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Transformed

AT&amp;T CEO JOHN STANKEY

has quietly led one of corporate America's more remarkable reinventions.

**ASH SPIEGEL-  
BERG** and  
**MATT LEVINE**  
report.

Investors are on board. Not one of the 28 analysts tracked by *Yahoo Finance* has a sell recommendation for AT&T, while 21 list the company either as a “buy” or “strong buy.” Employees seem similarly bought in. For the fifth consecutive year, AT&T was ranked by LinkedIn as one of the 10 best large employers for career growth in the US. And external surveys have ranked AT&T as having the highest satisfaction scores among both individual consumers and businesses.

It seems fitting that such a long-standing institution should be transformed by a long-tenured leader. Stankey has been with the company for his entire 40-year career, and has previously served as its Chief Operating Officer and Chief Technology Officer.

Throughout the transformation, AT&T's executive team has focused on the basics. Shareholder updates and executive interviews are peppered with words like “discipline,” “efficiency” and “effectiveness.” Yet Stankey also embraced the occasional unconventional approach. In 2022, he promised to shave his head if the company hit its financial targets. When it did, he followed through—proudly

#### ON HIS FIRST EARNINGS CALL AS CEO, JOHN

Stankey pledged to investors in July 2020 that “the AT&T that emerges from this transformation work will look different than what we know today.”

He knew rebuilding trust with investors would be a critical step in this journey. At the time, AT&T carried one of the largest debt burdens of any non-financial US company and was weighed down by acquisitions that strained both its balance sheet and its strategy. Overcoming those challenges—and transforming a nearly 150-year-old institution along the way—would be a tall order in any environment, let alone during a global pandemic.

Yet Stankey's promise has come good less than five years after he made it. In February 2025, the same month CEO Stankey was also elected Chairman, *Barron's* declared “AT&T Is Red-Hot Again,” citing a 60.5% share price gain over 12 months—outpacing the S&P 500 by more than 43 percentage points. Since 2020, AT&T has paid down nearly \$45 billion in debt, sold off media businesses DirecTV and WarnerMedia, and refocused its strategy.

Today, it owns the largest wireless and fiber networks in the US, a position Stankey believes will define the company's role in the “golden era of connectivity.” And as AI accelerates demand for data, Stankey sees AT&T's financial discipline and expansive fiber footprint positioning the company to carry—and capitalize on—that surge.



ILLUSTRATION: NIGEL BUCHANAN



becoming, as he later said, a “chrome dome.” That humor resurfaced more than once in a wide-ranging interview with Brunswick Partners Ash Spiegelberg and Matt Levine. Asked to name a piece of conventional wisdom about leading a Fortune 100 company that he thinks is wrong, Stankey said: “That there is anything conventional about running a Fortune 100 company in this day and age.”

**For people who haven’t followed AT&T closely over the last five years, what have they missed?**

The short answer is quite a bit. We set out to fundamentally reposition the business, and we’ve stayed disciplined in executing against that plan. We divested our media assets and made clear bets on where we believe the future is headed: high-performance, converged networks built on 5G and fiber. Financially, we’re in a much stronger position. Based on our reduction in net debt and our outlook, we’re now operating within our net leverage target of net debt-to-adjusted EBITDA in the 2.5x range. Free cash flow has grown, and we now have the flexibility to invest at scale while still returning capital to shareholders in a sustainable, balanced way.

Operationally, the story is just as strong. We have the largest fiber footprint in the country, adding over a million subscribers annually for seven years. Our acquisition of Lumen’s Mass Markets fiber business—serving about 1 million customers and over 4 million locations in 11 states—further expands our network.

We have one of the best, if not the best, wireless customer retention rates in the market. And we’ve seen meaningful improvements in customer satisfaction across both wireless and broadband.

When you take a step back, it’s a significant shift from where we were in 2020. But for those who’ve been following closely, what stands out is that we’ve delivered on what we said we would—quarter after quarter. And we’re in a position to keep doing that.

**Why is the financial milestone of 2.5x net-debt-to-adjusted EBITDA so important?**

It gives us options: We’re now returning capital to shareholders, investing even more aggressively in the right areas like fiber, and playing offense. That’s the kind of optionality this business needs. And it’s something we earned through disciplined capital allocation and consistent operational performance.

And we’ve done that while investing at the top of the industry—last year we made about \$22 billion in capital investment—to focus on building the largest, highest-capacity, lowest-marginal-cost converged

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broadband network in the country. Our deliberate and balanced approach to capital allocation is putting us on a strong foundation to deliver attractive returns for years to come.

**So you’d say there’s more room for growth?**

I would. We’ve laid a strong foundation financially, operationally and technologically. We’re still building out our fiber footprint. We’re still expanding our converged customer base. What does that look like? Just look at our recent agreement to acquire Lumen’s mass market fiber business.

If you look at the demand for always-on connectivity that they have now in their homes and offices, that’s going to increase. Customers are going to demand simplicity and want one company that can meet all their connectivity needs. The company that can do this at scale, with the best economics, will win.

We’ve got a lot of running room ahead, and I think the markets have taken notice.

**When people think of AI, they probably don’t think of telecom companies. Can you give a sense of how you and your teams use AI?**

One thing I’d point out is we’ve been thinking about this stuff for a while—folks at AT&T actually helped organize the conference in 1956 where the term “artificial intelligence” was born.

But what you’re seeing today is that the models are getting bigger, the compute requirements are going up and the workloads that sit on top of networks like ours are getting more complex.

Since 2020, broadband data usage on our networks has grown by more than 60%, and wireless data consumption is up over 70%. As we move into what I’d describe as the AI hypergrowth phase, we expect data consumption to accelerate by another 80% over the next five years. That’s being driven by everything from connected devices to edge computing to the rise of more intelligent services across homes and businesses.

So we’re looking at this from a couple of angles. One is how we use AI inside the company to make our operations more efficient, to manage the network more intelligently and to serve customers in a smarter, more personalized way.

The other is making sure the infrastructure is there to support the broader wave of AI-driven demand. That’s why we’ve built the largest and fastest fiber network in the country. As this shift plays out, the networks that are fast, reliable and efficient are the ones that will be able to keep up and create value along the way.

**Building communications infrastructure demands long-term investment. How do you plan in an environment this uncertain?**

The level of uncertainty we’re operating under today is certainly elevated, whether it’s macroeconomic conditions or geopolitical factors. But when you’re making infrastructure bets with decades-long horizons, you need a framework that accommodates volatility. We focus heavily on deploying capital into assets we believe are resilient across a range of scenarios, like fiber and wireless spectrum, which underpin virtually every mode of connectivity, no matter how technologies evolve.

That said, regulatory uncertainty does directly impact our decision-making process. Capital-intensive projects, particularly in broadband deployment, require a stable and predictable policy environment to justify the scale of investment necessary. When rules shift late in the cycle or operating models get retrofitted by regulation, it forces a recalibration of returns, and that’s not insignificant.

So we stay disciplined. We maintain financial flexibility, we diversify our investment base and we engage constructively with policymakers to try to ensure that the operating environment supports sustainable infrastructure growth. It’s not easy, but it’s essential.

**How are you a different CEO today than you were on day one?**

Starting in the pandemic made what is challenging only more complex. And I had to reorient myself to the core of AT&T, where I had been distant from core operations since 2012. In the end, leadership is about relationships and followership that are built on trust and the dynamics I encountered in 2020 put a huge lien on those challenges.

There are more tools in my toolbox today because of this experience. We have new ways of communicating, governing, planning, organizing, applying technology, learning and supporting than we did before the pandemic. I think we are all a bit more versatile and effective for the experience.

**Since becoming CEO, what decision are you most proud of?**

I tend to get most excited when I see our leaders and teams exhibit pride in what they have done, and I sense many in the organization have pride that those external to the company are more regularly recognizing just how much they have accomplished over the past four years.

In my case, I don’t really think about my work in the context of pride, but I have no regrets and remain

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confident that we set the company on the right course to be the leader in high-performance networking.

**How do you motivate a team as large as AT&T’s? And how do you transform a company of that size, and with such heritage?**

I don’t know. We are still mid-stream in the process with more chapters to write—and maybe some to rewrite. I don’t think I walk into work on any day believing we have figured anything out, or that we have actually arrived at an optimal point. I can only consistently articulate that from our history which has served us well and will do so in the future, that which has outlived its utility, or that which is absent and essential.

**What would most of your colleagues be surprised to discover about you?**

I think those who work most closely with me know me pretty well. They have also figured out that it takes a little bit of time to actually get a decent handle on who I am and how I think. I’m not necessarily proud of this, but I am fairly private and introverted, so it takes some time to fully understand how my pieces are put together. Therefore, conclusions on short or surface impressions are probably conclusions on an incomplete set of facts.

**What personal experiences or values have most influenced your leadership style and decision-making process?**

I learned early on that everyone has more tasks on their plate than hours in a day, and that respecting people’s time is one of the most important ways to lead effectively. This, coupled with my constant desire to always improve, orients me to a pretty direct, clinical and data-oriented approach to everything I do.

I don’t want to waste anyone’s time, and I want the organization to address challenges as quickly and effectively as possible and it is my belief that this can only be consistently achieved with this approach.

**It’s said golf reveals a lot about a person’s character. What’s something you’ve learned about yourself on the course that has helped in business?**

I’m hopeful that this adage is not true because I have a deeply flawed golf game! Maybe it’s the fact that I keep coming back to the game with eternal hope that I will one day be able to consistently find fairways off the tee. It has eluded me for 40 years, but I continue to persevere and grind believing I will one day find the solution. I’m not sure that is entirely different from a day at work. ♦