

# Walmart Inc 2018 Open Call Event

## Company Participants

- C. Douglas McMillon, President, CEO & Director
- Cindi Marsiglio, Unknown
- Gregory S. Foran, Executive VP, CEO & President of Walmart US
- Steve Bratspies, Chief Merchandising Officer of Walmart US
- Tony Rogers, Senior VP & CMO of U.S
- Unidentified Speaker, Unknown

## Other Participants

- Asa Hutchinson, Governor, State Of Arkansas
- Helena Burkett, Analyst, Unknown
- Roger Tutterow, Analyst, Unknown
- Unidentified Participant, Analyst, Unknown
- Warren Brown, Analyst, Unknown

## Presentation

### Cindi Marsiglio

(presentation)

Good morning. Good morning. Welcome to open call. You made it. Yes. You're here. I want to appreciate all of you for being here today. And we have so many guests viewing and tuning in today as well. Our suppliers viewing across YouTube, our e-commerce teams from Hoboken, New Jersey all the way out to San Bruno, California are tuning in this morning and of course, all of you across Bentonville watching at your desks and on your devices. Thank you. It's another great day. As I was driving in and watching everybody with your badges come in and saw the flags come up and the tent outside, I was like, it's here again. And I was really excited.

As you will hear many of us say today, it really is a very -- a day that we all look forward to and have a lot of fun. So we're really glad that you're here.

I am -- my name is Cindi Marsiglio. And I lead a team here at Walmart we call Merchandising Services. We are a group here that is dedicated to supporting our buyers and our suppliers drive their strategy and deliver on their strategy. And a big part of that strategy is our investing in American jobs effort.

It's been about five years now. As you saw on that video, we have continued every year to look for new ways to reinvent our role at Walmart working through our supply chain. How do we continue to look for new ways to accelerate this resurgence in American manufacturing. And a big part of what we've worked on is find new product. You heard a lot about it yesterday. And that's what we are really convened here today to do. So thanks.

I know you've traveled far. You are pretty much from every state and Puerto Rico. I saw this team here this morning. And I was like, they're fired up. We have really enjoyed watching you guys. We've watched you on social media. We have really enjoyed your posts about traveling here and enjoyed preparing you, I especially like that one about the candy, I love that. I'll be over there in the Culinary & Innovation Center this afternoon. I'll check you out.

Yesterday, you checked in. You learned a little bit about our private brand sourcing team. That new expo that we hosted is a new addition this year. Did you like that, for those of you who participated? Good. (Karen) and her team -- it's another element of Walmart looking for private brands. What do you make? Where do you make it? Are you interested? It's a big driver of our strategy, too. And we were happy to facilitate some additional connections around your buyer meetings today.

You also checked in. You were -- you had a prep session. Where is (Austin Corey)? Thank you. You guys, give a hand for Austin Corey if you attended that yesterday. You did a great job. Thank you.

Those were 2 1-hour sessions to field your questions and make sure that you make the most of your 30-minute sessions with your buyers today. Is (Ray) here? Where are you, Ray? Stand up. Let's give Ray a hand too. Ray. I watched Ray. And I thought I need to bring some energy tomorrow because Ray was in your seats last year, as he shared with you. And we just appreciate you coming back and paying it forward and talking about your experience last year. How it wasn't a yes on the spot on but how you are now across 3,000 Walmart shelves. So congratulations to you. Appreciate you. Really, it's great. And as I stood in the back, I stood in the back, I heard the most important thing that you can't mess up tomorrow is the Walmart cheer.

So let's bring Jason, George and Scott back up. Get on your feet. Let's do it. Let me see it.

## **Unidentified Participant**

All right, you all make me proud now. My reviews -- my review is lying on it right now. Give me a W. Give me an A. Give me an L. Give me a squiggly. Give me an M. Give me an A. Give me an R. Give me a T. What's that spell?

## **Cindi Marsiglio**

Walmart.

## Unidentified Participant

Whose Walmart is it?

## Cindi Marsiglio

It's my Walmart.

## Unidentified Participant

Who's #1? The customer, always.

## Cindi Marsiglio

Nice. Nice job. Scott, George and Jason wake up every day reporting to this office, figuring out how to keep making progress towards that \$250 billion commitment that Walmart has made. We don't do it alone. We need partners like you. And we're going to hear a little bit more about that this morning, okay?

Now the goals are simple: accelerate growth in U.S. manufacturing, invest in our communities that we serve at Walmart and build trust with our customer, right? And this hits all marks for us. We're pleased with our progress. In 2013, when we set out, you create this glide path over 10 years, you go, how are we going to get there? What products make sense? We analyze 1,300 categories across Walmart and methodically are working our way through that with our suppliers. And it's tough. And in fact, right at the midpoint here, I would say we're about 90% to our plan.

So back in 2013, we thought where are we going to be in five years? And we're really, really close. And that's great progress. I'm proud of that. You should be, too. You play a big part of that. But we know we can do more. And we know we have more work to do.

So continuing to engage with our suppliers, our government partners at all levels, state, federal and local and lots of stakeholders who are making this thing happen. We're a large retail, we know we have big scale, we know we can uniquely position to help. But we don't do it by ourselves.

So thanks for being a part of it. Okay? Yes? Prompter went out. My prompter went out. Yes. It's all right. So here's the deal. This is -- it all comes down to jobs. And as you heard Jason say yesterday, we believe that this initiative, when we're finished, could create as many as 1 million new American jobs, both within manufacturing -- and I'll tell you, we continue to see factories expanding. I'm in them a lot. It's the best part of the job from things you see up here, this is what it looks like in stores today, kayaks, grills, fans, bikes. It's not just our food and consumable business, right? We're a large grocer. And certainly that's a big part of it because it all creates the jobs that we're talking about. And in fact, what you see here at the front -- Tony, you're going to tell us a little bit more about it. But right now, in-store across our chain, we're

featuring hundreds of U.S.-made product. Our customers want to know what's made here. We're featuring it online. We're featuring it in the Walmart app. And it's working. It's working. Customers really do love this. And as you heard in the cheer, who's #1?

## Unidentified Participant

Walmart.

## Cindi Marsiglio

That's right.

## Unidentified Participant

(inaudible)

## Cindi Marsiglio

No. Wrong. You were doing so well. That guy. But let me do this. Before I turn it over to some of our special guests, I'll be back this morning a little bit, you'll see a little more of me. But before we get into the meat of today's program, let me just give you a couple of key reminders that you're going to need, okay? Everyone can follow our progress today, #WalmartOpenCall.

You guys are already engaged, everyone tuning in. So get involved, let us know how your day goes. Post about your experience. It's great fun to watch. So everybody get onboard with that. Ready?

This afternoon, well, actually there are going to be 2 of these. We have 2 things that we call supplier academies. My team also make sure that we can help you with the administrative side of doing business with Walmart. It's not always easy. Getting a vendor number. How many of you have already gotten your vendor numbers with Walmart? Good, good, good. That was what our aim was. Through the registration process, through leading up to today, how do we go ahead and get you your vendor number, educate you about how to get your items started up online and talk to you about the contracting process at Walmart. That's what that supplier academy is all about. We've convened those experts to help you with that. So around your buyer meetings, please plan to attend one of those sessions, okay?

Lunch is on us. You saw a big tent out in front here in the parking lot. If you've got meetings over at our home and apparel building, we're also serving lunch over there. There are shuttles to bring you around between all of our campus facilities, okay? But please enjoy it. It's on us. It's great Arkansas barbecue. So it's not something you're going to want to miss. Round out your Northwest Arkansas experience, okay?

Then this afternoon, we're adding a little fun to the afternoon, a new twist on a session we call Bring It. And about 6 of you -- 6 of you? About 6 -- so 6 of you have agreed to pitch your product live here in our auditorium. And we're going to crowdsource it, right? So everybody is going to get in on a chance to play Walmart merchant and figure out if these products, you think, fit for the Walmart customer. So come and join us for Bring It.

Then this afternoon, we'll meet back up together at a place called the Record. It's downtown Bentonville, it's just a couple of blocks from Sam Walton's very first Walmart. And we'll wrap up the day with a reception listening to you and seeing how it went.

Does that sound like a pretty fun day? Okay, good.

Now I want you to remember. And I heard it yesterday so I know this isn't new to you. But there are many, many ways to work with Walmart, right? Online, across platforms, 1 store, 30 stores, 3,000 stores. Talk to your merchants today about your capacity and your opportunity. Also, I love the things you went through yesterday, tell your story, know why you differentiate. How many of you went to visit a store last night? I knew you would raise your hands. I knew it, I knew it.

I know you're in them in your own communities. But I hope you stood right there and said, what -- what, how do I fit? Why would I fit? What's different about me? What will best influence my buyer tomorrow in a short period of time? It really is our way to fast track you to the right decision makers in our company. It's a great point of entry. But it's not the entire thing. We don't typically buy products in 30 minutes. But this is the right way to get you to the best person with the most likely opportunity to educate you and maybe make a purchasing decision on your behalf.

So talk about your product, use your time wisely and have a lot of fun. I am certain that no matter what happens today, you will leave here having been better for having been here. Okay?

So enjoy your day, enjoy your morning. And thank you.

### **C. Douglas McMillon {BIO 3063017 <GO>}**

Hi everyone. I'm Doug McMillon, President and CEO of Walmart. I just want to welcome you to this year's open call event and let you know how excited I am to have you with us. Investing in American jobs is a big part of Walmart's strategy. We want to surprise and delight customers with new and exciting products. The freshness and innovation you bring to Walmart is essential to helping us win with customers. American manufacturing is also a big part of how we're investing and supporting local communities. Walmart is committed to American renewal. We know that when we choose to sell products that have been made, assembled or grown in the U.S., that has a direct effect on the communities we serve. We are out to be the most trusted retailer. Customers want to feel good about what they buy from us. Knowing their food is grown by a local farmer or that the cooler they're buying was

made in America makes customers feel proud to shop with us. It's also one of the many things that makes our associates proud to work at Walmart. And personally, I love that this event gives American entrepreneurs a place to shine. Thank you, all for being here. Congratulations on making it this far. And good luck with your meetings.

## **Cindi Marsiglio**

We have a really special guest for you now. A man who pushes us every day to think differently about our initiative. He knows that at the heart of this is a buy local. It works anywhere in the world. Our CEO of Walmart U.S., Greg Foran. Greg, please come up. Thanks. Thanks for being here.

## **Gregory S. Foran** {BIO 4687375 <GO>}

Thanks for being here today. Good morning, everyone.

## **Unidentified Participant**

Good morning.

## **Gregory S. Foran** {BIO 4687375 <GO>}

Wow, what a turnout. Cindi, what a fantastic job you are doing each and every day, keeping this alive and turning this into something which is a reality. So I just want to say thank you to you.

Doug, unfortunately, couldn't be here. He's in Singapore at a conference. But just to build on his comments about being the most trusted retailer and the importance of this event, it really is critical to us. So thank you for making the effort to be here. And to echo your comments, whatever happens today, it's going to be a great day.

Let me sort of just share with you what's on my mind as I think about items in our business. And maybe take that theme and just play it out a little bit. And talk to you a little bit about items, about the role of the merchant and then the importance of relationships.

So sometimes you might think, what's it like for someone like me when I walk into a store. And I'm thinking about Walmart or I'm looking at what we're doing online and thinking about Walmart.

Well one of the things that I do is I focus on something called an item. I don't spend a heck of a lot of time worrying too much about assortments and worrying about sight lines and adjacencies because what I try and do is put myself in the place of a customer.

And when you look at a customer, whether they're shopping online or they're shopping in a store, they actually focus on something called an item. And I get

excited about items and I hope you do too.

I love this item, a mini pie. We sell it for \$0.50, made in America. I can stand in stores and I see customers, they don't buy one of these items, they buy many of these items. In fact, as I go around -- I was in stores yesterday in Florida, I can pick on a flavor, apple happened to be the #1 flavor in the store I was in yesterday. And we were selling, of this particular item, 600 a week of that one flavor.

Now I ended up in Puerto Rico a couple of weeks ago. And I know that we've got a team from Puerto Rico here. So thank you. Big deal down on this island. We have really turned on down there, both in terms of our stores and also our relationships with our suppliers. And I'll talk more about that in a minute.

But while I was down in Puerto Rico, I came across this item. But in a different flavor. It happened to be a pineapple mini pie. We only sell the pineapple flavor in Puerto Rico because the team in Puerto Rico said, this is a flavor and a taste which is unique to us. So I'm going around the island there touring with our team. And our associates are showing me that on the pineapple mini pie, they're selling 3,000 per store per week of that flavor. A small number times a big number is a really big number. And that's an important thing to remember about Walmart.

When we get behind an item, some amazing things happen. And in fact, when you take the second component, which is the merchant mentality. And I hope that's something you take away from us today: everyone in Walmart is a merchant.

Sam Walton taught us that. His item was, of course, the Moonpie. But we're all merchants. And when we get into an item -- and Del Sloneker, who leads our team down in Puerto Rico, when he gets into an item, he really gets into an item -- you can achieve some pretty amazing things.

So today, as you present your items, think about the story. And that leads me on to the third component. And let's just have a quick look at a video.

(presentation)

So unfortunately, (Miguel) couldn't be with us today. But if you think about what I've just been sharing with you, items and merchant mentality and then put in the importance of a relationship.

Because things were sort of touch and go with soft (inaudible) after the hurricane. Were they going to get up and get going again or not? But thanks to the relationship component here, what we've been able to do is give some security and surety. They've been able to invest \$6.5 million worth of capital, there's 44 more jobs in the island and the circle completes itself because we're back to selling great items.

So with that, Cindi, I'll hand back to you. But as I mentioned. And as you mentioned, whatever happens today, you're going to have a great day. You'll learn something. And I'll look forward to seeing you around the corridors. Thank you.

## **Cindi Marsiglio**

Thanks, thanks. First, let me say, I see Blake here. Blake represents our merchants on the island in Puerto Rico. It is a privilege to continue to serve the island. So on behalf of all of our Walmart associates here, thank you. Thank you for what you're doing. And thanks for being here. It really is.

And Greg, you said a small number times a big number is a big number. You know how many of those pies we're going to sell this year across the chain? 185 million mini pies, right? A lot.

## **Gregory S. Foran** {BIO 4687375 <GO>}

(inaudible) 200.

## **Cindi Marsiglio**

(inaudible) to 200. I'll pass that on to (Kina). I'll make sure she knows. It's a lot of mini pies.

I will tell you that one thing that I have learned a lot over these last several years with this initiative that we can do a lot at Walmart but we're not alone. It really does take partnership. Partnership across the retail industry and partnership across government at all levels, federal levels, state level, local. And it also takes leadership.

We've got a great leader here for you next, who is certainly a friend to Walmart, certainly a passionate advocate for manufacturing creation, expansion and jobs here at Arkansas. You're back again. We keep crossing paths at factory openings. So please, please welcome -- help me welcome our Governor, Asa Hutchinson. Thank you for being here. Good to see you.

## **Asa Hutchinson** {BIO 13387111 <GO>}

Well thank you, Cindi. And thank you Walmart for hosting this. This is probably my third manufacturing summit here. And I'm so grateful to Walmart for having this initiative that creates jobs in the United States of America.

But everything is local, whether it's politics or creating jobs. And we have so many different states that are represented here. And each of you want jobs and growth in your own area of the world.

Now I have a little parochial interest in Arkansas. I'm a little bit prejudiced toward this state. So I will talk a little bit about this. But I recognize how many states we have



here and how you're entrepreneurs, you are business people that want to create growth, you want to create opportunity in your particular geographic area of the world.

I grew up not far from here. I grew up over in Gravette on a farm. My dad, who was a poultry farmer, he worked in a poultry plant part of the time. But there was a time in life that farm wasn't doing too well. So he needed an outside job. And my dad, the closest outside job that he could find that really could help provide for his family was Tulsa, Oklahoma.

And so he'd get up on Monday. He'd get over there to Tulsa. He worked during the week and come home on the weekend. And that's not the design that we have for our communities. The design is that we have jobs close to us. And Walmart's initiative of returning manufacturing to the United States of America is important for families and individuals. And it's working.

Just since I've been coming to this summit, we've had numerous occasions that we've had expansions in Arkansas of manufacturing facilities that's selling to Walmart. That's exciting to me. It's working. It's creating more jobs.

And manufacturing is strong here in this state. Whenever you look at the fact that agriculture is our leading industry, tourism is our second-leading industry, manufacturing has always been a foundation in Arkansas.

In fact, we are the sixth leading state in the nation in terms of workforce engaged in manufacturing. That's a lot of our workforce with experience in manufacturing. We're one of the leading states in jobs created by foreign direct investment.

We're bringing foreign jobs back here to Arkansas, to the United States of America engaged in manufacturing. And so we've created 26 different career centers in Arkansas to help produce the skills that are needed in manufacturing.

Now Arkansas is one of those hidden secrets. How many -- anybody from Texas here? Texas, a good -- so I love your governor, Governor Abbott. And I was on a platform with him just a couple of weeks ago in Austin. And you know what governors do, we get on the platform and we brag about our states.

And so Governor Abbott is there talking about Texas, how half of California is moving to Texas. All the jobs are coming there. The cities are growing. He went on and on and on. Then they turned to me. And so what do you have to say, governor?

So I looked at Governor Abbot. I said, "Look, we have a close partnership with Texas. We love Texas. In fact, 40% of the entering freshmen at the University of Arkansas come from Texas."

And so there's a lot of hidden secrets here in the state of Arkansas. We have one of the leading counties in terms of steel production over on the Mississippi River. Soon, we'll be 3, #2 in steel production. Aero defense. If you buy a Falcon Jet anywhere in the world, you fly into Little Rock, Arkansas to pick it up. We have defense industry here, we have automobile manufacturing and the supply chain here.

We're growing in manufacturing. And we're very proud of it. We're proud of our education system. The fact that under my leadership, we put computer coding in every high school at Arkansas to help build technology companies.

And as a result, Arkansas is recognized as leading the nation in computer science education because that's the future to support manufacturing, to support technology, to support online services. That's what we want to offer here.

I've got my press in here. Mike, if you wouldn't mind standing up, he's my Director of Economic Development. And he's just like me, that he wants you to get a contract with Walmart. We want you to go back -- we want you to go back to your state and grow your business in your state. And we want you to grow so much that you're going to need a second location here in Arkansas.

And so when that happens, Mike's ready to help you. And so we're proud of the fact that you're here, you're thinking, you're building, you're creating the future that we want in the United States of America. It's jobs, it's entrepreneurship, it is growth right here that is important for our national security and our way of life. And so that our families and our dads can be close to home.

Thank you, all very much.

## **Cindi Marsiglio**

It really is -- I can't overstate how much I enjoy coming to a new factory expansion knowing you're going to be there. Because seeing the faces of new shifts added, new employees there making product, coming off the line for us, seeing it a few months later on store shelves and talking about how our partnerships together really make that happen, is just -- it's not hard to find meaning in the work, right?

Mike and his team, they were there yesterday for you at check-in. They're hosting our reception tonight. They are another layer of resources beyond what you're going to have here directly at Walmart and they're -- every state has it. Every state has it.

So tap into those resources around your capacity and around your growth as you plot your success plans forward. I will tell you, too, that we just finished a 50-state tour. So out in every state, just a few months ago, we made a point to get into our supplier factories, get into our state economic development events and look at what's being made where, what else can you make for us.

I was in a factory not too long ago, they made our Great Value -- or they made playing cards, right? So the Bicycle Playing Cards that we -- that you probably buy. Then you take them on vacation. And you got to buy another one. And we love that.

They had some capacity in their factory. And they were using it for distribution, they were using it for warehousing. And they looked around and said, we actually make a ton of other products for you and found a way, with some scale at Walmart -- Corey, you were part of that deal -- to make them at our Great Value cutlery. So forks, knives and spoons are now being made right next door to playing cards. So suppliers are getting really creative all over this country.

In fact, we have a little video to show you. Just take a look at that journey with us, okay?

(presentation)

We do love it. We do love it. We love it. Then it can be 30 jobs, it can be 3,000 jobs. They're adding up to that 1 million. And over five years' time, hundreds of thousands of new jobs have been created. And why? To support the growth of our economy.

We know that a healthy economy here in the U.S. is good for Walmart. Good for all of us. And our next guest here is going to talk to us a little bit about that in greater detail. In fact, right when we started this initiative, I spent a lot of time on the road at convening groups of our own as well as where we would find suppliers. And I saw Roger at an event. And he spoke in very plain language why there is growth in U.S. manufacturing; what global dynamics are at hand; what can we expect.

So I thought maybe five years later, we'd invite him back, talk to us a little bit about the reality of what's happening. And Roger, you've got to help me, what can I expect over the next five years. And am I going to make \$250 billion or not, okay?

It's on my eval, can you help me? Thank you.

**Roger Tutterow** {BIO 6407825 <GO>}

Well thank you so much, Cindi. I'm going to begin by telling you, first and foremost, I apologize for my voice. I woke up this morning, that clean Ozark air coming into my urban vocal cords. And I sound somewhat like Louis Armstrong meets Christopher Walken. But I assure you that the message that I bring you is one as Main Street and as American as Walmart's founder, Sam Walton.

So I have one question for you. When you are a speaker. And you wake up early in the morning on the day that you're giving a speech in Grand Falls (sic) (Great Falls), Montana. And you realize you left your tie in Atlanta, where do you go to buy a new tie?

## Unidentified Participant

Walmart.

## Roger Tutterow {BIO 6407825 <GO>}

So right here today, I'm not only at Walmart. But I am wearing Walmart's finest. So with that in mind, it's great to be here. My friends, I want to echo the lovely comments by Governor Hutchinson on the importance of creating jobs and what it means for American households.

And today, what I want to do is share with you a couple of ideas. The American economy remains strong. The American economy

(technical difficulty)

remains as bright today as any time in the past. So let me walk you through and talk you through a little bit some points about how the economy is doing.

First, as an economist, I travel around the country. I've been in 38 states in the last five years, talking about where the economy is today. Where we are today is in an economic expansion that is finishing its ninth year.

Hard as that is to believe, we are now entering the 10th year of this economic expansion. Now for the first five years of this expansion, the question I would get from all business-specific groups was when will things feel normal? Then we got in the spring of 2014. And nonforeign payrolls exceeded prerecession levels for the first time. And we checked the box.

Summer of 2014, design work at architectural firms started coming back. We started seeing office and retail-oriented construction trip up. And we checked another box.

Fall of 2014, we saw consumer sentiment get back into a normal range and we cleared yet another hurdle. And at that point, the question went from being when will things feel normal again to, gosh, if we've been growing for five years, we must be due for another recession.

And I would say, gosh, I speak to some tough audiences. But it made us think what does it mean to be due for a recession? And my friends, it is true that the American economy is now in its 108th month of expansion. But expansions do not die of old age. Expansions die because of bad policy, because of inventory over buildings, because of asset pricing bubbles that pop and because of a plethora of events that we just can't forecast.

But where we stand today is in an economy that is adding jobs at a pace of 200,000 jobs per month consistently over the last year. Former Federal Reserve Chairman

Janet Yellen says you need 100,000 jobs a month to make up for endogenous growth in the labor force.

So when we're adding jobs at twice that pace, we are seeing American workers get more opportunity and get better compensation. We are in an economy where the manufacturing sector continues to grow. As measured by the Institute of Supply Management's monthly Purchasing Managers' Index, this manufacturing sector has done as well in this economic expansion as at any time in the past quarter-century.

As measured by the Federal Reserve's industrial production, industrial activity is up 3.5% over the last 12 months. And consumers are regaining. And have regained, their confidence.

According to the University of Michigan's index, Consumer Sentiment, consumer confidence today is at the highest levels in 18 years.

Access to capital, of course, access and affordability is a key to determining the business success. Interest rates, despite having -- the Federal Reserve having raised them 6 times, remain incredibly low by historical standards.

The Fed will raise short-term rates again today. They will likely raise them again in September and when they do, the Fed funds rate will be at 2.25%. Add 3%, you get 5.25% for prime rate.

My friends, there's not a business in America that is going to be discouraged from moving into a new market, launching a new product because of a 5.25% prime rate.

Let's be honest, this Fed is not tightening. We're going from a ridiculously accommodated monetary policy to an accommodated monetary policy. Interest rates cost of access to capital is incredibly supportive. And you roll that together. And you say, where does economic growth go? We had an economy that grew 2.25% last year. It's going to do it at 0.5% faster than that this year.

And if you want an unbiased opinion about where the economy goes in the near term, I send you to The Conference Board's monthly Leading Economic Index, 10 data (series) have turned up before expansions and down before recessions.

My friends, this LEI has not failed to go negative before every recession of the post-World War II era. And it's up 3.3% over the last six months.

All the indicators tell a story of a continuing American expansion, in which there continues to be opportunity, broadly speaking, throughout the economy. Well what are the issues that we address when we think about manufacturing?

It's pretty simple. When we think about the drivers of activity in manufacturing, manufacturing is a sector of the economy that has many tailwinds at its back. And let

me start by pointing out the importance of energy.

Why is modern manufacturing doing better today than at any time in the past quarter-century? It's simple. We, as a nation, have made inroads to getting access to affordable energy in a way that we had not in the past. And modern manufacturing is just more capital intensive. But it's also more energy intensive.

In many states, I can take you to facilities where the electricity bill exceeds the labor bill. And so with manufacturing as a user of maybe 32% of the energy in the economy, we celebrate the fact that we as a nation have made access to affordable, uninterrupted, sustained energy in a way we could not have imagined 25 years ago.

Then there's the cost of the issue of labor. And I know you're saying, is he saying that labor costs are bringing back American jobs? Yes, I am.

And let me tell you why. I'm going to do something I rarely do in public, I'm going to put on my economic professor hat. And I'm going to tell you if you took a class in international economics, you would learn a very simple idea with a very impressive name.

That's what I do for a living. I take simple ideas, we assign impressive names and share them with you. Now the impressive name is a factor price equalization term. Here's what it says: when you have increased trade over time, the price of business inputs, including labor, tends to equalize even if the labor doesn't migrate. So not surprisingly, after 2 decades of increased trade with Asia, real wages in China have been rising consistently in the high single, in some cases, low double-digit rate year-over-year, where American wages have moved in line with the general economy.

So what was a very large labor cost differential 25 years ago has narrowed to a degree to where other locational advantages in our country are bringing production home.

Now I'm going to give you an anecdote on that. True story. A good friend of mine in my home state of Georgia in the textile industry traveled to China a couple of years ago. And when he overheard a Chinese businessman complaining about getting undercut on labor costs by Vietnam. How's that for poetic justice? So occasionally those things do happen.

And even with wages rising, productivity gains absorb those wage increases so that the unit labor cost in our manufacturing has not been rising nearly what the wage rate would suggest. Then, of course, there's how we're doing on the foreign exchange side. The good news is this, in 2017, the dollar gave back some of its value against major trading partners. And I know you're saying, "Gosh, Roger, that sounds like a bad thing." If the dollar devalues or depreciates against a foreign currency isn't have a bad sign about our economy? No. That strong dollar is great if you're going to Europe on vacation because then it will go further. But if you're producing products in America and you're selling in foreign markets, the strong currency makes

you less competitive. So as the dollar shifted down in value at 8% last year, it provided us another catalyst for economic activity in our economy.

In 2005, China moved from tying their currency to yuan to tying it now to a broader basket of currencies. And its value has dropped against the dollar, 20 -- or risen against the dollar 23% during that period. When the value of their currency moves closer to what supply and demand would dictate, which is what a 23% increase reflected, it means that the artificial advantages Chinese production had over American production through currency manipulation are reduced. Again, improving America's competitive position. What we did in late 2017 was a tax reform on a scale we had not seen since 1986. And unlike the 1986 tax reform, this was one that was grounded in an idea. An idea that when you reduce burdens on the corporate sector, more jobs are created, whether it's from reducing the statutory corporate tax rate from 35% to 21% or if putting in place different procedures through which smaller manufacturers could take advantage of lower tax rates as a pass-through entity or whether it's through changes that allow you to accelerate the pace at which you recognize and depreciate capital expenditure. All these changes in the American tax code in late 2017 are supportive of growth, supportive of capital accumulation and supportive of an increasingly competitive American industrial sector.

Then, of course, there is a very simple truism, which is, that as a supplier, you want access to producers that have dependable and fast supply chains. If you're in the consumer products area and you go through a market in which the weather patterns influence the absorption of your product, then you understand that when you have a more efficient supply chain by which you can order products from your manufacturers, have them delivered to you and pushed forward to their ultimate retailer, that fast, efficient supply chain lowers your need to carry inventory. It makes it more likely that you will be responsive to opportunities in an ever-changing economic climate.

Why am I so passionate about manufacturing? It's very simple. I'm going to give you 3 reasons why manufacturing matters as much today in America as any time in the past. First, manufacturing jobs are very well compensated, in part because the productivity gains that have come as an artifact of our investing in capital equipment. American jobs on average tend to be compensated about 23% higher than their nonmanufacturing counterparts. And beyond that is the fact that American manufacturers are more likely to provide the kinds of benefits that American workers value almost as highly as their actual take-home pay. Second, manufacturing has the largest spillover effects in communities. Now let me give you an example of that. 70 miles west of where I live, we were fortunate to have a major automobile manufacturer move into a community. And at the first blush, people said, "That's great. We'll have jobs working at that facility." But that was only part of the story. What happened in the ensuing years is that we saw suppliers into that industry move into the area as well. We saw the wholesale logistics and trucking companies move in to bring in inputs and take the product back to the market. We saw a surge in retail, we saw a surge in health care services, on professional services. But generally speaking, every part of the economy benefits when manufacturing does well. As estimated by the National Association of Manufacturers with the (in-plan) model for

every \$1 of spending in the manufacturing sector, it generates spillover or multiplier effects of another \$1.89. So when you drop \$1 million in manufacturing, you get nearly a \$3 million effect in the marketplace in which it operates. That is the largest manufacturer -- that's the largest multiplier of any sector in the American economy. Then finally, when we think about why manufacturing matters, let's be candid. No sector of the economy offers as broad of an opportunity for people in different socioeconomic paths, in different educational backgrounds, in different geographic markets than does manufacturing.

Manufacturing has historically thrived in the less urbanized parts of America. And that's important. Because when we look across the country, we want to have a country in which people of various income strata, various educational backgrounds and geographic diversity have great economic opportunity.

In my home state, it is clear that manufacturing activity greatly is concentrated in less urbanized parts of Georgia. But it's also true throughout the other 50 states -- the other 49 states. And so when we think manufacturing, think we create jobs with spillover effects, we provide compensation to workers and families. And we have the broadest opportunity in terms of allowing a variety of workers across the country to work, to save and enjoy their piece of the American dream.

I thank you so much for the chance to be with you in Bentonville today. And I thank Walmart for its commitment to the American economy.

## **Cindi Marsiglio**

Thank you. Professor Todaro, thank you. You just got a 3-hour class in 15 minutes. Take it all in. Here's what I heard, there's a reason to believe low energy, right, competitive labor cost here, a dependable and flexible supply chain that's leading to growth and expansion. We feel it, right? And you're experiencing it. The other thing that's driving it that makes me optimistic is that normalizing consumer sentiment. We study it here at Walmart. We talk to our customers a lot. And one of the individuals and leaders at our company responsible for talking to our customers every day, feeding that information back to us and helping drive our business strategy here is our Chief Marketing Officer, Tony Rogers.

So please welcome Tony to the stage. Thank you.

## **Tony Rogers** {BIO 19525990 <GO>}

Thank you, Cindi. Thank you. Good morning, everybody. Steve just leaned over to me and said, "Hi. this is going really well. Don't screw it up."

Hi. it is great to be here with you. And before I get into my remarks, I just want to say thank you to everybody here in the room. Just thanks for what you're doing. Roger just did such a great job of articulating why this is so important to our communities, it's important to our families, it's important to us. And so what you're doing really matters. And so I just want to say thank you for that.



So as Cindi said, we really do spend a lot of time listening to our customers. And one of the impressive stats that we see on this thing is 85% of our customers say that buying products that are made in America is important. And I can tell you, there's -- you may have noticed, there's a little bit of division in parts of the country right now. It's hard to find a number in research where 85% of Americans agree on anything. And so this is a big deal. And here's another stat, 30% of Americans say this is more important to them than it was five years ago when we started this initiative. So this is important and it's getting more important to our customers.

We wanted to know a little bit more about what was behind these numbers. So we issued a challenge to our customers to tell us, in their own words, why they feel like this is so important. And we had them send in little video clips. And we're actually really impressed by both the number of responses that we got and the intensity in the responses. So we picked out a few of them to show you. Take a look at some of these clips.

(presentation)

Pretty good. And that's actually 2 things. Rarely do 85% agree on anything and rarely do people sing their responses to our market research. But you can see the passion. People really give us 2 reasons why this is important to them. The first is they want to just help the economy. And the second is that they want to support American families. And those are the big 2 themes that come up.

When it comes to the economy, I'm following an economist here. So I'll just really echo what you said, Roger, we're seeing the same thing in our data. All-time highs in consumer sentiment, unemployment rate below 4%. It's a -- in my career, almost unprecedented in how positive the consumer is about things right now. The place where if there's a -- if there's any sort of crack in the armor, it's when you ask folks about how they feel about the future. They are less confident than they are about how things are right now. And so one of the things that they like about this concept of buying things that are Made in America is that it's a way that they can help keep the positive momentum going that we have in our economy. Buying items that support American jobs makes them feel like they're investing in a brighter future for America. At the same time, customers know that when they buy local or they buy U.S.-manufactured products, they're supporting American families. And that was that second key theme that I mentioned.

Speaking of local, our customers -- I'll tell you what, they're even more passionate about items that support families in their communities than they are about the whole concept of supporting America. I think the governor did a great job. His comment was everything is local. And boy, we really see it here with our customers. When you get to the ability to impact their local community, they're even more passionate.

I had a personal experience here that I thought I'd share with you that happened for me recently. I'm a resident of Northwest Arkansas. I've been here for a long time. And I love it here. But I'm originally from Texas. And so I have a lot of Texas pride.

And I was down in Austin -- I was in stores down in Austin recently. And I saw this great display of Igloo coolers. And I felt such pride to see that sticker right on there in that cooler that said, Made in Texas. And if there's any -- I couldn't see if anyone else raised their hand. I think I might have been the only one that raised my hand. Okay. There's a couple of Texans. But you know what I'm talking about. You just feel this pride in where you're from. We heard -- Roger, you talked about my home state of Georgia and you heard the governor's pride in Arkansas.

And so making this thing land locally adds even more power to the Made in America story. I'll show you another slide here. There was an awesome event that happened in store 5823 in Dallas just on Monday. Our associates and our customers got together with local elected officials and celebrated some of the Open Call participants from the North Texas area. And state representative, Morgan Meyer, even issued a proclamation from the state honoring them. So how cool is that? So it's pretty good.

So no matter where you're from, we all take pride in the products that support the families that are in our communities. People who put their blood, their sweat, their American ingenuity into building and growing great quality products and people really just like all the folks that are here in this room.

As for us in marketing, it's just as important to us is to make sure that our customers know about all the great stuff that you're doing. And so it's about bringing your products to life in-store, online, in our advertising. And the cool thing is our stores and our associates are really getting behind this thing. You may know this. But our stores have more than 4,600 Facebook pages. Every store has their own Facebook page. And they are primed and ready to highlight the products that you guys make that support American jobs. And when our customers walk through our doors, they're seeing it come to life. From Memorial Day all the way through July 4th, we have big bold signage end caps, actionality features all throughout the store, bringing your products to life. And we're bringing that same level of excitement to Walmart.com, into the Walmart app. We have a digital shelf that features over 600 items that proudly support U.S. workers. And last, we have our seasonal tab. And this thing reaches over 50 million customers. It's a little old school. It's still a traditional paper tab. But it reaches 50 million customers. And so we really have a great mix of traditional, digital advertising, social media, PRs all over this in-store or online. And all of it is aimed at getting our customers excited about your products, products that support the U.S. economy and products that support American families.

So I hope you can tell, we're pretty pumped about it. And let me just close by saying thank you again for your enthusiasm, your pride, the innovation that you've brought, moving this thing all across the United States. What you're doing really matters. It matters to our customers, it matters to us. And we're excited to be a part of your journey. Good luck with the rest of your day. Thanks. Thanks.

**Cindi Marsiglio**

So you heard about how this impacts our communities firsthand all across the country, how it strengthens our economy, what our customer thinks about it. Steve, you'll be happy to know that these products featured in these campaigns are great seasonal products, they're up 30%. So they're selling. It just tells us that we can continue to find the new items, reshore, onshore, move production where it makes sense and sell more of what's already sourced here. And all that creates that momentum that we continue to build. And it is happening. We've got more work to do, no doubt. But it's moments like these that help continue to build that momentum.

So what I'd like to do now is I'm going to hand this meeting over to our Chief Merchandising Officer. Steve, why don't you come up here? Steve Bratspies leads all of our merchants, all of our buyers here at Walmart U.S. and he's going to take us through how this supports our business strategy. Please.

**Steve Bratspies** {BIO 18295554 <GO>}

Thank you. Sure. So as you can imagine, there is a massive amount of work that goes into this program and pulling off a day like today and yesterday. So Cindi, Scott, George, Jason, these guys are doing an awesome job. Can we just recognize them real quick, please?

**Cindi Marsiglio**

Thank you.

**Unidentified Speaker**

Thank you.

**Cindi Marsiglio**

Thank you. Good job.

**Steve Bratspies** {BIO 18295554 <GO>}

Good morning. How's everybody doing? Good. There's a lot of energy in this room. This is always a fun, fun group to talk to. And I want to welcome you to what I think is the best day of the year at Walmart.

I really do love this event because it's a day that we'd be able to talk to all of you and think about the items, Greg, that you mentioned earlier that this group brings to us. And it's really something special. It's innovations that our customers have been waiting for, items that make our lives better. And Tony, our brand promise: save money, live better, the items that this group saves helps us actually deliver upon that. So it's really, really important for us.

But our days at Walmart we're jampacked with meetings, right? I sit in meetings all day, on our performance, our strategy, our vision, all these different things. And they're all really, really important. But I'll tell you, for me, it's really refreshing to take a day like today and spend time just on new and innovative products, right. And spend time with all of you because what you do is you embody the hard work, the resourcefulness, the hope that this country was founded on. You represent fundamentally the pursuit of the American dream. Your energy, your passion, all the different things you bring, the conviction you bring to your product.

What's most exciting to sit in these meetings is to listen to you and the conviction that you have behind your item, what you bring. You create jobs. And I can tell you, for us, it's truly inspiring. So I'll just say thank you very much. And it's great to spend the time because you remind us of what's important about our jobs. That's product, right? Fundamentally, what we do is we sell product. Customers want this product. They need this product. And it's why they come to our stores because of what you guys do. You help us deliver on our brand promise. And what we're here to do today is to help you, to help you get your products in front of 145 million customers that visit us, our stores each week on -- in our stores or online, okay? You help us expand our product line and get one more item on the shelf, right? That's what you guys are trying to do. It's how do you get one more item. So we want to help you provide more jobs. We want to help fuel the optimism that you have. And we want to help you realize your dreams, just like Sam Walton did when he built Walmart into what it is today, okay?

So to do that, that's ultimately about growth. It's about how we can leverage our expertise and our scale to help you grow. So that's what I want to talk to you about today. How to work with Walmart so you can grow and so we can win together. Now it's not always easy. Cindi, you mentioned it earlier, right? We're a big company, right? There's going to be bumps in the road. But the most important thing for you to know is that Walmart is your partner and that we want you to succeed. In fact, we need you to succeed. Because when you succeed, we succeed. And it's a partnership. And that partnership is really important to us.

So let's take a minute. And I want to talk to you about our merchandising strategy, just give you some context. So when you go into your meetings, you're going to understand what's on the buyers' minds, how they think about things from what is our kind of broader merchandising strategic program. So there's 3 pillars to how we approach this: there's drive sales with our EDLP proposition, there's reset the cost structure and there's accelerate omnichannel. I'm going to talk about each of these and just give you a little -- make it relevant for you. Number one, driving sales with EDLP. At Walmart, we don't compete on price, we win on price. Price is not something we're ever going to yield on for our customers. We think it's what we have to deliver for them. Now more than ever, customers expect greater value. And they have the power to compare prices every single day. So we're going to make it easy for them to choose Walmart. Because when they choose Walmart, they're going to be choosing the best prices. And that's something that is so fundamental to our brand and how we go to market.

So what does this mean for you and how should you think about this? It means that we're going to have to work together to ensure that we're delivering the highest quality at the lowest prices, right? And I'm going to give you an example. We have a partner called Meco Americana Grill. And it's a great example I'm talking about. They came to their first Open Call back in 2015. They pitched a portable charcoal grill for about just under \$60. \$59.88 was the price of the product. And they got 100 store tests for about 500 pieces of product, which is pretty good, right? They came back the next year with a preassembled version, basically the same product. And they got their product into 1,200 stores and 90,000 units. Pretty good, 90,000 units. Then they came back last year. And our buyer offered them some new ideas on how to grow this item to make it even bigger. Now most suppliers would say, "Oh, I got 90,000 items. I'm feeling pretty good. I -- let's just keep running my business." But that's not what they did. They listened to the feedback, they adapted it to their product and they won. Our buyer, Brian Salmon, suggested that they do fun colors, add a couple of features and get it to \$50. And this is actually the product, sitting right here, okay? This product, they made all those changes. This year, they're going to do 300,000 units at Walmart. So in three years, they went from 100 stores to more than 300,000 units in 3,000 stores, okay? That's growth and an unbelievable success story. Brian -- Brian's here. Where's Brian Salmon? Brian, stand up. Brian is doing a great job, partnering with his suppliers and teaching them how to grow at Walmart using his expertise. So thank you for what you're doing. Appreciate it, all right?

Next I want to talk to you about reducing costs, right? So Don't Forget Cake! is a perfect example. It's a product how we can improve quality. Here's actually the new product right here that I will talk about. Right here, okay? How do you take costs out? How do you improve -- pass the savings on to the customers? A great story. Warren Brown attended Open Call last year, right? And he had a product, it's a cake in the jar with a concept called CakeLove, right? He got a deal, worked closely with Walmart. We modified it a little bit, changed the recipe a little bit, lowered the cost a little bit. The product name was changed to Don't Forget Cake! And it's currently selling at more than 250 stores across southern U.S. The great news is Warren's back this year. Where's Warren? He's here somewhere. Stand up, Warren. Warren's back this year, right? I hear you got a new product for us, right?

**Warren Brown** {BIO 15240130 <GO>}

Yes.

**Steve Bratspies** {BIO 18295554 <GO>}

So we're excited to see that. But all I want to say is thank you to you -- thank you for trusting us, thank you for listening and partnering and being -- willing to make changes to make us successful together. You've done a great job for us. So thank you very much. We appreciate you.

The final priority in merchandising is about omnichannel, right? And we have really aggressive plans to serve customers in our stores, to serve customers online and to serve customers above. It's really important. That intersection of the 2 remains -- we

think is our unique advantage today and going into the future. So just like in the past, all the items we see today, we're going to list online, okay? Now is anyone here selling us ice cream? Okay. I'm not sure I can sell your product online today, right? And some day, we're going to. But we can list it online. So there are a few accommodations we have to make for products that we can't necessarily sell online. But we're going to try to get all of your products online. That's our intent, as fast as we can. Because some products should start online, some products should start in the store and some are great for both today. And our job is to work with you to figure out how to do that. We're going to help you navigate that to discuss how do we optimize our opportunity together, okay? So that's an overview of our priorities in merchandising. And it's why we remain more committed than ever to U.S. manufacturing. You've heard all the data today. You've heard all the stories. The merchandising team is incredibly important. Why? Because it supports our strategy. It enables our business. It matters to our customers, as Tony just told you. And it fuels growth. It fuels your growth, it fuels our growth and it fuels growth for the entire country.

In fact, we're so committed to U.S. manufacturing that we decided to get into the business ourselves. So today is a great day for Walmart. And it's also a great day for the great state of Indiana.

Now we have Charles Redfield, who runs our food business and a special guest at Fort Wayne, Indiana that's going to share some great news with all of you. So Charles, are you out there?

(presentation)

Great. Thank you, Charles. And thank you, governor. Really exciting news for us. Why did we share that with you? Not to give you a tutorial on the dairy industry. But to show you that we're committed, right? And we're spending our money to make that commitment. And Greg, I appreciate your support and trust in us to make that commitment to go and build this business. It's going to make a big difference not only for Walmart. But for the communities. And we're really, really proud of it. So it's a great example of partnership and innovation. And it's more of this kind of thinking. This is what we want to do, we want to be bold, right? We want to take risks, right? We want you to bring us your best and be ready to adapt. And when you do that, we're going to grow.

So as I said at the top, this is the best day of the year at Walmart because it's all about product. That's all we're going to talk about today. So what I thought I'd do is talk to you about some products, to share some products. So I've asked a few buyers, to come on up and join me, to talk about some great items that they bought in the past at Open Call. And tell you a little bit about why they picked that item. So go ahead.

**Unidentified Participant**

Hi. I'm (Nevada Efford). And I buy ladies accessories. Last year, we met a new supplier at Open Call, Unwrapped. And they presented us this canvass tote. It's made in Massachusetts. The great thing about the item was not only the cost. But that we're able to print an American flag on the tote. The Walmart customer is very patriotic. But in apparel, we're very cognizant of what we put an American flag on. It has to be made in the United States. And in my particular area, handbags, backpacks, beach totes, all of manufacturing moved overseas several decades ago. So this is a great find for us from last year. So good luck today.

## **Helena Burkett**

I'm Helena Burkett. And I buy grill accessories in the lawn and garden department. Last year, during the Open Call event, I met a company named Thomson Brothers. And they had a very unique item to clean your grill with. It's called The Great Scrape tool, which is a safer alternative to the traditional cleaning your grill with a traditional brush. We challenged that team during the meeting on updated packaging and also feature packaging that was up to Walmart's standards. That team quickly came back to us, updated their packaging, also gave us a cost reduction. So this year, they're actually in over 2,000 stores. We're projected to sell over 100,000 units of this item. And we added 70 additional jobs.

## **Steve Bratspies** {BIO 18295554 <GO>}

Good job.

## **Unidentified Speaker**

And that's a great item, by the way, guys. I bought one and use it every weekend. So I'll vouch for her. Great job. Hi. my name is (Will Lone). I have the responsibility for bad tissue, paper towels and facial tissue. And I want to talk about Dude flushable wipes, right? Yes. Everybody's chuckling, try them. Don't tell your friends, just try them. You'll enjoy them. I promise.

So two years ago, we met with this supplier. And we didn't strike a deal that day. But what we did do was had a really fruitful meeting, Steve. They had a great idea. What - the feedback was how do you drive some awareness, right? And what is your manufacturing look like to support what we think the potential of this item is really going to be. They came back, they did their homework, came back and met with us last year. They nailed it, right? They overdelivered. And what makes the supplier a really great fit for Walmart is they're laser-focused on the customer, right? They're passionate about their product. Their passion was contagious, right? And they are so open for continuous improvement, which is what drives success within the retail business. So we're super excited. 4,000 stores to start shipping next week. Go look for it, \$2.98. And we're honored to have Sean and his team supporting Walmart drive this product.

## **Unidentified Participant**

Good morning. I'm (Mark Ducarat), salty snacks buyer at Walmart. And I have with me the Just Poppin legendary Chicago-style popcorn. We have 3 SKUs at Walmart, the Pleasy Cheese, the Crazy Caramel and the Crazy Caramel Mix, retails for \$2.78. And in the audience this morning is Danya Hall and her husband, Jerome, the owners and founders of Just Poppin popcorn. And I met Danya, Jerome. I met them last year at this event in an Open Call Buyer Meeting. And during that meeting, Danya presented her item to me. And she was knowledgeable about the product, passionate. She had a great business plan. And she had an inspiring story about how she started her company, how she wanted to grow it for the vision for the future and how she wanted to create jobs. She was curious about the popcorn business at Walmart. She asked me lots of questions. We had a great discussion. And she was flexible and listened then she was willing to make changes in order to fit the Walmart strategy. So in that meeting, I made a commitment to buy her item. In March of this year, we added it into the modular in Texas stores. And we were adding promotions. And over the course of the next year, we will have increased the modulares. So far, we sold over 20,000 units. She's done a fantastic job. So for all the suppliers in the audience today, I really want to encourage you. Buyers are going to make commitments in the meetings today. So be passionate, be authentic, be willing to listen and have fun and good luck.

So I'm (Josh Bitof). I'm the buyer for body care. And this time last year, we met with a supplier called Stinkbug deodorant. And I don't know if I can think of a better name for a deodorant brand. What really excited us about this product was 3 major things. The first was they're really on trend with what the consumer is looking for right now. This product is aluminum-free, glycol-free and it's non-GMO verified. So that's really awesome. The second thing is they brought unique fragrances to the category, like this one, which is tea tree. And the third thing is they provided a great cost that allowed us to really go after a great retail value to the consumer to drive the business forward. We're really excited about how it's performed so far this year. And we can't wait to see the potential of the brand next year. Thanks.

### **Steve Bratspies** {BIO 18295554 <GO>}

Nice job. So hopefully, you see kind of the energy that we have behind products and our belief in items at Walmart because they really do make a difference. And we hope to be able to do some of those things with you this year.

So let me just give you a little bit of advice. For those of you who get a deal with Walmart today, first of all, congratulations. But remember what advisers told you, just because you get a deal, still please, listen, learn from us. There's an unbelievable deep level of merchandising expertise that you're going to have available to you, use it, right? Ask questions, challenge them. For those of you who don't get a deal, I want you to stay positive, keep trying, recognize that hopefully you're leaving today, Cindi, as you said earlier, stronger, smarter, more engaged in your business than you've ever been. But whatever you do, please, please, please come back, okay? Just because you didn't get a deal this year doesn't mean you won't get one next year. Many of these businesses build over time. And our commitment is to continue to have that relationship. So please, please, please come back.



So let me close with good luck to all of you. I want you to have fun, right? We're going to try to grow your business today. U.S. manufacturing is in Walmart's DNA. It enables our business, it matters to our customers and it really, really fuels our growth. So I hope you have a great time today. I hope you learn a lot. And I wish you all the absolute best of luck. Thank you very much.

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