Dell Technologies | Raymond James Technology Investors Conference
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Simon Leopold:

Morning, folks. This is Simon Leopold with Raymond James, welcoming you to our tech conference held virtually in the clouds rather than in person in New York, maybe next year. We're going to be kicking off our session here with Matt Baker, who is the SVP of Corporate Strategy, but I've been entrusted with reading the fair disclosures. I'm going to give this a shot and then will dive right into our fireside session.

Matt Baker:

Good luck, Simon.

Simon Leopold:

Thank you. Dell Technology statements that relate to future results and events are forward-looking statements and are based on Dell Technology's current expectations. Actual results and events in future periods may differ materially from those expressed or implied by these forward looking statements. Because of a number of risks and certainly other factors, including those discussing Dell Technology's periodic reports filed with the FCC, dell Technology assumes no obligation to update its forward-looking statements. One more, this presentation includes information about non-gap operating income, which is not a measure of financial performance repair in accordance with US generally accepted accounting principles. We have provided a reconciliation of non-gap measures to the most directly comparable gap measures in the slides [inaudible] supplemental non-G measures available on the company's fiscal year 2022, third quarter results event page at investorsdelltechnologies.com. I've heard that enough times. I don't think I did a terrible job.

Matt Baker:

You did a great job.

Simon Leopold:

I didn't even practice, but Matt, I want to thank you for joining us today. Let's start off with setting a little bit of context. If you could just people a little bit about what your role is, your responsibilities and a little bit about your background so that we make sure we keep questions in bounds.

Matt Baker:

Sure, sure. I am Matt baker. I'm head of corporate strategy. I've been at the company for 17 years, responsible for, in essence, planning the business, looking and evaluating new business opportunities, and also spend a significant amount of time around business development and partner management. Before that, just by way of background, I was responsible for strategy inside of our ISG business for 10 years. Prior to joining Dell, I was at Intel for a decade, mostly in technical roles. That's my background.

Simon Leopold:

Great, great. It was a little bit funny as I was preparing for this, they had not updated your bio on the Dell webpage. I flagged that and we got that updated. If I added any value, that's probably it. I want to maybe start off, given that the VMware separation really just occurred. We've known this has been

coming for a long time, but maybe help us weave this into what are the implications on the strategy and the benefits, or any changes that you see coming because of this?

Matt Baker:

Well, to be honest with you, I don't see a significant amount of changes in terms of technology and business strategy as it relates to the spin of Vmware. These relationships are not built on ownership structure, they're built on processes and relate relationships and people. We've worked very hard to build out those relationships over the past five years and we've been incredibly successful, and that success is motivation to continue business as usual. The synergies we've created between the two companies will long endure any ownership, structural changes, so on and so forth, but of course, there are other added financial benefits and some somewhat intangible benefits in terms of our ability to sort of consider the world a little bit more broadly for both companies. Of course, it unlocked a significant amount of value for all shareholders to benefit from, gives us additional flexibility and of course, with the special dividend, added some capital and allowed us to rebalance the business a bit.

Matt Baker:

I don't foresee any practical changes in terms of the business that we're doing together, the innovations that arriving together. I spent many, many months working on the commercial agreement and I'm responsible, as I am with strategic partnerships, with managing these things. I've spent a significant amount of time with my colleagues in Palo Alto and I can tell you, we settled in on a number of very important strategic areas for us to continue to collaborate on. We're fond of saying first and best and that really means that we're working together first and we're working together best. It's not first and only, however, of course, and it gives VMware and Dell the flexibility to continue to work with other partners. It's important to note as well that we're at a very special time in the industry in terms of moving from one architectural framework, what I would call the virtualization era, into this new cloud native era and without getting into too many technical details, I'll just say it's really important at the beginning of these new waves of technology that you have a broad ecosystem because it takes some time to settle out as we are innovating and establishing a new way of doing IT. It goes by a lot of names, cloud native, micro services, containers, et cetera, but it truly is one of only three major shifts that I have experienced from client server first, virtualization second. I don't really think of cloud as one because cloud was virtualization in someone else's data center. Now we have cloud native, and so it's an exciting time and it's an important time to be building an ecosystem and therefore, first and best, yes, of course, but not first and only, and therefore driving innovation on behalf of our customers.

Simon Leopold:

Okay. I'm going to come back to some of these trends you've alluded to, but-

Matt Baker:

Please.

Simon Leopold:

... in every session, I inevitably have to ask a little bit about supply chain.

Matt Baker:

Sure.

Simon Leopold:

I know nobody wants to talk about it, but we do. Maybe if you could talk a little bit about how the supply chain issues that are being experienced industry-wide are affecting corporate strategy and maybe talk of how you guys are thinking about your pricing dynamics of your inputs and your products, and what's been the reception in the marketplace with both customers and suppliers.

Matt Baker:

I mean, there's no question that there are headwinds in the supply environment and it's being talked about everywhere, so it's not just in our industry, it's in every industry. I hate to be a car dealer at this point, but it really is challenging. The thing that I would say is I commonly describe our supply chain team as the Olympians of the supply chain game. I think that something that Dell has been known for throughout its history is just driving extreme discipline in our supply chain operations. While there are significant constraints out there, I feel like the team has been really navigating those headwinds better than anybody in it. It shows in our results, we shipped a record 6.6 million PC units in Q3. You can see through the results that I would say we're faring better than most, but it's no doubt that there are component shortages out there.

Matt Baker:

It's particularly strange in that it's not the components that you would think are constrained, it's some of the components that are on older fab processes, eight inch wafer nodes, so on and so forth that are really the constrained areas and therefore, it's not like we're having trouble accessing CPUs and core memory. It's more like the odd things out there and those are things that we can work around, and because of our unique model with this direct sales force and an end to end value chain all the way from supply through to sales, we're able to work with our customers to shape demand towards product that's available while still satisfying the needs that they have. I'd say a that we've spent a significant amount of time working hand in glove with our customers to help them navigate and gain access to the technology that they need to drive their business.

Matt Baker:

While yes, it's difficult and yes, the supply chain team has had to weather this supply issue. Before that, global trade issues. They've just been fighting it out for the last six years and frankly, it's something we're all really proud of. I commonly tell members of my team and throughout the company, I'm like, "The next time you see Kevin Brown, give him..." Our supply chain leader. "Next time you see Kevin Brown, give him a big hug because he's the reason why we're outperforming others." While it's definitely a challenge out there, it's something that we're navigating through and then on top of that, you've got... We've been through this period of component price inflation. We've continued to see that throughout the year and we believe we'll see that start to ease in Q4 and frankly, turn deflationary going into next year. Yeah, we've been working hand in glove again with our customers, making sure that they have access to product, of course pricing appropriately given

Matt Baker:

Given the supply constraints, shaping demand, and frankly, given the results that we're seeing and that we'll see as we get some of the industry pundit reports coming out, I feel like we're doing much better than many others.

Simon Leopold:

One of the things that sort of the logical follow up. I think, is how sticky will these price increases be? In the sense of... Yeah. Over the summer, we heard the Fed arguing that inflation was very transitory. I think we now all recognized, not so much.

Simon Leopold:

For you, what's your thinking on the stickiness of these higher prices, of both inputs, as well as your products?

Matt Baker:

That's a good question. We exist in a pretty competitive marketplace. Right? I would anticipate that competitive marketplace will sort of drive the pricing environment. Right? We're always looking for opportunities to position Dell in a proper price position. Given the competitiveness of the market, I would expect to see the pricing environment sort of behave as it has in the past. This sort of inflationary deflationary process is not necessarily new in our market. In fact, it's not. It's something I've been watching and participating in for a decade. I don't expect the market to sort of dislocate and behave much more differently going forward than it has in the past.

Simon Leopold:

I've actually just gotten a question on this topic from the audience. Since this is a new feature, I'm excited.

Matt Baker:

[Crosstalk].

Simon Leopold:

This is asking, what's your ability to alter sources, in order to make changes? In particular, I think the question is focused a little bit on CPUs, since you've been in Intel shop. How flexible is that ability for Dell?

Matt Baker:

Yeah. It's an interest question. I would say that there is flexibility, but the interesting part is that it's not... Again, it's not really the core components that you would think of. It's mostly the odd discretes on motherboard, switching power supplies, capacitors, other elements. Of course, there's infinite flexibility with those components, because they tend to be more commodity components that we can switch from one to another. There is a lot of flexibility and it's not as if it's sort of the Intel AMD arm area that we need flexibility. It's in some of the areas that you and I would never think about it. It's more of the pedestrian parts that are on the motherboard or components of other elements, like NICs, network interface cards, and other elements that are the ones that are more constrained. There again, we have a lot of flexibility.

Simon Leopold:

Presumably, those kinds of parts are... You're competing with home appliances and autos for some of those same components. Right?

Matt Baker:

Yeah, I think that's the reason why the Fed and others say that this is transitory, is that supply chains, don't like being turned off and turned on again. It's not like you can reboot a supply chain and it's all going to just work. Right?

Matt Baker:

As we've eased out of this pan... Well, I shouldn't say out. As the pandemic has eased and people have had more confidence, they've certainly wanted to spend more money and feel like, "I went into cash preservation mode and now I can loosen up the purse strings a bit." That's led people to march into car dealerships, into appliance shops, everything. Therefore, that's why I think you see the pressure on discretes, on all of these oddball components. Unfortunately, it's also an area that a lot of people don't necessarily want to invest in more eight-inch wafer fabs. Right? They're going to the new advanced 12-inch wafer plant. All of the smaller geometries, because that's where the money and the profit is. It's just working through that process. And you're right, it's not just because people are buying more PCs, more servers, more storage. They're buying more of everything, and the kinds of components that are in tight supply, are components that are shared across many different industries.

Matt Baker:

That being said, we're the biggest game out there. Right? We have an incredible set of relationships with our suppliers that have been built over a decade, and doing business with Dell has been good for their business. Right? We serve certainly leverage those relationships to ensure that we have the right level of supply, to meet the demands of our customers. That's why I've said the Olympians of the supply chain game, Kevin Brown and his team have really been critical in navigating this environment. They've got a lot of sleepless nights, but we've also got a lot of happy customers because of their efforts. That's what I would say. It's not like we're having to shift people from Intel to AMD. It's more of, this NIC component to that NIC component. Or, this storage controller in a server, to that version of the storage controller. Therefore, it really gives us a little bit more flexibility than I imagine folks would think we'd have.

Simon Leopold:

I want to get to drill down a little bit on the business units, but for people who are a little bit newer to the story, getting an introduction, I'd like to sort of kind of build to it. Maybe just talk a little bit about how you segment the market.

Matt Baker:

Sure.

Simon Leopold:

How you're sizing your markets. We can sort of walk into the business units from there.

Matt Baker:

Yeah.

Matt Baker:

Let me start with sort of the core [inaudible]. I'd say those core businesses are what we call ISG, or the infrastructure solutions group. Think of that being anything that goes into a data center. Servers,

storage, networking software that runs on all of that equipment, so on and so forth. Then, CSG, or client solutions group, think of that as PCs, notebooks, desktops, work stations, et cetera. That is a very large cam $670 billion, and it's projected to grow in sort of single digits over the next few years. It's a healthy, incredibly large market in which we're competing and winning.

Matt Baker:

We also look at the market as corporate strategy. What are the new opportunities, right? There are a number of attractive adjacencies that we're looking at. Some of those are telecom. We'll talk a little bit about Edge data management. And ff course, this shift as a service that we're seeing quite broadly throughout the market. These opportunities collectively, represent about an additional $650 billion, right? So, it's doubling the opportunity. These are all growing at high single-digit throughout 2024, right? The Edge market itself, and I'll explain what Edge is a little bit more here in a second. But, the Edge market itself is $110 billion opportunity growing at about 17%.

Matt Baker:

Let's talk a little about what Edge means. It is everything that is outside of a traditional data center. So, that could be theft loss in prevention, within a retail environment, right? Utilizing machine vision to analyze what's going on. It also could be real time automation inside of a factory. Therefore, you're seeing a tremendous amount of it landing inside of these new environments.

Matt Baker:

Let's turn to telecom. We've probably all heard the term 5G by now, right? The telecom industry is going through a somewhat unprecedented G, the fifth G. That fifth G is characterized by a sort of uncoupling and unbundling of what had prior been, quite a proprietary infrastructure environment to something more open and running on what you would think of as more traditional data center technology. The telecom industry, the opportunity there is about $114 billion. It's a slower growing space, but it's also being highly disrupted by this new software defined architecture. You'll sometimes hear people say, O-RAN or OpenRAN, which stands for open radio access network. That's the part of the network that has historically been dominated by proprietary equipment from vendors like Nokia, Ericsson, et cetera, that is opening up and creating opportunities for it.

Matt Baker:

These are all large, new opportunities in areas that are coming our way. That's the big take way from that series of areas that I just rattled off. These are all areas that are moving in our direction versus being far adjacencies that are out of reach. Therefore, the sort of secular dynamics within these industries are pushing them closer to Dell. Therefore, something we can benefit from greatly.

Matt Baker:

We're really excited about the opportunity in telecom, in Edge, in data management. Data management, for example, we talk about the growth of data, this relentless growth of data and exabytes everywhere. We recently published a paper that the headline of it was The Data Paradox. And a lot of our end customers and others throughout the industry reported that, look, they acknowledge that there is a huge opportunity around generating value from the data that they collect. And a lot of times people say digital transformation, that's really just shorthand for generating business value from analytics, from data, from automation.

Matt Baker:

And the paradox of it is, while they recognize that it's growing, they're having trouble understanding what they have and building value out of it. And that is a huge opportunity for a company like Dell, who stores more data than anybody on earth, to turn around and step into this adjacent opportunity. Which is, "Hey, I've got all your data, let me help make sense of it for you and add more context around it. Help you find it and help you put it to work."

Matt Baker:

That is core markets, large 600-plus billion dollars, and a set of adjacencies that more than double the opportunity. I mean, we're excited about the future and we're excited about this relentless push towards more and more technology in our lives, for automation, for optimization, so on and so forth, that is driven by this term you hear people talk about, of digital transformation.

Simon Leopold:

I want to pivot a little bit to the business units now with that as the foundation. And let's start with PCs, because it's big and there's a lot of debate. Investors keep telling us, at least the bearish ones, that PCs are always one quarter away from rolling over and you can't disprove it until you're there, and then it slides out to another quarter.

Simon Leopold:

I know Dell's argued that the PC market is at a sustainably higher level than it had been five years ago. And maybe if you could talk a little bit about the explanations behind this shift.

Matt Baker:

Yeah. And this is one of the effects of the pandemic. It was, if we rewind, let's just say five years, the average household would have one or two PCs per household. You weren't necessarily doing everything through a window of a machine. And so the pandemic really made PCs ... It was one or two per household, it's now one or two per person. And it's become an essential part of life. It's an essential part of school, it's an essential part of this, that and the other thing. And I don't think that we're going to be going back to the way it was.

Matt Baker:

We firmly believe that a new watermark has been set in terms of the numbers of PCs per household, let alone the expansion of the market as other markets open up and mature connectivity becomes more pervasive. And fundamentally we believe that the pandemic has reinforced the PC as the prime productivity platform. Everyone was saying that the PC was dead when they saw phones and tablets, but we all know that it's no fun working on a phone or a tablet. Your little teeny fingers aren't going to go fast enough to get the work done.

Matt Baker:

It's reestablished, or I should say firmly planted the PC as the prime productivity platform in all cases. Yes, you can consume content from a phone or a tablet, but this do-everything-from-everywhere-world that we now find ourselves living in, it puts the PC front and center. And so I like to say, if someone says that something's going to turn over and die or the PC is dead, it's like the news of my death is greatly

exaggerated. And the news of the PC's demise or it's slowing away from the current watermark, no, not going to happen.

Matt Baker:

And frankly, that's a firm bet we placed many, many years ago that I think was incredibly wise by Michael Dell, was everyone lamenting the death of the PC and us being confident that the PC aren't going anywhere anytime soon. And unfortunately, or fortunately, but unfortunately for the world, for all of us, is that this pandemic has taught us a lot of lessons. And at least for us, there is a little bit of a silver lining in that it's placed our business on the critical path for everybody's lives.

Simon Leopold:

And Dell's PC business is skewed with about 70% more commercial versus consumer products.

Matt Baker:

Yeah.

Simon Leopold:

What are the strategic implications of that business mix? Do you manage the portfolios differently? How do you think about that within your context?

Matt Baker:

We do. I, I mean, we choose where we participate in the PC market quite careful. And as you've observed, we focus more on the commercial PC space, gaming with Alienware, and the high-end portion of the PC marketplace. We don't have nearly as much exposure to Chromebooks, low-end retail notebooks, so on and so forth.

Matt Baker:

And so what you've started to see is some slow down in that discount space, the Chromebook space. We simply don't have the level of exposure to those marketplaces that some others have. And therefore, we feel a lot more confident. I mean, these are the areas that are more durable in our mind, particularly the commercial notebook space. And if you can imagine us all in a world of a more hybrid, work-from-anywhere world, certainly it's bending the mix towards mobile devices, so notebooks, mobile work stations, so on and so forth. All of which tend to command higher prices, are more profitable, and are essential.

Matt Baker:

And again, that's why we say we believe there's a new watermark that has been set. And that new watermark then goes into the pace of the marketplace we've historically seen with refreshes. We've got a Windows 11 refresh coming up on us, which is another dynamic that historically I'm sure most of the investors listening, understand those dynamics. And so quite frankly, we feel really good about this notion of a new watermark being set.

Simon Leopold:

Yeah, I appreciate that. I want to pivot to the infrastructure group, the ISG part of the business. And likewise, there's a narrative that says everything's going to the cloud nobody's ever going to buy a server

ever again. When we hear from some of the companies that refer to themselves as "born in the cloud," they're arguing that the networking incumbents, the players like Dell, can't adapt, can't move forward. How do you respond to that assertion?

Matt Baker:

It's back to these ... I don't know why we ... Well, not we, but why folks default into this zero-sum thinking, because never in our industry has a zero-sum scenario played itself out is truly zero-sum. There's no doubt that the public cloud is a popular way of doing computing, and it's an important component of anybody's environment. And so there's truth to you can't deny that the public cloud is growing. And in some cases, not all cases but in some cases, the public cloud build these systems themselves.

Matt Baker:

I would say though, it's not just ... I should step back and say that when many of the Wall Street crowd, sorry, say cloud, that's a lot of crowd cloud, say cloud, there's a default assumption that it is public IaaS cloud. And let me just say what IaaS means, infrastructure as a service. It's the most basic form of cloud. It actually happens also not be the largest part of cloud. The largest part of cloud is SaaS, or software as a service. So think salesforce.com, NetSuite, the platform we're on right now, Zoom, slash ... I can't remember ... Open-Xchange. These are all businesses that own and operate their own infrastructure. And they buy significant amounts of infrastructure from Dell.

Matt Baker:

When people say cloud, it's shorthand for Amazon Web Services, in the minds of most Wall Street analysts. But the reality is, is there's a much bigger, broader element of the market around SaaS, including IaaS, some of which purchase equipment from Dell.

Matt Baker:

... Dell. So we're participating in the adoption of public cloud today because we are powering the clouds that we're operating on, as we speak, right? If you're on your phone, searching, going, browsing, there's an incredibly high percentage chance that you're interacting with a Dell piece of a equipment. And then the other thing that I would say is we're quite fond of saying cloud is not a destination or a locality. It's an operating model. And there is a phenomena starting; I mentioned the word "edge." This phenomena is driving systems out into the world around us, and a lot of people ask, "Well, what is edge? What is this all about? Why is it happening?"

Matt Baker:

At the end of the day, if you think about the experiences that we are desiring that we want to see manifest in the world, a lot of them are these real-time immersive experiences on the consumer side or real-time automation within factories to drive greater productivity. And the interesting thing about this term "real time" is that real time is temporal, right? It's about doing things very quickly, and we all think of the speed of light as this incredibly fast thing. The reality is the speed of light is not terribly fast when you're considering real-time automation. And so, in a factory, if you're trying to utilize machine vision for safety... someone steps in a wrong area, you want to shut the line down.

Matt Baker:

Latency has to be measured in sub 10 milliseconds, and that is just a few miles away, maybe a hundred miles away. And when we're talking public cloud, latencies are measured in tens or hundreds of milliseconds, right? You cannot achieve real-time operation with a remote public cloud facility, and so this desire for real-time immersive experiences is actually leading to a significant wave of decentralization. And just to quote the CEO of a second largest public cloud player said, I don't know, a year or a year and a half ago at their major conference, they said, "We have reached peak centralization." And they were talking about this phenomenon, as a public cloud player, acknowledging that this edge thing is real, and in order to create these outcomes that are expected or desired or imperative in terms of driving greater productivity, then the world is going to be a wash in technology.

Matt Baker:

And while the public cloud players are good at supporting hundreds of thousands of things in a hands full of locations, Dell is incredibly good at supporting tens or hundreds or thousands of things in millions of locations, right? And this decentralization phenomena is pushing the market back in our direction, not to say it wasn't in our direction with public cloud, because many of the public cloud players are excellent customers of Dell. But this decentralization phenomena is really pushing computing back towards our core competency, which is the ability to deliver service and deliver product and capability, support it, manage it all throughout the globe and be there if there's a problem within two hours.

Matt Baker:

That's our core competency. And therefore, not only is it that our core business will benefit, but the potential to partner with some of these cloud players that are becoming increasingly more like software and operating system vendors, I think we're going to see this next phase of the industry be one of more robust ecosystems versus us talking about this zero sum winner takes all phenomenon, which, frankly, is not reality, has not happened. So we're bullish [crosstalk]... Go ahead. Sorry, Simon.

Simon Leopold:

And maybe just digging a little bit into the server. So clearly, that's a part of market where you've got a scale advantage, but to the outsider, this looks like a very commoditized platform. How do you compete with that to platform, that product?

Matt Baker:

Well, I think it's a little bit of hyperbole to say it's completely commoditized. It's not, right? And in many cases, these new software technologies, these new environments require that we build... it's sort of we innovate around the new constraints that we're experiencing. Recently, we launched a new raft of servers for telco environments. These servers have to have different dimensions because the telco environment is different. They have to comply to things like nebs, which is an environmental set of standards, that these are not commodity components. It's all about packing the most punch into, what is in the telco space, a pretty constrained environment, right? So it enables us to innovate and win for along many, many different dimensions.

Matt Baker:

Also, some of the more popular computing approaches, things like HCI built-on servers is a combination and a tuning of that environment for operations, for that HCI-like experience, which means it's not just the hardware. It's the combination of the hardware and software. And interestingly, it's usually around

the life cycle manage and of how these two... how software and hardware meet, that I mentioned HCI that we have this fabulous product that leading in the market that in partnership with VMware called VxRail, it's been growing like gangbusters for, not a decade, but approaching that. And it's become one of the most popular ways to compute and store because it's HCI. Does everything, right?

Matt Baker:

And so the art of that is actually managing the life cycle of that in a more automated way so it's simpler and easier to use. And that's what most of our end customers are looking for. So while you may think of the server as a commodity component... I don't think it ever was. But when you consider the combination of, okay, we've got to fit these things into these new environments and we've got to pack as much computing power into these constrained environments, or we want to build a new way of computing around HCI, so on and so forth, it opens up a lot of opportunity for innovation and differentiation.

Matt Baker:

And based on the growth that you've seen, I won't quote a bunch of numbers, but we've gained over 500 basis points of share in the last few years. And we've put a huge amount of distance between ourselves and the number two player, in that we've gained actually... When you start talking in thousands of basis points, it starts to get a bit ridiculous, but 1,530 basis points against our next year's competitor. We clearly are doing something right. Right?

Simon Leopold:

Yeah.

Matt Baker:

Yeah, I would push back against this notion of commodity, and then what I would say is that you can't think of these components in isolation. It's all about the combinatorial value that you bring to customers, and therefore, it's more about the broad base of the business.

Simon Leopold:

Matt, we've run out of time, which is fine. Lot of interesting insights that you shared. We've got a couple follow-up questions I'll catch up with you on email. But I'd like to close with just one last one, if you could be a little bit brief on this. But what do you think is the least appreciated aspect of Dell's story?

Matt Baker:

Well, I kind of just touched on it, right, which is people look at us as sort of this collection of component parts and want to sort of break down the component parts and analyze them more and more. The reality is, is that this is all about bringing solutions together to solve problems for our customers. It's not about an isolated market like a server or a storage or a network or a PC. It's about the full end-to-end value chain that we bring to bear for our customers. I think the underappreciated element of it is just how awesome we are at it, and the results show we've been winning. We are winning.

Matt Baker:

And then the other thing that I would say is, is that I think the market over appreciates this notion of zero sum combinations. We are participating in the cloud market today, and we love cloud. It's a rising

tide that floats all boats, right, and we've benefited. So, I would say underappreciated is the extent to which we're solving real business problems through technology for our end customers and winning. It's not just about the component parts. And two, y'all are over appreciating the zero sum nature of the public cloud, and we're confident that the world will be a wash in technology, and we're core to satisfying the needs of our customers. I hope that was brief enough.

Simon Leopold:

Nope. That was great. I appreciate it. The nice thing about being virtual is it's just a click away to the next meeting or so. Matt, I want to thank you for joining us. Folks, thanks for joining us. This was a session with Dell at the Raymond James Virtual Technology Conference. Thanks a lot. Bye guys.

Matt Baker:

Thanks, Simon. Appreciate it.