

Jeremy Darroch

Group Chief Executive, Sky

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Welcome to Media Masters, a series of one-to-one interviews with people at the top of the media game. Today I'm here at the headquarters of Sky UK and joined by their group chief executive, Jeremy Darroch. Over the last 25 years, he's held senior positions across a range of consumer-focused businesses, including Procter & Gamble and Dixons. He joined Sky as chief financial officer in 2004, and took on his current role in 2007. With almost 23 million UK subscribers, Sky is now Europe's biggest entertainment business. Jeremy's recently overseen a massive expansion, which now reaches an audience of over 120 million consumers globally. He was the driving force behind Sky's Bigger Picture initiatives, including the development of the Team Sky cycling team, and he also a non-executive director of Burberry, chair of Business in the Community, and an ambassador for WWF.

Jeremy, thank you for joining me.

Thank you.

So, Jeremy, we're now well into Comcast's ownership of Sky after that dramatic bidding war, but it looks like it's business as usual from the outside. Is that right?

Very much so. I think we've got off to a really good start. The first sort of six months, I think, is really about getting to know each other. We knew Comcast somewhat before the deal closed, but not a huge amount. Not at the level of depth of them owning the business. So we spent a lot of time getting to know our new colleagues. They spent time over here. We've been, of course, in the US. And then there's just a lot of sort of procedural stuff you need to go through. We've got that through now. So now, I think, we really started, at the start of 2019, we could really get stuck into the plan. Business is doing well, so we're obviously focused on the day job and making sure that continues. But more importantly is then, what can we do together to build an even more successful business.

So, what is the plan then? What is that new chapter?

Well, I think fundamentally it would be about growth. How do we take the platform of all the companies and then deliver greater growth in the future. So, we have something like 50 million of the world's best, if you like, almost valuable customer relationships across the major top markets in the world. So, the platform, if you like, the combined business has got, is really, really interesting and I think gives us a really important starting point to say, "How do we do more with that? How do we grow?" And then, of course how do we go further? You're into new markets over time to do new things. We'll certainly be investing more in content, our own originated content on Sky. We'll be seeking to bring more of our product development pipelines together and do more things across the globe quicker I think in a greater scale. So the big ideas are just starting to emerge now.

Sky has long been associated with Rupert Murdoch. What was your conversation like with him when you all knew that Fox had to bow to Comcast's takeover?

Yes, it was...

Are you allowed to let us behind the scenes?

I've known Rupert now for many, many years and he's been an incredible supporter of Sky. He only wanted to see us go on and be more successful, do better and bigger things, and I think he's very, very proud, as he should be, of the footprint that he's left at Sky, and what he was so fundamental to creating. So, he was disappointed, of course, that the Fox-Disney bid didn't prevail. We talked a lot about what the business had become, and went back a little bit to the old days when he set out on this journey, and just this incredible journey over 30 years. It was the business that almost took him personally to the wall. So we reflected on some of that and I just told him he should feel incredibly proud of what the business had been, and I think he is. So, it was a little bit nostalgic, reflective. Taken on his part with some sadness, but I think more than anything he just wants to see the business be more successful. And, of course, whether he owns some of it or doesn't own any of it, we all just want to see Sky go from strength to strength.

And it's been quite a journey for yourself, of course with well over a decade. Did you not feel it might have been a time to move on? What made you decide to stay?

Well, I think the best years of this business are ahead of it, and so I think the future looks very bright if we can keep holding true to the things that got us here. So, there's a lot of big opportunities immediately ahead of us. We've got good growth in all of our markets, we're going to be entering some major new categories. We're just getting going, for example, in the mobile telephony category here in the UK. We're going to be launching Fibre to the Home, a big broadband business in Italy. We've got great growth ahead of us in Germany. We want to do more, as I said, on screen and invest more in Sky Originals. They're really starting to scale now very well.

I watch most of them.

That's great. It's great to hear! And so it's a fascinating world. I'm sort of in it for the work really, and the business. That's really what motivates me, and then also it's important to me that the business transitions well. I would hate to see Sky stumble, so I want to make sure that everybody's looked after properly and I can do my bit to ensure that this business keeps going forward.

And pay-TV seems to be an increasingly crowded market with the threat from streaming opportunity, you might want to call it. In terms of Disney, Amazon, Netflix and so on. There's a lot of consumer choice now.

Very much so. And at its heart, fundamentally, that is because the markets are all growing and the pay-TV markets in Europe are all typically under-penetrated. So, they've all got headroom to grow into, and that's quite unusual in a lot of markets in Europe. Europe generally is struggling for economic growth, and many of the markets that we see are pretty much fully penetrated. So, if you're going to grow in those markets, you've got to gain market share. You've got to take business away from somebody else. The pay-TV market isn't really characterised that way. So there are many of these new services that we're seeing, whether it's Netflix, or Amazon, Google or a product like NowTV, our own streaming service. What this is doing is unlocking new pockets of demand. So I think the markets will always be competitive. Competition is changing, will continue to change, but fundamentally these are markets which have got headroom to grow into. And so we should expect many people to say, "I'd like to be part of that."

Yes. Because at home I have a Sky dish, so you've got the monopoly of the supplier in my satellite TV, but I subscribe to lots of different streaming services. I don't see it as something that I should just have one. I have Netflix, I have Sky, I have Amazon Prime. Like you said, there's an abundance in the marketplace.

Correct. If you think of your Sky service, we'll use that satellite dish broadly for our live television, because it's just a very efficient way to do that. But our own streaming services, we'll plug into the back of your box and we'll be delivering much of Sky's content on demand. So you'll already be consuming a huge amount of your content through your Sky service through a streaming platform that partners well with the traditional satellite service. And, of course as we see more build-out of fibre networks, we see digital technology is continuing to accelerate, it's never been easier now to get to customers, to provide a service to customers. So I think we'll see that people have more services, and they'll be able to mix and match according to their needs.

Speaking as a consumer, I was delighted when my Sky box said that I could now watch Netflix on my Sky Q box. Is that something that you're going to be growing out as well? Might Amazon Prime movies and TV and content be available on there soon?

Yes, my expectation is that we'll do more of that over time. One of the great things if you're a Sky customer and you go to your, say, your Sky Q Box, you're right. You can get Netflix today, you can get YouTube, you can get Spotify. You can get all of the catch-up services from likes of BBC, ITV, Channel 4 and Channel 5. And so, that just makes it very easy for you to watch all of your content from one place. And then, the second thing is that it makes it easy to navigate around that content. One of the things that we hear a lot from customers is that every time they have to switch a supplier, or switch input, they're in a very different paradigm, and so it's quite complicated sometimes to find the way around all of this content that's available. We can simplify that for customers and just make it easy for them to get to the content they want, and that means we'll partner, I think, over time with more and more people.

The two potential frenemies that spring to mind with me would be Disney and Apple. For example, Netflix, it does seem like a very good synergy because they're producing content for you, and they're available across lots of platforms. Apple own their own platform. They own my phone, my iPad, my laptop. And, Disney have such a huge, unique in a sense, strength of their own content that might prove a difficult partnership because they're behemoths in their own right.

I think we'll see, whether it's with Disney or Apple or with others, there will be times when we compete against people, and then there'll be times that we work with people. And that's always really been the case in our history and our development. I mean, you could still say the same thing with the likes of BBC or ITV. At one level, we're competing for eyeballs for viewers with them. At the other level, we want to work with them closely. If you think of something like the iPlayer, we think how they would promote that content. Our relationships with ITV would be very similar. So I think in a more sophisticated, bigger market, it's wrong to think of it at the extreme. We either will compete against people or we'll work with people. We'll do both, I think.

The TV landscape just seems to be changing and evolving even now, hugely. I mean, Line of Duty was the last thing that I actually watched when it was on as broadcast because I couldn't then go on Twitter without having seen it because I knew there would be spoilers. But almost everything else, other than Sky News, which I have on sort of 24/7 in the background, watching television as its broadcast is not something that I've done for years.

And I think pace of change is actually going to accelerate more than decelerate or stay the same. At one level, that's always been the case. If I reflect, when I joined Sky back in 2004, and think of the industry then and just take it forward to where it is today, it's changed already, enormously, as you say. But I think that will continue. And, generally, I think that's a good thing. It means that ours is a market that's constantly innovating. If you're a customer, you can constantly expect new things and better things, and I think that's a great thing to have. But it also makes it a bit more complicated, and sometimes it makes it a little overwhelming for customers. So, alongside that, there's certainly the need for certainty and predictability. Sky

News is a very good example of that. It remains the trusted source of impartial news, particularly in the big moments, and we hear this time and time again from our viewers who say, "You are the trusted source, when something's happening in the world, I'll switch to Sky News because what Sky News does, is it does the news." And that's what people value. So I think, inevitably, with more technology, with more change, there are more shiny, new things, but there's also a place for certainty and not losing sight that, for many people, after a hard day's work, they get in at night, they want to switch on the TV and they want to easily get to something that they want to watch.

You run a massive, global business, and the job of being the leader of that business must mean you've got an abundance of things you could focus on in any one week. What do you actually do? What is a typical week for you? What is the job of the chief executive of Sky actually do?

Yes!

Because everything you choose to focus on in that moment comes at the expense, potentially, of something else. I mean, I have 30 people, I have a tiny business, but even I feel the burden sometimes. What it must be like for you, I have no idea. Please tell us.

First of all, I think, the further up the organisation you get, it's always important to remember that your job is to work on the things that you need to work on, as perhaps the things that you might like to work on. Because, broadly you can work on whatever you choose. I would split my week probably into a third, a third, a third. About a third of that will be operational stuff, just helping run the business. Helping my colleagues, whether they're in one of the markets in Europe, in Austria, or Switzerland or Italy or Germany or here in the UK. Just run the business. And why that's important is because Sky is a very big, operational business. We've got a huge footprint now. So you can't let the business get too far away from you. You need to be very tuned into it all the time. Then using my experience really, more than anything, to spot patterns, to question when things perhaps are not right, to be part of the solutions when we're moving forward or to support and celebrate success. I'd say a lot of my job is to search for success in the business and then celebrate it, because that says, "If we can do it here, we can do it everywhere." And, that can be a very stimulating, motivating thing for people to hear. Likewise, if stuff's wrong and not working, it's to say, "We need to fix this and we need to do something about it." So, about a third of my time would be taken up in that area. About a third of my time would be very externally focused, and that's really using my position, if you like, to get into the world and to explore. To be curious, to find out what's going on. And, of course, one of the things that I've learned, particularly in our sector now, on the whole, if I call somebody up, they're going to take my call. That's not for me personally, that's my position. So I need to use that for the business. To explore, and then from what I find to bring that back.

To be, in effect, an ambassador.

The ambassador, often the scout. The person who's currently going across the horizon to see what's going on, and to bring that in to make sense. And then, typically a third of our time is really spent on what I would describe as the 'how' of the business. So the how is really your organisation, people, our brand. So, how we go about it. I think, I've often, throughout my career, broadly the business does two things. It's the what, the sort of specifics, but it's also the how we go about that. I spend probably about a third of my time on that. And that could be everything from working very much in sort of the organisational level and policy. It could be on training and development. Or it could just simply be coaching or mentoring somebody and helping them through perhaps a difficult time, or if they're starting a new role. Just to be able to give them a bit of advice, and steer them in the right direction as they get embedded in the new role. So, broadly, that's what I do. Underneath that, because we're in everything from TV content creation all the way through to broadband engineering, there's an enormous breadth of opportunity and issue that you cover. Literally you can come in in the morning and can start the morning on installing satellite dishes in homes somewhere, all the way through to creating the next drama series for Sky Atlantic.

Are you ever at a friend's barbecue one idle summer's afternoon and someone comes up to you and challenges you that their broadband installation's been a couple of days late? Do you ever get that kind of thing?

Well, I...

"Oi you, you're the boss, sort it out", type of thing?

So, yes. Fortunately, not very often because actually our service is so good and we've worked really, really hard at that. So, that has changed versus if I cast my mind back to, say, 2007, I would get a lot more of those questions than today. They've largely disappeared. We've been the leader of service provision in our markets every quarter consecutively for four or five years, I think. So, that's good. But, what I will get a lot of is a lot of views of Sky and what we do, and I really like that because Sky is a business that everybody who has it has an opinion on. They're involved in it. They'll see the good, they'll see the not so good if they're not very happy about it, and they'll talk about it. So, that's actually very helpful, because it gives you this enormous echo back just from customers, and you can take that and then match that with what you're hearing from the business. And hopefully those two things are the same, but occasionally there's a bit of a gap and that's where you need to sort of scratch and find out what's going on.

And, in terms of self-development, how do you stay on top of your job as well as working in it? You've got to hire the right people and set the right culture. So, how do you keep an eye open for high-flyers in other organisations? Sky's such a technologically driven platform as well. Do you often pop over to China or Hong Kong and go to trade shows to see what the future of technology is? Because you've got to have an eye on where things are going to be 10 years

from now, because it might be an incredible opportunity for Sky, or it could be a threat.

Exactly. Getting on the road and exploring what's going on elsewhere in the world. Listening to trends. I mean, one of the things I do is I'm a non-executive director of Burberry. If you take fashion, the luxury fashion markets generally in Asia and China in particular are enormously important to those markets, so you get a constant stream of thought and ideas that are coming from there, which I can bring back into Sky. Just going out and using the network, talking to people and having time to do that. Quite often, if I'm traveling, I'll take a day, particularly perhaps if I'm in a city I've not been into for a while or not been there before, I'll take a day at the end of that trip and just look around.

Take in the air.

Take in the air. You can learn a lot I think by looking at retail, looking at what's actually going on on the High Street. What's new, what's different that you can see in the UK. I think just having that mindset, it can be enormously productive, actually. So I'll do that. If you've travelled halfway around the world for some business meetings, why wouldn't you take a day to spend a little bit of time seeing what's going on in the zeitgeist of those markets?

How important is retaining premium sport in terms of the retention of the customer base? I mean, I have a quite a unique view on televised sport insofar as I consider it to be a complete waste of time. I've never watched a game of football on television in my life. What I like though, as a Sky customer, is I don't have to pay for Sky Sports and therefore it doesn't concern me, but I imagine a lot of people have Sky primarily so that they can access the football.

So, our sports business is a great business. You can pick any of our markets in Europe and it's really fantastic, actually. And I think the quality of what we produce, the way that we innovate and showcase sports in an entirely different way is, in my view, unsurpassed anywhere.

I'm not convinced. I'm not going to watch a football match if that's what you're trying to persuade me to do.

I'll have to twist you on that! Anyway, the sports business is a great business, but it's only part of the business today. When I joined Sky, almost all of our customers would take sport and movies. Today, as a percentage, for example in the UK, probably a bit less than half would take that because we've grown in so many other areas. So it's a great part of our business. It's part of the heritage of Sky, and we love it, but it's only a proportion of the business now because we deliberately sought to get broader. To your point, there's a lot of people in households who love sport, but there's a lot of people who don't. So we've got to develop, and have developed, new services to convert those people to Sky. And, we can do that in a way that complements everything that we do with our sports business.

What drives me and retains me as a Sky customer is a lot of the content you generate. So, for example, you've had huge success at the TV BAFTAs recently with Patrick Melrose. I think for me, it's a bit like going into a cafeteria. I don't have to like everything that's on offer. I can pick and choose the things I want. I still like the café overall.

Yes. Completely. I think, I can see it in my own household, you know, I watch a lot of sports. My son Matthew loves to watch sport, my daughter Emma is sport. My other daughter Juliet and my wife Rachel a little bit less so. So how do we find something for them? And I think that's just a very normal situation of any household across the country. So, investing in, whether it's Patrick Melrose, or the high quality dramas, whether it's investing in some of the great comedies we've got, these are great ways that we can build and extend our business. Sky Arts, for example is a very, very good example of that. And that's a channel that we've created a number of years ago and we've invested reasonably significantly in. Not bigger in the overall scheme of Sky, but big perhaps in terms of arts programming. And, what do we know? Well, we know there's a relatively small group of people who want to watch a lot of the arts. There's a lot of people who would like to watch some arts programming, but they tend to be very, very passionate about that. We can serve those customers brilliantly, and that may well be the reason that they get and stay with Sky, and that's just fine.

And the huge investment in movies that you've made. As a Sky customer, I often see that you've made a film and it's debuting in cinemas and on Sky in the same day. I mean, that would've been unheard of 15, 20 years ago. In the old days, it was at the cinema, then it was on DVD for rental, then you could buy it, then it was on Sky and then it was on Terrestrial TV. Now it seems it's all over the place. You can't predict the journey that a movie would make. I've seen things debuting on Sky where I thought, "Isn't that still on at the cinema?"

Yes. Very much, and I think we'll see more and more of that. And, that really, that's a reflection today of how people want to live their lives. So, the old world of perhaps we were willing to either see a movie or wait until it went to the retail market, then came into the pay-TV world, those things are starting to break down now. So, for us, if we can create, go upstream and get movies to our customers earlier, perhaps at the same time as it's in cinema, we can only just give people a better choice. And, they can say, "Well, I can go out to the cinema with my family and that's a great experience, or I can watch it at home as well." So I think we'll see more of that. I think we're going to see windowing in the way that rights are sold. I think that all of that's going to change quite dramatically over the next few years. But it's really driven by customers and customers' behaviours and what they want to see and when they want to get access to the content.

And, who do you see as your competition in terms of competing for attention, for eyeballs? Because it doesn't necessarily have to be other broadcasters. I've got the Sky App on my phone, but I've also got Netflix, but I've also got the

Times, I've got Grand Theft Auto. I've got other things that could pull me away from watching Sky content. Is the way that technology has changed and the increasing reach of YouTube and social media where there's lots of other things to pay attention to, is that an opportunity or is that something that's coming at a cost of me spending less time watching Sky?

So, a bit of both. The good news is, is that I think it all varies by device, by location, by day part. If you look at the core viewing experience and the amount of time people want to consume video and TV, actually, that's been very robust. Now, we're seeing changes with less of that with younger demographics, younger people. The older you get, typically you'll have more traditional viewing, so that'll stay more the same. But, broadly, people's appetite to watch video is very, very strong. Now, if you go away from that and you think of perhaps of out-of-home consumption, on the one hand, we're more able to get a service like Sky to customers outside the house than we've ever been able to before. In fact, I was just looking at the weekend at some of the viewing figures for the end of the football season. And, of course, this has been a season where it's gone right down to the last game. Our out-of-home viewing grew enormously, because people wanted to get access to the results, to clips and goals when they're out and about. So that, on the one hand, is an opportunity for us to do more and to get Sky service to you wherever you are. Conversely, though, there will be more people will compete in that space. As you say, it might be, you have a choice to read a book, or listen to a book, or listen to a streaming service or to read the paper or just to surf other apps in the net. So I think we'll see a bit of both that's there. But, that's the nature of a vibrant market. The great thing is for us, is we've never been more capable to get our content to our customers more easily. Coke used to, I think, used to talk about 'within the arm's reach of desire' was their goal in terms of getting Coke to people, and we're sort of within the button click of desire today. So, if somebody wants to see Sky, you never want them more than one or two press of a button away from it.

Now, we've spoken about what a typical week is for you, but my next question is, what's top of your to-do list at the moment? Like, what are the major few things that you want to take things to the next stage with?

So, our expansion is right up there and how we think about growing in our existing markets and launching some new categories and services, but also potentially going further afield.

Into new territories entirely?

Potentially into new territories, and we're thinking about that. That's one part of our future plan. Secondly, spending a lot of time and action on our originated content business. We've got real ambitions to scale that over the next few years. I think that the work that we've done, the team's done, has been really outstanding so far, but we can take that really to the next level. Spending a lot of time thinking about the future world of technology and how people are going to consume their media, and how they'll want to consume their media in the future, and then building that into our product pipelines. Spending a lot of time on the broader areas of customer loyalty and service. I think right at the heart of a business like Sky is the brand promise and

the trust that customers put in our brand, that's one of the strongest things about Sky. Normally, if you talk to a customer, they'll believe that the service that they'll get from Sky will be reliable, it'll work, it'll be of very high quality. So I spend quite a lot of my time on that. And then, always a lot of time in the organisation. A lot of time at the front line talking to people. Having a cup of coffee, hearing what they're doing and then a lot of time working developing people. I sort of have a quite strong belief that organisations are both teaching and learning institutions, and we need to be good at both. We need to learn from the outside world, from each other, but also we need to teach and coach. I think one of my jobs as the leader of the business is to make sure a lot of my experience and knowledge passes down and through. And, if you like, I can help people coming through, perhaps get to some of the realisations I got to a bit quicker than if they just do it on themselves. So I spend quite a bit of time on that.

Yes. So the benefit of you sharing mistakes that you've made in the past to help your team not make the same mistakes.

Correct. That alone, you know, the list of mistakes I've made is pretty long! During the course of a career. Actually, that's okay. That's normal. That's part of the sort of robust nature of competition and what we do. Businesses are there to take risks. I mean, if you think of the idea of business, it's to take risks to create a return. Now, that doesn't mean being reckless. It means taking risks in a controlled way, knowing what you're doing. But if we only relied on getting it right, you'd never do anything.

You'd never do anything new, you'd never take a chance. And business by its very nature is entrepreneurial.

Exactly, and that's a large part of what it should focus on. So I can have a kind of big role in that. I can encourage, support particularly new ideas, and when we get things wrong, often my job is just to pick people up, dust them off and send them back on their way and off we go again.

Tell us about some of the initiatives you're involved in out of the business. I get Team Sky. It's great. It's also great for brand building so I can see the commercial imperative. But, when you look at something like Ocean Rescue, it seems an incredibly worthy initiative. Where did the genesis of that come from? Because someone at some point must have said to you, "This is important and now we're in the business of changing the world for the better."

Yes. I think my own view is that all businesses operate in a broader ecosystem, and the idea of business being away, independent of that, only focused on itself, its own financial performance, I don't think that's right. I think increasingly if we look at how the public are thinking about big business, we hear that time and time again. One of the things I do is I chair an organisation called Business in the Community. We've recently done quite a lot of research actually on how people perceive big business in particular, and it's very interesting what people will say. They'll say that the environment is very, very important to them, and they want us to see they're concerned about the environment, and they want to see business do more. They'll talk about young people a lot and the idea that business has a role to give the next

generation opportunity to get on the career ladder and do better. They'll talk a lot about showing up. Now, when people use the phrase 'showing up', it's about contributing in your local community. It's about paying your taxes. It's about being responsible about what you do and seeing that bigger picture of where you exist and where you're successful. The final thing they would talk about is seeing businesses being willing to work together. Not always just work for its own ends, but be able to partner with perhaps competitors on some issues for a greater good. That sort of thinking, if you like, which I think is very prevalent. It's really always been part of our view of Sky. We don't exist in isolation and we want not just to be a successful business, we want to be a good business, and we want to contribute to the communities in which we work and we thrive. So, that might manifest itself in work on the environment, Ocean Rescue and focusing on plastic pollution, pollution of the oceans, single-use plastics in particular. It's a core part of that we're working on today. Prior to that, we worked in the Amazon rainforest to save a billion trees by making them more valuable alive rather than dead, that was incredibly successful. And we've got a big focus around our own environmental footprint in the business as a whole. So, it could be that, it could be the work we do in schools, particularly around sport and grass roots sports initiatives, and encouraging more people to come into sport. So Team Sky was very much about that. It was this idea of an inspirational journey to create the first British team to win the Tour de France, that would encourage more families and young people to participate in cycling and get on their bikes for fun and fitness. And if you look across the UK today, you can sort of see that.

It's win-win, isn't it, because you're doing good, but without being cynical, you're being seen to be doing good as well. Not that that's the primary motivation, but it's clearly good for both. For the people you're helping and for Sky, including raising morale, I imagine, within the organisation itself.

Very, very important. Whenever we've done an initiative like this, the support that we've had from all of our colleagues, and our broader supplier base as well, has been really quite exceptional. Only a couple of weeks ago, I was on a volunteering day. Everybody went out and volunteered in their local community, and I had a chance to spend some time with different colleagues, and it was one day, yes. We all enjoyed it. We did some good. We got some exercise and some physical activity. Felt that we were doing a little bit to contribute. Of course, when you gather that up across 30-odd thousand people in Sky, and there's a similar programme across the whole Comcast organisation – the organisation as a whole had volunteered something like 250,000 days of effort in local communities, making a difference. Why can't you like that? I mean, it's a great thing to do.

What's your personal journey? When you started out in your studies and you were doing your degree, did you always want to... did you think, "One day, I'm going to run a global media behemoth." And what's next for you?

So, no to that.

You didn't have Bond villain levels of ambition?

No, I never, no cats. None of that sort of stuff, no. I grew up in a working-class community in the north east of England. I observed a lot of change there. The mines closing down, a lot of change in sort of manufacturing and engineering. One of the things I thought was very sad at the time was not so much that those environments and industries had to change, because they did. It's that really nothing came behind. I think for a long period of time that left a shadow. Certainly my father's generation and my mum's generation. I saw many of my father's friends, good men, really, really good people, never really worked again. And so, I think early on I had this idea of the sort of power of free enterprise to create opportunity in communities, and that stuck very closely with me. When you remove that, when you removed employment in the role a business could play, how negative that could be. So, I think my initial drawing to business came from those sorts of areas. My generation was the first generation to go to university. And then, my first really big break actually was when I joined Procter & Gamble. P&G is and was a wonderful business. It was a very, very responsible business. Thought everything it did, when I was there, and I think continues to this day, always started with consumers and the customers. And it was drilled into me early on to start every conversation, every idea with, "What's the consumer benefit, what does the customer want?" That's your North Star, and if you keep tacking to that North Star, you'll do well. And so, you know, it went on from there really.

What did you join P&G as? What were you doing?

Well, I qualified as an accountant. So, my career pathway for many years was through finance. Actually, my first job was a cost accountant at a factory we had at the Tyne Tunnel. And we were actually in the process of closing it. One of the things that we did was we worked with many of the guys who worked on the lines. They would create additional modules to develop their skills. I can remember earlier on having to convince one of my colleagues there that he needed to help me with cost accounts. This was a man probably in his 50s. He was going to find future employment difficult. Early on, that's quite a tough thing to have to do, and yet he was so voracious for improvement that he was very, very keen to do it and he threw himself into it. So, I sort of started there really, and then it went on. I worked across many, many categories. I worked in Europe for a while.

Is this still while at P&G?

Still while at P&G, yes.

How long were you there for?

I was at P&G for about 13 years.

Oh, wow, a long time then.

Yes. My last job there was, I was finance director for the healthcare business outside the US, which was a fantastic business. We grew that business from almost nothing to be a very successful business over time. Actually, the only reason I left P&G was my wife's a doctor, and one of the quirks of the medical profession is that if you're going to work abroad, you typically have to keep re-qualifying, which is sort of odd if you think about it because human beings are pretty much the same every other world over but...

An elbow is an elbow in whatever territory you're in.

So we really needed to stay in the UK, or be based in the UK, and from there I joined the Dixons Stores Group, became finance director there, and then from there I joined Sky in 2004.

Obviously, it's been well over a decade. Tell us about your journey. What have been the learning outcomes along the way in terms of your own personal journey?

I would stand back and sort of say, at the start of your career, you've got sort of total control, if you like, over a very, very narrow area, which doesn't have much impact. It may have quite a big impact in terms of what you do, but if you think of the enterprise as a whole, it's pretty small. And, at the end of your career, you almost have zero control and your impact is total. So, the skillsets that you require change enormously. And of course, one of the challenges for many people is that much of their early success is driven by the direct contribution in areas in which they have control, and much of their success later in life is about the ability to get success through others. To sort of let go of direct control, but to work with colleagues, work more broadly, and work through others. And I think one of the big things that people find difficult, is learning to change that skill set over time – but it's the only way you'll ever create capacity. It would be impossible for me to do my job if I wanted to control everything.

You can't present the news and install satellite dishes, and run the call centre.

Exactly. So, you have to really think very, very differently then, about how you're going to influence the business and what your role is. I think one of the great challenges for many senior people I see is that they're all too busy, but they never want to give anything up. Actually, the smartest ones learn very quickly that actually by reducing, perhaps, their functional responsibility to allow them to have a bigger impact across the business is the way that they can actually achieve more.

I suppose your biggest influence on the organisation is setting the overall tone and culture and direction of the business, is it not?

Very much so. And I think, having grown up through finance, one of the things that you realise is that the rule book actually, you get less and less enamoured by the rule book because you realise of its limitations, and that so much more of the business is driven by culture. About the environment, about the idea of doing the

right thing, about getting people in the right place, and allowing them to apply their judgment against a strong frame of values. So it's only really values here that are the immutable thing. They're the things that we say we demand, and say we all have to share a common set of values. But how you show up, you know, your behaviours, as long as they're not getting in the way of somebody else or your own performance, be yourself. Be your best self at Sky. And that has to start at the top. It can't start anywhere else. I think a lot of what you can do and hopefully is live those values, show them to your colleagues, show them in the business. In the tough times, be willing to take those decisions that back them up, and then people will respond to them.

Someone once said to me a while ago that, yes, the fish does rot from the head, but it can also prosper from the head; if organisations are run well, then you're almost not thanked for it because people tend to focus on isolated examples of when things go wrong.

Yes, 100 percent I think that's the case. Often, those circumstances are really when you do your best work. When the business is under stress, where something does happen, and how do you really then lead and set the example and direct the business? You're right. When the business has the wind at its back, and momentum, then it's never easy, but it's easier. When you're actually running the business in the hard times, that's more challenging. Now, professionally, you know, I like that. Because I think over the course of a career, you want to do both. You want to also be able to challenge yourself when things have been tough. Certainly, the journey on Sky has not been easy. There's been times when it's been really challenging, but we've come through that. And, of course, when you come through it, then the next time you face that imposter, as they say, you're just much, much better at dealing with it.

Is there a kind of existential weight of leadership? Because you are running a global business with many thousands of employees. I look at the prime ministers we've had recently and you look at, say, Tony Blair and David Cameron, they seem to thrive on that. They thought that this was an opportunity to do it. Whereas Theresa May and Gordon Brown, it seemed to weigh very heavily on their shoulders. All four of them were doing the same job, but two of them were made miserable by it.

I think it's always there. The things that I worry about from time to time, is you worry about the people at Sky, you worry if you ever let the business down. These things at times can and do weigh on you, but you can't allow them to consume you. You have to be able to compartmentalise and deal with those. One of the great things that my parents actually gave me is that, through my early childhood and through school, time and again, they just said, "Do your best." And, that's really sort of stuck with me. I think, actually, if you just do your best, you just expect and believe that everybody else is just doing their best, you'll be in a good place. So, there's pressures of course. There's challenges. At times that can be acute, but that is what it is. What's important is we stay focused on the fundamentals, we stay true to ourselves and we do our best at all times and have a belief that we'll succeed. That tomorrow will be

better. That way, if you can capture that, then you're going to be okay because you're going to be able to keep these other things into perspective.

Can you tell us a bit more about how you've developed the culture and the working practices here at Sky? Clearly there's a Sky ethos. How purposeful, how directed is that? Is some of it almost autonomous as well, that it's unconscious?

Yes, I think at one level there's sort of standards, if you like, that we apply across the business. The second is to be very, very inclusive, and to try and attract talent from all areas. And then, let people be themselves at work. And I think everybody is at their best when they're their best self. So, creating an environment, if you like, where people can do their best work is so productive. And then, of course, when people feel that, they'll give more and more of their discretionary time to the business and put more of their effort into the business, and we'll get a benefit as a consequence of that. And then, the third thing I think would be the physical environment around you. So, this site we're on today, this is where Sky was set up back in the late 80s, and we've always wanted to stay here because this is where the business was formed. In fact, you mentioned Rupert Murdoch before. Rupert's original office was just over our shoulders here.

I've been here many times, and I have many fond memories of visiting Sky.

And you've seen a change, no doubt?

Very much so. I remember the very first Sky News studio that I was in. I used to do that many years ago. But, one of the things as someone who's been to this site a few times, is whenever Sky News cover petrol issues and they say, "We're now crossing over to a petrol station in West London, it's always the one that's straight outside your studio. I think only if you've been here many times do you know that.

That's right, yes.

I always raise an eyebrow.

Yes. We've probably created a few more traffic jams at that petrol station than we should have done!

That's good for the environment. Why would you drive to one 50 miles away when there's one literally on your doorstep?

Exactly. One of the interesting things around here is there are stories around the local community. Because, of course, they've seen Sky develop and grow. I had a lovely conversation a few years ago with a mum, and she talked about how her kids had come down to Soccer Saturday, and would come and see various footballers or celebrities or stars, and had sort of grown up with Sky. So, we've invested in all of

our sites, particularly this site, to really try and create a brilliant working environment. Open, connected, transparent. We've got incredible facilities here.

That glass box studio is like something out of NASA or the future or something.

And right at the heart of actually what our biggest business is, and I think that's important. So, when people come into Sky, whether it's myself or colleagues or visitors, they see that TV production is right at the beating heart of this business. It always was the case, it is today, and I hope it will be for many, many years to come.

Everything internally is either directly or indirectly under your control. You can set the culture, and make sure you hire the right people and so on and so forth, but there are events, dear boy, as they say, the externalities. You don't know whether the regulators are going to get in your way or your competitors are going to launch something that they've been hiding from you. To what extent is things outside of Sky weighing on your mind?

So, not overly, I don't think. Generally, because you can only control the things you can control. Of course, if you do the right things, and you go about things in the right way, and we do, then that's the best way to manage either risks for regulation or law change or all of that stuff. So, I think you've got to go upstream to deal with that. But occasionally that happens, of course. I think a couple things are important. First of all, there's not to confuse when things go wrong with somebody who's made a mistake. Sometimes stuff just goes wrong or a regulator takes a decision, you may not agree with it. It is what it is. It's very important in those moments just to keep it into perspective and to keep moving forward. Now, conversely, it's also... I often say you don't have to be sick to get better. So actually, improvement can start from a very high standard. And at Sky, we believe in better here. We're always focused on we can keep improving. So, I think if you can create a culture that's based around that, first of all, I think you're putting yourself in the best place for more things to be going your way, and that's actually the best shield when things go wrong or come at you, and you've created the momentum to carry the business through. So, yes, our business is a huge mix of different activities. At any point in time, some stuff is working really well, some stuff is okay, and some stuff is off track. We just need to make sure that the idea that everything will be working perfectly all the time is never going to happen – I've never achieved it anyway! – and we need to make sure that more of the good stuff is offsetting, you know, some of the headwinds.

Do you think almost as a society, though, that we seem to be dividing into camps. Like, take Brexit, for example. I don't know anyone that's changed their mind on Brexit ever since the referendum was called, and it's still dragging on. Is that something that troubles you as a business operator, the uncertainty, or is it in the globalised environment, that's just one territory, albeit an important one?

I think it's one of the challenges, certainly, that our generation is dealing with. I think the nature of a lot of sort of social media connectivity, unfortunately, I think, is things

can get very, very negative very quickly. I think that's a real shame, actually. I think sometimes people confuse the news and just facts too much with hyperbolic perspective, their theories on something which get portrayed as facts.

“Sky and the BBC are part of the conspiracy,” and all this nonsense.

Correct. Yes. So there's no easy answer to that I don't think. I think certainly as we think and talk about internet responsibility, either you know, the responsibility we'll show as a business, but what we see in some of the social media giants, huge businesses now, there needs to be a change. Because it can become corrosive to the things that glue society together. And it's important, I think, also to remember that what we do, the media, is so closely aligned to culture, the fabrics of society. These things start to go wrong, they're not easy to fix. So we have to be responsible. We have to think very, very responsibly, if we're running businesses, about what's the right thing to do – and not getting overly aggressive and negative in too many areas.

I mean, I see someone like Kay Burley, who's an amazing, very accomplished journalist doing a fantastic job at Sky, who just gets a volley of horrendous abuse on Twitter every day. You know, misogynists, conspiracy theories, just downright horribleness. That would frustrate me as her employer, because there's not a lot you can do about it. You don't own Twitter, you're not on the board. How can you deal with that, or is that on-screen journalists now just have to accept that the toxicity of social media is a price worth paying at the moment if they're to carrying on doing their job and not be silenced?

Surely. I think right now it is a price, and I agree with you. It's a terrible price. Some of the things people say, it's just...

It's horrendous.

It's awful. I mean, really, really awful. Not acceptable and I think we need to see the social media giants do more. It seems to me, you know... let's take something that Sky does. You know, the cost of football. The cost of football has grown enormously over the last few years. Now, you know, we chose to be in football. Nobody forced us to do that. That was our strategic choice, and so, you're never going to find me complaining about that. A lot of the... whether it's Twitter or Facebook or whatever, they've chosen to be in their business, so I think they have to accept the costs that go with that of acting responsibly, and I think they've been too slow to do so in too many areas. Now, in terms of my colleagues, and whether it's Kay or anybody else, our job is to support them. Fortunately, we've got some incredible journalists. Kay is a brilliant example of that.

She's extremely robust, extremely strong.

Strong, yes.

I imagine it's water off a duck's back. She shouldn't have to endure it, of course, for one second, but she's clearly a credit to Sky News.

Correct, and the way she goes about her job, it's just a brilliant example, I think, of hopefully what Sky's about, what our journalism stands for, what some of our well-known faces stand for, what an empowered woman stands for. So really, our job is just to help her and support her, but fortunately with Kay, she doesn't need much help. She's very, very accomplished.

A mischievous question, now which you'd be well within your rights not to answer, but what mistakes have you made along the way? The Americans would call them "teaching moments", wouldn't they?

I think... there's no sort of big, big mistake, fortunately, that I've made, but you make lots of small ones along the way. Broadly, I think, when I've not followed my intuition and I've not listened to that voice in my head that says, "You're not sure about that," or, "Do that," and I've perhaps been too swayed by, perhaps the sort of immediacy or the logic or perhaps a short-term decision. Sometimes, I think it's easier to make a short-term decision harder to make a long-term decision. So, there'd be a set of things there, I think, where I didn't really follow my gut instinct as much as I should've done. And then I think the second thing, only really, I might look back at some of things we've done that's been successful and wished I'd pushed harder, earlier. And, experience, I think, brings with it the sort of confidence to do that. But, when you're early into a role perhaps, or you're not quite so sure, you can tend to be a little more cautious. Other than that, there's not been any, as I say, huge things. In the business, we try and we capture those things and talk about them, because they can be very powerful things for other people to hear and to learn about. And there'll be many more, I'm sure. There'll be many more down the road. But, I don't get too bothered by that. That's just part of life.

Final question then. What do you want your legacy to be? What do you want to be written on your gravestone? Spike Milligan always said, on his gravestone, it said, "I told you was ill."

I think a business that continues to go on and be successful, first and foremost. Nothing would frustrate me more if the business stumbles. So a business that goes on and is successful. And, two things I think really flow from that. First of all, an environment and a culture where people, they sort of rip it up and start again. I mean, build it. Make it better. There's never any sort of attachment that can't be changed because I think it's so important that we renew the whole time. I hope this idea of permanent renewal is now deeply embedded in the business. And then secondly, a business, as I said earlier, that is a good business. That understands that well-funded national infrastructure is important, and therefore it's important that we pay our taxes. It's important that we create opportunity for all people. It's important that we have got a very open culture environment. I mean, these are the things, for me, that Sky is being built upon, and I really hope they would continue. And the business, 10, 15, 20 years, whenever it is from now, is bigger, better but a more contributing business to the communities in which it thrives.

And what's next for you, might I mischievously ask? Last question.

Well, I've a busy day today. I have loads and loads to do at Sky, and just really enjoying that. Focused on that.

Don't fancy entering politics, becoming prime minister and sorting out the country?

I think we can say quite conclusively that will not happen.

Well, Jeremy, thank you ever so much for your time. It's been hugely enjoyable and I've learned a lot.

That's lovely, it's been very nice to speak to you. Thank you.