



Stephanie Liston

Interviewed by

Richard Sharpe

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By Zoom

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Welcome to the Archives of Information Technology. It's Wednesday, 10th April, 2024. And in the Archives we capture the past and inspire the future. I'm Richard Sharpe and I've been covering as a journalist and researcher, first of all the computing side, and then the whole IT side of IT, since the early 1970s. And I'm very pleased to introduce a woman for whom the terms fast moving and high flying have actually, I'm sure, been coined, because it's Stephanie Liston. And I've read some of her work, I've seen her CV. She quite clearly has the brain of several planets and all the space between them, of that there is no doubt. And I'm sure she will make a great contribution to this, the Archive. Good morning Stephanie.

Good morning, Richard. Thank you for inviting me to join you.

Oh, we are honoured that you've said yes. Where were you born?

Galesburg, Illinois, just in the middle. Its claim to fame is Knox College and the Lincoln-Douglas debates.

Okay, got you. Illinois. So that's in the mid-west?

Correct.

Did you conceive of yourself as a mid-westerner?

No, we didn't really stay there very long. My dad was in retail, and so, as with many American businesses, as you move through the ranks in retail you tend to move locations as well as companies. So we were in Galesburg, Illinois, then we were in Detroit, and then Chicago, and so we increasingly moved to larger cities, and then New York and then California, and I went to college in Colorado. So I didn't live anywhere longer than a couple of years until I actually moved to England.

Okay. Now, I'm not going to ask you your age, but I am going to ask you when you were born.

[laughs] That's the same thing. 1958.

1958. My wife comes from Detroit, so I understand their attitude. And your father was in retail, and your mother?

She's a teacher. She was a primary school teacher, she taught first-graders to read.

Right. And...

And loved it.

And they backed your education?

I attended Colorado College. It was when we moved to California I'd been to camp in Colorado and always wanted to go to college there, so Colorado College is in Colorado Springs, and I attended college there and then law school for the first two years, at the University of San Diego. I studied history and politics in college, particularly political philosophy and then went to the University of San Diego to law school for two years, and the third year in London.

Had your father or mother or both been to university?

Yes, both.

And so in 1958 we have a nascent industry in the computing side and we have a massively established industry on the telecommunications side, which is dominated by either something in Europe which we tend to call a PTT – Post Telegraph and Telephone authority - like France Telecom or the GPO, the old GPO, or in United States of course the great monopoly of AT&T.

Correct.

And we've been through a number of iterations since then of considerable interest. Why did you do those university subjects, Stephanie?

Well, I was always interested in history and political philosophy and I had wanted to be a lawyer from an early age, I don't know why. I think primarily I was interested in international law, and so history tends to repeat itself, as we're finding, now particularly, and I thought that would be a good background for law, and for international law in particular.

So I presume you're a believer in a law-based system of international regulations?

Yes.

Okay. So you're not a Trumpist?

Oh, no. On the contrary, I think that's part of the history that's repeating itself, is look at Germany and the rise of Hitler in a very sophisticated society, and you look at Trump and it feels like history's repeating itself in a not very attractive way.

You would go that far?

Yes. I think he is dangerous.

[00:04:57]

Okay. Now, did you play sport? Because I know university colleges are famous for their sport.

No, not in college. I played tennis, going to spending my last year in high school in California I played a lot of tennis, which was great fun, but I'm not a great sportsperson. I read a lot.

And of these locations that you went to, including your university one, do you have a particular soft spot for California?

No, I wouldn't say a particular... you know, there are good things about everywhere that you visit and live, and I don't think I have a particular soft spot for any of them,

in fact. I was in southern California when I was in high school and I much prefer northern California as a grown-up.

Why?

It doesn't seem quite so plastic to me. You know, it feels more real and I love the north coast, north-west coast.

I first went to America, I went to Boston to see a friend I had there, and then I went to Anaheim to cover a computer convention and I phoned him up and I said, 'Phil, this is America, Boston isn't America at all. Boston's [inaudible – brief dropout']. It isn't America.

[laughs] I think I would put it the other way around. And then if you've visited Las Vegas, which I have extremely briefly, you really don't ever want to go back there. And I love Boston.

It's a good city, it's a very good city. Now, you started your career actually as a lawyer, did you not?

Yes, I did.

At Fulbright & Jaworski. Is that how I pronounce them?

Yes, that's right.

J-A-W-O-R-S-K-I.

Yes. And you will have heard of Leon Jaworski from the Watergate trials.

Remind me.

So he was the prosecutor for Nixon, of Nixon, the investigative prosecutor.

Oh. Good on him. You joined there in 1984.

Yes.

Now, being a lawyer in United States - we get a lot of American TV here – and being a lawyer, particularly a young one, you are under immense pressure, immense pressure, and you have to work extremely hard. Is that right?

Yes. Well, I did, I started my career at Fulbright in London, because I had finished a Masters degree in law, in English law in fact, at Cambridge, which was a year that I really loved. And there are no two places in the world more different – well, you've got Boston/Anaheim – but you look at Cambridge and Houston, that was a bit of a culture shock when I went back to work in the Houston office.

Yes, I would have thought so. Did you find English law perplexing, with its roots in common law, its lack of a written constitution?

No, not at all. Actually it's very, the tricky thing about being qualified in both jurisdictions is remembering how they differ, in what ways, and making sure you're applying the right law in the right place to the right thing, because they are so similar. So I found English law not quaint, but very interesting. And a lot of English laws, particularly in the trust area, were adopted in United States at different times in different states in the United States, so that's very- I don't practise that sort of law, but it's interesting to see what the similarities and differences are.

And so you transferred to Washington DC from Houston and you were in the international commercial transactions practice.

That's right. It was...

Sorry, go on.

It was at the time the partner that was then running the Washington DC office asked me to come, he would have been running the London office, and he's also responsible

for the recent merger between Fulbright and Norton Rose, he asked - Steve Pfeiffer – he asked me to come to Washington because we had to sell a lot of assets of a subsidiary, of a South African company, it was during the anti-Apartheid legislation. So that was a very busy time. And I loved Washington, it was a huge breath of fresh air compared to Houston.

I have a rule, or sorry, it's not really a rule, in my experience – now, don't take this the wrong way – but in my experience, the Americans tend to sell us rubbish and they tend to buy our best stuff at knockdown prices, could you comment on that?

That's through technology.

Yes?

Yes.

Why does that happen?

I don't know the answer to that question.

Why do we allow that to happen?

Oh well, I think you should answer, why do you think it happens?

[laughs]

I think one thing that I would say about England and some of its larger communications companies is they've done a huge amount in research and development, but they don't take the next steps to commercialise it, and I think that's partially why the United States and companies have stolen a march, for example, the FANGs, and I think we should – I'm also English – so we should learn the lesson and as we do this research we should look at the longer perspective.

[00:10:50]

And also I think it's a pressure from the City of London, to get out quick.

And private equity.

Someone comes away with a big bundle of money and they say, yeah please, we'll have that. It has happened again and again. You went then into the MCI Corporation after you were, well, nearly five years with Fulbright, the MCI Corporation. You were a senior attorney there. MCI is a really interesting company, it was of course one of the companies, was it not, that actually managed to dethrone the old AT&T?

It is *the* company that dethroned AT&T, and Bill McGowan, when I joined MCI, was still alive. So I had the very good fortune to meet him and he really was a visionary, I would say. I mean they used to refer to MCI as a law firm with an antenna, because so much of what we did was litigation. I wasn't doing litigation, I was just on the cusp of international, you know, when I joined X.25 was new technology. I had to explain to the independent contractors that MCI had around the world what world mail was, because they were still using telexes at that stage. So it was really, I felt like I got in on a very early stage, not as early as you did.

No, well. I think that was by happenstance, I was sent to a job. And you, while in MCI, were you there when there was going to be a merger between BT and MCI?

I was at Freshfields, I'd moved to Freshfields as a lawyer in 1992, so I moved, I'd always wanted to come back to the UK, and had this opportunity. So I can tell you I started – this is a period when I did not go home at night, pretty much – so I was, you never know as a young lawyer whether you'll develop clients, but MCI called me and asked me to work on the joint venture, which was Concert, the very first joint venture. So I actually was a senior associate at Freshfields, and also my colleagues from MCI were living in London to do this project and so I was also essentially still working for them, so it was like doing two very large jobs at once. But it was great, interesting and great fun. You mentioned the merger, that didn't happen, and I think it was, I

think our world would be very different if it had. I was really disappointed that it didn't happen, because the joint venture was actually going very well and, you know, there were really funny, a few funny anecdotes between, you know, the Americans and the English. So when BT went over to the US they did a whole sort of list of things about how Americans were different than the English, which I found quite amusing. I'm sure I have – since I keep everything – I'm sure I have it somewhere, but I'll see if I can fish it out. But I think it was the bankers actually, it's my understanding, that prevented the merger, because MCI was investing in local access, and we know how important local access networks are. And so the bankers recommended that BT lower the price, which is when WorldCom came in.

I have interviewed the man who was head of BT at the time, Iain Vallance, and he said that is a massive lost opportunity.

Oh really? And now, you look at it now.

One thing that did strike me with your list of the work you did for MCI, and then in Freshfields for MCI, is the number of jurisdictions you've been operating in is staggering.

Yes. Well, fun, it's very interesting and I think the jurisdictions that I was working with at MCI, often it was working out commercial arrangements with independent contractors who were reselling MCI, so it was- and I really enjoyed the different legal systems and the people I met, and we had an annual conference. You can sort of tell how much money was sloshing around in the industry at that stage. So we had an international conference in Greece and I was sent off as a young lawyer to explain the Foreign Corrupt Practices Act. And I had the Egyptian independent contractor raise his hand and say, 'Young lady, how do you expect us to do business?' So it was an eye-opener on lots of different fronts.

Let me just list them from your CV. Australia, Taiwan, Japan, Guam, United Kingdom, Greece, Spain, Kenya, Saudi Arabia, The Netherlands, The Antilles, Puerto Rico, Peru, Venezuela and Bolivia. Woah.

I didn't visit all those countries though, unfortunately.

I understand that.

Much of my work there, well, I met all of those people at these conferences that I was explaining to you when I was negotiating MCI's contracts with them, just how they did business at the time. And I negotiated the inter-connection arrangement with what was then Mercury.

My point is that many of these countries come from very significant different historical circumstances. We've obviously got Kenya, an old British colony, but we've got Spain with its enormous impact, and we've got Venezuela and Bolivia. We've got Saudi Arabia, we've got the lovely Dutch there as well. This is quite an amazing variety.

It was and I thoroughly enjoyed it, it was exactly the sort of thing that I had hoped that I would be able to do.

Well, that's good. So you were there about two years, yeah, two years as senior attorney at MCI, and then you moved off to Freshfields during their, you were advising on the MCI/BT merger, and along came Bernie Ebbers and plonked down a bit more money that he wanted to buy MCI.

Yeah.

Is he out of jail yet?

I haven't really followed him. It's like, you know, the people that I find reprehensible I don't tend to follow, so... I do know that one of my next law firms that I went to, McDermott, Will & Emery – no – Wilmer Hale, was responsible for the investigation into the WorldCom acquisition as well as the Enron debacle.

I remember saying at the time in the way he was building the company – I didn't say it in print, as you can imagine – but I remember saying to colleagues, this can't go on, there's something...

Something fishy.

... really badly wrong here. I did say in public about the dotcom explosion, this can't go on. You can't have companies in the red so far and yet floating themselves on the stock exchanges of the world and getting... this can't go on. I was told, Richard, you don't understand the new economics. I said, well, I think I do.

Twenty years later, it's starting to happen.

It's starting to happen again, isn't it, yeah. And then somebody walks away with a lot of crypto currency and will be in jail for, well, more than 25 years, perhaps. This is an odd question, I know, you might not be able to judge, do you think this industry, which I think believes itself to be cleaner in legal terms than most industries, more above board, I should say, do you think it really is? Or is there quite a bit of villainy in telecommunications and IT?

That is a hard question, because it's difficult to know what you mean by villainy. I think...

[00:19:39]

Well, Bernie Ebbers is villainy.

It was sort of over, I think it was very overblown, you know, there was so much money sloshing around in the industry in the eighties and nineties, and I think that's sort of caused part of the dotcom exaggeration. And I don't think the companies, whether they be PTTs, or in the US, ever thought the pipe was going to be turned off. And I think as a result of that, they weren't as forward looking as a whole. I don't know if that's villainy or not, it's a type of villainy not to be in this industry future looking. Look at, for example, datacentres, I mean you look at the need for capacity

in datacentres now and the growth in that part of the market, and in the late nineties they were being turned off for, the dotcom reason didn't happen, they were being turned off and I'm told a few of them turned into wine storage facilities. But, you know, I think that the telcos were burned at that stage in the late nineties and never quite recovered their vision, you know, so location services, for example, which could have been capitalised on by all the telcos, weren't. So villainy, I don't know. I guess I do tend to see the best in people and in companies. I have seen, you know, there have been some quite poor examples, like WorldCom, I would say that was villainy on a corporate governance, extreme corporate governance, but I'm not sure it's special to telecoms. You know, I think that it's an individual and a lack of corporate safeguards, and I think problems with the board not paying attention more than... and I suppose that's villainy, but that tends to be driven by one person or a group of people.

And of course, well... yeah.

That answer your question?

Oh yes, absolutely. No, no, it was a very wide-ranging question. And of course, in energy we've got master villains like Enron, haven't we?

Exactly, exactly. And look at what's going on with Thames Water at the moment and, you know, some of the lack of governance around the water systems in the UK.

You bet. Oh, that brings me to a point. I'm going to rush forward now, if you don't mind.

Okay.

I'm not taking this chronologically because I have a big question for you which comes out of that. Thames Water, etc, etc, water companies, it seems to me, have pretty well captured their regulator, while the government has told the regulator, mm, calm down dear, calm down, if you know what I mean. Now, you were a member of Ofcom, do

you think Ofcom has been captured? Because you know this concept of those who are being regulated capture the regulator by different means.

[pause] I don't think Ofcom today is the same regulator that it was when I was on the board between 2005 and 2008. The composition of the board, for example, with Michael Grade at the helm, is very much content driven, and I think they've slightly lost their focus on telecommunications. I'm very concerned about digital switch-off, digital switchover, and the lack of either the regulator or the government taking responsibility for letting the public know, particularly the vulnerable public, know what the risks are in terms of switching off the PSTN. So I think we would have paid a lot more attention to that when I was on the board, and either insisted the operators do something about it urgently, or we would have done the information flow ourselves. So I think I'm troubled by the lack of focus on telecommunications. I think having been on the Equality of Access Board, you know, the undertakings were a very good regulatory remedy. There was, in fact they were adopted when I first joined the board in 2005, and - when I first joined the Ofcom board - and I joined the Equality of Access Board, which is basically making sure that BT was adhering to the undertakings. And so having seen both sides of that, I think at the time BT was in a very good place, you know, Stephen Carter would call Ben Verwaayen and he would turn up that day, you know. There was a real respect, mutual respect, which is how the undertakings in fact were agreed. I'm not sure that there's that focus now, and I don't know whether it's because Ofcom has become, you know, they're responsible for online harms and they've hired, you know, lots and lots of people to cover that. I think they're very interested in content and not paying enough attention to telecoms, would be my... you know, I've told Michael Grade that. I've said to Michael, you know, you really do need some heavyweight telecoms experts on your board.

[00:25:36]

And what did he say?

He nodded. And his private secretary, who was there, she said, 'Thank you for saying that'. So I think, I suspect I'm not the only person that has suggested that to him.

Well, I know what he should have said. Stephanie, welcome back.

[laughs] Well, maybe. But I think they're looking for a new deputy chairman because Michael Grade's going to be stepping down at some stage, so it'll be interesting to see who they appoint. And, you know, I think sometimes boards tend to appoint people in their own images and I don't think that's the best way to get the best board.

Would you take the job?

Of chairman of Ofcom?

Yeah. Chair of Ofcom.

Chair. Well, I was invited to apply for it and I chose not to at that stage.

I knew there was something there. My old journalistic instinct. Why did you choose not to, Stephanie?

Erm... I think because of the character that it had become. You know, it would have required, it would have been more than a fulltime job to get it right and I would have wanted to rejig the whole board, and I did talk to a couple of my ex-colleagues at Ofcom and was talked out of it.

I see, okay.

I also, my husband is retired, so from a personal perspective I wasn't at that stage ready to take on a more than fulltime job.

It seems strange to me that in the United States basically hasn't AT&T basically put itself together again?

It has, yes.

Why was that allowed?

I think it was a period of, in history, kind of kept things going, I think it's a matter of scale and I think that's an issue across all of Europe that telcos don't have the scale that they need, and so over a period, when I was at Freshfields I did a lot of work with the US R Box [sp? 00:27:55] who were acquiring all the cable franchises around the UK, because they weren't allowed to invest in the United States, so I think that was an interesting amalgamation and now you have Virgin Media out of that. So I don't think the AT&T putting themselves together, they're not the only ones who have done that. And I think that being allowed, there are now some major competitors, you've got Telefonica in the US, you have AT&T and Sprint, so you still have some competition, it's just not as vast – and Verizon, of course. As it was.

Not the Horizon of this country. Let's make that clear. Not the Horizon of the Post Office.

No, Verizon, Verizon, not Horizon.

Verizon, I'm very sorry. The first cable that came in front of my house here in west London, in Wimbledon, was Nynex.

Oh right. I represented Nynex.

Right. Which tells your story, doesn't it? Classic example. They went to the council estate first, and then they came here, which I thought was very interesting.

That is interesting.

Yeah. I think it's because it's slightly denser, more people per square yard, so to speak.

Yeah. Homes passed, which was the sort of, the way they got funded, as opposed to homes connected, which I think was a bit of a mistake by the private equity guys that were funding it.

[00:29:36]

From Freshfields, where you had been basically about three years, you move quite quickly, don't you? Why?

I was headhunted. I have, in each case of my moves, I have been headhunted and I, Freshfields, as you may or may not recall, when I was there, had an office in London, Brussels and Frankfurt, and that was it. No, London, Brussels and Paris, sorry. And I, again, as I mentioned at the beginning, I'm keen on international law and doing international transactions, and Freshfields was very domestic. So when I was approached by a couple of firms to move – because I was easy pickings, I also wanted to be a partner since I felt like I was already grown up – so, Baker & McKenzie was very appealing to me because it gave me that opportunity to work internationally again, as I did at MCI.

So this is Baker McKenzie that you joined, as a partner?

Mm.

Based from London.

Yes.

See, I don't know very much about these lawyers. I see a letter from a lawyer, being a journalist, obviously, not so much as I did in the past, because the reform of the libel law, but I used to tremble, definitely. In the type of journalism I was involved with, which was often investigative journalism, you fell foul of certain companies, but...

Where were you a journalist?

I was on Computing when it was very strong, and then I worked on Newsletters for the Financial Times.

Oh, that sounds interesting.

It was, yeah. It was very good stuff. And then I went into academia and taught journalism, and also was a freelance.

Did you know, you must know Alan Birkett-Gray.

I've got his name down here to ask you about him.

Yes.

Because our editor-in-chief, Tom Abram, twisted my arm and said, 'Richard, you've got to interview Alan Birkett-Gray'. And I said, 'I don't interview other journalists', because, why? You know.

He's unique.

Let's go to the horse's mouth. But he's very good. And I gave him one of his first jobs in journalism.

Did you?

Yes, I worked with him. He was my news editor and then features editor.

He's fantastic.

He's very, very, very good.

Yeah, and very well connected in the telecoms sector.

I think he is. He was the one who told me that the Chinese firm – now, I always get it wrong. Hyundai? The Chinese telecoms company.

Yeah.

It's not Hyundai, is it, that's the Korean...

No, that's a car company.

Yeah. Hundai, is it? I can never pronounce it correctly.

Huawei? Are you talking about Huawei?

That's it, that's it. He said the telco companies just love that company because it's so easy to use and just plugs together and works. And obviously the telcos...

And it's cheap.

Yeah. And obviously the telcos and people like GCHQ and who else, whoever else, CIA and so on, have taken this kit apart and they've found nothing. Do you think there's a problem there?

It's not the kit that's the problem, it's what's on the other end of the kit. So...

Go on.

I do think there is, there is some risk, as with all infrastructure like that, that – and particularly now with all the cyber threats – I think their kit is probably not without listening abilities.

You worked for Nortel when you were in Baker & McKenzie, what did you do for them?

I was doing commercial transactions for them, commercial arrangements and financing. And they had a bit of a pickle as well, as WorldCom, later on.

They did. What happened to them?

A governance issue. They... what happened to them was after my time working with them, but I know the person that took over that headed up their governance area afterwards, she also was an American lawyer.

And what had gone wrong?

They, again, this was sort of after my time, but they had not got the governance right, and so commercial contracts were being signed that shouldn't have been signed, from my understanding. But I don't have the inside scoop on that.

That's not very good. You were then headhunted again, were you?

I was.

[00:34:41]

By McDermott, Will & Emery.

Yes. Well, you know in 1999, as you'll probably remember, everybody wanted an expert in telecoms, and there were about two of us in the market, there was Colin Long and myself. And so McDermotts was an American firm based in Chicago that was expanding quickly and they wanted me to come start a practice. I'd just been promoted to being an international partner at Baker & McKenzie, Christine Lagarde in fact was my managing partner at the time, who I have enormous respect for.

The Head of the European Bank?

Yes. Yeah, she was managing partner of Baker & McKenzie for years, from Paris. And I was really, I mean they pestered me. I loved my practice at Baker's, I think if I had my- if I were going to change anything in my career, it would be staying there, I would have stayed there. But McDermotts pestered me and the senior partner from Chicago came over several times and, you know, over a period of about eight, ten months. I was a single parent at the time and they eventually offered me three times what I was making at Bakers. So, I couldn't actually make the business case, you

know, personal business case to stay and... but I don't think I did my due diligence quite well enough. You know, the idea of building a business from scratch was very appealing to me, which I did do, I built a, you know, two-and-a-half million-pound practice. That was when we did the 3G auctions. And so I had non-compete, all of my clients asked me to stay and continue to work for them and Law Society rules, if your clients ask for you, non-competes can't be enforced. So it was a very successful few years, but there wasn't... it was nice being able to build a business, but I didn't have the people in the background in any jurisdiction that really had strong telecoms or communications and technology expertise. So when Wilmer Hale got in touch with me, and they do have, they still have quite a strong communications practice in Washington DC, that was a good move.

Remind me never to negotiate with you.

[laughs] Well, you know, I think I'll just be on your side, how about that?

That would be really good. That would be really good. So, before we move from there, the period we've covered, two interesting events occurred – I don't think they're connected. One of them was Y2K.

Yeah.

Do you have any views on that?

Well, I think it was, it was a flash in the pan, or it was a muddle, frankly. I mean I wasn't- our IP and IT lawyers at Baker & McKenzie were running around like crazy trying to get companies to sort everything out, and at the end it was a bit of a damp squib, wasn't it, and not worth all that, all those legal fees, probably.

We have a broad spectrum of views now in the Archives about this. On the one hand, one person said to me, an incredibly good way of getting money out of the pockets of the company into the pockets of the consultants, and they...

Including the lawyers.

And another one said, well, didn't we do a good job, because nothing really collapsed.

Well, I'm not sure which side of that I'd be on. What do you think?

I think it was a good way of getting money out of them, frankly. It was first mentioned – I have the date somewhere – about 1971, I think. A man in America – I've got it in my notes.

That's fascinating, I hadn't realised that.

1971. A man called Bob Bemer raised a concern and he was working for Honeywell at the time – you remember Honeywell?

Yeah, of course.

I can't find his journal, the journal that had it, because Honeywell has a technical library and it, as you Americans say, 'let go' all of its librarians, so you can't get into it.

Oh dear.

[00:39:24]

Another event occurred in 2000, which is very important. You were co-founder of Women in Telecoms and Technology. Tell us more.

I was lonely. I was really lonely, so I was regularly in meetings where I was the only woman. I thought we needed more women in the industry. I got together with a number of other women who actually, many of them were American. So one of- Michelle Senecal de Fonseca, who was one of my first board members, Mary Brazeau [sp? 00:40:00], and I did wonder whether we should have American Women in Telecoms, rather than Women in Telecoms, but it grew by word of mouth and we

started out for the first sort of five, six, seven years. We had a very senior woman talking, so we had meetings about every two weeks, talking about their career and how they got from here to there, and they'd never been asked to talk about their career, interestingly, and they were as inspired, I think, by the young people that were so inspired by them. So it ended up being a, it was a very, you know, there wasn't any male bashing or any, you know, it was all about encouraging each other. And we had a number of speakers, like Ian Taylor, you know, who's a great supporter of women, Richard Hooper. And so there were lots of people, you know, men who were- and we were asking them, so what do we need to do to be more visible. I think we still have the same problem, it's still important. I gave up the chair of that ten years on because I thought it was bad corporate governance, and so it has carried on. I think it- I'm a bit disappointed that it hasn't taken on a new vision, so I did resign from the board a couple of years ago because I tried to make it move into a different space where it was more relevant to younger women who are in a slightly different place in their career now, say. But I still am a massive supporter of helping women to be successful.

I had the great honour to interview Dame Steve Shirley, OBE.

Oh, fantastic.

Founder of F International. Great, a god. And she tells a lovely story, why do successful women have flat heads?

Is that true?

Well, she says it is true. Because men come along to them and say, 'Well done, dear' and pat them on the top of the head. I thought it was a great joke.

It is a good joke. I have a funny story along those lines, so when I first joined Fulbright & Jaworski in... out of Cambridge in 1984, I went along to my first meeting and it was at Baring Brothers, and with the senior partner in our London office. And when we took a break the Barings banker said, 'The men's room is over here and the

little girls' room is this way'. So it's those... so I suppose that's similar to the pat on the head.

Yeah. I had a policy when editor of Computing to employ, if there was much the same people applied at the same type of level, I'd go for the woman. And therefore they were called 'Sharpie's Harpies', would you believe? And a whole number of them went on to be very successful, I'm glad to say.

That's fantastic.

So that was good. What I feel, and I don't have statistics to bear it up, I feel women are in a worse position than they were until relatively recently. Is that your impression?

Well, I don't think the pandemic did women any favours.

Indeed not.

Because of the challenge of trying to juggle, you know, it's challenging enough juggling children and careers, but during the pandemic it was quite spectacularly- and people being let go were those people that were probably most vulnerable, I would say. Not necessarily the people who were least talented. So I think they are, I think women are in a worse position. I found my fifties very tricky, because after I left the Ofcom board I was wanting to get back into private practice and nobody thought I knew anything. Though, once I turned sixty, that all changed. Isn't that weird? So, now people seem to think I know something, and I haven't changed very much. So I think there's an age in people's careers that can be challenging.

I was training journalists and I said to my daughter, 'I'm quite old now compared with these young people that I'm training, you know, not really relevant'. She said, 'Don't worry dad, you've got to be like Gandalf to them'.

[laughs]

[00:44:57]

Okay, that's good enough. So you joined Wilmer Hale LLP?

Uh-huh.

And one of your clients was this – I'm going to be derogatory now – weird company, Cable & Wireless.

Yes.

Tell us about them.

Well, I did...

I'm not saying you endorse my view.

I sold some of their subsidiaries. Mike Matthai [sp?] was on the board of one of them, they also, I had an interesting experience with Global Crossing when they had their issues. So it was, Cable & Wireless was, it was post John Pluthero, I think. Anyway, but they were selling things, you know, just as the telcos have started selling things, and that's what I was participating in. And doing, trying to fire people in Europe and they couldn't quite work out that the employment laws were different in Europe than they were in the UK. So it was that downsizing that started and I think that's, that really is what drove me to – beside Richard Hooper who talked me into applying – to go on to the Ofcom board, because unless you were an employment lawyer, communications companies weren't doing any joint ventures or M&A, they were all about downsizing. And I think my experience with Cable & Wireless was one of the first examples of that.

They did have, you know, very, very close connections with the British state.

Yes.

Did they not?

I think so.

You know what I mean, don't you?

I'm not sure I do.

Oh, okay. They're spooks.

Well, it was a very interesting company to work for, but I didn't really pick that up in the kind of transactional that I did.

You know how they were formed?

No.

Well, imperial Britain had the internet, the Victorian internet, which was all of these international cables.

Cables, sub-sea cables, yes.

That's right. And along came Marconi and with a shortwave radio receiver, a transmitter and receiver, was able to transmit at very long distances with shortwave, as long as you put a beam on it.

Yeah, hence Cable & Wireless.

Exactly. This terrified, terrified these cable companies, and so they went to the government and said, here, now, back us now. Give us subsidies and form a new company called Cable & Wireless, and the government fell for it, and so Cable & Wireless was born.

I did not know that. I've learned something. I've learned lots of things today, but that's particularly- I mean I knew that Cable & Wireless was part of the imperial sort of structure, but I didn't know how the government fit in.

One of the – I'm going to come to a point which I must have your views on – and that is how seldom, in my view, many of these partnerships, mergers and acquisitions, are they successful. I'll give you a little example, which is of course enormous.

Something called AOL Time Warner.

Well, that's something that I worked on. I think it depends how you define success. So a joint venture that doesn't last forever is not necessarily a failure. So, I think AOL Time Warner is a good example of something that I think went well for a period of time, but it wasn't necessarily going to be a match made in heaven for ever. I'll give you another example. I acted for Energis when they did a joint venture with France Telecom and Deutsche Telekom, called Metro Holdings. And essentially Energis was getting the French and the Germans to pay to do their local access. And so it was quite a successful joint venture from Energis's perspective. I'm not sure it was quite so successful from France Telecom and Deutsche Telekom's perspective and it didn't last, but it lasted long enough for the building of quite a lot of network. So I think my answer to your question is, well, Concert was a very successful joint venture for the time, and if the merger had gone ahead and BT hadn't been short-sighted at the time, which is what I believe, I think we would live in a very different world if you had, you know, if BT had that, you know, US footprint, that joint footprint, it would be a very different company than it is now and it wouldn't be selling everything. It would be building on what it had already built in the, you know, late nineties. Sorry, that's my- it's one of my great, if I look at the industry, I think it was a massive, most massive missed opportunity, was that.

[00:50:18]

I was absolutely astounded when it was announced many years ago that BT was going to sell its mobile arm. Do you remember that?

I do. I absolutely do.

What was your reaction?

I don't think it was very wise, to say the least. And I know Mike Short well, and I think he was a bit surprised, and also a bit surprised it didn't come back together later. But I do think BT obviously had a huge debt problem and it had its pension issues, but also had a huge debt problem following the 3G auctions, which I was involved in for a different company. But I don't think, again, was very far-sighted. It had to plug a hole and I think they plugged it with the wrong thing, I would say.

5G is under development. Is 5G a technology in search of an application?

I think in many ways, yes it is. I think the use cases need to be published, they need to be more carefully considered. I think there are some good use cases for 5G, I can't quite see 6G on the horizon just yet, but I think it's the Internet of Things, it's things people don't necessarily see that 5G delivers. And there's not a lot that's very different from 4G.

I quite understand technologies that come along and they search for a reason to be. I remember chip and pin, you remember, well, you've obviously got chip and pin cards in your wallet. And there was Bull, wasn't it? Honeywell Bull, pointing this wonderful technology they had and nobody could think of anything to do with it until chip and pin came along, which was good for them. And there is a funny little story which says that someone was reading their manual when they first got their mobile file, it said put in your PIN, put in PIN, so they type in 'PIN'. And nothing happened and nothing happened and nothing happened, until a very young person came along and said, no, no, it's on the inside of the box, look, that's your PIN. [laughs] Which I think is rather good. It's rather like the other story where a woman phoned up very early on when Apple had the new Lisa or Mac, and it had the mouse and so on. And she phoned up and said, it won't power up properly. And they said, well, take me through what you did. 'Well, I put the power on the floor and I pressed it with my foot.' She was used to a sewing machine. Which was quite right, you know, I can quite see. Why would you... that's what she did to power things up.

The world, how it's changed.

Oh, indeed. Oh crikey, yes. I don't even have a mobile phone, I gave it up.

You did? Why did you do that?

That's a very good question that my family keep on asking me. It was... I, it was just a hassle. I'd be in the middle of a supermarket and someone would know I'd be there. Oh, by the way, I didn't tell you to get that, can you go and get that for me. No thanks. Also, I have a question that you won't be able to answer. Why are there so many different types of bleach?

So many different types of...?

Bleach.

I've no idea.

I've no idea either. But I'm standing in front of the bleach stuff, and I have to phone up, 'You've written 'bleach' down, which one of the 150 types of bleach do you want me to get?'

[laughs] Have you been shopping in America?

Yeah, I have.

It's much worse. Much worse. I had a friend and we went to Baskin Robbins in Virginia – this was years and years ago – and he was English and the chap behind the counter said, 'What sort of cone do you want, and what sort of ice-cream do you want and what topping do you want on top of it'. And it was this person with a very sort of Southern drawl and the combination of not being able to understand the accent and having so many choices was just beyond him, but we did manage to come away with two ice-cream cones.

[00:55:00]

That's good. I was in New York in a university there and I went up for breakfast, and I said... 'How do you want your eggs, Sir?' I said, 'Fried please'. And that wasn't the right answer. And he gave this whole combination of the ways in which they could be served: sunny side up, down over... I don't know. Anyway.

Just be pleased that you're in the UK and choosing bleach as opposed to the US.

Now, you moved from senior counsel in Charles Russell Speechly's - is that how you say it?

Yeah, Speechly's.

S-P-E-E-C-H-L-Y-S, LLP.

Yeah.

And again, a bit of headhunting?

Yep. And also I was working – yes it was headhunting – and this was after I was on the Ofcom board, so I was there, it was three days a week. But it was nice to be back in private practice.

And what was the focus there?

Well, again, it was, my focus has always been telecoms and it was just about at the time when data protection legislation was coming in as well, and so I did a, I spoke with the ITU regulatory conference. I started getting more involved, after being on the Ofcom board I was much more involved in regulatory advice versus transactional work, not least because there wasn't any. And so I gave a speech at the ITU saying

data protection privacy and cloud, whose data is it anyway. So that was a really, I think that the European Union and data protection doesn't focus on the right thing. They should focus on who owns the data, not where it is. And most telcos have no idea where it is anyway, because it's running around the world in packets, so it's not very practical legislation, which was most of my point.

Who should own it, Stephanie?

The individual should own data, and decide how they want to use it, or whether they want to use it or give it away. You know, it should be structured in a different way. I think part of the way things are moving with the data sovereignty issues around, it means that more people are creating data centres in more local, to have data storage locally. So I think, again, the whole data centre industry's very interesting and different, particularly at the edge. I think that's where we're going in that part of the infrastructure. Did that answer your question?

Yes, yes, absolutely. Can I ask you questions which you may have no view on at all, although I very much doubt it, given your understanding. Who should be responsible if a piece of AI hallucinates, as they do?

D'you know, that's a very difficult question, and I don't, you know, I know Stephen Hawking [Hawking] was very worried about how AI would be used, how AI might be regulated. I don't know how to answer that question. I mean if it hallucinates, you know, should the maker of the AI be responsible? I think that probably is where I'd land responsibility, the creator.

Well, it's a black box. They don't know why it did it.

Well, they do know how the AI was set up. So things like gender biases go into AI because it depends who programs it, which is why I would take it back to the creator. You know, how did you create this piece of AI? What did you put in it?

I'm glad you called it AI, not junk. Yes, sorry. You did a pause there, and I can see your brain selecting the right name to put in there.

AI, no, it is a fact of life. D'you know Ian Walden?

I do know of.

Yeah. So I think he'd be a very interesting person for you to speak to, he's doing a huge amount with cybersecurity and is very much involved with AI and the potential regulation of AI, and much more of an expert in this area than I am.

Are you concerned that AI will take over the world?

No, I'm not. I think... but I do think it needs to be managed. I don't think, I mean I don't think Elon Musk has all the answers. I mean it is weird to change a very well-known brand into something that isn't, I mean I just think he's got some very strange ideas and the fact that he thinks it's going to take over the world pushes me in the opposite direction. [laughs]

Also, fundamentally...

Which might not be intellectual, you know, I just think it needs to be managed.

[01:00:20]

But also you're a fundamentally optimistic person, aren't you?

I am, yes. So, I think it's, you know, I think things like this can be managed. I'm not sure about how you regulate it.

Ah, okay. I was going to ask you who's going to manage it. You moved from there and you joined one of the most prestigious legal operations in the world, Mishcon de Reya, LLP.

Yeah.

May 2019 to May '21, so there's two years you spent there. What were you doing there?

I was asked by the managing partner, who I had met years before, who tried to recruit me when I was going to Baker & McKenzie, and he asked me to put together the firm's inter-disciplinary regulatory practice. So that was, you know, getting lawyers on the same page to do something is challenging, but this was particularly. So we were talking about the financial services area, they didn't have much of a communications practice, the commercial area, data protection, just any kind of regulated business. And so I did a business plan to help them bring all the lawyers in those areas together.

And did they accept it?

They accepted the premise, but they didn't implement it. And, you know, which came about just after lockdown, or around the time of lockdown. So I started the project in 2019 and I did a business plan for them. I think because I am an optimistic person and I think you have to have, when you approach regulation I think it's quite important that you take a holistic approach, and you need to know the regulator even if you are arguing with them a lot, and that was the approach I took, a more rounded, holistic approach of getting to know the regulator, getting to find out what was keeping them up at night. And even if you are acting for a client in financial services, for example, you'll be much more successful if you just on a personal level know the regulator and what their concerns are. So it's, again, it's my optimism, I'm afraid. And Mishcon is a very litigious law firm.

Very.

And so, you know, my approach was not necessarily the one that they thought was going to ultimately be. And then they changed managing partners, which was the reason that I departed. So Kevin Gold, who'd brought me in, stepped down.

Are you spending... are you throttling back, spending less time at work now?

Yes. Well, I have a portfolio of different things that I do, which I love, and will probably be looking for one more thing for that portfolio. But I think the thing I've done most recently – well, it was four years ago now – was I joined as chair of the Jersey Competition Regulatory Authority, and I do like being in charge, I have to say. And I had, it was a really interesting time because the Jersey regulator had just split from the Guernsey regulator as a result of, a sort of kneejerk reaction from one of the ministers. And so I had been shortlisted for the chairman of CICRA and then I was shortlisted for both Jersey and Guernsey. I was appointed by the Jersey government and it's been a fantastic opportunity where we've really built, it's a different kind of regulator, it's not like Ofcom because we have a much- it's a small country but a much larger portfolio. So we regulate competition, telecoms, ports and posts. So it's quite a broad brief for a small regulator. And I was given the opportunity to appoint the board, because it was a brand new regulator, and there were only two people in the team. You know, there was an acting CEO and one other, and then the acting chair became my senior independent director. And then... but it was really interesting, picking board members, and I think boards have a really important role in terms of their independence, in terms of making sure you get the right skillset together. So we appointed Ian Walden, in fact, so he's been a fantastic board member and will step up to be my senior independent director when Paul leaves. And Lara Stoimenova, who had never had a board role before, but she's a very eminent economist. And I did have Richard Hooper coach her, because I think if you're doing something for the first time it's nice to have an expert work with you that's not immediately in front of you. And I did think when we interviewed Lara, if she thinks half as fast as she speaks, we're going to be in trouble. So she's been a wonderful addition and is an expert in competition, was at the CMA. And she was at Ofcom when I was there in fact too. So that's been a great part of my portfolio.

[01:06:10]

When I was delving into the swamp, which was called the computer leasing industry, I don't know whether you came across that, that was a wonderful set of villains, some of them, this man said that he'd just registered in Jersey, and I thought, immediately bulb went on, you know. Lack of regulation, hiding your money, blah, blah, blah. And I phoned up the Jersey authorities and they said, you've got us wrong, Richard, it

is true, it isn't lax, we do set particular parameters, and if you don't come into those parameters, we won't let you in. And if you break out of those parameters, we'll kick you out.

Yeah, that's right.

And this company, they just kicked them out eventually. Which the UK would never do.

No, they really value their financial services, it's the major economic driver in Jersey and they're very, it's very well regulated. And I think it has a reputation for good regulation.

Now you've, did you say that you're looking for one other thing?

Yeah.

What would be that?

I think I'd be interested in being on a commercial board, so I am on the Jersey Competition Regulatory Authority and I also chair the Digital Connectivity Forum which used to be called the BSG, but which is private, essentially, we're not a lobbying organisation but we do a lot of research and things. So I'd like to be on a commercial board that is really looking at P&L and has some horizon gazing involved. And I do think the whole datacentre infrastructure part of our industry is growing and needs to grow actively and responsibly with a bit of vision. So that's sort of an area I'd be most interested in.

I think The Economist recently had an analysis of who was making money out of AI, and it's not the model builders. It may be the chip company, but it certainly is the datacentres, you bet they're making money out of it.

They are.

Hand over fist.

Mind you, there's a huge amount of capital investment that has to be deployed, but AWS, Google. They're very quietly building everywhere.

Now, during your time, obviously as a partner, you've had to manage people, what is the management style of Stephanie Liston?

Encouragement, I would say.

Okay.

I've always, whenever I've been managing people I've been trying to get them to work together, to think about follow the money. So, you know, it's the areas that are important if you're doing transactional work or any kind of work, look at, you know, what's the motivation of the parties and where is it, how are they going to be successful doing whatever project that they might be doing. And, you know, you learn that over time from other partners who help you understand what the vision is, and I think the person that – Larry Codacovi, who was the head of international at MCI when I was there, I had a light bulb moment. So we were doing a transaction buying, the Chinese were buying analogue equipment from MCI and the letter of credit from the Chinese operator was not only, wasn't backed, it was from the Chinese bank, national bank, and I was very concerned about this. And Larry took me out for a coffee and he said, 'This is all about the relationship. We don't care whether we get paid or not. This is all, well, this would be analogue equipment, would be in scrap in New Mexico if it weren't going to China'. And that was a real light bulb moment for me. You know, what is the motivation for doing whatever project that you're doing, and looking at the relationship and how that might work, which is one of the interesting things about joint ventures and why it's okay if they don't last forever. You know, what is the motivation behind doing this. And also making sure people have the same motivation, because you do end up in a pickle if you've got one side thinking they're achieving one thing and another side thinking they're achieving something else.

[01:10:48]

Last big question. What are the biggest mistakes you've made in your career and what did you learn from them?

I think leaving Baker & McKenzie was probably my biggest mistake. And I went somewhere where I hadn't done my due diligence on the new place that I went. So the two major things are, look carefully at what you're doing and why you're doing it, why you joined them to begin with, and do your due diligence on- even if they're, you know, have offered you the earth, the sun and the moon, sometimes that's not what is the right approach. So looking...

Nearly four years.

Yeah. So, no, I loved Baker & McKenzie, I loved my colleagues there, I loved the work I was doing, I was... and I'm sorry I left. I did try to go back after the Ofcom board, but it was... I think they were quite... they didn't take it well when I left, because I was a very successful local partner and I'd been appointed as an international partner and I should have gone to Christine Lagarde and said, you know, I've been given this offer, what should I do. But I only went to our local managing partner and he didn't sort of give me any kind of answer about how I would progress in the firm. I think I should have looked up and out a bit harder. So that was another mistake, was not speaking to Christine.

Yeah, but then, you see, you might have stayed there and then not gone on the Ofcom board...

This is all true.

... and not done any of these other wonderful things.

And not moved to Suffolk.

Are you in Suffolk, are you?

Yes. I'm not far from John Carrington.

Where in Suffolk?

In Peasenhall.

Oh right, okay.

It's between Southwold and Aldeburgh about five miles inland.

My wife from Detroit was in Mildenhall when I first met her.

Oh really? What was she doing in Mildenhall?

She'd been teaching in a school for American children, under the American system, and then she got a job in London, which is where I met her, in a publishing company. This has been absolutely fascinating and the second part of our logo, so to speak – motto, sorry - motto, is inspire, and you are an inspiring person.

You're very kind.

No, which makes you an inspiring woman. And what was your advice to young women in the industry now?

Don't give up. Keep going. Find people that will mentor you and help you along the way, and identify those people and also look out for, some women aren't always very helpful to other women, so be alert to that.

Yeah. The country always needs lots of 'lerts', I think. Would you be a mentor to people?

Yes, I am, I do, that's one of the things I do now.

Oh good, oh good. To whom?

I do mentor women and, both women and men. So one project that I had mentoring a woman who had been, her promotion had been delayed significantly for an organisation that I work with, I mentored her and then it ended up I needed to mentor the men, because... the problems were not hers, in many ways, and the issues around it.

That's interesting, and very helpful, as ever. Thank you so much for your time. It really has been an inspiration.

Well, I look forward to meeting you in person.

[01:14:57 recording ends]