

## INVESTOR'S EDGE

# 5G is coming, it's time to get connected

*"The cell phone has become the adult's transitional object, replacing the teddy bear for comfort and a sense of belonging."*  
— Margaret Heffernan



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I recently read that the average American spends an incredible 3½ hours per day on their cell phones and other mobile devices. In fact, 2019 is expected to mark the year where mobile devices surpass television as the most popular medium of entertainment in terms of time spent.

Over the next few years, we will witness yet another evolution to the way we communicate and obtain our information: 5G. As I am sure you have already heard, Mayor Ben Walsh recently announced that Syracuse would be one of the pioneering cities of this new technology, beginning construction on a citywide 5G wireless network as early as this summer.

So, what is 5G, how will it affect your everyday life, and most importantly for readers of this column, what investment opportunities are there to make money with this explosive new technology?

Basically, 5G is the next generation broadband connection for cell phones, computers, and other electronic devices. 5G will bring substantially, up to 100 times, faster download and streaming speeds along with more reliable cell phone coverage across the United States. 5G allows for near real-time two-way communication between devices. It will, almost certainly, increase the amount of time spent on our phones and electronic devices. As if we needed that.

5G's capabilities will extend to virtually every sector of the world economy and in many parts of our everyday life. In fact, by 2035, 5G will account for more than \$12 trillion in global economic output and support 22 million jobs thanks to the emergence of new industries and the evolution of current ones.

5G will be used in the production and operation of autonomous cars, drones, air traffic control, heating and cooling, infrastructure, public safety, supply chain manage-

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ment, and so much more. One example that stood out to me was in health care, which I wrote about in last month's column. 5G will allow the pioneering of remote surgery and telemedicine via innovations like "pill cameras," which can be swallowed to aid doctors in non-invasive medical diagnosis and treatment.

5G will be crucial to the growing use of Artificial Intelligence and Big Data, another technology revolution that I will address in a future column. The combination of these technologies will allow devices to make real-world decisions without human input, which will lead to things from self-scheduled maintenance for factory machines, to refrigerator reminders when you are out of milk.

In short, 5G's ability to process and deliver data at unprecedented speeds will allow for innovation in just about every area of our society.

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So, how can local investors get exposure to this revolutionary technology? Below are two excellent companies that will play a crucial role in the construction and operation of the 5G network.

Along with being the makers of Gorilla Glass, the primary protective cover for most of the world's smartphones and tablets, Corning (ticker symbol: GLW) is also the largest producer of fiber optic cable. In order to support 5G, the entire fiber optic network in the United States will need to be upgraded, meaning Corning will play a leading role in this transformation, supplying up to 20 million kilometers of optical fiber each year. Currently about 20% off its high and sporting an attractive 2.7% dividend yield, Corning is a local, high-quality, long-term company to add to your portfolio.

Verizon (ticker symbol: VZ) is America's largest telecommunications provider and also the company leading the 5G revolution. Verizon has already rolled out a limited version of a 5G network in several major cities and will be the company working to bring full, citywide 5G to Syracuse over the next decade. Verizon is a classic American blue chip that investors can buy and hold for years, while reaping the rewards of Verizon's leading position in 5G and a 4% dividend yield.

Local investors should be aware that a complete, nationwide 5G network is likely some years away, and there are risks that its construction and rollout may not go smoothly, which would adversely affect the companies above. Additionally, there are some health concerns relating to the long-term exposure to the more powerful radio frequency radiation used in 5G, which will be scrutinized in the years to come.

Over my 32 years of investment experience, I have found great success in buying companies uniquely positioned to serve large, growing markets. There is no doubt that 5G is coming, and it will have a major impact on all of our lives. Verizon and Corning can get you — and your wallet — connected.

*Jim Burns, a chartered financial analyst, is president of J.W. Burns & Co. The opinions expressed here are his and do not necessarily reflect those of The Post-Standard. Readers should do research before deciding on an investment. Contact him at [jburns@jwburns.com](mailto:jburns@jwburns.com).*



**A Verizon technician completes the wiring of a small 5G cell. Verizon is rolling out the new technology in a number of U.S. cities, including Syracuse. Verizon Wireless**

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