

StanfordSOCIAL INNOVATION^{REVIEW}

Q&A

Jeff Skoll

Interviewed by Eric Nee

Stanford Social Innovation Review
Spring 2012

Copyright © 2012 by Leland Stanford Jr. University
All Rights Reserved

JEFF SKOLL is one of the most creative, generous, and effective philanthropists of his time. And at age 47, he's just getting started.

ONE OF JEFF SKOLL'S passions is storytelling. It stems from his youth, when he hoped to be a writer and inspire people to help solve the world's biggest problems. Skoll took a detour on that path—moving from Toronto to Silicon Valley, where he met Pierre Omidyar and became eBay's first employee and president. That detour, however, was fortunate, because it has enabled him to tackle his early passions on a scale that he could only have dreamed.

Skoll left eBay several billion dollars richer, and he has been giving away a good share of it ever since. By *Forbes*'s estimate, Skoll has donated about \$1.2 billion, putting him in an elite club of the 20 living people in the world who have donated the most money (think Bill Gates, Li Ka-shing, and Carlos Slim Helú).

Skoll's first philanthropic venture was the Skoll Foundation. Since its founding in 1999, the foundation has been instrumental in supporting and popularizing social entrepreneurship. The foundation has done that the traditional way, by providing financial and logistical support to hundreds of social entrepreneurs. But it's also gone about it in a unique manner, through storytelling—a sophisticated program to popularize social entrepreneurship that includes underwriting documentaries on *PBS NewsHour*, broadcasts on National Public Radio, feature-length movies with the Sundance Institute, the Social Edge blog, and the Skoll World Forum.

Not content with the foundation's storytelling, in 2004 Jeff Skoll went to Hollywood and created Participant Media, a for-profit business with the mission of creating popular entertainment that tackles social issues.



Skoll's ambition is to create and distribute a variety of media to audiences around the world, but to date the company has been most successful at creating English-language movies. Considering the constraint of producing only socially conscious movies, Participant's track record is remarkable—*Contagion*, *The Help*, *Syriana*, *An Inconvenient Truth*, and dozens of other movies.

In 2009, Skoll created the Skoll Global Threats Fund, focused on responding quickly to events that threaten the world's health

and stability. The foundation, headed by former Google.org Executive Director Larry Brilliant, uses a variety of tools to tackle problems like climate change and conflict in the Middle East.

In this interview with *Stanford Social Innovation Review* Managing Editor Eric Nee, Jeff Skoll discusses how the Skoll Foundation's work has evolved over the years, what makes Participant Media such a successful movie studio, and why he created the Global Threats Fund.

Eric Nee: When you embarked on philanthropy, did you have any role models or people you turned to for advice?

Jeff Skoll: One of my role models when I was starting the foundation was John Gardner. He was the president of the Carnegie Corporation, and as Secretary of Health, Education and Welfare under President Lyndon Johnson he started the Great Society programs of the 1960s. When the foundation was just beginning, Sally Osberg [president of Skoll Foundation] and I paid a visit to John to ask what advice he might have for us on how to really be effective and how to be different. And John said, “Bet on good people doing good things.” That advice became our mantra. Eventually that translated into our mission of working with social entrepreneurs, who truly are those good people doing those good things.

So when you first started the Skoll Foundation it wasn’t focused on social entrepreneurs?

No, my focus was on finding opportunities to improve communities around the world. For the first couple of years before Sally joined, I was running it myself part time, making grants to different organizations. It was after looking back at those initial grants and figuring out which ones had worked, and why they had worked, that we began to distill the idea of social entrepreneurship as a new and rising force in the world.

What we also realized is that the early social entrepreneurs we had backed needed a different kind of foundation, one that was more flexible, had a long-term horizon, and understood what it’s like to be an entrepreneur. Most foundations give short-term funding, demand a lot of plans, and burden the social entrepreneur with details and data.

One of the things that distinguished Skoll from most other foundations was that you focused on finding good people and betting on them, rather than focusing on particular issues or program areas.

Initially we were relatively issue ambiguous. Over time we refined that approach, creating a grid of the issues in the world that we felt were most important. Our criteria for selecting social entrepreneurs, particularly in the last four or five years, has tightened a lot. We do in fact look at the issue areas

where those social entrepreneurs are working. And in the last year or two we have also evaluated how social entrepreneurs might fit together working in the same issue area.

Did you change because you had a large enough portfolio to be able to group social entrepreneurs together into fields, or did you find that it would be more effective to focus on fewer areas?

It’s more the latter. At the end of the day we want to make an impact in the world on the bigger issues. When we began to look at the results of some of the social entrepreneurs we were working with, we felt that perhaps some of them were working in areas that might be a little bit peripheral. That’s not to say they’re not doing good work. I think of Luis Szarán, who is an orchestra leader [conductor of the Philharmonic Orchestra of Asunción, Paraguay]. He created an organization called Sonidos de la Tierra and began to bring instruments and music training to small towns and villages in Paraguay and other Latin American countries. It’s wonderful to see these young groups of musicians being empowered and doing good things. But in the grander scope, when we compare that to, say, Mindy Lubber of Ceres and her ability to harness the financial markets around climate change, we felt that there was a difference in overall impact in the world. And so we began to focus more on the bigger issues.

Are you still focused on social entrepreneurs, or are you now funding other types of organizations and change agents?

In fact we have been doing that. The incremental development of our mission statement over the years went from investing in, connecting, and celebrating social entrepreneurs dedicated to solving the most pressing problems in the world, to investing in, connecting, and celebrating social entrepreneurs *and other innovators* dedicated to solving the most pressing problems in the world. What we found was that social entrepreneurs working on their own might not be as effective as they would be if they had others that could help them with their work. That might mean connections with government ministers, connections with corporations, or dealing with thought leaders or academic leaders. We still see social entrepreneurs as

the main vehicle, but we want to put the pieces of the puzzle around them to help them be as effective as they possibly can.

Let’s move on to one of your other projects, Participant Media. It was pretty ambitious to go out and start a movie studio.

I don’t disagree. I spent most of the first year asking people if anyone was trying to create a pro-social media company, and if not, why not? The first reactions I heard were the typical lines, like “The surest way to become a millionaire is to start by being a billionaire and go into the movie industry.”

But over time the answers changed. I talked to writers, actors, directors, agents, lawyers, and bankers in the industry, and asked them what they were most proud of in the work that they’d done. It turned out everyone had a story of a movie that dealt with an issue that they cared about. It could have been foster care, or oil, or climate change. That was a very important finding because I realized that if we were doing projects that people cared about, we’d be more likely to get better projects, be able to put them together less expensively, and have the heart and soul of the people working on them, probably more than if they were working on a superhero movie.

The reason that those kinds of movies weren’t being made was that the studio system was not set up for smaller, message-oriented movies. It required a philanthropist to come in and say, “I’m willing to fund these financially risky movies because my equation is different from yours.” It’s not about making money. It’s that the amount of money that goes into the projects will create more social good than if I gave that money away to an NGO working in the same field.

I was lucky enough in one of my early meetings to meet Alan Horn, the president of Warner Brothers at the time. He really resonated with what I was trying to do and we very quickly did three movies together—*Syriana*, *North Country*, and *Good Night, and Good Luck*—all of which were films that would probably not have been made without my money coming in to get them made.

You couldn’t have had three better movies to launch the company. They were socially relevant, were well made [10 Acad-

emy Award nominations among them], and had reasonably good box office sales.

It was certainly helpful, because that gave us a track record and the ability to use our own films as examples of what we wanted to do, instead of having to refer to other people's films, like *Erin Brockovich*.

Besides making socially relevant movies, we also did something else different. We created social action campaigns around the movies. With *Syriana* it was around oil dependence. We



would not on its own be able to make the same kind of difference." One example was *North Country*, which was about violence against women and women's rights in the workplace. This was at the height of the Bush administration, and we weren't sure if the Violence Against Women Act was going to be renewed. So we looked at the movie, and it was a story very well told, and it had a lot of social value. We didn't think that that film would do very well commercially, and sure enough

We will sometimes look at a film and say, "We think this film is going to lose X million dollars but it would be worth it because it can make a difference on the issue."

worked with groups like the NRDC to help bring this idea from the screen into newspapers, television, and op-eds. When we started these social action programs, the studios we partnered with were very skeptical. They didn't want us to do anything until around the time of the DVD release, because they were afraid that our messaging might conflict with the marketing message of the movie.

Over time the studios got familiar with what we were doing and became more comfortable allowing us to do these campaigns and bring it up earlier in the process. Today when we do a film, the studio actually demands that we put together a social action campaign around the movie. It brings in a bigger audience, and in particular it brings in an audience that's passionate about the subject matter in the film.

How do you select the movies?

We look for three criteria. Is it a good story, well told? Is it commercially viable or potentially commercially viable? And can telling that story make a big difference for a large number of people today? There have been many films that have come in with brilliant scripts and tremendous commercial value but without the socially meaningful part embedded in it. And we have had to pass.

On the other hand, we will sometimes look at a film and say, "We think this film is going to lose X million dollars but it would be worth it because it can make a difference in the issue, and that X million dollars

it didn't. But we timed its release to the period when Congress was debating the act. We had screenings on the Hill and met with legislators, and the act eventually passed.

Is Participant a philanthropic venture or does it make money?

It started out as a philanthropic venture with the goal of getting to the point where it was sustainable enough to become a global media company not just doing movies, but also doing TV, publishing, music, and all other forms of entertainment that could make a difference all over the world.

The economics have been fine. It doesn't hurt that we've just had two hits in a row with *The Help* and *Contagion*. So overall this is working out as a good commercial venture. It's not Google. For me it's philanthropy. I don't expect to see any of the money back to me personally. For the people who work at the company it's a commercial business. They care about the mission. They could be working in other jobs and making a lot more money, but they stay with Participant because they care about what they do.

I'd like to close by asking you about the Skoll Global Threats Fund. Why did you form this group rather than rolling what it does into the Skoll Foundation?

That's something we had huge debates on at the foundation a few years back. But it seemed to me that there were a few key issues in the world that were moving so

quickly that if we didn't make a difference in them in the next five to 10 years, it might be game over. These became our first five issues: climate change, Middle East peace, nuclear weapons, pandemics, and water.

We felt that the approach to each of those issues might go well beyond the traditional focus of the Skoll Foundation. The foundation's work with social entrepreneurs has a long-term view. It's about educating girls in Africa or creating drip water irrigation systems in India so that over many, many years it affects a lot of people. With global threats, I felt we didn't have time to wait and we would need to find different ways to get involved. We also felt that it would require a different kind of expertise from what existed at the foundation.

When swine flu broke out, Larry Brilliant [president of the fund], who is an epidemiologist and co-chair of the National Biosurveillance Advisory Subcommittee, said, "We've got a problem." The Western governments had contracted with the traditional vaccine makers and had basically taken the entire supply of vaccine for themselves, leaving nothing for the developing world.

Larry felt that we needed to be prepared for that. He called up MedImmune, a company that made a flu mist that isn't quite as efficient as traditional vaccines, but for pennies on the dollar could provide some sort of defense for those countries that otherwise would have nothing. Larry brought in the Gates Foundation, and MedImmune agreed to work on a mist vaccine. It turned out that our vaccine was ready before the traditional vaccine makers, so when people were starting to get vaccinated in Western countries, it was our vaccine that was being used, because the traditional vaccine makers weren't ready.

This is the kind of innovative thinking that is needed. These threats can emerge overnight, and you need an entrepreneurial organization that can respond quickly.

It seems that the Global Threats Fund is taking a venture philanthropy model, in which the fund itself is taking a leadership role in these areas.

Yes, that's a good description. The Skoll Foundation focuses on finding great people and making grants and working with them, whereas the Global Threats Fund is often an initiator itself in doing things. ■