Mr. Chairman, members of the 34th Legislature’s Committee on Housing, Transportation and Telecommunications, senators, legislative staff, ladies and gentlemen, I am Naji Khoury, Chief Executive Office of Liberty Mobile USVI and appreciate this opportunity to appear before this Committee to discuss Liberty’s work in the U.S. Virgin Islands, our on-going 5G deployment and other important information for all Virgin Islanders.

**Liberty’s service in the USVI**

Since Liberty’s acquisition of AT&T Mobility USVI this past fall, we have been in contact with the Governor Bryan’s office, members of the 34th Legislature, regulatory agencies, establishing ties with local news media, and frequently communicating directly with our U.S. Virgin Islands’ customers, including a dedicated microsite with information regarding the transition to Liberty Mobile USVI. It has been a priority to establish these connections and inform the Virgin Islanders about who Liberty is and what they can expect from us. Since October 9, 2019, we have been proactively communicating throughout the Territory by letters, service reports, press releases and interviews. Enclosed with my testimony this evening is a report of some of our communications efforts in the U.S. Virgin Islands.

As you know, Liberty acquired AT&T’s existing infrastructure, which we have not only been maintaining, but also investing in and improving every day since that acquisition. We have continued with the progressive infrastructure plans that AT&T had adopted and have been regularly evaluating our Virgin Islands network, its signal strength and the challenges and opportunities before us. Liberty has already deployed over 59 miles of fiber optics throughout the Territory, which will deliver improved mobile telecommunications services to 50% of our sites in the U.S. Virgin Islands.

Liberty Mobile USVI’s underground fiber optics cable construction is envisioned as an important project providing Virgin Islanders resilience and redundancy in times of natural disaster and improved performance of our network on St. Croix, St. John, St. Thomas and Water Island. Liberty’s efforts in the Territory, especially those involving design, planning, performance, optimization and construction, are on-going as this is what our customers expect. Construction of Phase I of Liberty’s fiber build out is anticipated to conclude in the first half of this year. Phase 2 of this project targets the remaining 50% of our cell sites and we are in the process of obtaining the necessary government approvals. We project to commence Phase 2 on or before this June and
be completed by 2022. Our Virgin Islands customers will benefit from an improved cellular network that is more reliable, has an increased capacity and better cell service overall.

It is important for me to stress that our services have not changed. Prices, fees, billing and mobile usage outside the Territory remain the same. AT&T customer service contacts have remained the same and are handled by trained and experienced English-speaking representatives in the Territory and on Puerto Rico. We have hired more people in our call center to offer our customers a better experience with shorter waiting time. We have also kept our retail locations, sales and service employees, engineers, and network maintenance and quality control personnel. We also expect Liberty’s rates to stay the same while we offer new and attractive offers in the near future.

The only change you will see down the road is the brand name, which will happen later this year. As a matter of fact, the quality of service that U.S. Virgin Islands customers have come to expect will only get better. The U.S. Virgin Islands market is quite important to Liberty and we are affirmatively moving to enhance our network and service throughout the Territory. Customers will continue to be serviced by the same excellent professionals that have been a fundamental element of our Virgin Islands operations.

All key performance indicators equal those prior to our closing with AT&T and all our wireless team activities, especially those involving design, planning, performance, optimization, and construction, are on-going and exhibit no signs of slowing down. As for our inventory, our commitment is that U.S. Virgin Islands have the same treatment from the supply chain that we have in locations based on Puerto Rico. We will continue to monitor and respond accordingly.

5G Technology and Deployment

In addition to our network expansion, Liberty Mobile USVI is moving full speed ahead with 5G deployment in more locations throughout the Territory. Currently, we have approximately 50% of our U.S. Virgin Islands sites activated with 5G technology, and we plan to continue adding additional locations during the next months. For example, on St. Croix 85% of the population can now enjoy 5G coverage, while on St. Thomas it is 92%. For this process Liberty is diligently complying with all federal and territorial guidelines regarding our 5G deployment.

The Federal Communications Commission states that the implementation of fifth generation or 5G technology “can provide higher data speeds with less delay than 4G (...) Some 5G services will provide coverage areas with data speeds up to 100 times faster and almost instantaneous response time. For example, it can take almost 6 minutes to download a feature-length movie with 4G. With 5G, the same movie can be downloaded in as little as 15 seconds. Technically speaking,
current 4G speeds are approximately 12–36 megabits per second (Mbps), while 5G services are expected to support speeds of up to 300 Mbps or greater.”

My colleague, Victor Vera, Director of Liberty’s Wireless RAN Engineering, will address more of the technical aspect of 5G, but it is important to emphasize the economic impact that this new technology will have on the U.S. Virgin Islands. According to PwC: “the positive impact of the Fourth Industrial Revolution and its related emerging technologies will be fully realized through the wide-scale deployment of 5G communication networks in combination with other connectivity solutions. The key functional drivers of 5G will unlock a broad range of opportunities, including the optimization of service delivery, decision-making, and end-user experience”.

The World Economic Forum study: The Impact of 5G: Creating Value across Industries and Society published in January, 2020 states: “[f]ast, intelligent internet connectivity enabled by 5G technology is expected to create approximately $3.6 trillion in economic output and 22.3 million jobs by 2035 in the global 5G value chain alone. This will translate into global economic value across industries of $13.2 trillion, with manufacturing representing over a third of that output; information and communications, wholesale and retail, public services and construction will account for another third combined.”

These economic benefits have been widely studied and reported. Another article published in collaboration by the Boston Consulting Group and CTIA on February of 2021, states: “over the next decade, 5G deployment will contribute $1.4 trillion to $1.7 trillion to US GDP, and create 3.8 million to 4.6 million jobs. At first, 5G will contribute to economic activity directly through network infrastructure deployment. But as 5G networks continue to roll out and improve, an even greater wave of economic activity will occur indirectly as the networks enable new and improved use cases across industries. These will deliver significant socioeconomic benefits through higher productivity, improved cost competitiveness, and better health and safety.”

There is no doubt that 5G will make an impact on a diversity of industries including manufacturing, construction and health care. According to a 2017 study “5G wireless technology, along with concomitant emerging technologies … will transform global healthcare systems in the near

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1 https://www.fcc.gov/5g-faqs#:~:text=5G%20stands%20for%20the%20fifth,for%20a%20more%20efficient%20network. Accessed March, 2021
4 Id.
future.” According to Forbes Technology Council, 5G will help the healthcare sector to manage more data in real time, especially larger images, improve ability of patients to access care and provide greater reliability. The benefits of this technology are not only financial. It will improve healthcare, education and other areas of personal life.

Community outreach

Community support has always been one of our pillars. As a new corporate citizen in the U.S. Virgin Islands, Liberty Mobile USVI immediately sought to establish ties with local community outreach organizations that we could support, and we look forward to strengthening those relationships. We recently donated $50,000 to the Community Foundation of the Virgin Islands (CFVI) as part of our annual Liberty Foundation Invitational Golf Tournament. We will continue to promote volunteer participation among our Liberty team members and look for additional Virgin Islands non-profits and community support organizations with which to partner.

Liberty Mobile USVI will continue its mission to constantly strive for excellence in our services and relations with both Virgin Islanders and the Government of the Territory. We hope to work hand in hand with this Committee and the members of the 34th Legislature, as well as other government officials in support of better service, better technology and better overall experience in mobile telecommunications for the U.S. Virgin Islands. To achieve our commitment to the Territory and address the expectation of our customers in this great Territory, we need to collaborate with this Committee and the members of the 34th Legislature to consider and approve small cell legislation to provide Virgin Islanders the best technology and service. We hope this hearing clarifies any concerns you may have and opens a channel of communication between all parties.

Once again, I thank you for this opportunity to appear before you this evening. Please let me know if I can provide you any additional information or clarification and I would welcome any questions that you may have.

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