



Connecting

to the power of

Diversity

2018 Diversity Procurement Report and 2019 Plan of
Cox Communications California, LLC and
Cox California Telcom, LLC



Submitted to

*the California Public Utilities Commission,
Members of the California
Assembly Communications & Conveyance Committee and
the Utilities & Energy Committee, and
the California Senate Energy, Utilities & Communications Committee*

March 1, 2019



Why This Report Is Filed by a Telephone Corporation and a Cable Corporation

Cox Communications, Inc. provides video, high-speed Internet, wireline voice & transport, and home security & automation services in California and 15 other states. In California, services are provided by its subsidiaries (together “Cox”):

- **Cox Communications California, LLC**, a cable corporation that provides video and high-speed Internet services,
- **Cox California Telcom, LLC**, a California Public Utilities Commission-regulated telephone corporation providing voice and transport services,
- **Cox Communications NFS, LLC**, an interconnected VoIP provider offering limited business services, and
- **Cox Advanced Services California, LLC**, a home security and automation provider.

Cox California Telcom, LLC is a public utility and subject to CPUC General Order 156, *Rules Governing the Development of Programs to Increase Participation of Women, Minority, and Disabled Veteran Business Enterprises in Procurement of Contracts from Utilities as Required by Public Utilities Code Sections 8281-8286* (“GO 156”). It does not have GO 156-reportable procurement activities. Its unregulated parent companies do have in place a nationwide Supplier Diversity Program. This report contains information about the unregulated parent companies’ program.

California Public Utilities Code section 8283 encourages video providers, including cable corporations, to adopt procurement practices aimed at increasing the use of diverse vendors and to voluntarily report such activity to the Legislature on an annual basis. Cox Communications California, LLC is a cable corporation and voluntarily provides this report to members of the state Legislature in addition to the CPUC.

While Cox strives to provide information about its Supplier Diversity program as set forth in GO 156, Cox’s program differs from GO 156 in some ways because it was not developed pursuant to GO 156 (as the unregulated parent companies are not subject to GO 156). Therefore, some of Cox’s data is different from what other companies may report to the CPUC. For instance, Cox’s supplier diversity program includes spend with certified Disability-Owned Business Entities, which currently are not included in GO 156. Additionally, this report provides information about Cox’s national and California procurement activities, thus reported procurement represents Cox’s spend nationwide (and not just for California operations). While there are some differences, Cox believes that our program shares the same goal as GO 156 – to increase procurement opportunities for historically disadvantaged suppliers.

2018 At A Glance

2018 Total Spend with Diverse Suppliers: \$802.7M, 27.6% of Total Spend Nationwide

-Tier 1: \$717,483,643 (MBE, WBE, SDVOBE, LGBTBE, DOBE, VET)

-Tier 2: \$85,248,286 (MBE, WBE, SDVOBE, LGBTBE, DOBE, VET, HUBZONE)

Cox has been recognized by DiversityInc as 4th in the nation for Supplier Diversity, in addition to top rankings for Diversity overall, our Diversity Councils and our Mentoring programs. The Supplier Diversity honor recognizes the hard work, ongoing investment and improvements we've been making to our Supplier Diversity program for the past several years. While it's important to increase our spend (our total diverse supplier spend has grown by \$605M in 5 years), we understand that achieving a successful, sustainable program, requires developing best-in-class processes and practices, which support our program holistically.



In 2018 our total spend with diverse suppliers was \$802.7M, representing 27.6% of our overall nationwide spend. This was achieved through double-digit percentage growth over 2017 in both our Tier 1 (12.3%) and Tier 2 (16.5%) spend; award of contracts to an incremental 13 diverse suppliers; and a supplier retention rate exceeding 85%. In total, we purchased products and services from 67 MBEs, 128 WBEs, 2 SDVOBEs, 2 LGBTBEs, 2 DOBEs and 14 VETs.

We also onboarded 43 new, certified diverse suppliers. Our diverse supplier outreach efforts reflect a variety of opportunities for meeting new vendors: procurement-readiness workshops for disability-owned businesses with Disability:IN, panel participation and networking with veteran businesses through NVBDC, hosting a Field Services Supplier Summit for Tier 1 and Tier 2 contractors, and various matchmaking events across the country, including our 8th annual California Cable Supplier Diversity Expo, with participation from three of the industry's largest equipment vendors. These efforts helped us gain new vendor relationships and increase our spend with Service-Disabled Veteran, Veteran and Disability-owned businesses entities, most notably achieving a 34% YoY increase with Veteran-owned businesses.

Our support in supplier development continues with the RFP award of a \$1M contract to a LGBTBE supplier, with the opportunity to grow to a \$15M contract through a mentoring relationship. We awarded 16 of our diverse supplier executives development scholarships for programs offered by the San Diego Council for Supplier Diversity/USD School of Business, UNLV Lee Business School and the ASU Thunderbird School of Global Management. Each of these scholarship programs will be offered in 2019, with the addition of the Delgado Community College in New Orleans.

In the coming year, increasing the number of diverse vendors we do business with, and working with Tier 1 vendors to grow Tier 2 opportunities for diverse vendors, are among several planned initiatives to ensure that our Supplier Diversity program continues to grow, remains successful and is sustainable.

The following certified diverse-owned business entity segments are included in our programs:

Minority, Woman, Service-Disabled Veteran, LGBT, Disability, Veteran, HUBZone, SBA, 8A, AbilityOne, and HBCU

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Cox	2018	G.O. #156 Sec. 9.1.1
Description of Program Activities During the Previous Calendar Year		

Internal Program Activities

Building on our newly developed “Supplier Diversity 101” training and Supplier Diversity program video, produced by a LGBT-owned Business Entity, Cox’s Supply Chain and our national and regional Diversity and Inclusion Councils, continued to hold trainings and discussions with key departments and procurement managers within Cox.

Cox leadership are kept engaged and knowledgeable so that they can support Supplier Diversity efforts. Our Director of Sourcing & Supplier Diversity Programs began serving on our National Diversity & Inclusion Council’s Officer Awareness Committee. This committee establishes initiatives for meeting our diversity related objectives, including for supplier diversity, by engaging our senior leadership companywide.

To help bolster our growing Tier 2 program, we implemented a Tier 2 residency within our Sourcing & Procurement team. This residency provides our Sourcing Managers and Category Managers with immersive training on how to: (1) successfully negotiate Tier 2 diverse supplier commitments, including increasing Tier 2 commitments; (2) ensure Tier 1 vendors are aware of and trained to report their Tier 2 diverse supplier commitments in our portal; and (3) tracking, managing and coaching Tier 1 vendors’ on meeting their Tier 2 diverse supplier commitments.

We updated several of the tools used by our Supplier Diversity Champions and Supply Chain, introducing a self-service tool for better management. A new Tier 2 Dashboard provides the status of our Tier 1 vendors’ spend with Tier 2 diverse suppliers so Category Managers can track contract compliance, while an updated Certificate Management System allows our field representatives along with our Supply Chain to upload new vendor certificates and lets us know when certifications need to be renewed. We also added a tool that allows diverse suppliers to upload their capabilities statements, helping to ensure we have information readily available prior to issuing RFPs.

Cox’s Supply Chain continued to provide resources and support to the Supplier Diversity pillars of our regional Diversity and Inclusion Councils around the country. These pillars (and their Councils) are located within our field operations, including California, and are made up of a cross-functional group of employees and senior leaders focused on Cox’s diversity efforts, including Supplier Diversity. The Supplier Diversity pillars across our nationwide footprint help to educate our employees and also identify vendors to meet local needs, thereby helping Cox to meet its annual Supplier Diversity goals.

External Program Activities

In addition to hosting “How to Do Business with Cox” procurement readiness workshops, which are designed to help prospective diverse suppliers connect with Cox’s Supply Chain team and answer questions about first steps toward working with Cox, our personnel participated in a variety of recruiting events hosted by various Chambers and Supplier Diversity organizations. A sample of the events we participated in for 2018 include:

Event	Segment	Location
WBENC Summit & Salute	WBE	Dallas, Texas
GMSDC Business Opportunity Exchange	MBE	Atlanta, GA
CPUC Small Business Expo	All	Long Beach, CA
WBENC National Conference	WBE	Detroit, MI
USBLN National Conference	DOBE	Las Vegas, NV
Hispanic Chamber Inaugural Business Conference	MBE	New Orleans, LA
Cox Companies Supplier Inclusion Fair	ALL	Atlanta, GA
NGLCC National Conference	LGBTBE	Philadelphia, PA
Governor's Office of Economic Development Contract Connection	MBE	Las Vegas, NV
NVBDC	V/SDV	Detroit, MI
Johnson & Johnson Supplier Diversity Peer Ideation Event		New Brunswick, NJ
NMSDC National Conference	MBE	Austin, TX
Council for Supplier Diversity - Category Sourcing Events	ALL	San Diego, CA
CA Cable Supplier Diversity Expo	ALL	Costa Mesa, CA

Members of our Supply Chain, and other Cox leaders, serve on Boards and Committees of key diverse organizations. For instance, our Senior Vice President of Supply Chain joined the Board of Directors for National Minority Supplier Development Council (“NMSDC”) and our Supply Chain Supplier Diversity Champion has maintained her participation in key committees for Disability:IN (formerly US Business Leadership Network).

We grew our investment in executive development programs, with the addition of the California-based *High Performance Leadership* series, offered by the Council for Supplier Diversity in partnership with the University of San Diego’s School of Business. This program, in addition to scholarships we’ve made available for the UNLV Lee Business School and ASU’s Thunderbird School of Global Management, enabled 16 of our vendor executives to attend development programs tailored to the needs of diverse suppliers. In addition to awarding scholarships to these 3 programs, we will be introducing a fourth program in New Orleans in 2019, and a fifth in Virginia is in planning. These educational programs provide significant value to supplier participants enabling them to improve and expand their businesses.

Cox		2018		G.O. #156 Sec. 9.1.2		
Annual Results by Ethnicity						
		2018				
		Direct	Sub	Total \$	%	
1	Minority Male (MBE, non-WBE)	Asian Pacific American	\$19,981,735	\$1,717,704	\$21,699,439	0.7%
2		African American	\$420,180,994	\$9,224,619	\$429,405,613	14.7%
3		Hispanic American	\$40,877,484	\$882,195	\$41,759,679	1.4%
4		Native American	\$10,733,007	\$120,716	\$10,853,723	0.4%
5		Unspecified	\$34,679,471	\$0	\$34,679,471	1.2%
6		Total Minority Male	\$526,452,691	\$11,945,234	\$538,397,925	18.5%
7	Minority Female ¹ (MBE, WBE)	Asian Pacific American	\$2,931,420	\$6,320,415	\$9,251,835	0.3%
8		African American	\$355,222	\$1,844,911	\$2,200,133	0.1%
9		Hispanic American	\$2,450	\$553,849	\$556,299	0.0%
10		Native American	\$2,000,727	\$6,775	\$2,007,502	0.1%
11		Unspecified	\$4,588,645	\$8,140,293	\$12,728,938	0.4%
12		Total Minority Female	\$9,878,464	\$16,866,243	\$26,744,707	0.9%
13	Minority Unspecified Gender	Asian Pacific American	\$0	\$9,107,611	\$9,107,611	0.3%
14		African American	\$0	\$4,487,128	\$4,487,128	0.2%
15		Hispanic American	\$0	\$7,887,651	\$7,887,651	0.3%
16		Native American	\$0	\$870,686	\$870,686	0.0%
17		Unspecified	\$0	\$257,665	\$257,665	0.0%
18		Total Minority Unspecified Gender	\$0	\$22,610,741	\$22,610,741	0.8%
19	Total Minority Business Enterprise (MBE)		\$536,331,155	\$35,654,058	\$571,985,213	19.6%
20	Women Business Enterprise (WBE)		\$166,452,828	\$20,811,532	\$187,264,360	6.4%
21	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		\$98,311	\$646,078	\$744,389	0.0%
22	Disabled Veteran Business Enterprise (DVBE)		\$1,448,500	\$171,690	\$1,620,190	0.1%
23	Veteran Business Enterprise (VBE)		\$12,881,784	\$834,875	\$13,716,659	0.5%
24	Disabled-Owned Business Enterprise (DOBE)		\$271,065	\$634,440	\$905,505	0.0%
25	Other 8(a)*		\$0	\$26,495,614	\$26,495,614	0.9%
26	TOTAL		\$717,483,643	\$85,248,287	\$802,731,930	27.6%
27	Net Procurement**		\$2,911,498,470			

NOTE:

*Firms classified as 8(a) of SBA includes non-WMDVLGBTBEs

**Net procurement includes purchase order, non-purchase order and credit card dollars

Direct-Direct procurement

Sub-Subcontractor procurement

%-Percentage of Net Procurement

Direct Procurement by Product and Service Categories

				Products		Services		Total	
				\$	%	\$	%	\$	%
1	Minority Male (MBE, non-WBE)	Asian Pacific American	Direct	\$5,742,368	0.20%	\$14,239,366	0.49%	\$19,981,735	0.69%
2		African American	Direct	\$406,339,507	13.96%	\$13,841,487	0.48%	\$420,180,994	14.43%
3		Hispanic American	Direct	\$29,942,771	1.03%	\$10,934,712	0.38%	\$40,877,484	1.40%
4		Native American	Direct	\$0	0.00%	\$10,733,007	0.37%	\$10,733,007	0.37%
5		MBE,unspecified	Direct	\$2,639,762	0.09%	\$33,104,476	1.14%	\$35,744,238	1.23%
6		Total Minority Male	Direct	\$444,664,409	15.27%	\$82,853,049	2.85%	\$527,517,457	18.12%
7	Minority Female (MBE, WBE)	Asian Pacific American	Direct	\$0	0.00%	\$2,931,420	0.10%	\$2,931,420	0.10%
8		African American	Direct	\$469,377	0.02%	\$0	0.00%	\$469,377	0.02%
9		Hispanic American	Direct	\$0	0.00%	\$8,076	0.00%	\$8,076	0.00%
10		Native American	Direct	\$0	0.00%	\$2,000,727	0.07%	\$2,000,727	0.07%
11		MBE,unspecified	Direct	\$0	0.00%	\$4,588,645	0.16%	\$4,588,645	0.16%
12		Total Minority Female	Direct	\$469,377	0.02%	\$9,528,867	0.33%	\$9,998,244	0.34%
13	Total Minority Business Enterprise (MBE)		Direct	\$445,133,786	15.29%	\$92,381,916	3.17%	\$537,515,702	18.46%
14	Women Business Enterprise (WBE)		Direct	\$59,302,575	2.04%	\$105,965,706	3.64%	\$165,268,281	5.68%
15	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		Direct	\$0	0.00%	\$98,311	0.00%	\$98,311	0.00%
16	Disabled Veteran Business Enterprise (DVBE)		Direct	\$1,145,135	0.04%	\$303,365	0.01%	\$1,448,500	0.05%
17	Veteran Business Enterprise (VBE)		Direct	\$10,726,403	0.37%	\$2,155,381	0.07%	\$12,881,784	0.44%
18	Disabled-Owned Business Enterprise (DOBE)		Direct	\$0	0.00%	\$271,065	0.01%	\$271,065	0.01%
19	Other 8(a)*		Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
20	TOTAL		Direct	\$516,307,899	17.73%	\$201,175,744	6.91%	\$717,483,643	24.64%
21	Total Product Procurement			\$516,307,899					
22	Total Service Procurement					\$201,175,744			
23	Net Procurement**			\$2,911,498,470					
24	Total Number of Diverse Suppliers that Received Direct Spend							215	

NOTE:

*Firms classified as 8(a) of SBA includes non-WMDVLGBTBEs

**Net procurement includes purchase order, non-purchase order and credit card dollars

Direct-Direct procurement

Sub-Subcontractor procurement

WMDVLGBTBE Subcontractor Procurement by Product and Service Categories

Cox does not receive procurement spend by product and service categories for subcontractors. Therefore, Cox does not have data responsive to this section.

Cox	2018	G.O. #156 Sec. 9.1.2
WMDVLGBTBE Procurement by Standard Industrial Categories		

Cox does not track its procurement by Standard Industrial Categories. Therefore, Cox does not have data responsive to this section.

Cox	2018	G.O. #156 Sec. 9.1.2
Number of WMDVLGBTBE Suppliers and Revenue Reported to the Clearinghouse		

Cox does not track our suppliers' revenue reported to the Clearinghouse. Therefore, Cox does not have data responsive to this section.

Cox	2018	G.O. #156 Sec. 9.1.2
Description of WMDVLGBTBEs with CA Majority Workforce		

Cox does not receive workforce data of its vendors. Therefore, Cox does not have data responsive to this section.

Cox	2018	G.O. #156 Sec. 9.1.3
WMDVLGBTBEs Program Expense		

Cox does not separately track expenses specific to its Supplier Diversity program from its Supply Chain expense budget overall. Therefore, Cox does not have data responsive to this section.

Cox	2018	G.O. #156 Sec. 9.1.4
Description of Progress in Meeting or Exceeding Set Goals		

Cox established a goal of 30% diverse spend of its total discretionary spend for 2018. Although we did not reach this goal, we are pleased to report that we did continue to grow, reaching 27.6%. Our continued investment, including in supplier development, and expanded efforts, such as improved internal and vendor tools, have improved our program and will help our continued growth.

Cox	2018	G.O. #156 Sec. 9.1.4
WMDVLGBTBE Results and Goals		

Cox establishes a goal for its Supplier Diversity program overall and not specific to a certain diverse vendor category. In 2018, our total spend with diverse suppliers was \$802.7M, representing 27.6% of our overall nationwide spend.

Cox	2018	G.O. #156 Sec. 9.1.5
Description of Prime Contractor Utilization of WMDVLGBTBE Subcontractors		

Recognizing that a robust Tier 2 program is one of the best ways of ensuring that as many companies as possible provide diverse suppliers with scalable business opportunities, Cox has been expanding its Tier 2 program over the past few years in both the number of vendors that have Tier 2 commitments and the manner by which Cox manages its Tier 2 program.

Cox’s Tier 2 strategy is multi-faceted. It is reflected in our vendor agreements of at least \$500K, which explicitly endorse our policy of the vendor using economically disadvantaged and diverse suppliers for work related to the products or services under contract. Based on a threshold amount of spend and the type of service provided, vendors contractually commit to meet a specific percentage of Tier 2 spend. Under Cox’s Tier 2 policy, a vendor may be required to use reasonable efforts to direct as much as 21% of its total spend related to its agreement with us to economically disadvantaged and diverse suppliers.

This past year, to help bolster our growing Tier 2 program, we implemented a Tier 2 residency within our Sourcing & Procurement team. This residency provides our Sourcing Managers and Category Managers with immersive training on how to: (1) successfully negotiate Tier 2 diverse supplier commitments, including increasing Tier 2 commitments; (2) ensure Tier 1 vendors are aware of and trained to report their Tier 2 diverse supplier commitments in our portal; and (3) tracking, managing and coaching Tier 1 vendors’ on meeting their Tier 2 diverse supplier commitments. Additionally, we introduced a new Tier 2 Dashboard, which provides Cox Category Managers the status of our Tier 1 vendors’ spend with Tier 2 diverse suppliers so they can track contract compliance. We also included Tier 2 in some of our recruiting efforts. For example, at our 2018 California Cable Supplier Diversity Expo, three of our industry’s largest equipment vendors discussed their Tier 2 subcontracting programs. We also hosted a Field Services Supplier Summit for Tier 1 and Tier 2 contractors.

Cox				2018			G.O. #156 Sec. 9.1.5				
Summary of Prime Contractor Utilization of Diverse Subcontractors											
	Minority Male	Minority Female	Minority Unspecified Gender	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	Veteran Business Enterprise (VBE)	Disabled-Owned Business Enterprise (DOBE)	Other 8(a)*	TOTAL WMDVLGBTBE
Direct \$	\$526,452,691	\$9,878,464	\$0	\$536,331,155	\$166,452,828	\$98,311	\$1,448,500	\$12,881,784	\$271,065	\$0	\$717,483,643
Subcontracting \$	\$11,945,234	\$16,866,243	\$22,610,741	\$35,654,058	\$20,811,532	\$646,078	\$171,690	\$834,875	\$634,440	\$26,495,614	\$85,248,287
Total \$	\$538,397,925	\$26,744,707	\$22,610,741	\$571,985,213	\$187,264,360	\$744,389	\$1,620,190	\$13,716,659	\$905,505	\$26,495,614	\$802,731,930
Direct %	18.08%	0.34%	0.00%	18.42%	5.72%	0.00%	0.05%	0.44%	0.01%	0.00%	24.64%
Subcontracting %	0.41%	0.58%	0.78%	1.22%	0.71%	0.02%	0.01%	0.03%	0.02%	0.91%	2.93%
Total %	18.49%	0.92%	0.78%	19.65%	6.43%	0.03%	0.06%	0.47%	0.03%	0.91%	27.6%
Net Procurement**	\$2,911,498,470										

NOTE:

*Firms classified as 8(a) of SBA includes non-WMDVLGBTBEs

**Net procurement includes purchase order, non-purchase order and credit card dollars

Direct-Direct procurement

Sub-Subcontractor procurement

Cox	2018	G.O. #156 Sec. 9.1.6
A List of WMDVLGBTBE Complaints Received and Current Status		

Cox did not receive any WMDVLGBTBE complaints in 2017.

Description of Efforts to Recruit WMDVLGBTBE Suppliers in Low Utilization Categories

Cox recognizes that certain fields have been difficult for diverse suppliers to obtain work, so we try to create opportunities in these areas. We also are looking to incorporate a broader range of diverse vendors into our program, to enable opportunities for a greater variety of historically disadvantaged suppliers.

Communications Equipment

Cox's communications network equipment represents some of our largest expenditures. Cox looks beyond the traditional Tier 2 arrangements usually seen in this category, and worked on a solution that would bring diverse vendors in as Tier 1 vendors. Cox now purchases much of its equipment directly from two minority-owned logistics companies. Beyond obtaining needed customer and network equipment, these arrangements greatly benefit Cox by creating a consistent experience for ordering, packaging and delivery of equipment to Cox operations and customers nationwide, while providing new and, importantly, direct opportunities to diverse vendors. To highlight Tier 2 opportunities, in 2018, we invited 3 of our industry's largest vendors to our California Cable Supplier Diversity Expo to discuss their Tier 2 programs with diverse vendor attendees.

Legal Services

For more than a decade, Cox has used the legal services of a California-based, certified, WBE law firm almost exclusively for representation before the CPUC and advice on California regulatory matters. This firm also represents Cox's Nevada affiliate for regulatory matters. Cox also is represented by two California-based WBEs for many local, governmental matters.

Conservation

Two important aspects of our Cox Conserves environmental conservation program are using alternative fuels for our energy consumption and recycling. Similar to our business needs, Cox utilizes diverse vendors to support our environmental efforts.

--Energy Procurement

Cox purchases natural gas directly from a WBE for many of its operations nationwide. Cox utilizes the services of a VBE for the provision of fuel at several locations nationwide, including in California. Cox also purchases electric energy supply from an MBE for several of its affiliate locations.

--Recycling

Cox utilizes the services of an MBE for recycling some of the equipment that supports our voice, video and internet services. Additionally, some of our affiliates, within and outside of California, use a WBE metals recycling company.

Disability-Owned Business Entity (“DOBE”)

Though not part of GO 156, Cox includes certified DOBEs in our Supplier Diversity Program. For the past several years, Cox has partnered with Disability:IN to recruit certified DOBEs. The Supplier Diversity Champion of our Supply Chain is an active participant of Disability:IN’s Supplier Diversity Procurement Council and National Certification Committee, facilitating the review of the certification process for DOBEs. Our relationship with Disability:IN is critical in our ability to do business with DOBE suppliers. In 2018, we entered into a contract for over \$1M with a DOBE.

WMDVLGBTBE Fuel Procurement

This section does not apply to Cox but please see our response to section 9.1.7.

Cox	2019	G.O. #156 Sec. 10.1.1
Annual Diverse Supplier SHORT, MID, AND LONG-TERM Goals by Product and Service Category		

We will continue to challenge ourselves to increase our use of diverse suppliers overall and in more procurement categories. Cox generally establishes an annual goal for the entirety of its Supplier Diversity program. For 2019, we have established a target of making at least 30% of our discretionary purchases with diverse suppliers. We are establishing a goal for spend with LGBTBE suppliers for 2019 of 0.01%.

Description of Diverse Supplier Planned Program Activities for the Next Calendar Year
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Recruiting & Outreach

Cox will continue to meet with and participate in programs hosted by national and California-based supplier diversity organizations to help identify diverse supplies that can meet Cox's procurement needs. Some of the activities Cox plans for 2019 include:

- 9th Annual California Cable Supplier Diversity Matchmaking Expo
- Matchmaking and networking events hosted by various organizations, including:
 - National Minority Supplier Development Council
 - Women's Business Enterprise National Council
 - National LGBT Chamber of Commerce
 - Disability:IN
 - National Veteran Business Development Council
 - Walter Kaitz Foundation
 - Council for Supplier Diversity
 - California Public Utilities Commission (Small Business Expo)
- Host "Doing Business with Cox" events within California and other Cox locations
- Ethnic business chambers and minority business association-sponsored events
- Board and committee membership positions in organizations that promote diversity and diverse businesses, including NMSDC, National Veteran Business Development Council and Disability:IN.

Diverse Supplier Focused RFPs

We will continue to offer some RFPs, as we have done in the past, as either diverse-only or predominantly diverse in an effort to increase the number of diverse vendors we use and the amount that we spend with diverse vendors. This also helps give us introductions to a greater number of diverse businesses.

Diverse Supplier Development

Our support in supplier development continues with the award of a \$1M contract to a LGBTBE supplier, with the opportunity to grow to a \$15M contract through a mentoring relationship. In 2018, we awarded 16 of our diverse supplier executives development scholarships for programs offered by the San Diego Council for Supplier Diversity/USD School of Business, UNLV Lee Business School and the ASU Thunderbird School of Global Management. Each of these scholarship programs will be offered in 2019, with the addition of the Delgado Community College in New Orleans. We also are in planning stages of a similar program with a university in Virginia.

Plans for Recruiting Diverse Suppliers in Low Utilization Areas
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Cox will continue its efforts described in section 9.1.7 to identify means for utilizing diverse suppliers for procurement categories that have had low utilization of diverse vendors.

Plans for Recruiting Diverse Suppliers Where Unavailable

Through efforts, such as our scholarship and mentoring, our hope is not just to assist existing vendors in improving and expanding their operations, but also to attract diverse vendors in areas that currently may have little-to-no diverse supplier choice. Additionally, our Tier 2 program has helped to bring vendors into such supply categories, such as telecommunications equipment. As we strengthen our Tier 2 program, we believe this could help to cover gaps in other areas lacking diverse vendors.

Plans for Encouraging Prime Contractors to Subcontract Diverse Suppliers

To help bolster our growing Tier 2 program, we have made several investments that will help our Supply Chain better manage our Tier 1 vendors' commitments, and our Tier 1 vendors better track their progress.

Our new Tier 2 residency within our Sourcing & Procurement team provides our Sourcing Managers and Category Managers with immersive training on how to: (1) successfully negotiate Tier 2 diverse supplier commitments, including increasing Tier 2 commitments; (2) ensure Tier 1 vendors are aware of and trained to report their Tier 2 diverse supplier commitments in our portal; and (3) tracking, managing and coaching Tier 1 vendors' on meeting their Tier 2 diverse supplier commitments. Additionally, we introduced a new Tier 2 Dashboard, which provides Cox Category Managers the status of our Tier 1 vendors' spend with Tier 2 diverse suppliers so they can track contract compliance.

We also will continue to make Tier 2 a focus of some of our recruiting efforts, whether its again hosting department specific events, such as our Field Service Contractor Summit, or inviting large Tier 1 vendors to recruiting events.

Plans for Complying with WMDVLGBTBE Program Guidelines

Cox's CPUC-regulated subsidiary, Cox California Telcom, LLC, does not have GO 156-reportable spend. However, the unregulated parent companies have a nationwide Supplier Diversity Program. Therefore, we are providing information about Cox's national Supplier Diversity program on a voluntary basis.

As discussed in the introduction of this report, Cox's Supplier Diversity program is similar, but not identical, to GO 156. Cox intends to continue its Supplier Diversity program and to continue to provide these reports voluntarily to the CPUC and to the Legislature on an annual basis.



Thank You



For questions about this report, please contact:

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