



Andy Phillipps

Interviewed by

Richard Sharpe

22nd June 2021

Via Zoom

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Archives of IT

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Welcome to the Archives of Information Technology, where we capture the past and inspire the future. It's Tuesday the 22nd of June 2021, and we're in Zoomland. My name's Richard Sharpe and I've been covering the IT industry since the early 1970s, and I started from the computing side of it.

[00:25]

We wouldn't have an IT industry unless we had entrepreneurs and angels who were willing to back them, and that's precisely the role that the man who is making his contribution to the Archives today, Andy Phillipps, is actually now playing. Andy, you were born in the latter end of 1968, a turbulent year for boys like me born in 1948. Where were you born, and what were your parents doing?

And I tend to keep it quiet. I was born in Woking, which is something I've hidden for the rest of my life. But... [laughs] And my father was a lawyer at the time, so, he was probably a partner at Lovells, which is a London law firm, and my mother was a housewife. So, she had been working in various roles before that, and then backed out to have children.

And she had three children, and you are the eldest of them?

Yes. I've got two younger sisters here who were born in the years following the auspicious 1968, as you've mentioned.

Right. This was, presumably, a relatively affluent household, a well-educated household.

[hesitates] Yes. Neither of my parents went to university. So, it was, you know, my father was doing well in a law firm, but it wasn't a, a place that had experience of further education in any shape or form. And it never felt particularly wealthy when I was growing up. I do remember having, things like Ribena was a treat that we were allowed to have once every other week, or, these kind of things. But I think that was probably my mother's temperament rather than necessarily availability of funds.

[02:06]

What do you think you got from each of your parents? First of all your mother.

From my mother I got a sense of fairness I think. So, she's... And she's, she's been very active with the Citizens Advice Bureau later in life, and is absolutely passionate about treating everybody equally and making sure everyone gets an equal opportunity here. And then, probably, moving on to my father, as in, you know, maybe why they were well-matched, is, you know, he had similarly... I remember being very proud when I went to see him in, [laughs] in Lovells, and the doormen greeted me, and he said, 'Oh you're Patrick's son. He treats everybody well.' And I was thinking, actually, you know, if, if someone referred to me like that, I'd be very very proud.

[02:51]

Yes. That's good. That's very good. How was your primary and secondary education?

Fairly inauspicious I suspect. I had a brief period of glory during my primary school where I grew much, much faster than anybody else, so I was about a foot taller, which meant that during, you know, a couple of sports days I could win every cup. And then I sort of retreated back as everyone else started to get, get bigger. I was reasonably academic during primary school, but nothing particularly noteworthy I don't think.

These were state schools, were they?

No. So, I was at a private school called Allen House, a preparatory school, and then my secondary school was a place called Bradfield College, which was a private school again.

Was there any religious orientation?

No, not really. I think both of them would, as in, certainly Bradfield College would have chapel services every Saturday, and I think every morning as well then. So it was certainly linked, but it wasn't a, you know, strongly religious school. It felt slightly more like a habit than necessarily a conviction at times.

And was it a day school?

No. So, Allen House, or my first school, was a day school; then I went to a boarding school at the age of twelve actually for, to Bradfield College.

How was that?

I found it hard at the time. It sounds arrogant, but I was reasonably bright, and as a result I got pushed up a year. So I was young for my year here. And, you know, it felt early to, to board certainly. Towards the end of my time there I really enjoyed it. I think at the beginning I was pretty reluctant to be leaving the cushioned feather nest of home.

[04:36]

Yes, I, I know that feeling myself. [AP laughs] And did you carry on your sports in school?

Yeah. So... I never really was particularly good at, you know, cricket or sports that I would have wanted to have been good at, but I was actually, reasonably OK at tennis and squash. I played a lot of tennis and squash at Bradfield, at then at university as well actually.

And what were your major subjects at school?

I was fairly generalist actually. So, I loved English. The thing I was useless at was languages, unfortunately; I'd love to be good at languages, and I've got deep respect for people who are, but I'm not, here. So I've kind of forced myself to get a bit better at French and a bit at Spanish later in life, but, it's like pushing rocks uphill. Whereas I found English, and the sciences in particular, and maths actually, reasonably easy. And, I've always been interested in science, here. So that was probably the thing that, well it *is* the thing that I carried through to university. I desperately wanted to do English A Level actually, but, and I think it's probably still slightly true, that the school slightly encourages you to focus on sciences or the arts, and my personal belief is, is, actually getting an exposure to both is really, really important. So, you know, certainly for my own children, I'm trying to encourage them to cover both disciplines.

Was it English literature that you liked?

Yes it was, here. I was pretty indiscriminate at the time, I just liked reading, actually. And, and I could get into reading classics at speed, or I could get into reading, you know, non-classics, put politely, at speed as well. And I'm not sure I was particularly discriminatory; I just enjoyed fiction in general.

You didn't have to take the Eleven Plus, did you?

No I didn't.

You missed that.

Yes I did.

[06:23]

Were you encouraged to go to university?

Yes I was. I was actually... I was... I'm trying not to be arrogant, but I was reasonably bright at school, so they were trying to encourage me to go to Oxbridge. The school had better connections with Oxford, so they were pushing me towards Oxford. Actually, with slightly unusual determination at that time, I really wanted to go to Cambridge, and the reason I wanted to go to Cambridge was the Natural Sciences Tripos, that I knew I didn't really know yet what I wanted to study, and so the ability to study multiple subjects still at university, you know, really attracted me then. And interestingly, I've just been back to Stanford as well, and, you know, one of the great things about that system is, you get in to Stanford and then you can study anything you want, not just sciences but you can study any subject there, which... I, I think, you know, bearing in mind how young you feel in retrospect, looking back at university, to force our students to focus so early on, I'm not entirely sure is a good thing.

[07:25]

So you got into Cambridge?

Yes, I got into Cambridge, on the, I'm not sure if they still do it, on the exam before your A Levels, here. So I was, I was one of those very irritating children who had already got into university and spent their time distracting everybody else who had to study for their A Levels. [both laugh]

But there's no degree of smugness, if you like, I hope?

No. [laughs] No, I... It was a reasonably physical school. I think it would have been punished quickly. [both laugh]

Were you punished at school, by teachers?

Yes. It was definitely still the world of corporal punishment here. So, I think I got the slipper once, but I never got, never got the next grade up, which was cane. But, but yes, looking back, it seems barbaric now; it didn't really feel barbaric at the time.

What did you get the slipper for?

I can't remember actually. I think it was stealing a packet of crisps [laughs] off a friend of mine or something. I think it was something deeply, that I absolutely deserved to be slippered for. [both laugh]

And who was to do the slippering? Were prefects allowed to do the slippering?

No, not any more. We did still have fagging at the school at the time here, and, I think probably legally they were still: well not legally, but according to the rules, they probably still could, but they didn't. And so actually, it was the housemaster who did it.

[08:43]

So you got into Cambridge.

Yes.

You're already au fait with living away from home, so that's OK. You were drawn to Cambridge because of the Tripos you were able to do. What did you think of Cambridge itself, the city?

I... There was a kind of gap in between school and Cambridge here, so, which probably explains what I thought of the city a bit. So I spent quite a long time in, up in Runcorn, in, working with ICI, back then.

Yup.

And I was living in Southgate, which, I think Southgate's been knocked down now, but at the time I think it had the dubious distinction of being the highest knife crime and the highest rate of robbery in the UK. And it was row after row after row of absolutely identical properties. And so, the contrast with Cambridge and its beautiful architecture and its sort of serene environment was really really marked here. And so the, not just the architecture but also the kind of attitude and the social aspirations and everything else, it was a massive contrast here. And... And actually I'm deeply grateful I did spend time away from Cambridge, in slightly less salubrious circumstances, before heading off to Cambridge.

Why did you do that? Why did you have that gap?

My parents were very strongly of the opinion that, you needed to learn the value of money. So, I never really got pocket money when I was growing up at school, and... And so, I always had to work in various jobs. I worked on farms and in shops and in factories and everything else. And I, because I was young for my year, I went forward a year, I, I very much wanted to spend, take a year out before I went to university. But I couldn't afford to take a year out, so, they were saying, 'Well by all means a year out, but you'll have to pay for it.' So, I found a job with ICI up in Runcorn and went to work for them for, seven, eight months I think. And then, and then I spent the time travelling. I went off to Hong Kong; I went on to Australia, here. But again, I ran out of money quite fast, so I ended up just doing really, slightly dodgy

jobs in retrospect. I was working in bars, and I was working in an underground supermarket where I, it was extraordinary, you could go in and you could buy gunpowder in this supermarket, because it was a mining town in Australia, and... And then I worked as a bouncer on a strip joint for a while as well. It was, you know, rather surreal in retrospect, [laughs] but I loved it at the time.

[11:10]

Now when you were born, quite an interesting year, but every year is interesting in the IT industry, but quite an interesting year, ICL was formed as a national champion. Intel was formed.

Yes.

And the PDP-10 was first shipped from Digital Equipment Corporation. And the UK had just over 2,000 computers, that's all. Now, when did you see your first computer?

I saw my first computer, I mean I saw my first computer at school, so... And we had a, an Acorn computer, the BBC Acorn at home, which I loved actually, so I spent lots of time writing useless games, which, you know, just kept me, kept me busy at the time. And then, my first direct ownership was an Apple. I can't remember the name of the Apple. I've still got it somewhere in the loft now. But I remember it had a 40 meg hard drive there. And... And so I sort of desperately, putting my PhD thesis onto extra floppies, which I'm sure have degraded by now and I can never access. But... But it was incredibly slow. And my PhD was actually on computing, or, sorry, I was doing a, a model, a Monte Carlo model of failure of ceramics, here. And... And I wrote this code, and it used to take three days to run, to get each result. [laughter] So... Which I'm sure was partly my code, but it was also the speed of the processor at the time, so... [laughs]

And a notice on the plug, 'Do not turn off'.

Yes. [laughs] Yes, no, that happened a couple of times. [laughs]

[12:48]

You went to Cambridge in '87, for your BA, Natural Sciences, but specialising in materials science. What drew you to that?

Partly positive, partly negative drive actually. So, as with many people turning up at Cambridge, you think you are the next Einstein, and then you realise, fairly rapidly, after the first course, that you're struggling to get to grips with general relativity, that, well maybe this is harder than I first thought. So that was the slightly negative bit, because I imagined I was going to be a physicist when I went in. But then the positive bit was just, I got fascinated by materials, about why they performed as they did, how you could modify those behaviours. And also how instrumental; because I had worked in industry a bit beforehand, you realised that actually, everything involved in manufacturing and in IT ultimately comes down to the performance of the materials and its capabilities. So, I got interested in, in that. And I loved the, I always liked applied maths where you could apply maths to, you know, real situations, and materials is a classic example of that, that, you know, as you understand how the structure works, you can apply maths to try and optimise it. And, you know, that's becoming true even more as quantum computing comes through, but even at the time, you know, as many of the big breakthroughs have come in, better understanding of behaviour of materials.

And will quantum computing come through?

[hesitates] I would defer to people who know more about it than I do. Certainly there's a lot of optimism that it can have massive implications for, you know, drug discovery and material optimisation et cetera. And, you know, there's certainly early signs that that, that looks encouraging. But I, I find it kind of interesting that, it's beginning to work; we still don't really understand *how* it works, but... [laughs]

I don't like things like that. [laughs]

No? [laughs]

You're an investor, and you're an adviser to investors as well. If somebody comes up to you with a quantum computing project, will you say yes?

I'm nervous about it, for exactly the reason we've just discussed actually, is that, I don't like investing in stuff that I don't understand in its entirety. But that does limit my investment horizon quite, quite a lot if I'm not careful here, So, I would certainly look at it. I tend to focus at that point on the credibility of the people who are looking at it, i.e. I want to know that they genuinely understand it, but also then the capacity of what it can do. So, I don't tend to invest in pure blue sky research; I tend to invest in something that has an obvious practical application. So, if they came to me saying, 'We've already shown that we can improve the efficacy of material modelling here, and we want money to develop it,' yes, I would look at it. If it was coming to me saying, 'We're looking at blue sky research into quantum computing,' I, yeah, I struggle to work out whether that's a good use of funds or not.

[15:35]

So you're at Cambridge still. You are being told to think for yourself apparently.

[laughs] Yes. Yes, I wrote to the, the supervisor, who told me that the other day actually. It's a... I was studying psychology actually in my second year, and I had written an essay on, I think it was circadian rhythms or something, so, you know, trying to understand how we wake up when we do, and how it gets modified here, and how, you know, your body clock actually processes. And I wrote what my supervisor told me was a perfectly adequate essay. She said, 'If you are lucky you might get a First with it, here, but God, is it boring. [both laugh] The reason you were selected for Cambridge is that, we are trying to encourage people to think for themselves. I would prefer you to get a lower grade but with something original.'

Oh. [laughs]

And it was, you know, she obviously understood me quite well, probably because she was a psychologist, and it absolutely stung me into action. And, you know, from then on, I tried very very hard to say, OK, I've read all these books, and, you know, what do I agree with, what do I not agree with? Be a lot more critical about it. And if at all

possible, try and come up with something of my own as part of an essay. And my grades got worse for a while as a result, but actually I think it benefited me. [laughs]

[16:48]

I do love that story, that is, that is really, really great. You got an MA as well. You decided to carry on, did you, for another three years and do a PhD?

Yes, I did. So... Again, I, I liked materials. I was reasonably passionate about the subject. And then my, the place where I had done a placement before up in Runcorn wanted to fund the PhD into ceramic materials. They had worked out, they had developed a material that had a very reliable fracture behaviour, but also, if it did fracture it wasn't catastrophic here, which... And that was for ceramics, and as I'm sure you're aware, the great advantage of ceramics is that they can operate at very very high temperatures. So they were trying to generate a combustion chamber that would reduce the amount of knocks that is produced during combustion, which required it to operate at high temperatures. The metals would melt. And so they had come up with a material that they thought could do this, but they didn't understand how it worked. So the project here was to try and develop mathematical models to predict how it might fail, and to optimise its structure. Which was great, absolutely appealed to what I wanted to do here. So, I had a fantastic three years. I was very very lucky actually, because I managed to combine lots of other people's ideas to generate something that was new in its own right and could optimise that structure.

And you did?

Yes, we, we did. And, and note the 'we' there. You know, that was definitely my supervisor and the people in ICI, and I worked with some people at Volvo as well. And it was very much a joint effort. But we managed to get a combustion chamber in production here which, which worked. And then later on we also used the material in another of my roles where we produced ladle shrouds for continuous casting of steel, which again had very high thermal shock, and this managed to generate a tougher ladle shroud that could avoid what they call breakouts. I'm not sure if you've ever been round a steelworks, but one of the challenges in a steelworks is, you're pouring steel at, you know, high pressure and temperature, and if the tube that you're pouring

it down breaks, they have what's rather gently called the breakout, but basically means molten steel is flying around the factory. And so you... You know, it's best to avoid it. So... And this could help avoid it.

[19:08]

How did your psychology help you?

[hesitates] This sounds such a cliché in retrospect. I remember reading company brochures at the time, and they all have something sort of slightly benign, like, 'people are our greatest assets', or, you know, you know, 'people are what makes this organisation work here'. And, and you read it, and you think, yeah yeah yeah. And then as you work more and more in business, you realise, actually, every single thing that works, or doesn't work, is down to the team and the motivation and the alignment of the people behind it. And I think psychology helped me to think slightly differently, both in terms of the subject but also, as you've heard already, in terms of my supervisor here. So, you know, the greatest asset I got from Cambridge I think is the confidence to think for myself, and, and she certainly instilled it, and then lots of other people nourished it I think.

[19:57]

What is the Andy Phillipps method of management?

[pause] I, I'm going to struggle to condense that down. I... I like to work with people who are, and it sounds like false modesty but it's not, better than myself. So I want people in the room who know more things about different things to me. So I definitely want diversity in the room. I don't want someone who just says, 'I agree with you' here. And throughout my career I don't think I've ever had anyone, including my wife, who has ever said, 'Yes, I agree with you.' [laughs]

She's a judge, is she not?

Yes she is a judge.

What type of judge?

She's a civil judge, and, a human rights lawyer by background, civil judge now, and, potentially go across to public law, and she's considering that at the moment.

Right.

But... So no, I, I want a diverse group of people in the room. I want everybody's ideas to come through. And then, once we've considered all the options, I want a decision made out of that meeting. I just don't want procrastination. And one of the things that running your own business gives you is, you don't have the money to procrastinate; you have to make a decision here. Because if you procrastinate, you run out of money very fast. So, you know, definitely now, there's a sense of urgency but a decision-making process on the back of data provided and discussed by good people around me.

[21:21]

Money, however, Andy, doesn't sound to me like a big motivator for you.

No, I don't think it is. Money's, money's hard, because money, to some extent in a business, is the metric of success, and I definitely want the businesses to be successful, but money is kind of, a facilitator. It enables you to invest more in expansion, it enables you to pay people well, and I've had lots of start-ups, you know, where we've started out paying people very very badly, if anything, here. So there's definitely a, you know, a role for money. And I've run out of money multiple times. So I'm really not belittling money, and, you know, my current financial situation also enables me to be slightly, above it. But, you know, absolutely, you know, recognise the value of money, but money in itself doesn't bring, sorry, it's a dreadful cliché, but it doesn't bring happiness or a sense of success in its own right. It's what it can do both for the company and for other areas of life.

[22:19]

Do you invest in art?

No, I don't, here. But that's, that's more a gap in my own skillset really, as in, I, again, the cliché's going to come through, I absolutely enjoy going to the theatre, and, you know, looking at paintings and literature et cetera; I don't really trust my own judgement, as an investment certainly, to, to invest in art. So I would tend to end up buying art that I like, rather than necessarily stuff that I would trust to be a good investment.

[22:52]

So you left Cambridge in 1993, and you went to Oxford to work for Cookson Group. What was Cookson Group?

Cookson Group was a conglomerate at the time. So, it used to be, it originally started out as a lead company, i.e. it was providing lead addition to paints, and then it became a materials conglomerate. And having come from a materials background, you know, it was a natural fit. I think it was my... I got a number of offers coming out of Cambridge. I think it was the worst paid by some distance here. But, I was working across a variety of materials. I worked in the steel industry, which, you know, for anyone who has never been round a steel plant, I would strongly urge you do it. It's a most extraordinary, almost mythical experience, just the scale and the ambition of what's being produced. So I loved the steel industry. I worked with aerospace for a while, there, providing materials into the V-22 Bell helicopter aircraft that took off, you know, like a helicopter and then flew like a plane, at least when it worked. And... [laughs] And then in the semiconductor industry for a bit, and then in the pottery industry as well.

And you had postings to the US and Asia in your three years at Cookson.

Yes, I did, here. So, I was... I worked at Pittsburgh for a while, which was the longest placement by some distance, here, for a company called Vesuvius, which produced these ladle shrouds, or they produced various bits of equipment for the steel industry. So I worked in Pittsburgh for, I think the best part of six months or so, which was great. Again, it was slightly educational, that I went there with a PhD thinking, hello, I'm from Cambridge, I'm well-educated, and, whatever, and I realised that I was, I was worse paid than the cleaner [laughs] in the office. But loved it.

Again the real world application of, of knowledge. And I also enjoyed the, the diversity of people in there, that, you know, again, it's obvious to many people, but, it takes all sorts to make a company work. And I think one of the things that was helpful when I went on to set up my own company is, I have worked with, you know, people who load materials into the steelworks, as well as the, you know, mathematical modellers behind the scenes. So understanding what motivates the, people at all level across organisations, is something that, I'm not saying I can do it, but certainly something that I'm interested in achieving.

[25:25]

How did you find the American business culture?

I'm nervous having just come back from California to describe the American [laughs] business culture. It made me realise that actually America is, is, you know, a very very large company. You know, this was a steel town, Pittsburgh, so it was very down-to-earth, it was hard-working, it was no bullshit, and it was very results-driven where I was. So, yeah, it was a pretty good introduction I think to, you know, how to make a successful business. I think it was also useful for me that, particularly going into the IT industry actually, because, IT often is associated with very large margins here, and working in the steel industry, absolutely makes you realise the importance of, only spending money when you need to spend money, i.e. you have to keep the operating costs and your central overheads, you know, under control. And in the steel industry, that's because you've got no, you know, margin of error; in the IT it's actually because, long-term, that's the space that wins, as in, people who, who generate the most efficient products at the best price here tend to win. So, actually working in a, a relatively undifferentiated industry probably helped me in a view of costs.

[26:40]

You left after three years. Why did you leave?

The... There was a takeover bid I think for Cookson Group, and they were going to change, they were going to close the research agency. So they, I actually had an offer to go back and work in Pittsburgh, which at the time I didn't want to, to do. And I

was actually made an offer by BOC Group concurrently. Opportunistically, I was approached here. And, and they were working in an area that was near to my heart then and now actually, which was trying to reduce the amount of toxic gases that were emitted into the atmosphere. So the, the... I'm sure you're aware, in the semiconductor industry, you need an awful lot of very toxic gas in order to etch, you know, the required, you know, very clever architecture on your silicon chips, here. But at the time, and it seems peculiar now, but, most of those fabs used to have what they called routine downtime, which, when you dug into it, was basically, they had to clear the birds off the roof. Because the gases were so toxic that pigeons or geese or whatever flying overhead would die; they'd fall on the roof, and, you know, you have to go and clear them away at times. And so, that's clearly not desirable, and this...

No.

...[laughs] this division of BOC Edwards HAD developed technology to kind of, to try and filter out those gases. So, it was something that was, you know, useful to do, and was technically interesting as well.

[28:02]

You were, how many years there? Two years there?

Two, three years. I can't remember actually, but...

Yes. '96 to '98. You were based in Bristol, but, you had to go to Korea, Pittsburgh, San Jose. This got you to look at semiconductors production, did it?

Yeah. So I didn't go to Pittsburgh with them actually; I went to San Jose and I went to Korea for stints. Korea was, [laughs] peculiar at the time, because I was working in clean rooms, and I'm six foot three, and actually at the time there weren't that many people that tall in South Korea. So, I spent my time slightly huddled over, trying not to expose skin as I was walking around the fabs here. Intel in, and San Jose, was a lot easier than that. But yes, it was my first exposure to, to chip manufacture. And actually similar to the steel industry, you know, it's a, you know, just as a tourist it's

fantastic to go and see quite how sophisticated the processes are to produce the wafer, or, silicon wafers that we all come to rely on here. So, no, I loved it.

[29:02]

Here's a curveball question. Does Moore's law keep going on?

[hesitates] Well, I've got investments in graphene, so I'm hoping it kind of, it carries on, because of new technology going down. The death of Moore's law has been much predicted [laughs] over many many years here. I suspect that it may not be quite as uniform, but we will continue to develop faster and faster chips at lower cost, yes.

And does it become just, then, a commodity business and goes to the Chinese?

[hesitation] I don't know the answer to that. I... You know, what is done on the back of silicon chips is absolutely not going to be a commodity business I don't, well certainly in the short term I don't think. In terms of providing the infrastructure through to it, I think there's probably enough tech in the short term, you know, including, you know, graphene and quantum computing et cetera, that it remains differentiated. But, you know, as with, all industries tend to, as you know better than I do, tend to head off towards commodity. I suspect that, chip manufacture has a way to go yet.

[30:11]

You then decided to, go back to education basically.

Yes.

And to get an MBA at INSEAD, which is in Paris, is it not?

Yes, just south of Paris, in Fontainebleau.

Fantastic.

Yeah.

What a great time. You spent a year there.

Yeah, it was, it was, it was great for me actually, because, I had come from, I had come from an environment where I understood tech quite well, or, sorry, aspects of technology quite well, but I really didn't have any exposure really on what made a business successful at scale here. So, you know, lots of stuff in BOC that would be handled by the marketing department, or the finance department, would, you know, produce the numbers for the project, or, you know, necessarily you have the division of skills.

Yes.

And I wanted to get a better understanding of what happened in all those different facets of business. So that was great. And then the other thing that was slightly culturally changing for me actually was, I arrived there with lots of people who had come from hugely diverse backgrounds here, all relatively privileged actually, but diverse in terms of nationality and what they had been working on here, and by ethnicity as well here. And, I would talk to people who, 'Yes, in my last job I raised 50 million to do this, and, you know, operated across 40 countries,' or, whatever. And I'm sure part of it was the sort of bravado of, of MBA environment, but it did suddenly, you know, make me realise that, OK, that's an opportunity. I could do that. Whereas, I think before I went to INSEAD I wouldn't even have thought of, I wouldn't have had the confidence to go out there and try and raise money for my own start-up. I'd have been terrified about losing it here, and I would also not have the confidence that I would be able to spend it sensibly. So, I'm not saying that everybody has to do an MBA to go and run their own business; for me though it was very very helpful.

Why did you choose INSEAD?

The honest answer is that, as with many of my decisions in life, it was slightly impulsive, and it was the one that I hadn't missed the deadline to apply for. So

actually, I wanted to apply to, I think it was INSEAD, Wharton, and, I was also thinking about London Business School. But actually, when I went round INSEAD, there, I thought, actually this is a fantastic environment to work in. It was one year, and there was at least a risk I was going to have to fund it myself. I managed to get some funding from Lord Sainsbury actually to do it in the end, you know. So, I didn't have that much money, it was one year, and I could afford it; but also the multinational aspect of it really appealed.

[32:47]

And yet. OK, INSEAD is a top European business school, can I call it that, is that a, is that allowable, a business school?

Yes, I think it's still allowable. [both laugh]

And yet, as you know, where is, where is European business? If you read the Economist, you may have seen a theme in the Economist which is precisely that: where is European business?

Yes, I think... It's not... I'm more defensive on that, not necessarily for European business, but certainly for UK business. I think, you know, we, we've just hit the milestone of 100 unicorns coming out of the UK, I think. The amount of technology businesses that are being developed by very very talented individuals now seems, you know, and again, you know, my breadth of judgement is limited, but seems incredibly encouraging to me. I don't... You know, the capital introduced to support that has developed very very fast, and the... I remember when I first set up my business, my mother was, and my parents have always been very supportive of me, and so they were both very supportive, and, you know, it was broadly speaking, 'That's nice dear, that's fantastic, well done you. It's so difficult to get a proper job nowadays, isn't it?' [laughter] And that attitude is absolutely not the case now. You know, we're getting some of our best and brightest going to address some of the, you know, really material challenges in the world. So, I'm, I'm more optimistic maybe than the Economist article would suggest.

But. But but.

Yes.

If we consider this to be a sand, a thing near the sea, we've got an awful lot of sand, some moderately big boulders, but no really big, dominant cliffs being built, have we?

No.

And if they are, they're suddenly taken away, like ARM.

Yes. No, absolutely. And you know, I, I can also argue the same for, you know, my company, Booking... or, I, I founded part of what became Booking.com. Booking.com now, its market cap is, depending on whether you've got a pandemic going on or not, between 50 and 100 billion. So it would be one of the larger tech companies to come out. But we, you know, both us and the Dutch side of it, sold it to the US, and, and that was partly a function of the capital structure, or the requirements of some of my investors, but also partly a, undue deference to the might of the US companies. Because actually, you know, Booking and Booking Holdings, now a very very substantial part of it is Booking.com, and it's still run by the Europeans in large part, you know. So, there was, there's partly, there was historically a lack of confidence I think that, you know, we could compete on a global scale, at least by, you know, some of the people in my company. I think that's changing. I do talk to more and more people who don't want to... You know, their ambition is not to sell to the Americans; it's to IPO, it's to set up, you know, one of the largest tech companies looking forward. If I talk to talk the chief exec of, say, Thought Machine, where I work now, you know, he is absolutely passionate about trying to grow a 500, 100, 200 billion UK banking software business.

[36:08]

And when we buy from the Americans, they normally sell us crap, don't they?

[laughs] I, I wouldn't, wouldn't like to comment on that one. [laughs] I, I do remember expecting that, that there would be more, and it's not to say at all that the company that bought me was unprofessional, but I do, I do, I remember expecting that

there would be more differential between some of the processes that they employed and what we did, and realised actually that we were doing a pretty good job. They were doing a good job as well, but, you know, certainly some of the difference that I had probably over, overstretched.

[36:47]

So for five years... You had this idea, did you, at INSEAD, to set up Active Hotels?

No, not... Well... I worked on the idea at INSEAD. My co-founder had the original idea. I was actually, I worked much more seriously for a while on a, I was going to buy an olive factory down in Provence with a, a friend, Adam Wells, who ran a distribution business over here. And we went and talked to this matador who ran the, he was a retired Spanish matador, I think, who had set up an olive factory in Provence, here. And we very, you know, seriously looked at buying it. And then my co-founder rang me up and said, 'This is ludicrous. We've got the biggest thing to hit business in the last 50 years in the growth of the Internet, and you're buying an olive business.' [both laugh] So... So I, I slightly reluctantly backed out, and, and followed Adrian on his idea.

[37:41]

While you were at INSEAD, we had Y2K.

Yes, we did, which...

And... Also, sorry, just, after you had built, formed, Active Hotels. We've done a lot of interviewing about Y2K at the Archives, as you can imagine, and we have a whole spectrum of opinion. One, it was a brilliant con by Arthur Andersen and others; and at the other end, it was absolutely essential. Where are you on that, Andy?

[laughs] I never really engaged with it that much. At the time, you know, I think our servers were processing, you know, ten bookings a month or something ridiculously small. So actually, if the IT system went down for a week, we'd only miss, £20 worth of bookings kind of thing, or £20 worth of commission. So, it really wasn't that

major an issue for us. As you know, in retrospect, it went without much of a hiccup, so...

[38:34]

So, you then settled back in Cambridge, and you co-founded Active Hotels, with who, who was your major partner there?

So my, my co-founder was a guy called Adrian Critchlow, who's a, a brilliant entrepreneur. He's very very good at spotting, you know, the trends ahead of time, here. And actually, he had this idea, and he was running another business at the time, and he said, you know, 'I want someone to work with on this.' And said, you know, 'You will be chief exec and I'd be your partner to do it.' And then actually the, the other idea he was working on didn't work quite as well, so he then joined this, and we both ran it from, what, '99 through to 2003, or, or so when... And then he, he went off to another start-up again actually.

Were you hesitant to be chief executive?

[hesitates] I wasn't hesitant being chief exec. I mean, it's relatively easy to be chief executive when you haven't got anyone working for you. [laughs] You know, the, the pressure of being chief executive when you're the only executive is not, not so great. And, and you kind of grew, or I kind of grew into it as I recruited people around me. There were definite cultural changes for me that Adrian tremendously helped with. So, I had been, I had only really worked for large corporations, and if something didn't work in a large corporation, broadly speaking if you went along and said, 'The reason it didn't work is this; I'm really sorry, it will work again next time because I've learnt from this experience,' it's fine. And you kind of, you're not making excuses, but you're making sure you get the learning from the environment and putting it right looking forward. The slightly strange thing when you've got your own company is, no one cares what the reason was; they just, you know, there's, there's no one to listen to you when you're, 'The reason it didn't work is...', you know, there's no one out there. You just have to put it right. And... And putting it right fast is really important. So, the PhD and the level of analysis was really valuable in intellectual horsepower to track issues, but I don't need 95 per cent certainty here; I

need 51 per cent certainty that this is probably the right thing to do. And so I switched from making well-considered defensible decisions, to fast decisions that I thought were probably right, and then changing course very very rapidly if it turned out to be wrong. But we had a massive focus on getting stuff done rapidly.

[40:46]

So tell me, what was the business model?

The business model as it evolved, as with all these things, and I'm very anxious not to present it as a... I listen to lots of people who have set their own businesses up, and they, you occasionally rewrite the narrative. It was chaotic for quite a long period of time, and our original business idea was utter nonsense, you know. So we were providing, in the first iteration of the business plan we were providing thin clients out to hotels. Because most hotels couldn't access the Internet. So we provided a thin client provided by Alcatel, which enabled them to, it switched it on and they, they switched it on, it came up with our web page and you could type in the room availability and prices. And then we were going to distribute through a US distributor called WorldRes, here. And the thin client, in retrospect it's obvious, it had a 28K modem, and so it took about ten minutes to check your availability and prices here. And it was so unbearably slow that, you know, these things turned, started turning up in raffles, and, and hotels dumped them here. And then similarly, we were signing up hotels round the UK, and selling to an American audience. And again, it's, it's obvious in retrospect. But American audiences only really go to Oxford, Cambridge and London, and we were signing up hotels in Scunthorpe and Blackpool and... And so again there was a complete misfit between the, you know, what we were doing and actually what we should have been doing. So we completely, we nearly went bankrupt, and then we completely pivoted here. And... And ultimately, the differentiator became, it was almost a production, it was almost a booking process designed by a production engineer. So we had dynamic acquisition of supply of the hotels, we had dynamic pricing of the supply, and we had dynamic generation of the demand here. And so, we generated a marketplace such that if we knew that people were starting, literally that second, looking for more hotels in Manchester on the 13th of June, or whatever it might be, we would have a team that would then automatically get better supply for 13th of June in Manchester, including signing up extra hotels if

needed. And it meant that, we were always in a situation where we had the best conversion rate on the website, and, you know, for anyone who's worked in the Web, you know that if you've got the best conversion rate, it means you can pay Google the most so get the – sorry, Google didn't exist then, but you can pay your demand partner, you know, the, the most to acquire it, whether that's advertising or whether it's working with an affiliate partnership group. And once you've got the best demand, it means you get, can get all the hotels. So, we kind of, by trial and error, generated, well a) a proof for the long tail, that showed that we could actually make money out of, you know, slightly marginal hotels, which traditional travel agents would never have touched here, but also generate this completely dynamic platform for acquisition, and fulfilment of those hotels.

[43:40]

Did you put your own money in?

Yes, I put my own money in. I didn't have very much at the time, so, I, I think I worked for two years in the end without salary, which was quite hard after having just done an MBA as well. So, I, in retrospect I probably, and I know now you would, it would be much more unusual for a chief exec not to take any salary at all, but I was desperate to show my investors that I was taking care of their money. And I also had a better use for the money than, you know, getting me better food in the supermarket at the time, so... We just didn't have very much of it.

No. [laughs]

So in retrospect, it felt like we raised a huge amount of money, but we raised, I think it was £400,000 in the first round, and then in total I think we raised 3.7 million. And, you know, I deal with businesses now that would routinely raise, you know, ten, 20, 50, 100 million here. So it was very very capital-efficient in retrospect.

And what was your get-out? How were you going to get out?

[pause] We always knew we would sell or IPO at some point here. The, the challenge in the hotel industry, or one of the things that probably scared me into exit

here, is that, if you talk to people in the travel industry, they all make money from, it's basically hotels and insurance and a bit of rental car here. So hotels, it's absolutely central. There's not much margin in selling flights here. And, the big US players in 2004, 2005, were beginning to switch their sights to Europe, and we were slightly scared to, into exit, that we saw these very very well-funded companies in Expedia and, Travelocity, and Priceline, and, whatever, who were saying, 'We have to win in Europe; we don't have a choice here.' Which means, we need to win in hotels. And, it was basically, 'Sell to us, or, we will direct the money in your direction.' And it was never, certainly Priceline was never that threatening. Expedia probably was here. But it made us think a bit more seriously about, we've already realised some value here; you know, what do shareholders want and what should we be doing?

[45:50]

And, you realised quite a nice return for your investment of time, did you?

Yes. No, it was, it was a good exit in retrospect, and we sold for 160 million-odd here. You know, if... You can always look at it now and go, actually, in the current framework, that would be a relatively small exit; at the time, I think it was one of the largest exits that, that year. But, you know, certainly for potential, the business and where it's got to now, I can... I remember the investment banker said, 'You should always leave some value on the table for your acquirer,' and, you know, certainly us and Bookings left some value on the table for the acquirer, [laughs] probably a bit too much, but... But nevertheless.

But you had weathered the dotcom boom-bust, hadn't you, you had weathered...?

Yes. Yes, and we, in retrospect it was tremendously helpful having worked in heavy manufacturing before then, because, as I said already, we had very, very good control of costs in the business. So lots of other businesses, including people like Lastminute et cetera, had raised quite large amounts of money, and then, you know, if money supply starts to dry up a bit, as it obviously did in the dotcom collapse, you have an overhead that you've got to feed, you know. Whereas, we were always very stingy with our overhead, including to myself. I think, I think when I sold the business and we were turning over, or we, we were doing gross merchandise value of between 250

million and 500 million per annum, I think I was paid £48,000 per year, which, you know, was, in retrospect, a very low salary. It's just, I didn't have, I never realised it was low because I had never been paid anything more than that. [laughs]

[47:32]

Were you made to stay on?

I was... I was incentivised to stay on. So I, I reinvested ten per cent of my proceeds back into the organisation. And actually, slightly reluctantly; lots of people advised me that if you're going to sell, you should sell. And, and so I slightly reluctantly reinvested back. And it was the best investment I ever made, because it, it shot up. When we sold, I think Priceline's shares was, \$19, and they're over \$2,000 now. So it's, it's been... And I, I don't think Glenn would mind me saying, I think that most of that growth has been due to Booking.com. So, it's been a good acquisition I think for them.

Because, in 2005, while you were still at Pipeline, you became chairman of Toptable.

Yes, I did. Which is an online restaurant company. And it was, the dynamics were very very similar to the hotel industry actually, to, to the point I frustrated them hugely because I kept saying 'hotel' rather than 'restaurant' here. But it was a, it was very well run by a very impressive lady called Karen Hanton, and it was great fun working in a sort of analogous industry where I could take some of the learnings and combining with Karen's knowledge of the restaurant industry.

And, what's that role of chairman? Can you describe the difference between being CEO and being the chair?

Yes, I, I can. I found it very hard actually, not necessarily with Karen Hanton's business, but actually switching from a chief exec role where it has become, or it had become, very instinctive that, right, I've heard enough now, we've, everyone's been listened to; we need to make a decision and move on, here, to realising, actually you are not, or you really shouldn't be making the decision. If you as chairman are making the decision, then there's something wrong with the management team. And

so my instinct, certainly for the first couple of years, was always to still make the decision. And I had to force myself to zip my mouth here, and, you know, wait for the chief exec and the team to come to a decision on their own. And occasionally you have to intervene. But it's a very different role. You're, you're there as mentor, coach, and occasionally, you know, if things are not working, you are also the person who wields the hatchet and says, 'Right the chief exec or his team is not working out. We have to change the management here.' So it's a, as you would know better than I do, it's a very different role.

[49:54]

Are you a good butcher?

I hate it. I can do it. I don't enjoy doing it at all. I... I oscillate between being slightly envious of people who can do it without worrying about it, and realising that I don't ever want to be that person as well. But actually, the point at which you can cut staff and team without not sleeping the night before is the point that I've kind of lost contact with the values of, of who I want to be. So, I'll do it, and hopefully I'll do it empathetically when it has to be done, but I really don't enjoy doing it.

[50:29]

What are your biggest mistakes you've made in your career?

[pause] I certainly procrastinated too much early on. So, I, I tried to analyse everything, and I worried about decisions too much here. I've, I've come to realise, not, it's not that I've got confidence in making the decision, but I've come to realise that actually, however long I think about this, I will not get a better opinion than I've got now. And the downside of waiting longer here is to, is that you are wasting time, you know. And so, certainly in IT businesses, there's always a, it's a very competitive environment, you have to get on here. So, you know, that's definitely a scenario. And a related one, which I've borrowed actually off a, a chief exec here, is, I have never looked at a management change that I've needed to make and said, 'Oh I made that decision a bit early here.' And it's, it maybe slightly conflicts with your previous comments on, are you a good butcher. I realised that actually holding on from making a decision that you are reasonably confident about, doesn't do anyone

any favours here. If someone's in a role they are not going to succeed in, you know, you are torturing that person to keep them in that role for longer, and you are not helping the rest of the organisation. So, it's, I'm absolutely not cavalier about it, but, you know, when people are coming to me... Because chief execs often come forward and say, 'I'm just not sure this person is right in this role.' And when you talk to them a bit more, it's not, I'm not sure that this person is not right; they are not right, but I'm a bit worried about doing something about it. And my instinct in that scenario now is that you need to get on with it, because it's, it's not, it's not going to help the company or the individual to wait.

[52:09]

You seem to be applying a different rule, as you've already said, I just want to emphasise it. You seem to be applying a different rule to that of the academic or the material scientist. The material scientist, you cannot get that 51 per cent right about the ceramics that surround the ladle; otherwise, you're going to have molten steel flying all over the place.

Yes.

But you can get 51 per cent right in a business decision, and work with it.

No, absolutely. And, you know, that's, that's obviously dependent on the consequence of failure here. So, you know, for my hotel booking, if something went wrong, the worst thing that could happen is, really, you're sending a hotel booking to the wrong place, or you're not enabling someone to make a hotel booking. So the cost of failure here is significant, and you're damaging the brand, but it's not the same, as you've already, [laughs] very perceptively, pointed out, that if you're spraying molten steel around a fab, or you're designing an aircraft that then crashes, you know, that's really, really material. Or releasing toxic gas into a fab that could kill people here, you know, the consequences of failure in that environment can be really substantial. So, in many of the businesses that I work in now, the consequences of failure are less than the consequences of procrastination here. Possible exception of Thought Machine actually here; Thought Machine is a core banking platform, and

if you start breaking the banking infrastructure of the country, that could be material. But many of the other businesses would be less consequential.

Yesterday I interviewed Michael van de Weg for this, for the Archives, and, he is working on and has developed and helped to develop and is building the, the business of digitisation of patient records in the, in the NHS. And, basically, they're dealing with life and death there.

Yes.

Wrong records, wrong information, you've given that person something, you know, that's going to kill them. Or you haven't given them the right thing. But you're right, you know, maybe you turn up at the restaurant and there isn't a booking. OK. [laughs] There is going to be a restaurant down the road, we hope anyway.

Yup.

[54:18]

Now, you decided to leave, did you, Toptable?

We sold it in 2010 through to OpenTable, which then became part of Booking Holdings actually. So, [laughs] it's another acquisition that fed back to where I was working before. But, yes, so we, we sold it. And then, yeah, they bought it, and their own management team didn't need me as chair, so...

And did you leave some shares in it?

No, I sold out. In point of fact they wanted to buy the whole company, so, they bought the whole company.

OK. So we've got two steps at which you've got now significant capital behind you, yes?

Yup.

And you decide to use that capital and become, from 2010 onwards, working with a lot of different companies to help them develop. What is the main thing that Andy Phillipps brings to those companies?

[pause] Lots of these things can be got in other places. And actually, if I ask entrepreneurs what I bring, it's probably different to what I think I bring. I, I think I... I think I bring, smarts, and some experience of having been through, you know, situations that they are going through. And I also, you know, like to think that I can apply some kind of intelligence to strategy et cetera. And, I don't think the entrepreneurs would be rude enough to say, no they're not valuable at all. But actually, it comes down to it, and it's, it's kind of, empathy and, a colleague that you can have a completely honest conversation with, that will give you, give them a sounding board for decisions that are hard to make. And the reason I'm saying that is that, I realised when I was chief exec that, virtually all the time you are selling to someone, and you're having a conversation with the staff, or the team; you can't always have a completely honest conversation. If you're running out of money in a month's time, you can't necessarily say that to the receptionist here, because it causes panic. And similarly to the customers, you can't always say how precarious the company is here. And so actually just having someone you can say entirely honestly, you know, 'This is the situation at the moment. It looks quite bleak here. How do I get through this?' is probably the thing that I bring is most valuable to, to chief execs, here. So, you know, it... I think it's valuable. I, I, you know, sometimes wish that it was more objective value, value here, but, I think probably empathy and, and a sounding board that the chief exec can, can use to get through difficult situations.

[56:49]

So in this period, basically the last eleven years, yah?

Yes.

What would you say your success rate is?

It's almost exactly what the industry statistics would suggest it is, which is deeply depressing, here. Because I always think, well I'm, I'm sure I'm better than everybody else, and I can go in and make investment more intelligently and, whatever. And you realise that all those people who have been doing it for years, are the people you really should have listened to in more detail here. So, the cliché is always that angel investing is a, is a power law game here, and all your returns are made from, you know, two or three investments out of 50 here. And in material terms, it's probably slightly more than that, but really not very much more, but, I probably have 50 per cent or so that will have or will go bust here; another 30 per cent will survive, or so; and then all the returns come from the 20, ten, five per cent long tail, which make really disproportionate returns. Which is completely different, as you know, to public markets, where actually you get a kind of bell curve of returns, and you might get slightly further down the bell curve. But, I was interested, looking at Y Combinator's numbers, and, you know, they've incubated over 3,000 companies I think it is now, and 60 per cent of the value is in two, in Airbnb and DoorDash, you know. And the fact you can get all the value in two companies, or the majority of the value in two companies, having made three and a half thousand investments, you know, really brings the message home.

[58:20]

There's increasingly some enormously big beasts on, in your marketplace. One of them is SoftBank.

Yes.

Huge numbers of investments, every day pretty well.

Yes.

Two to three hundred million a day. What's your opinion of SoftBank?

[pause] Personally, I don't like it, here. And it's not, it's not saying there's not a role for very large amounts of capital here. I think, having one very large source of capital, and, you know, it's the reason they've set up the fund I suspect, although, you

know, Tiger Global, or whatever, is beginning to enter that space as well. If you have a competitor who raises 150 million when your normal source of capital might, at that stage of business might give you ten here, it completely distorts the market here. Because, that company can come in and they can under-price deals, they can buy in the market, they can buy the team, and, whatever. So, it's, it does, having one very large source of capital distorts the market. You know, capitalism should resolve that with time, and to some extent funds are getting larger alongside it already, you know, but for a while, you know, it was kind of the kiss of death in a company if your competitor raised money from SoftBank, here. So, I don't like companies being able to win just because they're better funded than everybody else. I'd like to think that, you know, capital follows to the best company here. But it certainly distorts the market.

[01:00:00]

There will be ways by now, in your long and successful career, where you only have to look at someone for a couple of minutes and know, that is not someone you are going to invest in. Because to a large extent what you've been telling me, Andy, is, you invest in people.

Yes.

So what are the things that people should avoid, to make sure there isn't then a big dot on the Andy radar which says, 'Get out of this conversation quickly.'?

[laughs] Yes. Some of them are subjective for me as well. So, I, I definitely have a, if I'm talking to a chief exec, I want to believe, and I'm sorry, this sounds rather naïve, but I want to believe that if this person is successful, both with their business but also them, that the world will be a better place. I, I don't want to, to work with people whose values et cetera I don't respect. And that's not necessarily an investment decision; it's just, you know, I've got the luxury of determining where I'm, who I'm going to work with here. The other... And it's a, it's an excellent question, Richard, because every single early-stage investor says, 'I invest in people.' And one of my personal beefs is, well does that mean here? What are you actually looking for in those people?

Yeah. Yeah.

For me, I want someone who's intellectually smart, i.e. they've got the ability to absorb large sources of complex information and try and distil that down to actually what matters. You know, because companies is all about focusing on the two, three things that really matter here. I need to believe that they can motivate and recruit a team around them here. And I need to, I need to believe that they have that strange mix of ego that will enable them to make decisions that are difficult at speed, here. [knocking sound] I'm sorry, I've knocked that. I'm so sorry. They'll be able to make decisions at speed here, but simultaneously be able to listen to diverse opinions here. So they're not so determined about their ability to make a decision that they don't engage with other viewpoints, but they have the ability to distil that through to a rapid decision.

[01:02:07]

Do you have, on the international scene, particular heroes? Is Andy Grove a hero of yours?

I don't... Actually, and this sounds, you know, very clichéd, the person who I've worked with who I've respected most in business – there are two people, and they've both got reasonably similar personalities actually. And they won't be particularly well-known. There's a former boss of mine, Matthew Witt, who is a hugely valuable, high-profile – sorry, high-probity individual, who motivates and understands teams here. And I've learnt a huge amount from him. And then the other guy who I've worked for is a guy called Jeff Boyd, who used to run Priceline here. And again, he just had such high probity. If he, he said he was going to do something, he would do it, here. And, you know, those people are the ones that I respect more than the ones who, and I'm not saying these people don't, but, the people who have fantastic strategic ability, or whatever, of course I respect that; but actually, the values that I, I really respect, are those that value the importance of people and the importance of the outcome for the business.

A hero of mine was Robert Noyce, but then when I got to know more and more about him, he just made me sick with envy. [laughter] Incredibly rich, very handsome, unbelievably brilliant.

And those people are so frustrating, aren't they.

I know. Yes. Excuse me, can I have, can I have 1.11 per cent of that please? No, but no, I wasn't allowed to. Very good.

[01:03:39]

Now, people presumably, you think, should enter the IT industry now. And what should they do? What should they be thinking about starting up?

My personal interest at the moment relates round deep tech here. So I think that, and I'm sorry, this is a, a tried and tested expression of what the UK has done well and what the UK has done badly, but, I think we've been historically very very good at coming up with, you know, ideas and the initial research. We have been less good at times at least in commercialising it and developing that in the UK. So my personal passion is, which is why I'm working with IQ Capital and angel investing here, is to try and find people who have brilliant technology coming out of universities here and enable them to commercialise it, and hopefully realise some of the value for the, the UK as a whole here. So, you know, that's an area, you know, I, I will spend quite a lot of time working with people from, you know, Cambridge, Oxford, Imperial, UCL etc, all the, you know, really good academic institutions, and many outside of that who have thought, or have come across research that they think is really exciting. Normally I look for product market fit of some shape or form; as I've mentioned, I don't just tend to do blue sky stuff, but it's an IP differentiated product that meets a compelling market need. And with compelling, being important that it's, that there are many opportunities that you look at and go, actually, that could be fantastic. I'm not sure if it'll happen this year, or five years', or ten years' time, but as an investor, you know, ten years' time means I've lost all the money by the time you get there.

[01:05:20]

You went back to lecture at INSEAD and the London Business School 2006 to '19.

Why did you stop that?

I stopped it at the time because I went off to Stanford actually. So, it wasn't a decision, I wasn't enjoying it any more. The original reason I, I did it, I got dragged in originally back to INSEAD, here, to help out with various courses, and then I taught the course on my own for a while, or, sorry, with a colleague, Rupert Merson and Filipe Santos, and various other people, when I was there. It always made me laugh, because I, I think I am the only person who has, before or since, ever failed the entrepreneurship class [laughs] at INSEAD. So I always slightly enjoyed going back to teach there. But, yah, I was living in Primrose Hill at the time, and it was slightly absurd that I was travelling, you know, five, six hours to go and teach in Fontainebleau, when actually, London Business School was, you know, a ten-minute walk across the park. So, I actually, I literally walked into London Business School, said I'd be interested in teaching here. And I, I got interviewed, and then I started teaching there as well.

Was it the second President Bush who apparently said, 'You know, they don't have the term "entrepreneur" in French'?

Yes, [laughs] they have no word for entrepreneur. [both laugh]

OK. How is your French now? Better?

Very poor. [laughs] Embarrassingly poor.

But it's all taught in English, is it, in INSEAD?

Yes, it's all taught in, in English. No French. And then, I did a, I was helping out at least in... So I was, I was teaching on the monetisation course at Stanford for a bit, and helping out with some of the mentoring of students over there. And they talk vaguely in English as well there. [laughs]

[01:07:00]

Now, are you going to put money into blockchain?

I'm not.

Because?

I... I don't understand well enough what... Well... Sorry. I, I will put money into blockchain when the need is presented as the value here. So, I quite often get pitches where they say, 'I have this blockchain opportunity,' and then it's almost full stop, here. And, blockchain in its own is not... You know, I have rarely met a consumer saying, 'I'm looking to buy a blockchain.' You know, [laughs] they just don't want to do it. Blockchain is, facilitates, you know, a secure transaction, or, you know, validating, it's a genuine piece of art, or whatever it is. So I try and look at the compelling need at the other end. Actually what value does this bring to the consumer here? But...

Are you going to put money into AI development?

[hesitates] Yes, I, I, and I do work with companies that are trying to develop better AI methodologies. Again, I've just done a course out at Stanford actually on AI taught by a guy called Ronjon Nag, who is fantastic, because he's been through the previous waves of AI. You know, this is the third time that AI has been hyped. And I'm beginning to think that this one may be valid here. But you know, it's definitely got limitations, but it's also got, you know, really compelling use cases that can begin to operate at scale. And, you know, virtually every business is beginning to use it in some shape or form. I was slightly a sucker for it, you know, similar to my discussion on blockchain, that I heard people saying, 'I'm using AI in...' you know, and then you'd fill in the application. And I thought, wow, that's a fantastic opportunity. And then having done the course at Stanford, I realised that actually, you know, it's not that complicated actually to use AI; it's making sure that you are using a methodology that genuinely brings some value from AI.

[01:08:51]

Have you got any money in cybercurrencies?

No, I haven't.

You're a wise man. I think you're a wise man.

[laughs] I haven't. It was... I, I'm, and again, I'm not trying to sound smug here. I was nervous when I first looked at it. I was going, who's going to use this here? And, an untraceable mechanism of transferring value obviously has the potential at least for an unsavoury element here. And so I was a bit nervous on that. So I didn't go, go for it from that, for that reason. I'm sure, you know, I know central banks et cetera are looking at, you know, blockchain use for currency. You know, I, I'm not close enough to, to that to work out whether it's a good idea or not.

I think that's very good. Thank you very much for your time Andrew. It's been very good to hear you. Thank you very much for your contribution, Andrew, Andy Phillipps.

Fantastic, thank you very much for your time Richard.

Thank you.

[End of Interview]