

AI is changing diligence and creative economics

Transcript

JAKE VACHAL

There are some great companies that we've worked with where private equity firms have stepped close to getting a deal done, Q1, Q2 of this year, and decided to step away.

Because again ... great business, growing business ... there's an issue from a discovery perspective that they think will hit this business in four to five years.

So, ... and again, I think what I find so interesting about sort of the action or reaction in this space is if we're having very similar conversations in the back half of the year after someone like Google reacts, ... you know, Gemini is obviously more of a hybrid discovery with search ... that it's a very different conversation with parties.

So, I think there's been from a private equity perspective a lot of freezing, particularly around consumer-facing platforms about the AI impact. And yet, with some of the things that are going on in the market, with these platforms, there's already a rethink within a calendar year.

GREG BEDROSSIAN

And maybe just to add, because I agree with my panelists so I won't reiterate the points they made, one of the things to loop back to in the big media deals is impact of AI on Hollywood, right? So you, I was out in L.A. a couple weeks ago talking about this very issue. And in a writers' room, for those who are ... there used to be, say, 10 writers to do – pick your favorite show. It's now six, and the pay rate is different, and then there's this whole debate about how complete can AI write a screenplay. Certainly, you know, super

talent will say, "It's all formulaic. It won't work." But actually, isn't why you're successful, because you're a human doing something that's really formulaic, that works really well?