



Forward to Extraordinary

May 20, 2020

Dear Friends,

The other day, I returned to LionTree's offices in New York City to check in on our efforts to chart a course towards reopening. Surrounded by echoing emptiness and silent conference rooms, I was hit by a realization: the phrase 'back to normal' is inadequate. Reality will demand more of us.

This experience, the first truly global event of the 21st century, requires us to reimagine the future rather than merely reassemble the past. To get not to where we were but where we are going, we need to picture things afresh. *The moment is in motion.*

These past few months have been incredibly challenging, bringing back the worst recollections of the Depression laid on top of the Spanish Flu from a century ago. Once again, we feel the heaviness of history's hand. In a horrible double punch, everyone on the planet is concerned for both their physical *and* financial health. Governments are newly sensitive to their expanded roles and porous borders, all while knowing that both the virus and the vaccine might come from abroad. The days of thinking of globalization as an abstraction are over. *My well-being is tied up in yours and yours in mine.*

There has been so much loss, and no clear picture of when it will end or what our world will look like when it does. Scientists are still determining how this disease even works or the destructively varied ways in which it can harm us. We are addicted to scanning the news every day for understanding and mark the passage of time with each re-opening. The summer is uncertain, and the fall brings a U.S. presidential election the likes of which we have never seen.

While we have stayed in place for over two months, the world around us has accelerated at a dizzying pace. It is one story that is felt in a billion versions that play out across both time and space. This crisis is different in Milan versus Manhattan, in March than in May. Whole industries are devastated and consumer behavior evolved. Digitization is accelerating and reconditioning entire sectors, notably healthcare and education.

The suspension of the normal has mandated a return to basics. As we celebrate our essential workers, we realize that 'the essential' is a fluid category to which we must continually aspire. I tell our team at LionTree, "*we are not essential so make yourselves essential.*" At a moment when new binaries are emerging out of a tense world - the healthy and the sick, what [Bret Stephens](#) has called the 'remote' and the 'exposed' - we need to embrace a range of perspectives and consider the whole as opposed to the part.

We have moved from a paradigm of abundance to one of scarcity. The chasm between Wall Street and Main Street widens even further. Unemployment of shocking scale is juxtaposed with the ascendance of the virtual and isolated. Sensing the markets' resilience, corporate bond issuance is reaching record levels, the IPO window cracks open, and investors look toward 2021.

We Zoom everywhere but fly nowhere. The streaming ecosystem is but one example of media and tech's abiding presence in our daily lives. At a time of separation, when whole swaths of our greatest cities are as empty as abandoned movie sets, connectivity has never been more vital. Internalizing these changes in real time is not a competitive advantage. It is a critical necessity.

The virus has taught us a crucial truth: the status quo is not sustainable. Instead, adaptation is necessary for growth. *Even as the human race holds its breath, the planet is exhaling.* These are the rhythms we need to get right for future generations.

The crisis has also created new and necessary combinations of traits. For example, the companies that will thrive in this new reality will have to be both nimble and loyal. They must respond effectively to turbulent new conditions and seize them as opportunities rather than experience them as constraints. *Loyalty is more important than ever – to community, first principles, core convictions, and a vision for a healthy world.*

As we take the first tentative steps out of our homes and survey the world around us, attention to the new environment will be everything. *Shutting down was data driven. Reopening, guided by science, is a complex art.* We must strategize for the long game and react to the pain next door. People over profits is the new governing principle.

Looking around our offices, breathing through a mask and hands covered in gloves, I realized that the essential thing was elsewhere: our relationships with each other. Unconstrained by geography, evolving and durable, flexible and dynamic- our connection is more tenacious and more agile than this virus. This has been our focus during quarantine, and it will be our imperative going forward.

On the other side of this challenge lies the extraordinary. Let us go there together, into a world just now coming into view.

Warmest Regards,



Aryeh B. Bourkoff
CEO & Founder | LionTree LLC