are different comparing -- right now, there is no need because the majority of the deployment is 5G ready on top of 4G call network. But when it's going to be 5G end-to-end, everyone will need to -- it will go -- it will actually cause a lot of [upgrades] in charging and rating because they are all protocol. So we have different angle focusing on all of them and we believe monetization is a key because this is a huge investment and our customer eventually needs to find a way and the technology give unique opportunity to monetize differently comparing to how it is monetized today.





**Ashwin Vasant Shirvaikar** - Citigroup Inc, Research Division - Director and U.S. Computer and Business Services Analyst

Great. Thank you very much for that. A very detailed answer. I did want to give the opportunity, if anyone in the audience wants to ask a question. Otherwise, I do have a fairly long list and I've only gone 1/3 of the way.

If not, let me just kind of keep pursuing along. So 5G is only the latest. I mean a few years back, NFV, mobile money, you have talked. You talked about many other offerings. It seems almost as though anytime a telco thinks beyond being downpipe and wants to do new and interesting things, you are there with offerings already. Now is this to be considered as sort of incremental opportunity or how do you charge for these services to the client? I mean, if you can talk about that?

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**Joshua Sheffer** - Amdocs Limited - President & CEO

First of all, you're right. And by the way, I think that this trend will even accelerate it. The ecosystem of the future will be ecosystem of partners. So you want to -- at the same time, you're going to bundle as Spotify in connected home, in connected cloud. So this multi-playing phenomena and selling partners will just increase. So this is why I think that we invested a lot to make sure that we can support onboarding of new partners because we see that eventually this -- it's almost going to be like a marketplace that you're going in. For the most part, this is add-on, this is not part of the deal. So we have the core business, which is -- comes as one package and then there are going to be addition.

And over the time, you could see situation that some of this additional capabilities become part of the core. They're not like an extension, then it comes together with the core. But for the most part, the monetization model of this is on top of the existing activities and it's monetized separately.

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**Ashwin Vasant Shirvaikar** - Citigroup Inc, Research Division - Director and U.S. Computer and Business Services Analyst

Right. So at least when it is considered emerging or new, it can be incremental and...

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**Joshua Sheffer** - Amdocs Limited - President & CEO

Yes, you're right. But over time, when it become a new -- we bought a new piece of technology, we integrate it to our portfolio, it's part of the portfolio, then it's monetized the same, not separately.

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**Ashwin Vasant Shirvaikar** - Citigroup Inc, Research Division - Director and U.S. Computer and Business Services Analyst

Got it. Got it. So we have a few minutes left, but I want to talk about media because that's a kind of a new and exciting area. And you're also doing Investor Day in just a couple of weeks, just focused on that.

So if you could just broadly discuss what your media suite offerings are in the sort of the various parts of the ecosystem, the content creators, distributors, whom do you service, how?

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**Joshua Sheffer** - Amdocs Limited - President & CEO

Okay. So in the media domain, as I mentioned, we acquired Vubiquity. It was in February last year, right? And the value of Vubiquity is that first of all, there's a group of people that have domain expertise of this -- of the media and definitely, great set of customers and -- but the majority of the activity was mainly about content management. Content management is very complex. I mean, besides the fact you need to deal with the digital rights, I mean you need different formats, 4K, 8K, subtitling, dubbing. I mean, there's a lot of activities that you need to do in order to do a content management.

What we've done in Amdocs, is we said, okay, we want to come with a much more holistic solution. So in Amdocs media, you have the content management. You have the monetization, mainly subscription. If you go today to [alltel.com], you are going to monetize it with Amdocs. So how you monetize the content, so this is another part of the offering in user lifecycle management or the login management, single sign-on, et cetera. So we package all the offering, including [partner] management, onboarding of new media partner, et cetera.

So I think we came with a list of view. On top of it -- by the way, one of the rationale for going to media was that we want to be able to come with the right offering to everyone, which is going D2C. So we see obviously, Disney with Disney+ going direct to consumer and while the majority of the pure content player is now going D2C. HBO definitely or HBO Max. I mean -- so it's become very popular, and everyone is doing it.

And when you do this, you start to deal with consumers. So we want to bring all of our know-how about catalog and storefronts, so we complete the media unit capabilities with all the Amdocs' capabilities which are relevant. If you want to be an OTT tomorrow to come and deploy a full offering of OTT, you need storefront to sell it. You need to catalog to sell it. You need to have monthly subscription management and billing -- subscription billing to monetize it, and you need to deal with the content. So we wanted to come with an end-to-end portfolio, like we have done to the service provider, also the media. It's -- we see some good signs that people accept this. But definitely, we want to come with a much more holistic view to solve all the domain of media.

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**Ashwin Vasant Shirvaikar** - Citigroup Inc, Research Division - Director and U.S. Computer and Business Services Analyst

Okay. And who do you compete with in this end market?

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**Joshua Sheffer** - Amdocs Limited - President & CEO

There is no one players, There are bits and pieces. We -- in the content, there are some companies that we are -- by the way, the majority, the competition is Internal IT. We don't see a lot of companies like Amdocs that can bring the whole variety, the majority is Internal IT.

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**Ashwin Vasant Shirvaikar** - Citigroup Inc, Research Division - Director and U.S. Computer and Business Services Analyst

Okay, okay. With that, there are more questions and I'd love to keep talking but we are out of time here. So I just do want to thank you, Shuky, for your interest.

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**Joshua Sheffer** - Amdocs Limited - President & CEO

Thank you very much.

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**Ashwin Vasant Shirvaikar** - Citigroup Inc, Research Division - Director and U.S. Computer and Business Services Analyst

Yes. Thanks.

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