

15-Sep-2020

Walmart, Inc. (WMT)

KeyBanc Capital Markets Future of Technology Conference

CORPORATE PARTICIPANTS

John R. Furner

President & Chief Executive Officer-Walmart US, Walmart, Inc.

OTHER PARTICIPANTS

Edward Yruma

Analyst, KeyBanc Capital Markets, Inc.

MANAGEMENT DISCUSSION SECTION

Edward Yruma

Analyst, KeyBanc Capital Markets, Inc.

Well, good morning, everyone and welcome again to KeyBanc's future technology conference. I'm Ed Yruma, KeyBanc's Internet and E-Commerce analyst. I had a – a few quick housekeeping issues I want to go for quickly. First, we'll be having a really interesting demonstration of a new technology called [ph] FaceCake (00:16) that's at 9:30 immediately after this conversation, really want to be innovators in e-comm technology. Walmart actually uses them, so please stay tuned for that.

We have a fun discussion on collecting watches tomorrow at 5 o'clock, something fun to do, kind of fun and social, please sign up for that. And finally, here for this conversation, please make sure to ask any questions within your web tool. We'll try to get to them as time permits. And I think we have a forward-looking statement to put up.

While that's getting put up, I'll just give a quick introduction. From Walmart, we have Kary Brunner, Dan Binder, Michael Dastugue, the CFO of Walmart US and John Furner, Walmart US. John, Michael, thank you very much for joining us today. I think Walmart really is one of the success stories in a number of times actually in history of retail. And in particular, I remember being in New York and Doug getting on stages and we are introducing that concept of time and really helping customers not only save money but save time. And I think from that kind of first principle came all of your investments in e-commerce, came some of the investments you made in your stores and you really are one of the success stories, so congratulations to you guys.

QUESTION AND ANSWER SECTION

Edward Yuma

Analyst, KeyBanc Capital Markets, Inc.

Q

John, I guess some really big news today. Walmart Plus is finally launching. Want to understand kind of the plan a little bit. Do you think it helps attract new customers? Do you think it'll drive greater wallet share with your existing customers and on the delivery side particularly on the same day, how quickly can you scale this offering?

John R. Fumer

President & Chief Executive Officer-Walmart US, Walmart, Inc.

A

Yeah. Thanks for the time and the invitation. First of all, it's great to speak to you and the entire audience. But we are excited today about Walmart Plus, we've been working on this for quite some time. We started with a pilot last year called Delivery Unlimited to learn basically how much – how interested customers would be with a proposition like this. And today we launched officially, so the sites are live. You can join for \$98 a year or \$12.95 a month. And it gets customers access to three key benefits and firstly as you said its unlimited delivery from the store for groceries, for consumables, for general merchandise, and really the entire assortment. The second is, there's a fuel discount at Walmart owned stations, at Murphy stations. Around the country, we'll be adding our Sam's Club stations in the future that's coming at – and that's all \$0.05 a gallon and the third is Scan and Go and we're going to talk about technology, so we can come back to that.

But you know our view is, this is a really attractive offer for just anyone who's interested in value and time. And like you said a few years ago we added time as an active part of the conversation to the value equation. We always talked about quality and price, but you [ph] must have to then (03:02) subtract time taken away from customers as an attractor from the value equation. And so, what this membership does amongst other things that we're doing in the business is give people time back. So that this time busy or time start, busy family that we're focusing on and they're able to stay in stock, stay replenished and then they get their – the time of their life back to do the things that are important to them. And this year more than ever I think we've seen the customer probably skipped four years or five years of just natural evolution and growth and jumped right ahead into commerce in ways that we probably would have expected two to three years from now and we're here now.

So, the work that's been done up to this point and you mentioned in the company's history a lot's been done over many years to keep us in a position where we can prepare for things like this and then we also we love the change of Walmart. That's the thing that we say that is most constant is we're always looking for changes and certainly this year there have been lot of changes and I'm sure there'll be more to come.

Edward Yuma

Analyst, KeyBanc Capital Markets, Inc.

Q

Can you talk a little bit about scaling same day delivery. And I know you have a variety of providers. You've stood up a Spark network which is your kind of in-house solution. How quickly can you scale that and maybe talk a little bit about Spark and kind of why are you leading into that?

John R. Fumer

President & Chief Executive Officer-Walmart US, Walmart, Inc.

A

Yeah. Sure. Scale over the last few year has come really through capital investments in stores and offering pickup in stores where we didn't have pickup in the past. And we're – about 3,500 stores now working on a plan to finish

out the entire Supercenter fleet over the next year or so. So, that's been the first reflections and then second the productivity that we've been able to get in stores using things like AI and prediction and ML to power when people are going to shop to help us substitutions. We're also now able to because of the way we pulled eCom merchants and the store merchants together to have an omni-merchandise team. We're able to use this, this call it the search data, the intent data to help us think through things like replenishment across the course of a week.

So, the number of slots now can expand pretty well across the fleet. We've got a wide range of what's offered, and that number is getting bigger every day. And then finally, you see we're talking about the last mile networks. We use number of providers. We have a number of third-party services. We do have the Spark network which allows drivers to sign up and then take orders. Come to a Walmart Supercenter pickup an order and delivery it same day and that's gone well and then we've got other tests that we're thinking about along the way. You probably saw in the last couple of weeks we also announced two pilots with drone delivery services. One is with Zipline that's a fixed-wing autonomous drone and then also a Quadcopter drone with company called FlyTrex.

So, Spark can work on the ground, it can work in the air. We're going to learn everything we can because ultimately what we're trying to do is help the customer do one of three things and do that really well. And we want to help the customers shop in the store if that's what they choose to do. Second, we want to be there, the customer needs to pick up and then third if a customer has something delivered, we can handle all three and we'll be able to do that in a number of different ways, but we're going to make this a really seamless choice for the customer.

Edward Yuma

Analyst, KeyBanc Capital Markets, Inc.



You've had a number of different roles throughout the Walmart organization, one that stuck out in my mind is really when you were at Sam's and I think you really innovated with some interesting in-store technology like self-checkout. I know that this is kind of a component of Walmart Plus, but what other opportunities do you have to deploy customer facing technology inside of the Walmart superstore. And obviously one of your competitors is focused on just walk-out shopping, do you think we'll see this at a Walmart over time.

John R. Furner

President & Chief Executive Officer-Walmart US, Walmart, Inc.



Yeah. Let me start with Sam's for a second. Sam's over the last few years has become an innovation hub for the company and I just compliment the team there. They've done fantastic work over the last four or five years. It was exciting to see now as I think anything happened a few years ago is now accelerating and innovations coming on the Sam's are fantastic and things like Scan and Go. There are a couple more that we're working on. We're able to just take from Sam's and put them at scale at Walmart because of the way that they're thinking for the tech.

So, I think a lot of innovation will continue to happen there, but also for Walmart and innovation happens all around us. I think what's interesting this last year is the pace of consumer change has gotten to a point where innovation and ideas can come from just about anywhere in the globe. So I've also spent a few years living in Asia and got to see the pace of the change that was different from what I've been used to growing up in jobs all around the US and also saw what happens when an entire generation of technology was skipped. So that was a part of the world where desktops and laptops were never that prevalent and then these big civilizations [ph] the society (07:54) just went straight to mobile.

So, when you start with a commercial mindset and a mobile mindset first, then we're able to put things at scale, but feel like they would have been developed just very recently. So one of the applications that we've just put in front of the field is an application called Ask Sam, which is something that we highlighted in the launch of Sam's Club and every day associates all over the country are asking literally tens of thousands of questions and the questions are everything from functional questions to merchandised questions, to the schedule and this input of questions gets us in a position where we can really analyze the things that are important to our associate base then go react to those and build them better solutions to take the friction out of the workplace.

And so, this year given the number of changes that we've had, everything from store hours to installing PPE, at a point we had one door closed in the stores. We had to meter people. All these changes that our associates went through, and it's enabled us to quickly in real-time recognize the things that are top of mind. They're thinking about it, what they need from us, so that we can be great servant leaders when it comes to supervising this workforce through this global pandemic, we find ourselves in.

Edward Yuma

Analyst, KeyBanc Capital Markets, Inc.

Q

You know, you've demonstrated at Analyst Day I think some of the robotics you're trying to add like Bossa Nova, Alphabot. I know that you have some prototype stores where you have some automated fulfillment capabilities. Can you talk about kind of robotics in general both in-store and in your distribution centers? I guess how are you embracing them? Or can they make your teammates work more efficiently and how can it take cost out of your process?

John R. Furner

President & Chief Executive Officer-Walmart US, Walmart, Inc.

A

Yeah. Sure. Great question, Ed. I think about it really in two parts, when you separate what's happening with the robotic experiments that we've been a part of and then, what we're doing in the supply chain, it's a combination of computer vision and then, augmenting the parts of the physical workplace that are harder to make the work easier for our associate teams. And I want to take those one at a time. Our first Vision is a – is basically an electronic representation of what we do in retail just about every day. We walk through facilities. We look around; we observe, we accumulate the things we see and then we apply years of accumulated judgment to decide what we should do. So, some of the experiments that we have done successfully, one I want to talk about is something we refer to as IRL and that's a lab in-store A that we've been running over the last couple of years. That's – that's an experiment that has now been integrated into the core business and its helping us determine where inventory is, the way that inventory is moving out of the building and helps with things like inventory control, so that you can be in stock for customers. That was an experiment we did in-store A, and store A is our innovation hub. But we just integrated that back into the core business, so it's an example of how Walmart thinks like a startup, we can think small like a startup, create a company inside the company let it run a bit and then bring it in.

And so, Vision helps the management teams and the Home Office associates know better what's going on in real-time. Then as far as, what do the robotics do that are so helpful. I'll start with if you're an associate in the store or let's say you're a Store Manager, every day you focus on staffing your store, keeping your store clean for customers, being in stock and then being in the best position so that a customer can buy something off the shelf, take it to the front end [ph] of the sales (11:14) or we can pick it off the shelf and then dispense it through one of the pickup operations. So what the robotics and the supply chain are helping us do is deliver inventory that's palletized, ready to go, by aisle and so an associates no longer having to unload trucks in the back that are fully loaded, sorted out, get it to the right department, it's just sort of a streamline process where what comes in is ready to go directly to the counter and it's set in order. So, for our associates the most valuable part of the work is, as I said getting the store back in stock. We're taking a lot of workout [ph] that leads (11:47) up to the point where

our associates can keep us in stock so that we're ready for either a customer to buy or pick. But I think, these innovations will continue over the next few years and the pace of change from my view and the way we see it is just going to continue to accelerate.

Edward Yuma

Analyst, KeyBanc Capital Markets, Inc.



Could you talk about just innovation broadly. I've gotten a lot of questions from investors about how is Walmart getting so innovative. But actually, quick history lesson, right. I mean back to Mr. Sam's days, right, Walmart has been one of the innovators in technology and retail really since the beginning. How do you determine what innovations get scaled? Are there particular criteria you look for and kind of what [indiscernible] (12:23) versus what's kind of just a fun experiment?

John R. Furner

President & Chief Executive Officer-Walmart US, Walmart, Inc.



Yeah, great question and it is true that if you go back over the course of history of the company, the innovation has always been present, from the 80s putting barcodes on inventory or the large communication satellite network that Mr. Sam put in and helped us lead into the future. But in every one of these ideas, we have to experiment. And so, we can start small with experiments. We build MBPs. We've organized our teams to work like product management team and product management not being the color of apparel or the size of patio set. But building a tech product with business product, tech and engineering all represented formally integrated into process and we experimented on them and we try things. And the first thing you have to do is be willing to say that that experiment is not going to work and shut it down. And that's hard sometimes. And when I have an idea or you have an idea, want it work, it's easy just to keep pushing and then in the time doing the – getting the point where we could build a solution and then we go try to find a really nice problem that's attached to. So, what we're trying to do at Walmart is first, identify what we see our points of friction for the consumer first and then the associate second. And when we've got these listening tools like I mentioned for associates for Ask Sam, but we also take all sorts of feedback from customers. So, problem identification is one. And then just creatively, quickly, within a week or two, experiment and get a product out and put it in front of users or front of associates or customers and see if there's any take on it. And if there is, then we can build on it and then we can move to pilot and rollout, or if it doesn't go anywhere, we can just shut it down. So, we're thinking about innovation now and scales of days or weeks or months, not in terms of months or years. We frequently in the company have talked about, we used to do strategy once a year and we would make sure that our strategy was ready for the next year, which led to a payment planning cycle.

Now my team, if you look at our calendar, what we've worked on, you could – you would think we're having strategy meetings every week, which we are. And it doesn't mean that we're changing the overall direction of the company long-term, you know, absolutely not. But within the direction that we're going for the customer, we're constantly working on what's next. So, this year things like express delivery that was an idea that we knew that we needed to work on, and we had it out within just about three weeks from the idea of a pilot. We've got another big group of changes in optimizing supply chain at the local level, those are things that the team have now implemented, it took them just six weeks from the idea until they could launch. So, we've got to be out in days or weeks not weeks or months.

Edward Yuma

Analyst, KeyBanc Capital Markets, Inc.



Yeah. I think Doug has mentioned a couple of times that advertising is a strong area of interest. You know obviously Walmart US could be a big focus of that. I guess where are you today? And probably more importantly,

and how would you score your data efforts and really trying to understand what consumers are buying why, and how then over time do you integrate that with an advertising effort?

John R. Furner

President & Chief Executive Officer-Walmart US, Walmart, Inc.

A

Well, data is going to be a huge part of every decision we make going forward, and we try to think about data as just like currency, data is so valuable, and it's the integration of the data and then centralizing data around the customer experience that matters, and now how are we going to score it? I think we're in the early stages, we're in the early innings of course I think if you asked me the same question in a year, I think we'll be much further along. I'll probably give you the same answer because the way you can use data it just evolves so quickly. But just in the last – within this year actually, within the last couple of quarters we've integrated really all of the business teams who are leading the e-commerce business and the store business and at points in time you'd almost feel like we were running two businesses independently and at times they almost competed with each other. Then over this last year the two teams have come together. So, the supply chain team has been integrated, the merchandising team probably most important strategy that has been integrated. We've now got one marketing team all thinking about the customer strategy in lieu of thinking three things as a channel strategy.

So starting with the customer, we've made a lot of progress in identifying the number of customers that we have at an individual level as you know we don't do loyalty programs, we've always worked on an everyday low price philosophy which gives access to all customers – equal access to all customers. The low pricing that Walmart has to offer. And so, identifying people at the customer level has been our priority. But now with people that are shopping digitally and the improvements we've made in the digital experience as I just said Walmart Plus is another way that customers will get to know Walmart, we'll get know customers. But taking on this data and integrating it by person that now is enabling us to do things like give you push notifications and predicting the things that are going on in your life and we've got a lot to learn and some we're getting right some we've got – we make mistakes on and we're learning as we go. But Walmart having the portfolio for the – portfolio does from healthcare to the pharmacy to the things that you buying a grocery basket, understanding who in your family or who's living with you is important so that we can serve you in any occasion that the sign up process. I just went through yesterday for the second time when Walmart Plus was going live just leading into today. We start with a two-week free trial, but if you'll answer a few questions, then we'll give you the first 30 days as a trial and the questions are just basic things, which is a seamless process, how many people live in your home, do you have pets in the home? So just this basic information is really going to help us know exactly what it is we need to do to serve our customers well.

Edward Yuma

Analyst, KeyBanc Capital Markets, Inc.

Q

Yeah. That's probably a really good segue to the integration of the apps. I think you guys call it orange and blue apps, but...

John R. Furner

President & Chief Executive Officer-Walmart US, Walmart, Inc.

A

Yeah.

Edward Yuma

Analyst, KeyBanc Capital Markets, Inc.

Q

It's the grocery pickup app and the kind of walmart.com app and I guess kind of thinking longer-term is it hard to take a customer that is already successfully engaging in the grocery pick up and you get them to buy from general merchandise and over time what are the changes do you think will happen now that you've kind of integrated the e-commerce shopping environments?

John R. Furner

President & Chief Executive Officer-Walmart US, Walmart, Inc.

A

Well, those are definitely the conversations that Michael and I and the team are having last fall and early this year is what do you do when you have two shopping apps that are really both already operating at scale? So the upside, of course is the customer's experience gets easier and the supply chains can work more fluidly and that's an important point I'll talk about that in a second, but the risk was of course if you disrupt the things that are going so well, there's always a risk that you can lose a customer or customer experience and from the standpoint of a merchandise buyer or a store manager, an app operator, their KPIs we could come at risk if we did that.

So we made the decision early in the year that it was time to get customers in one spot and aggregate customers, so that they could have the full benefit of the Supercenter at the right point and the entire supply chain and what happens and – or what was happening in the two app experience is once you picked an app, you really had picked an entire supply chain and supply chains this year and I'm sure as everyone knows have been shifting pretty dramatically, but in our case in the physical supply chains, if you went into the orange app you were basically opting in to shop at the store and the supply chain that supported the store. If you went into the blue app then you're opting into the fulfillment center network and the supply chain and the merchandise teams you had chosen, the assortment and the pricing and go to the supply chain app. So, these two supply chains are working in parallel and by emerging the two apps which we did, which really started in April, pushing the two together and by June we had shutdown, [ph] with the wind up (19:53) we retired it. We had a quick retirement celebration for it, it did a lot for us and we gained a lot from it and we learned a lot from it.

So by pushing customers into one app which is right now still one app, two hallways, those are starting to come together and we've got a plan to get it to very seamless experience but that's now enabled us to use all of our supply chain assets effectively to serve customers however they wish to be, however they wish to be served, but there's still friction in the process.

I wouldn't want to say that it's all solved and it's right, there's still – it still takes some consumer education, which of the two hallways in our app by the yearend that shop the store mode or you're going to go into Walmart.com where the services are or some tabs are. So, we've still got – we've still got some work to do there the next few months to make this much easier for customers and for associates. It all goes back to as I said before, customers wanting to buy something in the store. They want to pick it up. They want to have it delivered. And that's about that's about as complicated as we should make it for the customer [indiscernible] (20:52) the rest.

Edward Yruma

Analyst, KeyBanc Capital Markets, Inc.

Q

You know I think when investors or analysts start thinking about technology, we think about robots, we think about apps, we think about it. But actually I was really struck I think this was a couple of years ago at your shareholder meeting, where you talked about some of the strides you're making fresh and in particular really taking time out, right, getting the barriers to me faster, making sure that you're linking closer to fields and helping people plant. I guess how do you use technology and logistics to actually mean to improve supply chain and over time how is that a competitive advantage?

John R. Furner

President & Chief Executive Officer-Walmart US, Walmart, Inc.

A

Well, I'll start with retail, you only go into retail if you execute well and customers, I say this all the time to our team. People and customers in retail are loyal in the absence of something better. So as – any time that someone can out-do your offer or give someone something that's fresher or it's a better value, you're always at risk. I'm we – I feel like we're auditioning for our customers business every single day when we open, and we are because we owe them a great experience and great quality in each and every transaction. And so, what's [ph] been and then (22:01) over the last few years, as you said you've got it right, as we took days out of the supply chain and we did that by monitoring the time and temperature where things are picked up and then track them through the entire supply chain whether that was offshore in the country and then we looked for every point that something was making a stop or there was a handoff or a consolidation point that we could be more direct and the most direct way for us to work is from field to distribution center to the store. Now clearly with the international supply chains there will be points of consolidation whether it's out of order or a border that something is driven across and it's one of the most global supply chain to deal with and fresh obviously is produce and that's just because of the seasonality and where things are grown at certain times of the year, it's just the nature of how it's done.

But using technology to track all the movements and then regress our way back into the most direct route from point of supply, temperature being maintained all the way across, things like bridge levels (22:59) being measured in the distribution centers at a rate that's effective are all really important and those are just – and those aren't as much about tech as they are just great retail basics, but it's recording each step and every movement to understand the best way that you could reroute things so that things are more important for – are more fresh in the future. And I would also lastly just on fresh, it's so much of this has to do with predicting demand and using things like our online grocery shopping application, the old orange app and form, when people are going to buy and what they're going to buy has been a lot of help this year, as customers have shifted so quickly from shopping in store to pick up or shopping in store or the e-com the AI tools that were – the team are using to help not only predict when people are going to buy and what they're going to buy if they're going to have it delivered or not has really helped the team at Walmart accelerate to be able to serve this year. And so, all these tools looking forward is as you said earlier, it all goes back to using that that the wide breadth of data that's provided from each of these transactions.

Edward Yruma

Analyst, KeyBanc Capital Markets, Inc.

Q

We had a question from the audience about some of your early efforts in healthcare. It seems like you're trying to kind of reinvent a very difficult part of the economy or of society and specifically [ph] I want to (24:21) how you're using technology to make this effort potentially more scalable long-term?

John R. Furner

President & Chief Executive Officer-Walmart US, Walmart, Inc.

A

Well, this week we're opening our sixth Walmart health clinic. We had five up to this point. Our first just anniversaried in Dallas, Georgia a year ago and Dallas, Georgia I wasn't involved in the opening the design of it, but it to me it feels like the supercenter of health. It's a great environment. We center the experience around the customer. Pricing is very transparent. So, when you walk in, you'll see the services and the price list which is the maximum you would pay. So, there are no surprises when you check out there's someone there that's helping anyone who needs to get insurance. They'll help them get insurance and then the services it's a wide range from hearing optical, mental health, general practitioner, dentistry, I'm sure I'm missing [indiscernible] (25:13) small lab in the clinic. But they can do just about anything you'd want to for, I'd say a general diagnosis and understand the state of the patient. And from there a number of things can be done. Now

but if you look forward over the next few years and even this year, technology has really changed the way people are ministering care in general for the first half of this year, people all across the country went to the doctor last for a variety of reasons. So, I don't know that that means that they'll go more next year or there will be some catch-up or this is the new normal. But now things like Telehealth are way out and there are number of companies who are experimenting with AI as the way to help treat and diagnose patients. So, I think over the next few years it's going to be interesting to see how technology really changes the physical experience that we have had in healthcare for so long. And as you said earlier, we'll keep experimenting and innovating. We're learning a lot about healthcare with five clinics open that's enough to just really get our toe and understands how the business can work. But we definitely know there is a need. The early results in Dallas and couple of clinics after that, clearly to us pointed out that there is a need or a demand for access to quality care all across the country and these aren't big cities per se. They're great markets in in a mid-size suburbs, but in every one of those first locations I think the demand definitely tells us that Americans are looking for access to quality care and we think Walmart [indiscernible] (26:49) should be a part of that.

Edward Yuma

Analyst, KeyBanc Capital Markets, Inc.

Q

You know you mentioned in one of your previous answers about the use of AI in business. I guess kind of where do you use it and I know you [ph] fly for us (26:59) this concept of smart substitutions and how is that going?

John R. Furner

President & Chief Executive Officer-Walmart US, Walmart, Inc.

A

Yeah. It's going well. When a customer orders something for pickup in a store, the two things that they really want once they load the basket and check out is, they want the order to be full and they want the order to be on time. And I think that any way you look at it, the two big points of frustration is if you're late – or if you don't sell the order it's frustrating, especially if the customer is trying to build a recipe and they're looking for ingredients. So the way we use intelligence to try to predict what items would be the best substitute is working well because we're going through transactional data to look for satisfied customers and determining, if something's not going to be available, what would be an acceptable substitute for it. I'm all the way to the point where we're making suggestions at the end of the transaction based on the basket you buy. So, you can see some of the things when you shop in the app, you see them come into life. But the ability to predict this is really important for the customer because the customer who is trying to create a – I'd say create a recipe, if one of the key ingredient is not substituted well, it really makes for a – an experience that's full of friction and hurt someone's evening or someone's day.

So, over the next you know few quarters I think you'll see a lot of improvements for us as we continue to refine the customer experience and in predict. And this year it's been more than ever, with the pandemic and the way people are shopping after March and April when we had the significant number of out of stocks, I'm sure. It's always observable in-store when that happens. The substitutions became an even bigger part of the answer into the summer months as the stores recovered.

Edward Yuma

Analyst, KeyBanc Capital Markets, Inc.

Q

Got it. I think we're running out of time, but I do want to ask the final question which we've been asking all of our panelists. So, I guess, kind of what's the consumer mindset today you know kind of from a spending perspective, how open are there to spending, kind of what are their key priorities?

John R. Furner

President & Chief Executive Officer-Walmart US, Walmart, Inc.

A

Well, the biggest priorities last couple of quarters have been the shift to living at home. I know that's obvious, but categories like home, building at home offices, getting kids in school or teaching kids at school and I just like to say big thanks to all the teachers and parents, administrators, who've been so flexible to educate our kids with such a different environment and that they've just been absolute heroes for all of us. But there are items like the at-home body tattoo pin, was an early runner in July. And what that says to me is people are looking for things to do that are creative early this season, we're selling pink hair color as the summer got in season and then late in the summer getting or I'll call it our bestselling new color was blue. So perhaps there's now a new spring and fall hair color etiquette that I'm not aware of. But people are looking for things to do that are creative in small groups at home and you know, I think it definitely will change the way we're thinking – definitely has changed the way we're thinking of fall. We're going to close on Thanksgiving and handle our events differently. Customers are looking for that, our associates are looking for that, but we're going to all be reactive. These changes are coming quick and the customers are changing really rapidly. So, let's – we'll be watching what the customer does and we'll try to stay ahead of it.

Edward Yruma

Analyst, KeyBanc Capital Markets, Inc.

Well, best of luck to this holiday season. Thanks for keeping our nation fed and healthy. John, Michael, Dan, and Kary thank you very much.

John R. Furner

President & Chief Executive Officer-Walmart US, Walmart, Inc.

Yeah. Thanks, Ed. Thanks for having us.

Disclaimer

The information herein is based on sources we believe to be reliable but is not guaranteed by us and does not purport to be a complete or error-free statement or summary of the available data. As such, we do not warrant, endorse or guarantee the completeness, accuracy, integrity, or timeliness of the information. You must evaluate, and bear all risks associated with, the use of any information provided hereunder, including any reliance on the accuracy, completeness, safety or usefulness of such information. This information is not intended to be used as the primary basis of investment decisions. It should not be construed as advice designed to meet the particular investment needs of any investor. This report is published solely for information purposes, and is not to be construed as financial or other advice or as an offer to sell or the solicitation of an offer to buy any security in any state where such an offer or solicitation would be illegal. Any information expressed herein on this date is subject to change without notice. Any opinions or assertions contained in this information do not represent the opinions or beliefs of FactSet CallStreet, LLC. FactSet CallStreet, LLC, or one or more of its employees, including the writer of this report, may have a position in any of the securities discussed herein.

THE INFORMATION PROVIDED TO YOU HEREUNDER IS PROVIDED "AS IS," AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, FactSet CallStreet, LLC AND ITS LICENSORS, BUSINESS ASSOCIATES AND SUPPLIERS DISCLAIM ALL WARRANTIES WITH RESPECT TO THE SAME, EXPRESS, IMPLIED AND STATUTORY, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, ACCURACY, COMPLETENESS, AND NON-INFRINGEMENT. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NEITHER FACTSET CALLSTREET, LLC NOR ITS OFFICERS, MEMBERS, DIRECTORS, PARTNERS, AFFILIATES, BUSINESS ASSOCIATES, LICENSORS OR SUPPLIERS WILL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, INCLUDING WITHOUT LIMITATION DAMAGES FOR LOST PROFITS OR REVENUES, GOODWILL, WORK STOPPAGE, SECURITY BREACHES, VIRUSES, COMPUTER FAILURE OR MALFUNCTION, USE, DATA OR OTHER INTANGIBLE LOSSES OR COMMERCIAL DAMAGES, EVEN IF ANY OF SUCH PARTIES IS ADVISED OF THE POSSIBILITY OF SUCH LOSSES, ARISING UNDER OR IN CONNECTION WITH THE INFORMATION PROVIDED HEREIN OR ANY OTHER SUBJECT MATTER HEREOF.

The contents and appearance of this report are Copyrighted FactSet CallStreet, LLC 2020 CallStreet and FactSet CallStreet, LLC are trademarks and service marks of FactSet CallStreet, LLC. All other trademarks mentioned are trademarks of their respective companies. All rights reserved.