

Daniel Newman: Jeetu. Welcome to the Six Five Summit 2021. Super excited to have you here.

Jeetu Patel: Thank you, man. It's great to be here.

Daniel Newman: Yeah, it's been a heck of a year. I'm thrilled that we were able to pull together so many voices with so much knowledge of what's going on in the tech industry. And the topic we're going to talk about today is one that's got to be near and dear to the hearts of so many of the people that are viewing this summit. And a lot of what we're going to talk about is remote work and the future of work and the technology that's connecting us in collaboration. You're probably using different platforms, but some of you are probably using the platform that Jeetu here spends a lot of his time on and that's a Cisco WebEx. So really glad to have you here.

Jeetu Patel: Thank you. Thank you for that. And I think it's an exciting time to be in this industry right now.

Daniel Newman: It really is. I think no one could have expected the acceleration that came with such a difficult set of circumstances. But at the same time, it really did take the laggards in technology and it put them on a path that a lot of businesses probably were able to get years of digital innovation, transformation and all the cliches aside. Some entrepreneurs really were forced business owners, leaders, managers were really forced to step up, find a way. And a lot of creativity came to the surface.

And I mean, you guys, for instance in the very beginning of the pandemic, I mean, I remember listening to the briefings from your team and from Java talking about the amount of work and the weekends being spent propping up infrastructure and getting the support for all the SIP and all the communications that needed to happen, all the backend, the trunking. A lot of people just think, oh, it's just more CPU's in the cloud. But when you actually are trying to get people from voice lines and from IP phone lines and video and on different connectivity and different types of connectivity, all to be able to talk together on a single platform, there's a lot that went into that. And we can talk more about tech later, but you got to admit I'm sure, Jeetu, it was pretty amazing for you to watch all that happen.

Jeetu Patel: It was. I joined Cisco during the pandemic, so it's actually a pretty interesting time to join. Up until just a couple of weeks ago I hadn't met Chuck's direct staff who are my peers on his leadership team physically. I'd only met them on video. And the first time we met together was when we had gone on this VAX concert that was being held in LA and we were sponsoring it. And so all of us came over there and we met each other for the first time. It was actually pretty cool to see them, but a lot of them have become friends of mine and I'd never met them in person. We just have talked.

So I think it was the world's largest experiment. I think humanity in general surprised itself in how resilient we can be in getting through any adversity. Just think about this, Dan, if in 2019, December, someone had told you pay for the next 15 months, people aren't going to go into work. And do you think the economy is going to skyrocket or tank? And you're going to work from home? Literally there would be zero debate. Everyone would've said, this thing is going to go sideways. And I think we all surprised ourselves with how resilient companies were, how resilient people were. And we were able to get through it. And most importantly, build vaccines that then were able to save humanity through this entire period. And so I think it was truly quite a journey.

I think the second wave is going to be just as different as the first one. So the first wave was you had everyone working all of a sudden overnight from home. And the second way I think is going to be the future of work is going to be hybrid. Now people sometimes are going to work from home. Sometimes they're going to work in the office, sometimes somewhere in the middle. And frankly, I feel like that that wave is going to have its own set of complexities, which arguably could be even more complicated to deal with than the ones that we had in the past.

Daniel Newman:

Yeah. I going to actually ask you about that. You started answering my first question for you, but that was a really perfect inroads to what I was going to ask you next. And as a leadership team within WebEx, you spend a lot of time talking to these organizations, these enterprises, or talking to these teams that are talking to them. And you guys have to be constantly learning about remote work. It's informing decisions of acquisitions that you're going to make. It's informing decisions of new products and services that you're incorporating into to WebEx. It's incorporating how you're looking at employee engagement.

Throughout this last several months, like you said during this time since you've joined, anything surprise you? Anything you've learned or anything you're finding about remote work and this next phase of remote work that's been surprising or interesting, or just think everybody really should know?

Jeetu Patel:

I think there were a few things that were surprises to me. The first one was how resilient the economy was like I said in being able to get through this and business continuity being maintained. That was surprising. I thought there'd be more hiccups when people moved all the way into working from home.

I think the second big surprise is how much people want flexibility and inclusivity when they want to actually come back into the workplace. Where as you go into this mixed mode of working, sometimes people work from home, sometimes in the office, sometimes somewhere in the middle. What most people want is hey, I want to be able to make sure that I can pick and choose when I want to go out and go into the office and then I want to work from home.

And as we do that, I think there's going to be some surprises. And there's also going to be some complexities we have to keep in mind. Because it's actually

easy when everyone's at the office. And if you look at the stats, we have done some research over here with 8% of meetings had a remote worker prior to COVID, 8%. Post COVID, people expect 98% of the meetings to have at least one remote worker. And so when you think about that vast difference in statistic, what you then see is, okay, so this is going to require a fundamental rethink of everything. It's going to require a rethink of how do you configure your office spaces? How do you make sure that in your office spaces, what do you do to engage with people that are not in the office? And how do you ensure that no one feels like a second class citizen?

If I have three people in the office, two people that are remote, how do those two people not feel like second class citizens? How do they actually feel engaged? What are you going to need to do technologically? What are you going to need to do from a facility standpoint? What are you going to need to do in human social dynamics to be mindful of people that are not physically in the same place?

But the exciting part, when you get this done right, is there's three billion digital workers on the planet about a billion of them are knowledge workers, two billion of frontline and field workers. But wouldn't it be great if during our lifetime, geography stopped becoming a thing where people from anywhere on the planet could have equal access to opportunity and participate in a global economy. And I think that's exciting. It's also surprising that this shift happened so quickly where now it's just a matter of people saying, yeah, I'm going to be able to go out and source talent from anywhere. I'm going to be able to make sure that people have a level of flexibility of where they can work from.

I think people who have kids and moms are going to be able to participate better in the workforce than what they could do before. So I think no one's going to feel uncomfortable when they don't come into the office. At least that's what we hope will happen as far as part of this transformation.

And then when people still want to come into the office, we'll make those experiences 10 X better as well. But that I think is going to be a cool transformation to witness. I think we are still in the very early innings. The way I was think about it as we're in the second inning of a nine game where there's still much, much more to be had in how people interact with each other and engage and fundamentally redefine how you spend 10 to 12 hours a day.

Daniel Newman:

Yeah. That 98% number is pretty staggering, Jeetu. I mean, no doubt. We have identified the power that a platform can have to enable and connect the best talent to the most important projects to create the greatest amount of productivity. We've almost entered an era now where we want to be productive. We also want to have impact.

Because we saw the rise in productivity, but we also saw a rise in hours being worked. You'd think working from home would mean less. It's actually meant more. You're seeing companies like yours and the competitors in your space,

making more investments in analytics that can help managers identify and reduce burnout and try to again, keep people productive, keep them effective, keep them impactful and keep them happy because that's what's going to drive. And then of course, as you suggested open the globe for talent.

I was saying this long before, COVID that the most innovative companies were already moving to a model that knew no boundaries. We know no boundaries because we want the best people for the important projects. And we don't care if you have internet connectivity and you have a CPU and a screen and some applications, we can enable you to participate in the innovation and the productivity and the growth in our organization.

Let me ask you something about the way you're developing products, because everything I just said has to be in front of mind. Cisco, and the framework and the development that you're taking right now, you've made a lot of acquisitions. You're continuing to roll out products to differentiate and make the offering more competitive. And we'll talk more about competition later on, but what's really driving the innovation and product development. What's driving the choices and where investments are being made?

Jeetu Patel: I think the thing is, typically innovation follows a mission and a purpose. When there's something that's meaningful to be had, attention gets blocked towards it. And right now there's a fundamental shift that's going to happen where people will veer differently in the course of the next 10 years than what they have for the past 50. And I think that has fueled a lot of innovation.

And one of the things that I'd say is you asked us what surprised us, and this is actually funneling into how we're innovating, is what surprised us was yes, people were productive, but they're also feeling very fatigued and burned out and tired, like you said. And so it is our responsibility to make sure that we can innovate, not just in making them more productive, but actually caring for their wellbeing. And making sure that everyone can feel like, hey, the systems are going to help me take care of myself.

Productivity is a derived outcome once you have wellbeing, not the other way around. Once you actually have wellbeing, you can actually drive a lot of productivity, but if you feel burnt out all the time, it's to be hard to do that. And so innovation is a pretty key lever in making that happen. And we have it in two ways. We have really made organic innovation a front and center component where we, for example, have added since September, just since September, we've added 800 features in the product that impact end-users, 800.

Daniel Newman: 800.

Jeetu Patel: We were at 400. So that's a pretty huge amount of innovation organically that's happening. And we've bought a few companies while we've been at it. And all of those things, every company that we bought and we are buying, within the first

30 to 60 to 90 days, will be integrated into the product and getting into the hands of hundreds of millions of people.

And so that's actually the magical part of this is are innovating on three dimensions, what we are building organically, what we're buying and how those things that we're buying are getting integrated into the platform in very short amount of time so that we can make sure that people can find delight in what they're doing. And that I think is, I'd say I've never seen anything of this sort, with this velocity before ever in my professional career.

I think I'm so lucky to have a team like this one. Whenever I sit down and talk to them, like we will have a conversation and I'll ask them, hey, when do you think this feature is going to come out? They'll go Jeetu, we are really, really completely maxed right now. We can't add this feature. It's going to take us at least another 30 days. That's the timeframe that they're operating on rather than operating in 18 months, I'm going to have something. The clock speed is pretty remarkable.

Daniel Newman: Welcome to the world of Agile.

Jeetu Patel: I mean look, I've been in Agile companies my whole career. I've never seen this velocity even in Agile.

Daniel Newman: Yeah, I think that's tremendous. And I will say as an analyst looking at the industry, I've been impressed seeing a number of the acquisitions made, very intelligent, spot on very much fit the Cisco DNA. Not necessarily buying household names, but buying important adjacencies that provided either horizontal or vertical integrations into the platform, add more value, make it more useful.

Slido is a great example of something that was like, this is a natural. I started seeing it show up in more and more meetings. It was a great way to create real time engagement. It was something that people were starting to grow familiar with. And now it's part of that Cisco family. I also thought the most recent one I heard about which was Socio look, people were hitting you up like WebEx events. It just doesn't quite cut what we're going to need for a post pandemic world.

Now pre pandemic, when I needed a webinar for a hundred people, it was great, but now I need multiple tracks. I need to be able to have people in different spaces concurrently. I need people to be live and on demand. I need people to be able to be remote and in-person. And again, I think it was one of those where your team probably weighed out, build it, buy it. And you said, buy it. We can buy it. We can get it into market faster. We can make an impact.

I want to keep moving though, Jeetu, because I have a really important topic I want to talk to you about. And that's throughout the pandemic, security has

been a really, really top of mind topic. Whether it's been Solar Winds, other hacks, we had the recent, the grid got hacked or the Colonial Pipeline. We saw that send the economy into a little bit of a temporary tailspin. People are paying attention.

And security for a long time has been one of those things that people have weighed. Does it cost more to secure it or will it cost more to fix it later? And whichever one costs less we'll do. So if securing it now costs more than just what it might cost later. But brands are starting to realize there's a longterm collateral damage to being hacked, to having vulnerabilities. In your space, I've been impressed. I've attended some briefings. I read some of the competitive analysis, even some of the world's most I'd say important intelligence agencies have come out with some documentation that really shows the Cisco WebEx platform checking all the boxes. That's probably the best way I can describe it. Clearly a big focal point for the company.

Was that on purpose? We were talking about features and where innovation is being. Was security, was it a purposeful focus for the company is saying, hey, there's an area we know well. It's an important part of the whole Cisco business. Let's lean into this because we can differentiate and grow. Is that what's driving it or what is it?

Jeetu Patel: Well, actually there's multiple pieces that are driving it. But if you think about security right now, I don't know if most people know this, but we are one of the largest security companies in the world. And I think other than maybe Microsoft, who just released their revenues, were the largest by revenue security company in the world. And so, the good news is I'm lucky enough to actually own both security and collaboration. And so there's a lot of synergy that can be had from the two businesses working together.

But we think about this from three dimensions. One is the security needs to be built in from the ground up, not bolted on as an afterthought. Number two, it's not just about security. Privacy is just as important. And we believe privacy is a basic [inaudible]. Every feature we build in the products has to honor the user's privacy. We can't make sure that we violate that right.

And so that's a really important kind of design choice that we've made in how we build a product. And then the third one is compliance for every industry and for every geography, we want to make sure that we can actually do the most we can to go out and deliver the right level of compliance. So security, privacy, and compliance have to be in the fabric of the company and not something that you use as an afterthought post-facto.

And that I think is very unique compared to some of our competitors who might think about it like oh yeah, we forgot about security. Let's go out and add a few features because customers yelled at us. And that's the piece that's actually different in the way that we've actually designed this thing from the ground up.

And I'd say that, you know, the reason that Cisco has been so adamant on it, firstly, is at a macro level network and security are fusing as businesses. When the network is not just going out and connecting to the data center, but it's actually not going to be with SD-WAN, all of that, connecting to applications in the internet. Security is pretty important that you actually get to.

Second is all the SAS applications need to get stronger and stronger in security, and we were actually one of the benchmarks. And the expectation people have from Cisco is they trust the brand. They trust the brand from a security perspective. They trust the brand from a privacy and compliance perspective. So we have an obligation to honor that trust and maintain that trust. So that's how we thought about it. And this is an area that we're investing probably heavier than any other place in the business. Security and user experience at two places, which were completely fully committed on.

And one of the things we will keep in mind is we will make sure that we lower the friction and security so that we can increase the efficacy, which is something that you haven't seen done in the past. It's always been a tradeoff where you can have security, but then it's going to be terrible to use. We won't do that. It would be delightful to use, but you will make sure that you actually have it be super easy. So passwordless, as an example. We just launched passwordless with biometrics on the device for two factor authentication. You will be able to use passwordless. It's less steps than what you had before, but it's more effective because people can look over your shoulder and steal your password, or they can intercept you and steal your password.

Daniel Newman:

Yeah. There's a lot of people that don't realize that when you go full end to end encryption, there's a lot of functions and features that people want. They want the cool backgrounds and they want all the immersive experiences and transcriptions. And it's like, well, a lot of times it is a tradeoff. So the companies that are addressing that approaching and saying, we are identifying and recognizing the importance of full end to end, but concurrently, we also know you want to have this best of class experience. Where is the tradeoff acceptable? How do we make sure that you, the user or the administrator, can very quickly identify what's happening in the app? I liked some of this stuff with how you're approaching right within the URL bar, within the app, that you can quickly click on it and see what your security looks like and what is truly encrypted.

Because a lot of times you're hearing things like end to end, but you're only have, for instance, only the actual voice part. So the video is not, or the add on, the content sharing is not. So there's a lot of things in security. It's very complex. And I don't think a lot of people recognize how complex it is. And I can talk a lot about security, but I got one more question for you.

And I'm going to ask you the hardest question last, this is the Six Five Summit. We do have many of the world's biggest and leading brands and top executives here. So it's a perfect platform to ask this question, I think. You are in a

remarkably competitive space. I would argue besides maybe the chip shortage that no tech topic has gotten more talk over the course of this pandemic and then the collaboration. There's different acronyms and metaphors we're all using now. I won't give credit to any of them or credence, but the point is, is we spent a lot of time in remote meetings.

So the pandemic grew, it. It grew WebEx. It grew Zoom, everything grew. All the platforms grew. But I will tell you as an analyst, one of the things I'm hearing about is consolidation. We did research at one time and found average company has eight collab platforms concurrently, but when it was happening in a vacuum or it was happening in pockets of an organization, shadow IT. But now collaboration has been streamlined and deployed like CRMs and ERPs. It is part of an organization systems of record almost. They're consolidating.

Cisco, you must be realizing the competition is intense. Every deal you're winning is competitive. Why WebEx? It's your one-minute opportunity. Why is WebEx going to keep winning? Why is it the one that is going to in the end be selected by a lot of these companies when they do only go down to a couple, if not a single solution?

Jeetu Patel: Yeah. And so there's four or five, very structural differentiators and why WebEx, but there's one main core identity reason for why WebEx as well. Let me start with the identity and then go into the structural reasons. The key identity that we have in our product with WebEx is inclusivity. Everyone gets an equal voice. We're building features around inclusivity. We're building features around making sure that regardless of your geography, your location, your personality type, whether you're an introvert or an extrovert, your language preference, we will get you world-class solutions that can make sure that everyone can participate equally.

One is that as the core identity of who we are. And I think in the world that we live in today, that really matters. And it's nice to have that be the mission statement of your company, not just some side project that someone's doing. So if you think about the mission statement of Cisco, its power and inclusive future for all. We've actually taken that in the core identity of WebEx and you're seeing that, so that's one of the big reasons.

But let me give you a few others. We actually are one of the few players in this market that manufacture both hardware and software and provide a magical experience of both of them working together. Whether it be for the conference room, whether it be for the home office, whether it be for on the move, we provide devices and we provide great software. That's number one.

Number two, if you think about a spectrum of how people want to communicate from one-on-one planned versus spontaneous communication, and then all the way to hundreds of thousands of people that participate in a broadcast, we actually have a solution that goes out and spans the spectrum. No one else actually has that. And now with Socio, that's even gotten better. Now it's Slido

that's even gotten better because people can participate. So that's another big area. When you get to large meetings, extended enterprise communication, making sure that you have spontaneous communication where you can just call someone, those things are just harder to do with the other platforms.

Number three is we've spent about a billion dollars or so in AI in just the past couple of years. And all of those investments are now coming to fruition. And so you see this magical set of capabilities, noise removal, gesture recognition, all of those pieces which can come into full on removal of friction for the user that you just don't have with the others right now.

And then I'd say number four is there are some of our competitors that have always focused on I'm going to provide something that's good enough for the market and I'll make it available for free. What we are doing is we're providing best in class, but in a way that's bundled together so that your cost is low, but you can still have this magical experience because this isn't something that you want to skimp on.

And then number five is we'll inter-operate. So even if we compete with a Microsoft or a Zoom or a Google, we will have technologies that inter-operate with theirs. So when we buy Slido, we're not going to stop inter-operating with them. We will actually integrate with that with all of those. And I think those are structural differences that philosophically, I just don't think the others are able to go out and deliver.

And look, we respect for our competitors. They've done a great job. There's fundamental shortages in privacy and security and aspects of AI that they just are so far behind on right now that we feel like we're still pretty far ahead. And we are now pulling it all together into a single suite so that when you buy it, you don't have to buy separate calling, separate meetings, separate messaging, you'll buy all the solutions together in one suite, one bundle, one price. And that hopefully is going to be very seductive to customers. And it's going to be very easy for users to use. And it's very easy for the administrators to manage.

Daniel Newman:

Yeah, that's a great, very thorough answer, Jeetu and appreciate you going into depth. I imagine you're fiercely successful in the boardroom when it comes time to try to win the deal. That's what gets you to where you're at in life. What I will say is when companies innovate, we all win. And I will be sincere in saying that watching several companies, including some of the key competitors that I mentioned, all of you have done a remarkable job pushing the envelope, keeping the world connected. Thank you for that. Thank you for all the work you're doing to build that. Like I said, as all of you continue to innovate, I think we, as the consumers, you as the audience, everybody that's here and joining us, we all have a better and healthier and more productive experience.

Jeetu Patel:

Yeah. I have to say one thing on that front is we have been the fastest in our innovation in the 15 years today, today. And I will commit to you, that we are the slowest pace of innovation over the next four years. We will only go faster from

here. And so that's something that the market should know about us as we've massively increased our speed, but we are going to even increase it further as we move forward.

Daniel Newman: Hey, I love to hear it. That makes me smile. It's like a little bit of Moore's Law of Innovation-

Jeetu Patel: That's right.

Daniel Newman: In your own little vacuum of collaboration. Jeetu Patel, thank you so much for joining me. I love your passion. You can definitely hear it, that you are excited about what you're doing. Everybody out there in the audience that tuned in, thanks so much for spending time at the Six Five Summit. Check out all the sessions we have today and the apps and collaboration track. And throughout the week, we have an amazing lineup of speakers. If you're watching this on demand, thanks for tuning in. Got to go. See you all later. Thank you.