

Danny Cohen Intro: [00:00:00] What is it about founders? That gives you the confidence to invest in them its metrics But it's also a question of emotional intelligence and an ability to read people extreme drive Focus on quality, an ability to separate what really matters from all the other stuff going on, an attention to detail. and flexibility of mind, because... As conditions change, what do you do about that? If conditions change, how flexible are you in changing your approach?

they're as true of someone acting on the stage at a 300 year old theatre as they are of a, of a gaming company.

Scarlett 2i2 USB: This is 20 VC with me, Harry Stebbings. And I'm really excited for this absolute stairs. We have a very different profile of guest. He previously led the BBC where he managed over 3000 people and was at the forefront of the world of media before making his way into the world of investing as president of access, entertainment, Lam Lovanox investing practice.

And so with that, I'm thrilled to welcome Danny Cohen. But before we dive into the show today,

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Scarlett 2i2 USB-2: And speaking of game changing products like notion there.

Harry Stebbings: we have to talk about Canva. Canva is on a mission to empower the world to design. That [00:02:00] is why they've introduced Magic Studio. Magic Studio brings together the best AI powered tools for you and your team to help you redefine the way you design. Magic Design creates custom designs for you in seconds.

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Scarlett 2i2 USB-3: And speaking of incredibly beautiful and useful products

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Scarlett 2i2 USB-2: Mercury is a financial technology company, not a bank banking services provided by choice financial group and evolve bank and trust members of the FDI seed.

You have now arrived at your destination.

Harry Stebbings: Danny, this is such a joy to do. I've wanted to do this one for a long time. Leo and Akin have said so many wonderful things, so thank you so much

Danny Cohen: for joining me today. Our pleasure. It's very nice to be here. You've had a really amazing people actually on your podcast before, so nice to be in their company.

Do you know what, Danny?

Harry Stebbings: I think it's the British accent for the American audience. It makes a big difference. They put you 10 IQ [00:04:00] points higher, actually. Tell me, it's a fascinating background that you have and not the usual in terms of starting in the entertainment industry and then moving to investing.

How did you make that

Danny Cohen: transition, Danny? So my job before working for Access for Len Blavatnik was running the television division of the BBC. So I ran networks, BBC TV networks, I was in charge of production and all the green light hip content. And I'd been there about eight years. And I was ready actually to just to do something different.

The way I think about it is I want to work until I'm really old. I think that's what keeps you healthy. So I was about 43, 44 and when I reflected on that I thought, well I'm not even halfway through my career if I'm going to work till I'm old. Do I want to be doing the same thing? with the same people in the same world, however wonderful and exciting it is, Do I want to be doing those for another 25, 30, 35 years? And I couldn't imagine that. So I left the BBC without deciding what I was going to do next. and I went and had some nice meetings on the West Coast and so on TV businesses and studios and so on.

But around that time, Len Blavatnik had [00:05:00] approached me. I'd known Len actually through my wife for quite a long time, and the proposition he offered was so much more interesting, so much more runway to have a long career in this rather than treading around the same turf I had been for the first 25 years of my career.

It was just much, much more appealing.

Harry Stebbings: eight years at the BBC in the position that you were, there must have been some really big takeaways in terms of how it shaped your operating mindset and how you act today. What would you say are one or two of the biggest?

Danny Cohen: It's all about talent.

Whether that's about a founder of a company or, a presenter on a BBC one or a mainstream network show, the fundamental thing. It's all about talent. It's all about teams. It's all about being honest about what you're not good at and what

you need support from other people at. It's all about delegating doing the things that only you can do.

And if you're in a very senior role in the business night, you know, I sometimes say this to the CEOs of the companies we invest in. If the thing you're doing on your list is something someone else in the company should be doing, you probably shouldn't be doing it. Because your focus as CEO should be on only on the things only you can do.

So I learned lots about management, and I think that's helped me a bit [00:06:00] because not all investors have had many decades in management.

Harry Stebbings: I think people talk a lot about kind of the decay of operator experience, especially applied to technology. I think the most valuable thing is actually just how to handle people.

Danny Cohen: Yeah, understand people and also understand it's hard. I mean, it's hard managing things. And sometimes when you sit outside as an investor, you can sometimes think, oh, why didn't they do this?

Why didn't do that? And often you don't understand the complexity of what the person in the hot seat as the manager was having to do and all the different elements they were having to juggle. So I think those things around emotional intelligence and management experience can give you a deeper understanding of the challenges that business faces.

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Harry Stebbings: terms of the challenges, after eight years at the BBC, there's gonna be some challenges. What was the biggest challenge that you faced, do you think?

Danny Cohen: I think the biggest challenge is the one that I think about every day now. Which is the fragmentation of audiences, fragmentation of entertainment audiences, and the rapid shift to digital consumption of entertainment.

you know, you have day to day crises, whether that's around a certain show, or anything else, but the biggest challenge, the macro challenge, the most interesting challenge is, [00:07:00] is about that fragmentation and that digital transition. And that's very challenging for a legacy broadcaster like the BBC or like a network in the U.

S., CBS, ABC, when you can see those audiences fracturing and going towards digital consumption and curated consumption. That's the biggest ongoing challenge. Both for me then, going back a few years, and I think still for the management of broadcasters and TV stations now.

Harry Stebbings: had this beautiful structure of the conversation and I'm just kind of going to ignore it because I want to just roll with this.

How do they then think about it, internally, when they think about that fragmentation? What are they saying and what did you think when you were in that

Danny Cohen: seat? first of all, you shouldn't accept that linear television is over. Broadcast televisions over particularly for older audiences, they are watching quite a lot of amounts.

So channels have value, but I believe particularly with digital audiences. It's the young audiences that have obviously moved over first, and you really need to pay a lot of attention to what young audiences is doing because they're the pathfinder for the older audiences. I try to think most about youth audiences as the kind of pathfinder to what the future will be like.

one of very interesting stats I've noticed [00:08:00] more recently was so in the U. S. More hours are consumed of YouTube on connected TVs than Netflix. And that's because, you know, you can watch YouTube now on your main TV and people are watching so much YouTube. It's now more out than Netflix.

So that gives you an idea about how the ground has shifted. So I think focus on the young to start with, because they're the pathfinders. And the key more than anything is have great content. If you don't have great content, you've not got anything great to distribute. So you start with the content and you go from there and that, you know, there's a well known phrase, content is king or queen.

and that's still the case because unless you've got good things to watch, unless you've understood the zeitgeist, unless you've got the right talent, you've got nothing of quality or value to distribute.

Harry Stebbings: content is king. I get you. I agree. Do you know what I find worrying? Discovery. I'm in the content game too.

There are some amazing pieces of content that never ever see much attention and it's because discovery is like a fundamentally broken thing. How do you

think about the problem of discovery of great content in a world of so much [00:09:00] content?

Danny Cohen: You're 100 percent right. It's a big, big problem. I mean, I've been involved with one or two projects that went to streaming platforms, very, very high quality projects that just disappeared.

that's because there's so much on there. They don't market very much. They trust only on the algorithm to throw things at you. the quality of those algorithms is, I think, slightly overrated take some of those stream platforms, the stuff they offer me.

as the things they'd like to watch. They don't often offer me something I really want to watch. the quality of the recommendation engines is not as good as I think people hoped they would be. And so that problem of discovery is a very, very profound one now.

Harry Stebbings: My worry is also this gets worse and worse with AI and content creation. We use AI to create content today. And what it will do in two to three years, I think, will 10x the supply of content. How do you think about that worsening the discovery problem even further?

Danny Cohen: It's going to worsen it. I think you're right. you know, there's a big who knows. About everything in AI now, but hits and stars. I mean hits and stars and that's something Len actually says quite a lot You know someone who bought one of the three majors in music and there's plenty of experience in it across [00:10:00] entertainment like me now You have to focus on talents to give yourself the best chance.

You also have to take risks, you know That's something I learned throughout my career if you try and do Exactly what people have done before you often get a slightly shallower facsimile of it, a faded facsimile, and you have to take risk, which means some of them don't work, but some of them do.

And actually, that really fits with Len's perspective of investment, too, you know, he's something of a contrarian investor who look for opportunities in the opposite direction from where other people are looking. And I think that's actually been one of the hallmarks of his success.

Harry Stebbings: Another thing I worry about is kind of the... It sounds a bit strong of me, but kind of the bastardization of content, which is we can have a 60 minute episode And then there'll be a 45 second clip which just takes a very

strong viewpoint And that is the one that's shared on Twitter with 45 million views the episode may get a million views

Danny Cohen: You're right. I don't know whether one has to work out, okay, how do you manage that? there was a very interesting recent large scale survey in the UK, young people in the UK are watching over an hour's TikTok a day now on average, which seems [00:11:00] astonishing for one platform. You're not going to be able to fight those trends, but you can ask yourself, What can I do to make sure that the short form content I'm creating has the best chance of taking people to the long form episode?

And you could argue that's a kind of responsibility if you care about long form content. I really care about long form content. It's the long form content where the money is as an investor.

You know, you're not going to make much unless you're a very highly influential influencer on TikTok. You're not making much at the moment. The big YouTube creators, they make money on the long form videos that you can put adverts in. That's where the money is. And that's true of a lot of these, you know, that if you have a great You've got a good chance of success.

not really got anything like that chance of success with a minute clip.

Harry Stebbings: that's what I worry about also with this generation of TikTok stars where it's like they're fine. several who do make a lot of money, but actually in the broad scheme of things, the creator economy. does not make actually very much

Danny Cohen: money at all.

Well I think you have to again give credit to YouTube on that sheet because that's where you look at the biggest creators on YouTube, they're making tens of millions. There's a [00:12:00] set behind them who are making thousands a month or hundreds a month. And that is a platform where you can take your talent and make money from it.

Whereas I agree with you, some of these other There's no pathway at the moment. Now you could argue that these companies will work out what that pathway is. They'll work out a way of rewarding top creators and creators generally to do it. But we're not seeing that pathway yet. And so I would advise people if you want to be a creator focus on the areas where you could actually make money.

And if that means doing short form, make focus on that short form, throwing your audience to the long form.

Harry Stebbings: What do

legacy media... think about, like, what does the BBC think about the creator economy? There's a TikTok star who does kind of news in the UK and he has 10 million followers now and the BBC attacked him recently.

I'm just wondering, like, what is the response from legacy media to the rise of this form of

media?

Danny Cohen: I think they're massively challenged by it. you see their attempts to respond to it in, I don't know, this morning. Taylor Swift being at an NFL match last night with her new boyfriend was one of the main stories on the BBC News website.

[00:13:00] That's not really... News in the way you would expect the BBC to present news as a story of significance. But what they're trying to do by doing that, and which other legacy media also have to try and do, is track young audience, make those young audiences feel that there are some topics which are particularly focused on them.

Do you not think that's kind of

Harry Stebbings: a what and a where?

And what I mean by that is like, but that is a written piece of content on the BBC News website. And I think it's the wrong what. It probably should be a short form video or an animated clip or whatever that is. And it shouldn't be on the BBC website because that's not where they are either.

Danny Cohen: Well, this is the problem though. That's a catch 22, isn't it? Because if they're not on that website, you can't get young audiences. to the BBC. So you've got to keep trying and you've got to see whether you can attract them. I think in that story there was probably something to click on, which was probably the Instagram clip of her, Taylor Swift laughing at the game or whatever, surrounded by some other celebrities.

And that's true. But as I say, that's not the only thing young people are interested in, but you can see these efforts to attract younger people to legacy platforms because they know that those audiences seeping away from them. And that's a big, [00:14:00] big, big challenge for them, for their futures. It's existential actually for those companies.

What do you think happens in five years

Harry Stebbings: time? To legacy media. Yeah, I had someone recently say to me that actually with AI and the explosion of content They will become more valuable because they are verified sources of media that you can trust and you know There is a person there. They have morals.

They have libel versus AI first could be anything.

Danny Cohen: I hope that's true I think trusted brands are really important, but I isn't the thing that's suddenly going to challenge trusted brands. Social media has already done that for 10, 15 years now. You know, the breakdown in shared truths, the breakdown or understanding of a shared reality and what's really happened.

That's already happened. So I might make that worse, I hope as a kind concerned citizen that those brands hold onto truth. Hold on to that trusted status. But I don't know, if that many young people are getting the news from TikTok, why would they, when they're 10 years older, decide they want it on the BBC?

They may do, but I'm just not sure, and I do find that [00:15:00] concerning. And it's not that the story for these services is over, it's just they've got massive, massive challenges, and they're going to require great leadership, great talent, new distribution models, to be able to survive.

Harry Stebbings: is aligned to that. And what I mean by that is, in a world where, I make a lot of money from my podcast, if I was in a traditional media house, I would be paid a salary.

the BBC's salary incentive structure is not nearly as attractive as what one can earn in a modern media world.

Danny Cohen: That's always been the case. you know, in the case of the BBC, and I left quite a while ago now, people are very proud to work there.

Harry Stebbings: Do you think they still are? And I don't mean that rudely, but there's been a lot of shade on them. I

Danny Cohen: think some. Yeah, I think some, but not all. And actually, you know, I think this comes in phases. There was a moment, I remember when I was there, where everyone seemed to want to work for Google or Facebook.

Not sure everyone feels like that now. there is I'm sure 10x, 20x the amount of young people who want to work at the BBC than they have roles for. Do you think BBC,

Harry Stebbings: ITV, traditional legacy media, do you think they are more or less valuable in five years if you were to put it back down?

Danny Cohen: [00:16:00] I think, it just depends on your strategy. I'm not someone who really believes you can imagine what's going to happen in five years at this time because things are changing so fast. Look what AI has done in just the last few months. Once people begin to understand the power of generative AI. People tell you with confidence they know what's gonna happen in five years, they're, to me, they're overconfident.

Harry Stebbings: Do you worry about the business model of media? we remember the days when it was like X Factor on a Saturday night, and those slots on ITV were like a million each or whatever it was. People mostly watched On Demand, Catch Up, or TikTok.

Danny Cohen: So this actually goes to the heart of the investment strategy I lead on at Access, my part of Access Entertainment, we don't think about one investment vertical, film or television.

We think about attention and eyeballs. And that attention and eyeballs That can be across a wide range of entertainment experiences. You don't think about format, but you think about talent and people across and companies across the entertainment spectrum, then I think you give yourself the best chance.

Does attention and eyeballs

Harry Stebbings: ever not lead to financial value creation?

Danny Cohen: TikTok [00:17:00] might be an example of that. So yes,

Harry Stebbings: The thing that I found fascinating when I was obviously doing the research for this is the upside maximization cases across these industries are very different. It's a very different upside to a triple dot. You know, I think triple dot could be a 10 billion company in the next five years, Respectfully, a theatre is not going to be a 10 billion business. There is a limit to the value that can accrue in a theatre. How do you think about upside maximization when investing when there are very different profiles?

Danny Cohen: You're 100 percent right. it's one of the advantages and actually joys of working for someone that's one person's capital.

Because different things will have different types of value. triple dot, amazing gaming company, amazing founders. I think the sky's the limit. And I think they'll continue to be great at executing. A theatre, you get a certain rent a week. There's only the same amount of seats every week.

Productions cost a certain amount and you can invest a certain amount in them. But I work in a, in a very fortunate place where I work for someone who both likes making money. And likes building big businesses, but also has a great love of the [00:18:00] arts and a great love of storytelling, and a great appreciation of talent.

And so there are things we do in the mix at Access which aren't about but are about smaller profits and also a love of the arts. And I feel extremely fortunate actually to be in that position because I love the arts and it's great to work with someone who is the same. does

Harry Stebbings: it also impact...

Downside scenario planning when you think about loss ratios and startups. We both know many startups fail It's harder for actual physical events. I imagine to fail immersive experiences theaters It's hard to fail like a startup would go to zero.

Danny Cohen: That's true I mean, it's it's sent you in a theater because you own the real estate So as a minimum, you've got it's a grade one.

We own the Len owns the theater or Haymarket It's a grade one list of building. It's been on that site for 300 years, it's prime real estate in London has to have a specific use, but it's primary state in London. So there's no way of going to zero the way of maximizing its profitability is to bring in big stars and big shows So for example in january, we have sarah snook, you know shiv from succession.

She's starring in [00:19:00] a play at the hay market She's actually playing all 26 characters in the new version of dorian gray And that's a real sweet spot for me big talent and innovation that's the way you maximize it, but you're right, you've got something there which has value. Similarly, if you have the privilege of working with someone like David Hockney, an immersive show with David Hockney has IP value that we share with him, in terms of royalties and license fees, and you can take that show around the world.

So you're right, the downside scenario case is different.

Harry Stebbings: I love the theater, but I look at it.

I'm always like it's a lot of cost Yeah, is it

Danny Cohen: a good business? It depends what you're comparing it to if you're comparing it to a fast growing tech stock probably not you can make money But you're never gonna make a huge amount of money the real money comes in the creativity the stars of musicals like Andrew Lloyd Webber and so on you know They're billionaires and rightly so because they've created a piece of art Which has lasted decades and people continue to want to see in that kind of area theater IP is the key

Harry Stebbings: what's the hardest thing about investing across so many different disciplines

Danny Cohen: keeping the bar high? The way Access is run, it's a lean [00:20:00] operation. We try and invest in other companies rather than build a lot of our own infrastructure. When I arrived, I couldn't quite understand that because, you know, the asset size that the Access Industries has and Lemblavanic has is, it's a lot of money.

But it's a smallish team. And it took me a while to understand that. But actually, what it makes you do is focus on really exciting opportunities, rather than just doing lots of things.

So, it keeps the bar high, focus on big things, not doing lots of things, is a kind of important mantra at Access, an important mantra for Len. that's how we think about it. So keeping the bar high bandwidth, making sure you are focusing on the right things. I th I think that's the biggest challenge.

Harry Stebbings: It's so interesting 'cause you know, we've mentioned David Hockney, Tom Hanks, Sarah Snu, I don't interview investors who invest across disciplines like you do. What are the commonalities in the best talent regardless of whether they're on stage or in a boardroom?

Danny Cohen: Yeah, it's a great question and it's a really interesting question also about how you decide someone is really smart and good. let's take Lior, which as an example, I felt I knew pretty quickly that Lior and Akian were special.

I didn't need to [00:21:00] spend 48 hours in their company to understand that. Now, it was backed up by some metrics. It was backed up by what they'd previously done in the industry. It was backed up by the fact that already at an early stage of their company, they were already profitable. but you could just feel it and see it.

And it really asks an interesting question about

Danny Cohen Intro: what is it about founders? That gives you the confidence to invest in them

Danny Cohen: and I think it's this mixture

Danny Cohen Intro: its metrics But it's also a question of emotional intelligence and an ability to read people

Danny Cohen: ability to understand what they're like what you notice is some commonalities are

Danny Cohen Intro: extreme drive Focus on quality, an ability to separate what really matters from all the other stuff going on,

Danny Cohen: a passion and an understanding for what they do,

Danny Cohen Intro: an attention to detail.

Danny Cohen: All of those things are some of those things. And, and

Danny Cohen Intro: they're as true of someone acting on the stage at a 300 year old theatre as they are of a, of a gaming company. and flexibility of mind,

because... As conditions change, what do you do about that? If conditions change, how flexible are you in changing your approach?

Harry Stebbings: What's the questions that you [00:22:00] ask to unveil that? And so like one thing that I will ask is like, tell me how you first made money. And that always shows like true entrepreneurial grit.

Danny Cohen: Yeah, I sometimes go a bit back a bit further actually. I kind of like to know where people... What they were interested in when they were teenagers and did they study university?

No, that matters. But there's two answers that one, the degree is interesting, but if they hadn't, maybe that tells you something else about them, their hunger for business and their desire for business. I think you learn quite a lot about people when they almost tell their foundation story, a step back from where you go.

But I think that question of where you first made money is a really, really good one. I am also interested in, have they always been in one area? Or have they moved around? there's not one definite right or wrong answer to what that means. But you learn a lot from that also. You learn a lot about people's focus, their attention, their drive, the quality of their execution in the past.

I like all of those details too.

Harry Stebbings: It's funny, I find that the best founders that I work with have a hobby that is just

Danny Cohen: very unusual. Oh, that's interesting. Give me an example. Akin.

Harry Stebbings: He will...[00:23:00] Absolutely master the shit out of online chess. Yeah. And he will get so deep in it and understanding every possible optionality tree of moves.

And then I'll have one who's fascinated by lodging for families in the 17th century in England.

Danny Cohen: Well, that's interesting. And it tends to be one thing like that. It tends to be one thing. And it can move.

Harry Stebbings: is there anything that's different between them when you look at like kind of maybe the more your actors, your directors, writers versus the founders, is there anything where the best have a difference?

Danny Cohen: Onstage talent often come with a range of insecurities. It's a different thing that, you know, they take a risk and put themselves out in the public that the rest of us don't. And that involves risk and vulnerability. Most of us don't ever experience, that's something interesting in how you manage them and get the best out of them.

I think that's actually one really, really important difference, that they take a different kind of risk. A founder is taking risk with people's money. An actor or an artist is taking a risk in a very public way about how people will respond to their art. What they're doing on stage [00:24:00] or on film or or in a gallery.

So I think that's actually one of the interesting things you have to do. And again, it comes around to how you manage people, how you understand what concerns them, What are the strengths you have other people might not have or you've got more off? I'll give you another example.

I am not going to be the fastest in the room on the Excel, I understand how the Excel works, okay? I can do the maths, but I won't be the fastest. But I may be one of the better people at understanding how people are feeling about their work, how you can encourage them the most, what kind of incentives they need, being very honest with yourself about what your strengths are and where you are much better to lean on other people. You mentioned it actually earlier when we were just chatting before we started about your network and the people you rely on who can do stuff better than you.

Whatever business you're in, whether you're an investor or you run a business, being honest about what your strengths are. And being honest about where you need to lean on other people, that is the secret of success to me. The secret of success is surrounding yourself with brilliant people who can fill in the bits that you're not as good at.

Have you ever thought someone was

Harry Stebbings: brilliant and you were wrong? Yeah,

Danny Cohen: I'm [00:25:00] sure I have, yeah. What did

Harry Stebbings: you not see? That you should have seen or see the question.

Danny Cohen: I think the holes come pretty clear pretty quickly. And hopefully you see those before the investment.

You know, hopefully that initial meeting or initial zoom, if you ask the right questions, the holes become pretty clear. And you have a quick sense of either this isn't ready or this isn't for me full stop. Sometimes it could be something like you wouldn't expect, like they don't seem very discreet.

You know, they're talking about other investors or they're critical of other people. Sometimes you get a flag like that. You think this isn't going to be for me very often. And so sometimes the flags are around things which are not necessarily about, okay, here's our business plan, but the behavioral things around the way they talk to you and what it might tell about how they might run their business.

I totally agree

Harry Stebbings: with that. When people name names on investors kind of callously or flippantly, it's always a big sign. How do you give hard feedback? Well,

Danny Cohen: I think the thing is, if you are generally good to people, when you say something directly, They really notice. one [00:26:00] is the product of the other. If your temperament is always be shouty or over aggressive, people begin to tune you out a bit.

If you're supportive and helpful, it makes, it actually makes it easier when you have to say the tough thing, because it, it's sort of, oh my god, they're saying that now, they must mean it. And I still think you can present that way, you know, you can easily say listen, I'm going to be very direct with you now, or I'm saying this because I think it's going to help you, and then you say something very directly.

But I do think the two come together, that if you are thoughtful generally, then when you have to be very direct and sometimes tough, which I can be, you'll notice more because that's not your typical MO.

Harry Stebbings: Danny, when do you cut the cord? When do you cut the cord? I've had enough of being supportive. Yeah.

Danny Cohen: It's not worth it. Well, If you know in your heart it's not working... we've all had that experience where you leave someone in place too long, and you think we'll give them another chance and another chance.

we all do it. And then a year later or nine months or 18 months later, you make the decision you should have made 18 months ago. And you think to yourself, I should have done that earlier, I knew it. I think when you know you know. And you have to act because [00:27:00] it's very, very rare that you go further down the line and you're wrong on that.

Harry Stebbings: Do you start with full trust or is it there to be gained over time?

Danny Cohen: There's an immediate signal you're giving of confidence by investing or empowering a new CEO. Then they've got to prove back a bit of confidence after that. So you've created the runway of confidence for them, but that doesn't mean they've got your confidence forever.

It means that they then got to validate. Trust and verify. I think it's an example of that really, isn't it? That, that you give that initial vote of confidence. But then you've got to, Help me, show me I was right. Give me the signs, the data, the results, which prove I was right and that you were on the right path.

Have you ever had your trust broken? Yes. Probably in television a few times. Yeah. Did you become jaded as a result? Not really. I mean, it made me very cautious about working with those people again, but I think it's certainly if your trust is badly broken, it's very hard to go back.

Harry Stebbings: Yeah, I agree with that. You said something earlier which I just, really struck me, but I didn't want to interrupt you at the time and it was, you said you wanted to kind of work for a very significant time and really for the rest of your life.

Do you have [00:28:00] to

Danny Cohen: love what you do? I think so as you get older actually. I think as you get a little bit older you do. What changes,

Harry Stebbings: why as you get older you

Danny Cohen: do? I think when you're younger... you're ready to hustle more, you're ready to put up with staff, It doesn't mean that as you're older you shouldn't put yourself in some uncomfortable positions and situations because you learn from those uncomfortable situations. I think you think, you know, I want to use my time in the most valuable way possible and therefore I want to enjoy what I'm doing. By the way, that's a privilege.

I reckon a small percentage of the population if you are able to do a job where you love it, you should realise how privileged you are.

Harry Stebbings: Danny, what does the decision making look like, if you don't mind me asking? Is it like a weekly call with an investment committee?

Is it you and Len on a call?

Danny Cohen: So it really varies depending on the size of the investment. So if it's quite a small investment, it's something I might talk to Len just about directly, you know, in relative terms. If it's a very large sum of money, what we do is we get together. way Len has built Access,

We have a real estate team and heavy industries team. We have biotech. We have real estate. We have some major investments in things like [00:29:00] Warner Music and DAZN and So we have a very wide range of... Small team, but a great range of experience across industries and in investing in general. We may not always have the specific industry knowledge, So we try and pressure test ideas together, when we meet every week.

Harry Stebbings: I hope it's okay for me to ask an element of imposter syndrome.

Did you feel that when you made the move?

Danny Cohen: I knew I had a lot to learn. I felt really nervous, which is what I wanted to feel. You know, I didn't want to feel like I was going to keep doing the same thing for another two or three decades.

And so the feeling of nervousness was an active decision. And it was about, as I was saying, that pathway to having an interesting career for another 25, 30 years. But yeah, I had a lot to learn. I had a lot to learn on the finance side. I had a lot to learn about investing. What was

Harry Stebbings: the hardest thing to learn?

Danny Cohen: The hardest thing to learn in a way is how strange the way the markets behave is because I don't find it always entirely rational I found that quite surprising Have you heard the

Harry Stebbings: statement, a market can stay irrational longer than your company can stay

Danny Cohen: solvent?

Yeah. [00:30:00] that sounds true to me.

Harry Stebbings: How does that shape your thinking then? If you take that one level deeper, if it doesn't always seem rational, do you do anything as a result

Danny Cohen: of that? well, to some extent you have to move with the trends. So obviously we've seen that movement from, you know, it's all about revenue to show me you can make some money, show me you can make some profit.

So it's partly about understanding how things are changing and how things are going to be changing the way they're valued. I think it actually just takes you back to the fundamentals. Do you believe in these people? Do you believe in this idea? Do you believe in their execution?

Harry Stebbings: What was your favorite part about the move? What was freeing

Danny Cohen: about it? Lack of bureaucracy. the agility. Of a place like access compared to a lot, you know, managed about 3000 people at the BBC.

It's an organization of 20, 000 people. It's a huge tanker that's, takes a long time to move things around. So I think agility, flexibility, access to capital that you can spend on a range of different things. I think all of those things have been great.

What

Harry Stebbings: do you think is your biggest insecurity today?

Danny Cohen: I always think to myself, am I got the right people around me to help me? And I really believe I have, but that's the thing you always want to keep testing.

Can the people [00:31:00] around me on the things I'm less good at, can they answer the questions for me that I can't answer myself? I think that's the biggest thing. I think the other thing is, you know, you always have insecurity around certain investments you've made.

You know, I think it gets particular rather than, you know, big fundamentals around anxiety. I think, you know, have we got this one right? What do we learn from it if we haven't got right? You know, how might this change our investment thesis in this area? I think you can have insecurities around certain things.

Not sure I have a kind of large macro insecurity.

Harry Stebbings: what would you say in terms of biggest miss? How did that impact your mindset?

Danny Cohen: So one of the things I've learned in these years since I've been an investor is if you believe in a thesis about a certain area, invest in more than one thing in that area.

something I did two or three years ago we had a great company in an area I really believed in it, it had grown very, very fast, and I was brought another opportunity in the same territory. And rather than thinking to myself, I really believe in this thesis, I really believe in this area, I can be in more than one.

I thought I should just focus on this one, give that the attention in this [00:32:00] area, and invest more in that. And I didn't take the investment, and it would have been an ATEX in about 15 months. So that was a really interesting, maybe painful, learning. We all have those learnings in investing. But what I took from it was, if you believe in something, it's okay to double down.

It's okay to take more than one risk in an area. So that was one I really learned a lot

Harry Stebbings: from. I love that. What about Biggest Hit, where it's like, it worked really well and you had great success with it. How did that impact your mindset?

Danny Cohen: Don't get carried away. It's hard. Lots of things can happen still in the future.

Take a long term view. Don't grow your ego. Remain humble. Keep listening. People often go wrong, and I've seen it, you know, with people on television. People often go wrong when they get too carried away by a moment of success or a period of success. How do you keep them on

Harry Stebbings: the ground?

Danny Cohen: Yeah, I think you've just got to keep bringing people around to focus on execution. That's what it's all about in the end. How, you know, if you can just ask very, granular Specific questions around execution that's what brings people back down to earth from the clouds

Harry Stebbings: Two final ones, which is [00:33:00] actually one on marriage.

What's the secret to a happy marriage

Danny Cohen: Danny? So I married up. I married someone much smarter than me. My advice would be marry someone smarter than you My wife's a lady called Norena Hertz. She sits on a number of company boards. She's on the board of Warner Music, Mattel, She's also written a number of best selling books.

So she's clearly, clearly much smarter than me. Support your partner, enable them, liberate them, cherish them. Those are the things I try and do and I know she does for me. So I'm fortunate to be very, very happily married. On marrying up,

Harry Stebbings: does that ever make you feel insecure? Marrying up? Yeah, I

Danny Cohen: think Noreena tells me that I'm confident enough in myself not to feel that even though I know she's very, very smart. I think it's the best thing you can possibly do because it makes life very, very interesting. You can be proud of each other's achievements. Try to hold back that insecurity because the benefits of it are so great.

And also if you're both ambitious people, if you want to achieve a lot, you know, it couldn't be better to have a wife or husband who is the same. On children,

Harry Stebbings: if you could cool up yourself before your [00:34:00] first and say one thing... What would you advise yourself?

Well,

Danny Cohen: we don't have children. You don't? I'm so sorry, I thought you did. No, you don't need to say sorry because we're not apologetic about it. We just decided not to. We were so completely happy. We didn't want to mess around with it.

Harry Stebbings: Was it always that way, if you don't mind me asking?

Danny Cohen: Yeah. I don't know, our fifth date was a holiday together. been together about 17 years. just actually gets better and better.

we didn't want to change anything because it feels pretty perfect it's right for lots of people But it just didn't feel right for the way we live and the way we want to live our lives and we feel so fortunate To have what we have. We don't really want to mess with the dynamic.

Harry Stebbings: How do you retain romance with time?

Danny Cohen: This is going into places I didn't expect. How do you remain intimate? I think

Harry Stebbings: 17 years is an incredible

Danny Cohen: you just have to cherish the person and make them feel special, and you do it at special moments like birthdays, but really it's about the way you treat each other every day, I think.

it's about the way you treat each other every day.

You know, it's one

Harry Stebbings: of the most popular discussion points on the show though is actually like happiness.

Danny Cohen: It's, but it's called to happiness, and meaning. Uh,

Harry Stebbings: do you worry about the Loneliness Pandemic we spoke to earlier about kind of people management [00:35:00] and how they feel, and you said about kind of being really very good at how they feel.

Mm-Hmm. , I'm really worried that actually.

Danny Cohen: So, so my, my much smarter than me wife wrote a book about this three or so years ago before everyone started talking about it, called The Lonely Century. So Yes, it's a huge, huge issue.

For young people as much as old people, the data around, you know, young people are actually lonelier than old people. Those are some terrible stories and things around old people, but I think it's a massive, massive thing. digital culture and social media and our phones have played a massive role in that.

The

Harry Stebbings: thing I just can't get my head around and then we'll do a quickfire the business model of loneliness. respectfully, mental wellness apps, solutions, so far, just haven't proven to be good businesses

Danny Cohen: across the board.

So Norena describes this in the chapter book as the loneliness economy. it's wide. she found classes where people go and have hugs with each other. there's different ways of doing it where there's YouTube stars who eat loads. And people find company in watching them eat and eat their food.

Particularly in Asia actually in this one. People get company from. [00:36:00] Eating their meal with this person eating on screen. the range and diversity of the loneliness economy is huge. I think it's going to keep growing.

Harry Stebbings: Do you think it consolidates to one or two platforms? And do you think there will be platform providers who try and solve mental health and loneliness in the next few years that take a lion's share?

Danny Cohen: Maybe. I mean, there was an amazing woman in Wales that Noreena writes in the book who started these chatty benches in parks where, you know, it's a bench to chat on and people who... Needed someone to talk to could come and chat there and make a friend So there's so many different ways both in the physical world and in the digital world where this needs

Harry Stebbings: addressing I want to move into a quick fire So I say a short statement you give me your immediate thoughts. that sounds all right. Trust me. You've got through the personal so I mean, this is easy What do you believe that others around you maybe disagree with?

Danny Cohen: I think I believe in storytelling as an incredible source of revenue in terms of film, television, theatre.

you know, in a way you hinted at it, they won't necessarily be the high growth, gaming or creator economy that it could do. But I believe fundamentally, if you

find the right things, you can make a lot of money in that area. [00:37:00] I mean, look at Barbie 1. 6 billion and growing.

I really believe that, you know, it's about hits and stars and it's hard, but I think the idea that you can't still make a lot of money from high quality. Well judged, long form storytelling is not correct. It's not all going to be about TikTok.

Harry Stebbings: You mentioned Barbie there. We have Barbie and Oppenheimer in that kind of mammoth weekend.

Talk Covid cinemas, how was that?

Danny Cohen: Disastrous for cinema. utterly disastrous. I mean, Barbie and Oppenheimer are a wonderful moment. It was actually became quite frustrating moment because it was the biggest moment since the pandemic where you felt the electricity of cinemas.

You felt people returning in their droves. And then we were in a right as an access strike and the knowledge. That there would be some kind of dislocation in content supply for cinema in the future. And so I found it both a joyous moment but also because of the labour disputes.

And of course, good news is one of them has already been solved. The writers one looks like there's an agreement. It was also quite a frustrating moment because, you know, I of weeks later. There was a lot of frustration and disenchantment in [00:38:00] LA at that point before the writer's strike certainly was agreed because everything was stuck.

So it was an interesting moment for cinema that, where it was a moment of elation, but also, we might be stuck again soon. What does the dislocation

Harry Stebbings: mean in terms of that content supply?

Does it mean we won't have enough content for six months?

Danny Cohen: It sort of depends how long it goes on for.

But yeah, there will be a point, a pinch point in the next year to 18 months, where there's probably a bit less content around than before.

if any industry pauses for four months, five months, six months, supply dwindles.

Why is Broadway more expensive than the West End?

I think a lot of it's cost based part of that cost based is union costs. The union costs on many things in New York are higher. But what we're noticing, and we're finding it more and more extreme, is that the cost of financing a play Or a musical in the West, London's West End can be four times less than financing on Broadway.

Now, I think this is really problematic for Broadway.

Because, Broadway partly benefits from and exists because of the generosity of some very wealthy people to keep backing a very very high risk type of investment. And if [00:39:00] those investors begin to feel the risk has just gone too high because the bad the capitalization for this musical is now 25 million where if three or four years ago it might have been 15 million.

And they think it's going to take three years to get my money back, if that. even with the amazing goodwill of those people, those benefactors of Broadway, they're going to begin to think differently about it. And they're going to ask themselves more and more questions about whether they want to be supporting that.

good for the West End in one way, but it's something I am growing concerned about.

and it's making us, certainly at this point at AXS, AXS Entertainment, much more cautious about what we invest in on Broadway because we just see these capitalizations rising so high.

Harry Stebbings: How many Broadway shows, percent wise, are successful versus not?

Danny Cohen: differing layers of profit. I mean, Len was one of the very, very first investors in Hamilton. He's good at investing

Harry Stebbings: is all the value created there in IP? in the music, in the DVDs, in the

Danny Cohen: merch?

No, I mean the music has a lot of value and the Hamilton soundtrack was released on the record company Lenones Warner Music so there's been a lot of value in that but [00:40:00] if you're selling out theatre every night, you're going to start making money. And then the other thing you'll get is that if you invest in the original production, you have a right to invest in all the other productions around the world.

So access an investor in Hamilton in New York, but also in London and in Australia and in other countries. you earn that right by taking that risk, want to invest in a successful production as it moves around the world.

Harry Stebbings: Tell me, what's your biggest lesson from working with Len?

Danny Cohen: He always says do big things, do less and do big things. I think, you know, you've only got so much amount of bandwidth, whenever I'm with him, I learn things every time from his business experience, a story he might tell he'll say, you know, generally speaking, I found this and I've seen this pattern.

So there are some like big things, but actually when you're lucky enough to work with someone like that is when you're one of the world's most successful businessmen. You learn from them all the time. You learn from every conversation =

you can have dinner with anyone dead or alive. Charles Dickens. It's no contest. 19th century English literature is my thing and most particularly Charles Dickens. Do you have a favorite Charles Dickens quote? I don't have a favourite book, Great [00:41:00] Expectations.

Why that one? I think it's, the most perfect novel in the English language. When you start thinking about storytelling, and this is why I did an English Literature degree, and I think that's given me great training for the rest of my work in terms of storytelling, you think about character, you think about structure, you think about plot, you think about dialogue.

You think about the emotional impact of what you've read. For me, Great Expectations unifies those in the most perfect way I've, I've seen in any book I've ever written. I actually re read it again last year, and I adore Charles Dickens, Do you think

Harry Stebbings: we've lost the art of storytelling?

No. You don't? Do

Danny Cohen: you find many good Why would you, why would you say that? Because I don't

Harry Stebbings: think we have many good storytellers, especially in, in technology and investing. so I think you're right. Learned game.

Danny Cohen: They'll say, Oh, I think you're right. And it's a really interesting point of connectivity between the worlds I've been in, that the entertainment world is all about storytelling and storytelling by companies and founders is not always as good as it needs to be.

Sometimes it's about assuming too much knowledge. I find sometimes the founders, they expect the person they're pitching to, to understand a whole set of things about what they do or about the, the area they're in that [00:42:00] investor may just not have. So I think a lot of it is breaking things down to their simple initial components and building a story.

And storytelling needs thought, it needs structure, it needs a shape, it needs highlights, it needs all of those things that are true if you're making a film or you're telling the investment story when you're pitching your business. to me it has immense value and it's something I love dearly. Can you learn to storytell?

Undoubtedly. There are, as I say, there are certain elements of it which you can learn, you can study, you can learn from people who are better at it than you. And some of them, as I say, they're fundamentals. It's about beginning, middle and end. Okay, when you're thinking about storytelling, fundamental storytelling is a beginning, middle and end.

So whether that's a novel or a film or a play or an investor pitching their business, what's the beginning, middle and end of your story? How do you want to tell it? How do you want to grow people's understanding? Where do you want to land some key points? Where are your reveals?

All of those things are true of, of very different kinds of storytelling. Which brand do

Harry Stebbings: you think tells the best stories today?

Danny Cohen: I think Ikea's very good at storytelling. I just think you know what [00:43:00] they are, you know what their tone is, you know what they do, and they keep delivering.

I think that's a really, really interesting brand.

And also some people can be good at storytelling and then lose their way Yeah, you know you can have a great brand and a clear story. You know what I find

Harry Stebbings: unbelievable is Chanel And the reason I find Chanel amazing as a storyteller and a brand is because teenagers in Beijing love it, mothers in New York do and grandmothers in Paris do.

Normally with stories it works for

Danny Cohen: an audience. But you know there's an initial clarity of proposition there and a consistency of proposition that I think you're awarded for. often people overcomplicate things, I think, when it comes to a brand. A brand is a hallmark of something you like and maybe of quality, but it's also a feeling a brand gives you.

And a feeling is quite a simple thing in one level. It has to be clear and immediately accessible. Because feelings are things you don't think about, they're just what you feel as a reaction to something. some of the best brands, they keep their brand clear and consistent. Once they've achieved it, you know, success in it, and that gives you a great advantage.

Do you think there's been

Harry Stebbings: any massive brand

Danny Cohen: missteps? I think there's been mismanagement. [00:44:00] Yeah, I think you could probably look at some of the tech companies, and they don't seem responsive to concerns.

Lego is another great story of that, isn't there? I mean, it's an incredible thing. what Mattel are doing with Barbie is pretty exceptional at the moment as well.

I mean, that's a remarkable story of taking a decades old brand and making it feel incredibly of the moment, incredibly contemporary, so I think it's always possible, but you have to have a strategy, a very clear strategy for doing so. Do you worry about woke culture? I find there's two extremes to this now, and they both annoy me.

Right, people just use woke too easily now as a generalization. it's much more subtle It's much more complex than that. So one side you've got woke and you

on the other side you've got people who are criticizing people who are More traditional. And both sides have got to a point of they've lost the ability to be subtle, to understand complexity, to understand nuance.

And that means they're too easy to dismiss each other. It's too easy to dismiss people who are of more traditional values by saying, oh, they're just traditional, they're old school values. In the same way it's too easy to go, oh, that's woke, there's nothing to it. And I think it goes to polarization of debate, and I think it goes to social media has a role [00:45:00] in that.

I find both ends of the spectrum really, really off putting, because they don't allow for really actually thinking about it. They allow for too easy dismissal of people's opinions that are different to your own, and unwillingness to understand why they have that opinion. and we need to reintroduce nuance and specificity to it. Every subject, every question in the woke versus traditional debate is different. Do you

Harry Stebbings: worry about the eradication of cultural history and what I mean by that?

It's like, you know, Roald Dahl is getting, edited for many of his characters. Yeah. I mean, I'm sure there will be Dickens quotes, lines, statements that will not be worked.

Danny Cohen: there's some things I feel very traditional on. On that one, I don't think anyone should be changing Roald Dahl or Charles Dickens.

I think you may want to, in your footnotes, note Something about that use of language, but it sort of undermines the intelligence of people Not to be able to see and understand that and if you want to read a footnote do but I think that country history stuff is stupid it listen it asked really really interesting questions of How you feel about different artists over time?

I I love Virginia Woolf. I didn't feel great when I read that some of her diaries and there was and I was lit and there's some [00:46:00] pretty unpleasant anti semitic things. So how you separate the art from the artist is also a really interesting, important question. Um, and how you make sure you introduce nuance into these.

Topics is really, really important.

Harry Stebbings: Yeah, no, I totally get you. Tell me, media in 10 years, final one, you can paint the ideal landscape for you, how you would like media and content to look. What would that landscape look like in an

Danny Cohen: ideal world? Less distribution. Less confusing distribution structure, easier for people to navigate.

What is a less confusing distribution structure? It's just too many different ways. And I think that's going to be proved by not all of these platforms are going to survive. It's just too many, you know, you've got to have too many subscriptions. It's too much for people. It's too expensive. It's too confusing.

I think you're going to see consolidation there, which is in the interests of Business, but also in the interests of the consumer. we're going to be ever more curators of our own experience. I don't believe that people will want to stop having live experiences. Look at Taylor Swift's concerts.

I mean, look at that, So I think people are going to want to live in the [00:47:00] real world. I don't believe that people can only want to live in the other world. My big, big hope at the same time is. People put their phones down more and spend more time with each other and spend more time experiencing things and thinking I thought to myself quite a while ago Do I want to get to the age of 70 and think I've spent a huge chunk of my life staring at my phone?

I think that would have been a depressing way to spend too much of your life. and so we how we dislocate ourselves How we wean ourselves off the addictive quality of our smartphones is, I think, important to our happiness.

Harry Stebbings: Danny, listen, I've loved doing this. Thank you for putting up with my very wayward questions.

We've gone all over the shop, but I've loved it. Yeah, it's a pleasure.

BOOM!!!

Scarlett 2i2 USB-4: I absolutely love doing that show i'd love to show you there's a little bit more diverse in terms of content and the theme type so if you enjoyed the show and you want to see more you can check it out on youtube by searching for 20 vc but before we leave each day,

HARRY ADVERT: There is no shortage of helpful AI tools out there, but using the means, switching back and forth between yet another digital tool, what

was supposed to simplify your workflow just made it way more complicated. Unless of course, you're in [00:48:00] notion, notion, combines your notes, docs and projects into one space that simple and beautifully designed, and you can leverage the power of AI, right inside notion across all your notes and docs without jumping between your work and with. With a separate AI powered tool automate the tedious tasks like summarizing meeting notes or finding next steps, freeing you up to do the deep work.

It allows you to save time and write faster by letting notion AI handle a first draft jumpstart, a brainstorm, or turn your mathy nose in something polished. And you can try notion for free. When you go to [notion.com/two zero VC](https://notion.com/two-zero-vc). That's all lower case [notion.com/two zero](https://notion.com/two-zero). Zero VC to try the powerful, easy to use notion AI stay.

And when you use our link, you're supporting our show.

Scarlett 2i2 USB-2: And speaking of game changing products like notion there.

Harry Stebbings: we have to talk about Canva. Canva is on a mission to empower the world to design. That is why they've introduced Magic Studio. Magic Studio brings together the best AI powered tools for you [00:49:00] and your team to help you redefine the way you design. Magic Design creates custom designs for you in seconds.

Just provide a text prompt, or upload your media, and Magic Design crafts professional social posts, presentations, and even videos. And something that I in particular really love is Magic Edit. It lets you add to, replace, or edit your images with a single text prompt. It's incredible. Simply select where you want to edit.

Right, your prompt and watch as your image transforms. With Canva, you can realize your ideas with ease. Start inspired with over 500, 000 free templates and a rich content library to help you and your team achieve their goals. Explore Magic Studio at [canva.com forward slash magic](https://canva.com/forward-slash/magic)

Scarlett 2i2 USB-3: And speaking of incredibly beautiful and useful products

Listen to this, mercury has been a breath of fresh air. Getting started was maybe one of the most delightful onboarding experiences I've had. Mercury is just so easy to use. The aesthetic of it is [00:50:00] actually quite relaxing for me. It, it was less a choice and, and more.

Finding a kindred spirit. Imagine feeling this way about business banking. You could, if you join more than 100, Mercury, the powerful and intuitive way for ambitious companies to bank. Start building momentum and leave the friction behind by visiting mercury.com forward slash 20VC.

Scarlett 2i2 USB-2: Mercury is a financial technology company, not a bank banking services provided by choice financial group and evolve bank and trust members of the FDI seed.

Scarlett 2i2 USB-5: Um, as always i so appreciate all your support And stay tuned for an incredible episode with chris dagnan cro at snowflake on friday for an incredible 20 sales