

# Block Investor Day 2025 Transcriptions

## Partner Panel: Hosted by Alex Fisher

**Matt Ross** 12:29:32

All right, we are back. Hope you're all enjoying your lunch. So we have two more sessions up here for the rest of the day. We have a Q and A few minutes, but before we do that, really excited to have this part. Have this partner panel for you to listen a little bit more about what we're doing across square and block and how we're working with our partners. So we have Alex Fisher, square sales and block partnerships lead, who's gonna have a conversation with two folks that we've started working with recently, Lindsey Lindsey Hirsch, head of growth stream. Strategy planning and design at Cisco and Brant Smallwood president at belt, so please join me in welcoming them to the stage.

**Alex Fisher** 12:30:22

You Hi everyone. Thank you for having us. I'm thrilled to be here and huge. Thank you to Lindsay and Brandt for joining us today. I know these two incredible businesses don't need much of an introduction, but I would be remiss if I didn't share a little bit about them before we begin. So first, Cisco, Lindsey, thank you for joining us. Cisco is the largest food service provider in the world. The unseen infrastructure behind millions of restaurants and food businesses, they power the sellers at the heart of our square ecosystem, helping them operate smarter, more efficiently and more sustainably in a changing economy, and built brand. Thanks for joining. VILT has fundamentally re imagined the relationship between where we live and how we build wealth by turning the largest monthly expense most Americans face, housing into their most valuable financial asset, they've created the fastest growing rewards ecosystem in the country, with over 5 million members and a presence in one in four buildings. And now their neighborhood program is growing as well as our commerce platform, and they're building a comprehensive ecosystem that serves built members through the entire housing life cycle, from renting to home ownership and everything in between. They've proven that your home isn't just where you sleep, but the center of how you earn, spend and grow financially.

**Brandt** 12:31:46

Gave you a long intro. There you did.

**Alex Fisher** 12:31:49

There's a lot to say, a lot of good stuff. So together, these two businesses illustrate how block connects supply merchants and spend all in one ecosystem. So we'll dive right in Lindsay. Let's start with you. Nick gave a preview of this earlier in his presentation, but square has become the default point of sale for your sales consultants across your 750,000 restaurant locations. What led to this decision, and how is our partnership differentiated Cisco in the food and beverage marketplace? Yeah,

**Lindsey** 12:32:21

absolutely. When we were considering and thinking about our partnerships, at the heart of it, we were really trying to optimize for our independent restaurant customer, and what is it that would meet their needs? And when we were looking for a partner, we were looking for someone who could provide the right solution for that particular customer, as well as operate at the scale that we needed with Cisco. And so if I think about that, it came down to really three things. The first was around. We wanted a holistic ecosystem. It wasn't just around a point of sale. We wanted to partner with someone who could provide more than just the hardware and software and extend to things like marketing, loyalty and even access to capital, which many of our independent restaurants are looking for. The second thing, as we thought about it, was time is one of the most precious things that our independent customers have, and we wanted to make sure that we were going to work with a partner who could ensure that they would be able to onboard customers quickly when they move to their system. And Square's reputation really helped with that. And the last thing that we looked at is Cisco scale. We have operations coast to coast, and even internationally, in places like Great Britain, France, Ireland, Canada. And we wanted to work with a partner who was also thinking completely across the US and nationally, and in terms of to your other question around what, how it's allowed us to differentiate. I think fundamentally, we see other food service distributors partner with certain folks, and they're able to provide the standard discounts on hardware and software. And I think what really tipped the edge and what's allowed us to differentiate and Nick alluded to this is our groceries on us. This is allowing us to provide what our particular customers need, and those square sellers what they need, with access to some discounts that they can use and give right away on their food and supplies on a day to day basis.

**Alex Fisher** 12:34:24

I love it. I know you won't share any specific numbers because I pushed you on this backstage, but can you walk us through some of the business impact you've seen? Maybe share some examples of how square has transformed your customer relationships?

**Lindsey** 12:34:39

Yes, absolutely. I think the testament to this early partnership, first of all has been the engagement, which has been amazing with our over 5000 sales colleagues. I think the first statistic that I like to give is over 60% of our sales consultants, as we call them, have actually used this square offer with their customers. And. I think a testament to that we've had for multiple years what we call our restaurant solutions Partnership Program, and this has been the fastest ramp one that we've seen. So that's been incredibly exciting. The second stat that I won't give some specifics as you mentioned, but when we see a customer move over to square, those customers with Cisco are growing faster than customers who are not. The other thing that we found very compelling is as we all go and prospect together, so we can provide, as a joint partners, a holistic solution to the customer, so their food distribution needs, the ecosystem on the back end that they're really looking for. And there's a particular seller that we have, seller on Cisco's behalf in New York that has used this and gotten 12 new prospects to convert over by having this offer in hand. And then the last thing to your point, Alex, around it also allows us to provide something special to our most critical customers. So for Cisco, we have a loyalty program that we call perks, where we provide them with the best levels of service across what we can offer. But with the square partnership, we've also given them exclusive access to different things, like events. So as an example, we just had one in Dallas last week where we brought all these perks independent customers together to really talk about some of the challenges that restaurant tours are experiencing today, to be able to learn to connect directly with the square team, directly with the Cisco team, and just really strengthen the bonds that those communities have.

**Alex Fisher** 12:36:39

That's great. What was the number you said for one of your sales consultants, 12. It's incredible. 12. I love that. More of that. So how does working with block give Cisco a new way to support these businesses? I know we share a deep fixation on supporting small local businesses. How is square helping you guys do that?

**Lindsey** 12:37:00

Yeah, absolutely. I think it's really allowing us to show up holistically. And I brought a quote from one of our sales consultants. His name is Jeremy, that really brings this to life. So square helped me offer more than just food solutions. I was able to solve a real business pain for my customer with high processing fees, poor support and outdated tools, my customer needed something better, square delivered on every front, fast onboarding, reliable equipment and real savings. It strengthened my relationship and reinforced my value as a trusted advisor. We always say at Cisco, when our customer wins, when our customer is able to grow, we're able to grow. And I think this really just highlights the level of that reinforcing the network effect. When we can go in there together, we can provide that customer savings. We can allow them to grow, and then that helps the entire e commerce and network effect on both sides.

**Alex Fisher** 12:38:01

Thank you. Lindsay Brandt over to you. So built has done something truly extraordinary, taking something as fundamental and routine as paying rent and turning it into a rewarding local experience that connects users to the neighborhood. Can you share a little bit about how you saw this opportunity and moved to innovate in this space.

**Brandt** 12:38:21

Yeah, absolutely. And first of all, thank you so much Alex and the block team for having us really excited to talk about the partnership. Yeah, so built started with just a simple insight, which was pretty much every industry and every category that consumers spend, be that hotels and airlines to retail and even the local coffee shop have some form of loyalty program. That loyalty program they use to reward their best customers, to drive behavior repeat, spend bigger basket sizes, whatever, and it gives something back to those customers who engage more frequently. What was interesting to us, and really the initial insight was that housing is consumer's largest spend category. So when you think of someone paying rent or a mortgage, that's often 30 to 50% of someone's income, and it's pretty much the only category out there that doesn't use loyalty as a tool to drive behaviors that those parties care about. So whether that's things in the rental space like setting up auto pay or doing digital payments, or making your payment for your rent on time, or signing a lease or renewing a lease, there were no real tools in the industry for property managers to do that and to drive those behaviors and as a consequence, for consumers to get something more back when they engage in the ways that the merchants, or in this case, the property managers, were looking for. And so that was the initial insight. There are a bunch of structural things as to why that was the case. The property space is pretty unconsolidated. So you know, the largest property managers have 100, 200,000 units. And when you think about standing up a loyalty program that has connectivity and the ability to earn points that you can transfer to United and Alaska Airlines and Marriott, 100,000 consumers is just not scale enough to make a difference. And so one of the insights, and one of the things built it differently, was aggregate all of these partners. You know, today we partner with 70 of the top 100 property managers in the country. We are the way that everyone who lives at their buildings pays rent, covering now one in four properties across the country, and we are their loyalty solution that they use to drive those types of behaviors that I discussed. So that was kind of the initial insight, and over time that extended to the neighborhood. So people choose where they want to live, not just by the four walls that they live in, but it's by what's around them. That could be schools and museums, it could be restaurants and bars and activities and entertainment and being able to have a Unified Commerce experience and loyalty platform where people as consumers can go and get more and be rewarded in their neighborhood where they're spending most of their money outside of housing spend, as well as for those merchants to reach the people that live nearby was just a natural sort of extension of our ecosystem.

**Alex Fisher** 12:41:16

So I guess maybe digging a little deeper, what what comes next? What do your users want, and how do you think about building or partnering to deliver on that? Ask?

**Brandt** 12:41:26

Yeah, I think for us, you know, it started, and there's certainly a foundational level of rewards, and just a reward sort of currency, and the ability to do those types of things for consumers. But I think where we've really been pushing and what we're trying to do. You hear a lot of companies talk about connected commerce, but to us, no one's really pulled that off in a, you know, in a big way, in a local sort of environment, and for local businesses and, you know, physical kind of point of sale. So a lot of where we're focusing, a lot of the partnership that we're working with block across the business on is around creating better commerce experiences. So it's not just, Hey, I get rewards because I spent more at this place, or I get extra whatever because I went to this restaurant three times that month. It's also just actually making the whole interaction feel better. So the example you know that you can take from out in the market is, I don't know if you all you know if you've been in taxis and also ride share, if you remember the first time you took an Uber or a Lyft, and you get out of the car at the end, and you don't have to, like, swipe your card or pay or get a receipt, or sign a receipt, or hope that they have a credit card terminal or Square terminal, or whatever. It's just you can get up and leave, and that little thing makes that whole experience so much better, such that now when you go to the airport, you don't even taking a taxi is the weird experience. It's actually way better to just get out of the car and leave when you're done. And those are the types of experiences we're trying to create, kind of category by category. So to give a few examples of what we've done in the pharmacy space, we've created really kind of the first of its kind, automatic HSA and FSA reimbursement capability. So now go to any Walgreens in the country, use any credit card that you want to use, or any debit card that you want to use, and through our integrations with Walgreens, we can automatically identify one that you transacted there. Two, which items in your basket are HSA or FSA eligible, and then three, file that reimbursement on your behalf. So now your contact solution, what's reimbursable, can be in the same basket with the other 10 items you bought, and we'll go and file that \$6 reimbursement for you that you probably wouldn't have done otherwise because it's too much of a pain. Take, you know, take an example, like the restaurant space at restaurants, you know, many folks on the reward side can give you a statement credit or they can give you points. But for a restaurant that's trying to create a real hospitality experience, we now, through integrations with the likes of block, can actually power a better experience for the merchant, where they can know when you show up, send a free round of drinks to your table automatically because you did some action that they deemed important, maybe that's you came three times that month. They can set that up with a few clicks automatically fulfill that. And as the consumer, you didn't know what happened behind the scenes, but now you're at this local restaurant that you love. You go to all the time. They know your name, they send a free round of drinks when you show up, or they get your dessert, or they send a free Lyft ride for you at the end of the meal. And those types of experiences, I think, drive behavior for merchants by just creating a better commerce experience,

**Alex Fisher** 12:44:43

magical, integrated experiences. Exactly,

**Brandt** 12:44:46

okay, use a lot of the same language.

**Alex Fisher** 12:44:49

So one more question, and we'll end on a little bit of a teaser here. While we can't share yet what we're working on together, can you share a bit about how you see block as a partner? That can help fuel the evolution of these experiences?

**Brandt** 12:45:02

Yeah, I think, you know, if you look at some of the announcements blocks put out recently, there's a real shared vision in terms of making local commerce just a better experience. And I think what's cool about block and built is when you look at our businesses on the merchant side, the areas that block is really strong versus areas built is really strong. There's a lot of complementarity there, as well as some overlap where there's a lot we can do together. And then when you look across the businesses, the types of capabilities that you all can bring from after pay and cash, app and other kind of consumer facing product experiences that are useful to our customers who live in buildings and shop at merchants that are local. So we're really excited. I think we have, you know, between our companies, a real shared mission and in terms of what we're trying to do for, you know, neighborhood commerce. And excited by being able to integrate sort of the best of both to do that awesome.

**Alex Fisher** 12:46:01

Well, thank you both so much that brings us to our time and thank you all for your time and attention.

**Brandt** 12:46:07

Thanks very much.