



## Let's Talk Firsts and Lasts

Read a message from John Chambers, Chairman and Chief Executive Officer

For 30 years, we've been helping change the way people work, live, play, and learn. During this time, our world has advanced faster than ever.

It seems like yesterday when we saw the introduction of the Macintosh, the first-ever consumer machine with a mouse and graphical interface. Then, just two years later in 1986, Cisco introduced the Advanced Gateway Server, or AGS.

This breakthrough multiprotocol router became the foundation for moving traffic across networks. In 1990, researcher Tim Berners-Lee developed HTML—the official language of the World Wide Web and the spark to make the Internet mainstream.

Today, it's hard to remember life before the Internet. The industry has come a long way, and so have we.

We owe our founding to Len Bosack and Sandy Lerner, two former Stanford University computer technologists, who set Cisco on an incredible journey as a networking and Internet pioneer.

In 1995, less than 1 percent of the world's population connected on the Internet. Today, more than 40 percent connect online. We've seen businesses transformed and economies modernized. The way we buy and sell products has changed—so has their design, production, and distribution. It's as if no industry has been untouched.

In the next 30 years and beyond, we'll see everything become connected—people, process, data, and things. This will expand our understanding of the world and the experiences we have, and we'll generate new ideas and discover new solutions.

And while “firsts” are noteworthy, and we have our share of those, we think they're most interesting for the “lasts” they create.

I can imagine the last product recall, the last traffic jam, the last checkout line, even the last blackout.

A number of these lasts, and many more, are already taking shape.

Cities around the world—including San Carlos, California; Barcelona, Spain; and Hamburg, Germany—have embedded network sensors to help drivers find open parking spots. This is huge, given that 30 percent of urban congestion is caused by drivers looking for parking.

What comes next is connecting sensors to traffic lights and signage—and eventually driverless cars. We'll see traffic jams eliminated, saving \$121 billion in the U.S. alone on wasted time and fuel much sooner than we think. Greenhouse gas emissions will go down, too.

These are transformational times, where we can make the seemingly impossible possible. This is what drives us to achieve and to succeed.

But it isn't about legacy. It's about the opportunity, the challenge, and the impact we can help make.

We're grateful to have this opportunity. And we're grateful for our employees, past and present, our partners, our customers, and our shareholders. Together, we've accomplished so much.

I can't wait to see what's next.

John Chambers, CEO