



The Economic Club of New York

515th Meeting
112th Year

Robert A. Iger
Chairman and Chief Executive Officer
The Walt Disney Company

October 24, 2019
New York City

Interviewer: Diane Sawyer
Anchor, ABC News

Introduction

President Barbara Van Allen

Good afternoon and welcome. I'm Barbara Van Allen, President of The Economic Club of New York. Currently in our 112th year, The Economic Club of New York is the nation's leading nonpartisan platform for discussions on economic, social and political issues. More than 1,000 prominent guests have appeared before the Club over the last century and have established a strong tradition of excellence.

I'd like to take first a moment to recognize those of our 293 members of the Centennial Society attending today. It is through their support that the Club remains financially sound and able to offer our wonderfully diverse programming, both today and into the future. We also want to welcome attending members of the 2019 Class of ECNY Fellows, a select cohort of next-generation thought leaders, sponsored by members of the Club for our year-long program. Welcome to each of you.

It's a pleasure for me to now introduce our honored guest this afternoon, Bob Iger, Chairman and Chief Executive Officer of The Walt Disney Company, one of the world's largest media companies with some of the most respected brands around the globe. His strategic vision for The Walt Disney Company, which is laid out very clearly in his new book that you each should have received at check-in, focuses on three fundamental

pillars: generating the best creative content possible, fostering innovation, and utilizing the latest technology and expanding into new markets around the world. Bob has built on Disney's rich history with the acquisitions of Pixar, Marvel, Lucasfilm, and 21st Century Fox as well as the landmark 2016 opening of Disney's first theme park and resort in Mainland China, Shanghai Disney Resort, which by the way is covered early in the book and is fascinating.

Always one to embrace new technology, Bob has made Disney an industry leader through its creative content offerings. These include new and multiple platforms, most recently leveraging cutting-edge direct-to-consumer technology to launch ESPN+ in 2018, which will be followed by the highly anticipated Disney+ streaming service in, actually November – just a few weeks from now – of this year.

Bob has been named many things, including the "World's Most Powerful People", one of the "World's Most Powerful People" by *Forbes* magazine, one of *Fortune* magazine's "25 Most Powerful People in Business," one of the "Top Gun CEO's" by *Forbes*, one of the "Best CEOs" by *Institutional Investor* many times over, MarketWatch CEO of the Year, and "CEO of the Year" by *Chief Executive* magazine.

Bob joined the Board of Directors for Apple in November of 2011. He serves on the boards of the National September 11 Memorial & Museum and Bloomberg

Philanthropies. In 2012, he became a member of the Academy of Arts & Sciences, one of the nation's most prestigious honorary societies. He's a graduate of Ithaca College and we are delighted to have him here.

The format today is a conversation and we are very fortunate to have one of the most respected journalists in the world, ABC News Anchor, Diane Sawyer, doing the interview. After more than a decade in television news, Diane joined ABC News in February of 1989 as co-anchor of Primetime. She was named co-anchor of Good Morning America in January of '99 and held the post until taking over as World News anchor chair in December of 2009. Her reporting has been recognized with numerous awards, including Duponts, Emmys, Peabodys and in 1997, she was inducted into the Television Academy Hall of Fame.

So, as a reminder for all of you, this conversation is on the record. I'd like to now invite the two of you to come to the stage and let the conversation begin. (Applause)

Conversation with Robert A. Iger - The Walt Disney Company

DIANE SAWYER: Hello, and it's great to be here with all of you. It's wonderful. I know you have the book on your chair. Congratulations on the book.

ROBERT A. IGER: Thank you.

DIANE SAWYER: Second printing?

ROBERT A. IGER: Second printing, yes. It's doing alright.

DIANE SAWYER: That's great. Well, I just want to say to everybody in the room, this is one of the best books I have read on the river of life that carries you forward and creates innovation and creative drive. And you're all thinking he's your boss right now, aren't you? He is my boss. But honest to goodness, if you pick that book up, you will find a great adventure in it.

ROBERT A. IGER: Thank you. I should say, by the way, yes, I guess I am your boss (Laughter), but I never view myself that way. I've known Diane for 30 years. That's hard to believe. And I didn't have the guts to let her interview me until about a couple of weeks ago. It can be kind of dangerous. I've seen a good Diane interview, she does probe and probe and probe.

DIANE SAWYER: And did you discover with this book – speaking of probing – that you cared more about it and the writing of it than you thought you would?

ROBERT A. IGER: Yes, well, I don't really advise writing a book while you're the CEO of a big company. It can be a little distracting. I know there are investors here. It's probably the last thing I should be saying. But at one point I was going to be retiring or leaving Disney this year, and I'm at the company 45 years, actually celebrating that tonight at a dinner, and I thought it would be a nice parting gift to all of the people who asked me for advice to write it down in a book form and to use it as kind of a going-away present to myself and to others. But I'm still around. And I ended up turning the manuscript in to Random House on time, typical of me, June 20. And when it came back and I read it – and I guess more importantly my wife read it – I got that look, which is basically, that look is, sweetheart, you can do better look. And so I negotiated an extension with the publisher and over July 4th weekend I spent 50 hours. So it was a long weekend – 50 hours – and I made 2,800 edits. So I guess I rewrote the book in five days. Yes, it was more than I expected in terms of the energy and maybe the anxiety that it generated.

DIANE SAWYER: But one of the big questions underlying it, as Barbara was saying, is in my mind, about an innovator, about a creative life, do you think innovators are born with a differences of risk and failure? Or do you think anyone can be taught it, anyone can learn it?

ROBERT A. IGER: Well, I don't think anybody can be an innovator or learn it. I think

people probably are born that way and experience draws it out of them. And what I mean by that is I think in order to innovate you must be insatiably curious. If you're not curious, then you don't try new things, you're not experimental, you don't visit new lands, you don't do anything that is particularly new. And I think everybody has a certain amount of curiosity but there are people who are voraciously curious or have a huge curiosity, and they tend to be innovators. I also think that innovators tend to be a little bit more fearless than others and not worried about failure or the people who are capable of trial and error. And I think, while I don't necessarily consider myself a great innovator, I happen to encourage innovation at the company and we look for innovators to either work with or to work for us. And if there's a common denominator, again it's curiosity and people who are just generally fearless.

DIANE SAWYER: I saw some place in one of the buildings at ABC, a Walt Disney quote which said, "It can be kind of fun to do the impossible."

ROBERT A. IGER: Yes, he...I've studied him carefully as you'd expect, although he's been gone for over 50 years so our paths did not cross, so I remember watching him on television in the 50s and the early 60s.

DIANE SAWYER: You were watching Annette Funicello. I knew you were. There were only a handful of people who know...

ROBERT A. IGER: She was a Mouseketeer, for those of you who may not remember. We knew her in black and white actually.

DIANE SAWYER: That's right, we did.

ROBERT A. IGER: Yes, Walt clearly had, he had a lot of guts and was never really hesitant to bet it all, put it all on the line. And he did that a number of times, really starting in the very, very early days, I guess one of the biggest bets he made was when he made the first feature animated film which was Snow White in 1937, which took a number of years to make and almost brought the company down then. And then years later, of course, building Disneyland which was open in 1955 and he bet the farm again. Interestingly enough, rescued in part by Leonard Goldenson at ABC who was running ABC when I started in 1974, who did a television deal with Walt, and that gave Walt...and ended up owning a piece of Disney which Walt bought back later on. So it's interesting how everything is kind of intertwined.

DIANE SAWYER: Well, as Barbara said, here we go. November 12, I look at this as the dawning of the age of the infinite streaming because Disney+ arrives, 7,500 episodes of TV, 35 original events. April 1, Apple will be there. And that's, of course, adding to...

ROBERT A. IGER: I think Apple is going earlier.

DIANE SAWYER: Did I say...November 1?

ROBERT A. IGER: Yes, November 1. You said April.

DIANE SAWYER: Sorry. Thank you. Am I still hired? Are you still my boss? (Laughter)

ROBERT A. IGER: You're still there.

DIANE SAWYER: Whew! But then out there now, with every, we've got HBO Max coming as well as Peacock coming and, of course, Netflix, 130 million subscribers. For you, what's the most important thing you're going to be watching for on November 12 and the days after?

ROBERT A. IGER: Well, first of all, you're seeing a mass migration and for good reason, because that's where the consumer is going to. Basically a steady march away from traditional linear television to more program viewing and program viewing, you know, when the consumer wants it, not when a network tells them they can see it or should see it. And also this basically over-the-top digital platform which can be consumed on a variety of different devices, from flat TVs mounted to the wall to obviously mobile phones and tablets, etc. and so on. And so, in my opinion, what you're seeing, all the creators and some of the traditional distributors do, is follow the

consumer. And maybe you could argue, you know, being just slightly behind where the consumer is, if you look at what's happened with the growth in this space in a very short period of time – Netflix, Amazon, probably being the two most obvious – the signs are all pointing in this direction in terms of what the consumer behavior is. So there's a little catchup going on across the board. We're obviously mindful of not only the imperative to go in this direction but we're mindful of all the competition. But the company today, and Barbara mentioned this in her introduction – her kind and generous introduction I should say – is a collection of very, very high quality, well-known, in-demand brands starting with Disney but including Pixar and Marvel and Lucasfilm, we use Star Wars primarily, and National Geographic, which came with the acquisition of 21st Century Fox and other sub-brands or franchises like The Simpsons. And that collection of brands are the anchor tenants of sorts, the anchor content of Disney+. And both the library product that you refer to and all of the original product that's being made will be made under those brand banners. And those brand banners not only are meaningful to the consumer because of the connection to the content that has been made under those brands and the connection but they're also navigational tools. So, if you look in the space today that's out there, and I'm not in any way being critical of it because some, like Netflix has done an incredible job creating a tremendous amount of volume in a very short period of time of content and a huge subscription base, in our case we're going in with enough volume – you've cited some of it – but our play is not really a volume play, it's a branded play. And because of that, we believe that we have license

to invest somewhat less in it but push basically the brands out and leverage the connection that we have to consumers with those brands.

DIANE SAWYER: So, a year ago when Barry Diller said to the people in this room, in this very forum, “I don’t think it’s rational to compete with Netflix, they’re too far in front,” what do you want to say to him?

ROBERT A. IGER: Well, I think, first of all, I think I challenged him when he said it, like, come on Barry.

DIANE SAWYER: Rationally.

ROBERT A. IGER: I think there’s room in this space, this new space for a number of entrants and partially because of the migration that’s going on from traditional platforms to these new platforms. So, in other words, there’s room for consumers to subscribe to more than one of these services and I’m convinced they will. So while one could argue we’re competing with Netflix, it’s not really the case. We’re competing for consumers’ time and money is what we’re doing. And we’re doing so with a very differentiated product. And so to the point I made earlier, although there are a number of entrants in this space, no one has the products that we have and the brands that we have. And thus, we’re not only confident in terms of doing it, but we believe we will, we set

ourselves apart both in the consumers' minds and from a business perspective.

DIANE SAWYER: I read it in the newspaper – it must be true – that you were on looking at the app and fixing the app. Have you screened most of these original entries?

ROBERT A. IGER: Yes. So, this is the most important thing we've done in my tenure at the company really. And I think, well, you know, not only the level of investment that we've made financially, but the time that we're spending doing it and the disruption that we're creating for ourselves. And when I allocate my time, which I have to do all the time, you know, I have to figure out how I'm going to spend my time, my priorities typically track, one, things that I must do. The CEO has to be at board meetings and non-earnings calls and there are things I just have to get involved in. Then there are things that are large enough or so large that someone in my position should be involved, either because of the level of capital that's going in or the importance to the company. There's another bucket of things that I get involved in if I think I can make a difference. And then the last set of priorities is what I think is just fun to do. You know it's fun seeing movies, for instance, or riding theme park rides.

DIANE SAWYER: How many times do you screen a movie?

ROBERT A. IGER: I screen most of our big movies probably five times. I see them in

very early stages and then all the way through. And so with the Disney app, with Disney+, and this is so important that I've spent a lot of time with the design team – in fact, I'm rushing from this meeting to Chelsea Market where our technology team is that has built the app and is going through the final phases – and I've been working with a beta form of it for quite a long period of time. I guess you'd call it a beta form, but it's a closed beta. And I spent two hours on Monday afternoon basically drilling all the way down trying to be a consumer and trying to look for places that I think we either need improvement or...and one of the things that I was really focused on is the debate between to what extent algorithms are going to drive the menu and to what extent human beings will drive what we serve.

DIANE SAWYER: Well, that's what I was going to ask you. For all of us, as consumers, do we have to make a Darwinian leap now of some kind where we are out there going, grazing from streaming service to streaming service, trying to be understood, trying to find – in my case – the Danish mystery involving a tired detective which they all seem to do.

ROBERT A. IGER: Is that a pitch? That will not be on Disney+. (Laughter) Unless the Danish detective is a mouse or a duck or is wearing a storm trooper uniform.

DIANE SAWYER: I suspect my algorithm says likes tired people.

ROBERT A. IGER: Look, I think the good news for consumers is that most of these services are month-to-month subscriptions. So, you know, in terms of how Darwinian it is, you know, you're not risking that much.

DIANE SAWYER: Overwhelming...

ROBERT A. IGER: Overwhelming, I mean I think we're going to, we will go through a period of time where there will be a lot of consumer experimentation but at relatively little cost to the consumer. And I think these services, hopefully ours as well, are so consumer-friendly, are so designed to answer what I think are the consumers' needs or interests today, that they will feel much more contemporary, much more relevant, much more user-friendly. You know we've seen a huge shift in authority from distributors and creators to consumers. That's what technology has done. One could argue that technology has empowered those that have created the technology, and I actually believe that what technology has really done is empowered the consumer or the user of the technology. It's access. It's choice. It's the ability to change. It's far more control. And it's localized. And you saw this, we could go back a few decades, you saw this with the television when it went from changing a channel on the set to sitting with a remote control in your hand. Suddenly that remote control put power in the consumer far more than it had ever been because you used to have to get up to change the channel. And

that friction, that having to get up meant that it was harder to do. So if you went to sleep at night watching The Tonight Show, you probably got up in the morning and watched The Today Show because it was on the same network. You didn't change the channel. All of a sudden – that's just an analogy – some people remember what it was like having to get up and change the channel. I try to explain that to my kids. (Laughter) Although a certain person who is seeking the presidency mentioned a record player in one of the debates and I imagine all of America is like, what is a record player? (Laughter) Someone who plays with those X-rays at a dentist office, the record, I don't know. Anyway, so I think what you've seen is a big shift in power from the distributor and even the creator to the consumer and that's what you're seeing now. So going back to your question, I don't think the consumer has to worry. I actually think it's the consumer's delight in terms of how much choice is available and how much the consumer can really basically determine the choice for themselves.

DIANE SAWYER: You're going to run for president?

ROBERT A. IGER: No.

DIANE SAWYER: That was fast.

ROBERT A. IGER: Yes. It's because I hear my wife in my head. I considered it, at some

point. Not all that long ago. But no.

DIANE SAWYER: So, it's done?

ROBERT A. IGER: Yes.

DIANE SAWYER: Because Oprah has said she's going to go door to door, hand out the pamphlets herself. Jimmy Kimmel said he'll be behind her.

ROBERT A. IGER: When Oprah said that to me, my blood pressure went way up. I wish I had a cuff on at the time. Anxiety just...it sounded like a good idea once in my life.

DIANE SAWYER: Okay, I'll take you at your final answer.

ROBERT A. IGER: Notice I'm trying to change the subject.

DIANE SAWYER: I know. Final answer, I'll assume. Looking back at this long career, 14 bosses, 20 jobs, I think you've said one of the biggest changes in your life is that people don't want to get in the elevator with the head of the company and that's a sad reckoning. I've seen that when people come out and say, I was in the elevator with Bob Iger and I couldn't think of anything smart to say for three floors.

ROBERT A. IGER: By the way, you and I started as weather people. You were a weather person.

DIANE SAWYER: Right. We were on the same career path.

ROBERT A. IGER: Yes. You did better than I did in that regard. You were good at it. I was not.

DIANE SAWYER: You've said you weren't good on the air. Why don't I quite believe it?

ROBERT A. IGER: I wasn't. (Laughter)

DIANE SAWYER: But I couldn't even see the West Coast of the map because I didn't have contact lenses.

ROBERT A. IGER: I was a weatherman for a year and I wanted desperately to be Walter Cronkite or a television anchor person. I guess I wanted to be you too. And I looked at myself at 23 and thought, nah, I'm not going there. I just didn't have the confidence really in my ability. And so I ended up getting a job as what was called a Studio Supervisor at ABC 45 years ago.

DIANE SAWYER: For \$150...

ROBERT A. IGER: \$150 a week, and worked my way up, 14 bosses, 20 jobs. Here I am.

DIANE SAWYER: And you started out in Oceanside, Long Island.

ROBERT A. IGER: I was born in Brooklyn, raised in Nassau County, Oceanside, yes, very modest beginnings.

DIANE SAWYER: In the book, you write so movingly about, first of all, your jobs as a summer janitor, you had a paper route, you made pizzas, you scraped gum off of the bottom of desks.

ROBERT A. IGER: My father was a highly educated man and a very, very intelligent and talented man. He was a jazz trumpet player. He went to Wharton, got a degree in marketing. But he had severe manic depression and so he couldn't hold jobs. He would get angry quickly and that doesn't usually serve a person well in terms of their career. And it reflected obviously in, well, the family economics I guess. And so early on in order for me to have spending money or, I don't remember contributing to the

household kitty per se, but I had to get jobs. And I was a stock boy at a hardware store and I was a custodian or a janitor for two summers at a junior high school. I scraped gum off every desk, yes, to get the desk ready for the next school year. I guess it taught me how to be CEO of The Walt Disney Company at some point. (Laughter) And yes, through college – he paid for some of my college, but I contributed heavily and so I made pizza at a Pizza Hut and did a variety of other things. I never had a paper route.

DIANE SAWYER: Oh, okay.

ROBERT A. IGER: But all those things are, I think, and by the way you're right, people don't want to get on elevators with me. I guess I really didn't respond to that. But I used to think if I got on the elevator with a boss, it was an opportunity maybe for advancement. But for some reason, I must intimidate people. And like, I'm on the elevator, the doors are still open, I can see someone coming and then they see me, and all of a sudden, they slow down. (Laughter) You know you wonder.

DIANE SAWYER: It's not personal.

ROBERT A. IGER: Of course, the button in an elevator is never big enough, the open door button. When I come back, I'm going to reinvent how elevators are designed. The biggest button should be open door, but you can never find it. Right? So you're never

quick enough because it takes long enough to find it.

DIANE SAWYER: That is true. You say you don't get involved in details but you're going to reinvent the elevator. And I remember one time...

ROBERT A. IGER: That's my next innovation.

DIANE SAWYER: One time you actually, I think you spent like 15 minutes talking about the shower curtains in the rooms at the hotels at the Disney property because it turns out shower curtains really matter to the people there. I'm glad if you don't remember this and I do. But I thought, my goodness, the level of...

ROBERT A. IGER: I think details matter but I don't know that someone in my job should necessarily be talking about that. I did learn along the way, because we have, I don't know how many, 35,000 hotel rooms, that the trend in shower curtains in hotels is a round curtain rod and not a straight one, if you really want to know.

DIANE SAWYER: Here we go again.

ROBERT A. IGER: I think actually there's another trend which is not to have any curtain and not to have a lip because people trip over that.

DIANE SAWYER: Right, right. Moving along, in the book you write about life and looking ahead and thinking it wasn't about being successful, it was about making sure – I guess because of your dad – that you didn't live a life with disappointment.

ROBERT A. IGER: Yes, he was, I mean he was tormented with disappointment in himself and extremely self-conscious that someone who had so much promise ended up basically not really fulfilled in so many different ways. Although, you know, I have a great sister and we were happy as kids as far as I remember and I thought he had a lot to be proud of. But he was never, he never felt good about himself and so if there was anything that was driving me as I embarked on a career, and particularly in the early years, was not to be him in that regard. It wasn't that I viewed him as a failure. It's that he viewed himself as a failure and I never wanted to view myself as a failure. And I sat down with him, he died in 2011, so he lived long enough – I became CEO in 2005 – to see this happen, which was great to see through his eyes really because there was huge joy in his son – I'm the oldest of two – becoming the CEO of a company that we all grew up loving. And I remember trying to liberate him a bit from his own disappointment in himself by essentially telling him not only what I thought of him because I had considerable high regard for him. He was so well-read and he introduced me to...he was quite worldly actually so I read newspapers when I was a kid because I was interested in the world. And all his influence, I was interested in music although I never played

anything. And I tried to tell him basically that it was okay to be him, that he did alright. And I'm not sure that I ever quite broke through in that regard. I think his disappointment in himself was so deep-seated that it was impossible for me to – even at that point in his life – when it mattered maybe less, I don't think it necessarily penetrated.

DIANE SAWYER: But thank heaven he got to see what you were doing. I want to make sure we'll have time to cover some of these because some of the most, sort of stunning, progressions in the book are the way that you talk to a series of epic founders of monumental things from George Lucas at Lucasfilm, from Stanley at Marvel and, of course, Steve Jobs. And the only time in the book, as I remember, that you said you were actually nervous was when you placed a call to Steve Jobs to say what if we buy Pixar.

ROBERT A. IGER: Yes, that was a crazy idea. When I became CEO, we had gone through about a decade at the company of mediocrity and failure in animation. And if you looked at the history of the company at that point, as animation went, so went the company – through Walt's early days and Michael Eisner's great decade of Lion King, Little Mermaid and Beauty and the Beast and others. And it drove so much else at the company in terms of our business, and I think the perception of the brand and the company was at its highest when animation was great. And so I knew in getting the job, aside from the fact that my wife quickly reminded me that the average tenure of a

Fortune 500 CEO is like four years, so basically saying two things – interestingly enough – one, don't get too used to it, that was kind. And two, go for it, which is really what she was saying. She basically was saying don't be timid. In other words, you got your shot, take advantage of it. So, in thinking about how to turn animation around at Disney, which is no easy task because it starts with talent, I scoured the industry to look for talent that we could infuse into the company to do just that. And it was a priority of mine when I got the job to turn animation around. I also knew that – from a number of entities, including Wall Street – that if I did not show basically a turnaround there, the pressure would be on me. So, the conclusion that I reached ultimately was that the best approach was to buy Pixar because they had all the talent. And the relationship with Pixar, which had been a good one commercially, had frayed to the point of actually tearing or breaking just prior to my getting the job, meaning Steve Jobs announced that there would no longer be a relationship between the two companies. And so I, the first thing I did with Steve was I agreed to put ABC Television shows on the video iPod, which was a breakthrough for him because it showed that a traditional entertainment executive was willing to embrace new technology to reach customers, which he was surprised at. And so I basically, I guess maybe, I built a bridge with him through that negotiation, that relationship. And then in my first board meeting as CEO, I laid out to the board the priority of turning animation around and the potential solutions and I mentioned buying Pixar to them, but I said a few things. First of all, to my knowledge it's not for sale. I had never engaged in any discussion about it. And secondly, if it were for

sale, it would be extremely expensive. It's not the greatest thing in the world to do as a CEO in your first meeting with the board to say I'd like to go out and spend a few billion dollars – it was \$7.4 billion – on an acquisition. And I think the board was kind of stunned to the point that I didn't get a no and I didn't get a yes, but mostly because they thought it was so far-fetched it would never happen that they didn't have to worry about it. So we finished the board meeting and I called Steve the next day. And I was very nervous, and I guess I was in my car and I had already arrived home and so I turned the car off but the phone rang. I guess I had left a message for him and he called. And I was sitting in a hot car sweating about to say to Steve, I got a crazy idea. Anyway, then what unfolded was that. I said, I have a crazy idea. I'd like to come see you. I quickly discovered that if you said to Steve, I have a crazy idea, he needed to hear it right away. (Laughter) Like right away. No, tell me now. And I tried looking for every excuse. I'm in the car. The windows are closed. He didn't care. Tell me now. So I said, well, I've thought about this a bit and I'd like to talk to you about buying Pixar. There was a pause. And he said, well, that's not the craziest idea in the world, when you get some time, come up and we'll talk about it. And that led to, the first meeting that I had with him, we stood in front of a whiteboard in the then-Apple boardroom, which was in their old headquarters. And he had the marker in his hand, I didn't get to have it, he did all the writing. (Laughter) And he said, well, let's list the pros and the cons. And he said, you want to go first? No, please, you go. And he listed like ten cons. I mean it was just one after the other after the other. And I said, well, based on what you just wrote, why

are we talking? He said, no, no, no, let's list the pros. And there were a few pros. And then I did the math and I think there were three pros and 15 cons. And I said, well, I don't know what we do next, but it doesn't look like we should spend much time on this. And he said, no, the pros outweigh the cons. And that led to my going to Pixar and meeting all the directors and the rest is history. We bought Pixar for \$7.4 billion and he became our largest shareholder and a member of the board. And we turned Disney animation around and it worked.

DIANE SAWYER: In case you haven't heard the story or read the book yet, a half hour before the announcement...

ROBERT A. IGER: Yes, we were at Pixar, which is in Emeryville, California near Berkeley and we were making the announcement from there as soon as the market closed. So the market closed at 1:00 Pacific Time and about an hour before, he met me at Pixar and said let's take a walk. And I was certain that he wanted to get out of the deal or somehow or another try to get another few cents out of me or a few billion. And we took a walk and sat on a bench and he put his arm behind me, which I thought was interesting, and he said I'm going to tell you something that only my wife and my doctor knows. And I said, what's that? And he said, this is highly confidential but I need you to know that my cancer has returned. And at that point, this was early 2006, he had had cancer in 2004 and was operated on. He had a form of pancreatic cancer that was

operable which was rare. And he announced after the operation that he was cured. And so this was less than two years after that, the world believing – including Apple believing – that he was fine, and he was telling me that he had cancer again. And when I asked him why he was telling me, he said I'm giving you a chance to get out of the deal. At this point, I looked at my watch and it was 30 minutes before we were announcing this deal. And he said you can't tell anyone else. And it was at a time, a few years after Enron and Sarbanes-Oxley and I immediately started thinking what are my obligations and is he material to the deal? Without being able to, you couldn't phone a friend. (Laughter) And I'm thinking, well, he's becoming our largest shareholder and a member of the board, but we're not buying Steve Jobs. We're buying Pixar and everything Pixar stood for – its talent and its IP and the movies it was making. And so I quickly, I asked him to tell me more. He gave me some more detail. Because I just thought maybe it would help me make the decision. And interestingly enough, what he really told me was, well, he had a 50-50 chance of living for five years – this was early '06, he died in October of '11 interestingly enough – but he seemed so determined, which interestingly enough over the next five years it was that determination that kept him alive that long. But he seemed so determined that I simply said I'm not backing out of the deal. I had no idea what I would even say to people. I'd just begged my board over four months to let us do this deal. And I said I'm in. And we announced the deal and I then became one of the few people who knew what he was going through. Really it was three years until he had a liver transplant and the world really knew just how ill he was, which was an interesting

secret to live with. But we became extremely close in that period of time.

DIANE SAWYER: And he said to Laurene, his wife, when she was concerned about his telling people anything, I trust him.

ROBERT A. IGER: Oh, yes, well, after he, when he died there was a very small burial service, which I have never detailed. He curated the list of people that would be there and I was one of them, about 25 people. And Laurene asked if people wanted to speak and it was extremely intimate, and I spoke and I told that story about that day at Pixar. And when I was leaving the cemetery, she called me over and said I never told you my side of that story. And what she said was that the night that we had made the Pixar, the night before we made the Pixar announcement, they had had quite an argument about whether he should tell me or not because they hadn't even told their children. And he basically decided that he should, that he owed me that. And after the Pixar announcement, he came home, had dinner with Laurene and she said, well, did you tell him? And he said, I did. This is Laurene telling me this at the cemetery. He said, I did tell him. And she said, can we trust him? And he said to her I love that guy. And she tells me this after we've just left him at the cemetery. So, yes, that was, I told her side of that story, which I had never discussed with anybody. And that's in the book. It was, he was really, you know, we revere him in many ways for what he created and how he changed the world. And there was a public side to him clearly that exalted him for his

innovation and everything that he did, but I think was also somewhat critical of him because of how tough he could be on people and how demanding. I saw a completely other side of him, which was one of Steve Jobs as a friend, Steve Jobs, the adviser and supporter because he was, I mean he was fantastic in the Disney boardroom in terms of the opinions that he brought and the guts that he had and the demand for excellence. So, you know, it was a privilege to get to know him, but it's also nice to see a dimension of Steve that I'm not sure has either been well-chronicled or that people really appreciate.

DIANE SAWYER: I hope we're okay on time. Okay, good. Didn't he call once, or was it George Lucas, after he had seen something you loved and he said, that sucks?

ROBERT A. IGER: Yes, he could be direct. (Laughter) He used to call on weekends, I think he would get bored. And he actually would call sometimes and say I'm bored so I called you. (Laughter) Thank you very much, I was that important. And at one point, he called and he said he had taken his son to see one of our movies the night before and it sucked. (Laughter) And at that point, I had the confidence to push back at him and I said, I don't know that I said that I loved the film, but I said, well, America loved the film and it had done particularly. And I said, well, you're entitled to your opinion, but America voted with its wallet. It's done extremely well. I did something else which was really wild actually which was at one point we were at a shareholder meeting and it was the day

before and our general counsel came up to me and said we had a gigantic withhold vote against three board members. Shareholders – I know a lot of people in this room know this – but vote every year on our board members. And we announce the tally of those votes at the annual shareholder meeting. And so the night before we were looking at what the votes were and there was 130-some odd million shares voted against three board members, which was very odd for Disney at that period of time. The board was well-respected. The company was well-respected. And it was something odd. And my general counsel said it has to be Steve Jobs. He owned 135 million shares and there were 130 million voted against three board members. So, the general counsel said what are we going to, what will we do? It'll stick out like a sore thumb. I said, well, let me call him. And I said, Steve, did you vote against three board members. He said, I did. (Laughter) I said, tell me why. And he had awful things to say. And it was somewhat personality-driven. In other words, I didn't think that he was right and I pushed back really hard. I said if you have issues with these people, tell me about it and we'll talk about it, you know, at the board. And he said, well, what do you want me to do? And I said I'd like you to change your votes. And he said, okay, I'm changing my votes but I'm coming back. And he changed his vote, he changed the vote, and he never came back. He forgot about it, I think, I don't know. But something got in him about these people...

DIANE SAWYER: And he could...

ROBERT A. IGER: Yes. I guess that was a side of him. Although he also listened to me and I said this will be a problem. This will cause a problem. Even though he was completely entitled, as a shareholder of the company, to vote however he wanted. I don't know if that's good governance or bad but...

DIANE SAWYER: A couple of final questions about, first of all, about values inside a company because one of the things you write, "if it doesn't feel right to you, it's not right for you." And looking at the times, with Black Panther, you knew what this company had to do and everyone you were going to stand behind. And then looking at the weekend when you were thinking of acquiring Twitter and didn't because something told you...

ROBERT A. IGER: Well, I think if something doesn't feel right for you and that it isn't right for the company, that was more about, I think people often are heading to a decision or about to make a decision of some form, pausing and really asking yourself, is this right, is really of value. And I know it sounds very, very obvious, but sometimes when you're going at breakneck speed to do things, you don't get to pause enough and really think hard about something. And it's critical, and it's critical of a CEO, of a leader of a company, of a CEO, to stop for a moment, let's really think about this. And it was just my, in the book it was my exhortation to people to do just that. And if it doesn't feel right, then it probably isn't right. And I guess it's more of about, it's more the pacing of decision making than anything else and really being thoughtful. Black Panther, I just felt

that it was time to take a giant leap in terms of the product that we make better reflecting the world that we're trying to reach. And there had not been a superhero movie, and there had not been that many films with a predominantly Black cast. I'm talking about big budget films with a Black lead. And I believed in the storytelling, I believed in the character, and I believed ultimately in the director that we assigned. And I just said we are making this movie against the better judgment of some others who felt putting \$175 million into that movie was extremely risky for the company. It just felt like, both the right thing to do in terms of the world and the right thing to do commercially. It was both. And we did it and, you know, I think it had a tremendous cultural impact on the world and it's something I'm extremely proud of. And it also happened to have made more than a billion dollars in global box office so commercially it was quite successful too.

DIANE SAWYER: But that weekend before, Twitter, something stopped you.

ROBERT A. IGER: Oh, Twitter, yes. We looked at Twitter and actually negotiated to buy it because this, as we were thinking about what we're now doing, which is figuring out innovative ways to bring our product to market and to monetize, we actually believe the Twitter platform could provide us with huge value in that regard, and they were also contemplating a sale. And so we entered into a process and got extremely close to doing a deal and I actually, we had a number of conversations with our board, and I had

a green light from our board to do a deal, I think on a Friday. And on Sunday I emailed the board and said I have cold feet – that’s how I put it. It was more than cold feet. It was cold everything. And I just thought, and I don’t mean to in any way sound critical of Twitter at all, but I just felt we would be taking on a set of responsibilities that would be not only distracting but were likely to get far more complicated and burdensome than they were even then and didn’t want to take it on. And it wasn’t personal to me, meaning it wasn’t about my not wanting to take it on, I just didn’t feel that the company should take that on given The Walt Disney Company’s position in the world where we really try to, you know, not only be apolitical in nature, but to be universal in appeal. And we’re not shy and we’re not hesitant to infuse values in our storytelling that may ultimately offend certain people, but we certainly try to avoid controversy.

DIANE SAWYER: Well, as we leave, so what’s the next thing for you? Five years from now, where will we find you?

ROBERT A. IGER: I don’t know. I have every intention of stepping down as CEO in 2021. I don’t believe that there’s any scenario that would have me extending beyond that. I will have been with the company at that point for 47 years and CEO for about 17. And I’m a big believer that change in the top brings value to a company because it’s fresh blood and new energy and a different perspective. It’ll be the right time both for the company and for me personally and I’ve made no plans at all, including running for

president. I've made no plans at all beyond. It's too early for me to do that. I don't see myself running anything else. It's been a long time since I've woken up without a to-do list that's a mile long and a few hundred emails. So I'm kind of looking forward to air in my life, maybe stillness too.

DIANE SAWYER: And time to fix the elevators...

ROBERT A. IGER: Time to innovate that elevator button. When you see it in 2021, you'll know it's me. (Laughter)

DIANE SAWYER: Thank you so much. (Applause)

ROBERT A. IGER: Thank you.

PRESIDENT BARBARA VAN ALLEN: So, thank you Bob, for those insights. The book is fantastic. I hope you all get it all read tonight. And, Diane, thanks for a terrific interview. As you can imagine, Bob has packed a lot into his trip to New York, as he mentioned, so he's not able to stay for lunch, but we do appreciate you being here today. (Applause)

ROBERT A. IGER: Thank you. Thank you for the opportunity too. It's a great group to

be in front of and I appreciate it. And the proceeds of the book are creating scholarships for journalism students to foster diversity in the field of journalism I should say. Not to me. (Applause)

PRESIDENT BARBARA VAN ALLEN: I just wanted to conclude with a peek forward. We have Elena Botelho, the author of “The CEO Next Door” speaking on October 29. That’s next week. We have David Cordani, the CEO of Cigna, speaking on November 20. We have Michael Dell coming, CEO of Dell Technologies, on November 21. We have Dara Khosrowshahi of Uber, the CEO, coming on December 4. And we have Larry Fink coming on December 10, BlackRock. And there’s something else in the wind that may get confirmed that I can’t give you today. So, there you go. Enjoy your lunch. (Applause)