



THE ASCENT: A TENZING PODCAST - BOBBY HEALY

Title:

Bobby Healy talks airborne cappuccinos and disrupting delivery

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Episode Overview:

In this episode, Guy is joined by [Bobby Healy](#), Founder and CEO of Dublin-based [Manna](#) - a potentially game-changing drone delivery start-up - and a highly-valued member of the Tenzing Entrepreneurs Panel.

Like many of the guests on *The Ascent*, Bobby discovered a love of coding as a teenager, and before he'd turned 18 he'd landed a dream job writing video games for Nintendo. While passionate about gaming, Bobby found his way to a job in the emerging travel tech sector, at Amadeus, the [global distribution system](#) (GDS) - a behemoth technology platform providing travel agents with direct access to the world's airline booking platforms, but inspired to build something better, he struck out on his own and moved to Mexico City to found Eland, a [middleware SAAS](#) business that allowed airlines to connect their booking systems into various hosting platforms. Twelve years later, with over 50 staff, Bobby sold the business to trade.

On his return to Dublin, he chanced upon a business with bags of potential, and over the next 15 years, transformed what was then a family-run physical car rental operation into CarTrawler, the world's biggest B2B travel technology platform. Bobby exited CarTrawler during the pandemic to focus on Manna, which, he says, within three years will either be gigantic or nothing at all.

Quick-fire Round:

- **Favourite book?** [Shoe Dog](#) - the Nike story. Also, a great recent read, and a sobering one for a lot of people, is [The Cult of We](#), which is the book about Adam Neumann.

- **Advice for a founder or an entrepreneur embarking on private equity for the first time?** Do it. If you have a healthy business that has potential, you'd be wrong to do it on your own. You bring on PE, not just to get access to the capital and maybe take a few quid off the table, but to strengthen you and to head off disaster along the way.
- **Most important qualities for a founder or entrepreneur?** Build networks - they're everything. Don't be insular, be always out there for no particular reason, meeting and talking to new people.

GUY

Bobby. Hello. How are you? Welcome.

BOBBY

Hello. Thanks for having me.

GUY

I'm going to start with the news of the day - so tell me about Manna, and tell me about how you came across the idea and where we are today.

BOBBY

Well, the full name is Manna Drone Delivery. So, we design and build miniature aircraft - well, reasonably large drones - that carry lightweight low-value cargo between stores, restaurants, coffee shops, supermarkets, pharmacies, directly from those stores to consumers' back and front gardens, across suburbia. We have an app, you order anything you want on the app and the product will arrive in about five minutes, delivered on the ground to your lawn.

GUY

So that sounds like a proper slick pitch, but what was the first moment when you actually thought this might be something?

BOBBY

There was a kind of a culmination of moments. I'm a techie, right, a software guy, curious mind, and I was learning about drones, drone hardware and software, and the capabilities that they had; and then honestly, I'm sitting in the suburbs of Dublin, so about four or five miles outside of Dublin city centre, and it's next to impossible to get a delivery of a bag of chips (or anything, for that matter) to my house, even though there's 25,000 people in the town. So I'm sitting in my back garden, having a couple of glasses of wine,

getting the munchies (love a bag of chips, as you do - the once a month treat of a Friday night) and, you know, just thinking I could easily modify one of these drones to fly to my local chipper, pick up a bag of chips and bring it back, and that's what I did (like, obviously a hobby project to do that); but then I went down to my local chippers and had a chat with them, and noticed there's a big guy sitting outside in a diesel car. He keeps the engine running while he's sitting outside and he's the delivery guy and he'll do six or seven deliveries a night over four or five hours and, you know, the optimist in me says, *how crazy is that, that there's a human being and a vehicle producing CO2, using the roads, doing this job that this little drone that I have in my hand could do faster, cheaper, quieter, safer, greener?* and that was it, that was the crux of it.

GUY

And that was just a consumer drone that you could buy on Amazon?

BOBBY

Yeah, it was a [DJI Mavic Air](#), you buy one for £500. It'll fly on its own without cargo, it'll fly about six kilometers round trip and it's a very stable device, but if you attach a bag of chips to it, it won't fly as far, but it would fly a two or three kilometer round trip. Now, you'd never use a drone like that in real life because it's not safe. It doesn't have all the redundancy and the mission critical stuff that you'd need to fly over populated areas, but in terms of the raw tech and the capabilities of the state of art tech, which is what DJI are, it was very clear to me that it was eminently doable; and to be honest with you, I was surprised that nobody else was doing it already.

GUY

And so when did you transition from curiosity to, *okay, this is my commitment* and do a business plan? When did you go, *this is the time to set up a proper business here?*

BOBBY

So there were two concurrent things. One was, I won't call it a business plan, I would call it more like the cunning plan... I use Evernote to record my thoughts and I would slowly add more and more ideas and challenges and problems and opportunities, and there's a mixture of technology, business, and strategy all in there; and I evolved that over, I don't know, three or four months, and at the same time I was educating myself on what are the skill sets required. What kind of team do I need to do this? What type of technology people, what kind of technologies, how do you go about, you know, producing an aviation grade aircraft and, and who would I need to hire?

And then at the same time, I needed to say, *well, okay, there must be something in the way of me doing this* and I figured pretty quickly that it's the aviation regulator. So, ultimately you're flying in, even though it's unoccupied airspace, below 500 feet, and the aviation regulator's responsible for it, so that felt like an existential barrier to entry; and that's where my network was useful to me - you know, I had previous investors in other businesses that were in the aviation community, and they were able to get me a good solid contact with the Irish regulator and so I went to lunch and I said, "Look, you know, supposing there was a technology team in Dublin that wanted to build something with drones and do a drone delivery system - how would that fit in with your thinking? And would that ever fly, excuse the pun?" and to my delight, it was very much, you know, "Bobby, we've been wondering when someone would come through the door with such a plan, there's certainly already evolving regulations in Europe specifically to support this, and we, the IAA, would definitely support, and we would like to help out in any way can." and forward three years later, which is where I am now, the IAA, the aviation authority, is a key part of our success. They've been amazingly helpful at moving us forward and giving us the permissions we need.

There's still a question of timing and will the regulations ever happen, will the airspace ever be open? It's not my question - I have no doubt whatsoever about the timing - but certainly when I'm out raising finance or I'm talking to people about it, most, particularly the UK (of all markets) and USA, would be the most conservative of all markets. So if you were in the USA or if you're in the UK evaluating it, you'd come to a pretty negative conclusion about timing, you know? And, again, that's where the opportunity is - the opportunity is when everybody else says it's impossible, that's when the really big opportunity is there.

GUY

So you self-funded, initially?

Bobby

Yeah, so I funded it for the first year. First of all I went around to a bunch of engineering companies that were building what I would call 'enterprise drones', and asked them what's involved in building it and getting costs and stuff like that, and so I knew roughly the capital cost of a drone and what goes into it. And then I hired a team. I found the team in Wales. They were what I would call kind of academics, hobbyists, you know, the guys that would definitely get me a prototype aircraft in six to 12 months, and I hired them; and it was very clear, very early on that this is not a business that you fund on your own, you know - we're burning now a million a month, and that burn's gonna keep on

increasing. So there's no point trying to stretch it and keep most of the company, any of that stuff; you need to get on the institutional ladder. And so, after about a year of funding it, I raised a seed round, to almost give us what I would call an endorsement saying that we weren't crazy; that I wasn't, you know, building a rocket or anything like that; that there were people that believed the timing was right, and that the actual thing was viable. And I've always believed - I've never had any doubt about it. My conviction, it gets better and better, stronger and stronger, over time, but I found it very difficult to raise my first seed round, and that's because everyone did think I was crazy. They had question marks over the tech. They had question marks over the unit economics. They have question marks over regulatory. And so it was such a high risk (and it still is, you know, rather high risk) business, so it's not the business for a private person to finance the whole way through - it would never work.

GUY

Who's the first person that gave you that conviction - in terms of funding - that you weren't just a mad chippy delivery boy?

BOBBY

Well, here's the thing... I mean, you've known me long enough, you know I have a track record, I've built companies before and have exited and that, so I've got a bit of credibility, particularly in the Irish market, and even then it was really difficult to convince people; but the first one was a firm called FFVC - Founder Friendly VC - in New York, and they led a two and a half million dollar seed round, and you know, in VC, the first thing you have to do is price your round, you need that lead investor to price it; and then there's a stampede, you know, once someone prices the round, everyone wants to get involved because there's this FOMO thing and there's this, *oh, well, it must be okay if somebody else says it's okay*; and what happened was the seed round was oversubscribed, so I ran a second seed a couple of months later, and we ended up raising over about five and a half million in quick succession, which it still didn't exactly let us take the breaks off, but it gave us about an 18-month runway where we were really able to go for it.

GUY

And you did the fundraising yourself, effectively?

BOBBY

Yeah, that's the thing about VC: unlike private equity, they don't like you rocking up with a banker or an advisor, any of that stuff, they kind of question you a little bit if you're not the

guy sitting at the table or on the zoom meeting. What they're expecting is a story and a storyteller and all of the passion that goes with a startup, they don't care about the sobering things around business that PE would consider and they're highly suspicious, in fact, it's a massive signal to them, if you use an advisor, particularly for the first, you know, the serious seed and A rounds, it has to be the founder and the founding team.

GUY

So the unit economics - I'm fascinated by that, so you are comparing it to the unit economics of, say, a Deliveroo driver?

BOBBY

Yeah, well, so there's two ways to look at why we disrupt: the first one is simple unit economics. So today in the UK, it costs just less than £5 to operate a road-based delivery. That translates in the US to between \$6 and \$9 per delivery dependent on whether it is a short range, New York delivery or in suburbia somewhere, so just have \$6 or \$7 in your head, and by the time the consumer pays for it, it'll be a little bit more because of the tip. Our economics are less than \$1 per delivery at scale, so we're nearly an order of magnitude cheaper to operate than a huge human-based equivalent.

So we did a deal with Just Eat where we can say, "Look, we'll do the delivery, that delivery cost is our revenue now, and you end up with a three-minute delivery service that consumers love - it's faster, it's hot, so the product experience is way better and the product quality is way better" but the big thing that we change - the real prize here - is that we can efficiently and at scale move things around communities on behalf of businesses and consumers, so what does that translate to? It means that coffee delivery is actually a thing now. Guinness delivery is actually a thing now. So more than half our orders are for cappuccinos and lattes, you know, so people order, they get a coffee four or five minutes maximum later, like our flight time in our new drone is two minutes 45 seconds, maximum flight time, outbound.

So, suddenly, coffee delivery becomes viable and it's the most frequently purchased perishable thing by human beings, anywhere in the world. So you see a world where it's conceivable that we're creating new categories that never existed before and increasing demand as a result. I love this case: the local bookshop that we work with now has a better delivery product than Amazon has to its catchment area. So we give those guys a 30 to 40 square kilometer catchment area within three minutes online service. That is an unbelievable quality of service that protects those small local businesses and

communities from the big, giant killer that is Amazon. So there's all sorts of benefits to it, to community, beyond just the commercials.

GUY

And the regulation - if I recall, aren't you basically held to the same standards as civil aviation?

BOBBY

Yeah, higher. We have to mitigate both ground risk, where we hit the ground, and air risk, where we collide with other objects in the air. You couldn't pick a more difficult bloody business to operate because you're not just building hardware, which anyone will tell you "Don't touch it - it's a pain in the ass - don't invest in hardware business" but this hardware flies and it's regulated!

And, you know, on one hand regulation makes things incredibly difficult, but on the other hand, it protects, obviously, the consumers that we fly over, but more importantly, it protects us from bad operators in the space that have come in, like cowboys create a terrible reputation for the whole industry and force legislators to ban us, right? So we won't be allowed to fly unless we're safe, and that applies to everyone else, which means we have a two-to-three-year head start on anyone else that tries to start doing what we're doing.

GUY

How does the cargo come out of the hold and how's that delivered?

Bobby

So we fly to your house at between 50 and 80 meters, and when we arrive, we then descend to between 15 and 25 meters, and as we're descending, we scan with a [LiDAR](#), so we look for a flat space of two meter diameter, and when we're happy with that, and it's clear, we open the cargo bay doors and we winch the product down to the ground using a tether, and that takes about - depending on the altitude - six to 10 seconds from the time it leaves the aircraft to when it lands on the ground.

GUY

And how do you untether it?

BOBBY

So we have two systems. One is just a biodegradable line thread that we leave behind, so you get a big, long thread with your bag of whatever it is that we just delivered; and then the second system is a retractable winch, and that winch has an intelligent hook on the end, and that hook is measuring how close it is to the ground and tilt, and when the bag touches the ground, the hook is mechanical so it unlatches itself and it goes back up into the aircraft.

GUY

Oh, wow.

BOBBY

We like that system, even though it has the usual complexities in engineering, because everything that fails will fail, but the reason we like that is it enables us to travel first to a vendor to pick up the product and then onwards to a customer, rather than fly directly from the vendor's store.

GUY

Oh, that's interesting. That's new, is it?

BOBBY

It's part of the new aircraft and also bigger cargo, so we have 50% more cargo capacity now in the aircraft. We wanted to really address the single basket grocery market, as well, so we went a little bit bigger, and similarly for the retractable winch, we wanted to get into a system where we could think about it - we could roll out COVID tests and collect the samples, things like that. But more importantly, we could roll out to, you know, a centralised system where we actually fly to vendors, pick up the product and then move on, so it just increases the efficiency of any given town that we operate in.

GUY

I guess, looking back, and to the extent you can look forward, what are the key proof points that you are looking to hit?

BOBBY

So the key KPIs are, how many deliveries can you do per hour? We're currently at six deliveries per hour per aircraft, and so we've kind of optimised that now and we're very happy with it; and then the other KPI, really, is kind of overall volume per day. We wanna be able to show that we can meet the demands of the peaks across the week - so Friday, Saturday, Sunday, you know, those four hours of the evening for takeaway for the high

volume restaurants, about 400 to 500 deliveries, done flawlessly, and when we have half a million flights on the clock, I think we can call this success, and we can say that we're ready to scale the business. That comes probably end of 2022, early 2023.

GUY

Wow, it's amazing. So you're back in the CEO role here (we'll unpack that a little bit later) but you've normally relished the CTO role. Talk me through how you're finding the differences.

BOBBY

We're 85 people in the company now, it's a tiny company, so there isn't much required from a leadership or management perspective, but I no longer need to write the code. I have a super, incredibly strong team that were with me before, in CarTrawler and other businesses, so, you know, the team is easy to lead, let's just put it that way.

It's not a real CEO job, but, like CEO is a makey-uppy title anyway, I think, so my real role is definitely tech, product, strategy, leadership, and then raising the money, you know, being passionate about the mission, communicating that to future investors. And that has a certain timeline, right? To where we get to (what I would call almost) escape velocity, when the business is producing cash, and we start to see clearly what the operating model looks like, what the business model looks like, and then we move to scaling if it's successful. Once we get to readiness for scale and we have scale manufacturing in place, then we're gonna be going to every single suburb in every single market that lets us, as quickly as we can.

So imagine Uber, but much bigger and much faster involving hardware as well. So it's going to be an incredibly difficult, but a very clear and kind of almost well-defined challenge. It's just a matter of raising enough capital and hiring enough great people in each of the markets to take the playbook and roll the playbook out. So I think I can lead that. I think it's a very left brain type of business to scale and build. So, again, the word CEO, I always think of a CEO as someone who always wears suits and is very polished and probably has a management and finance background. I'm definitely on the spectrum side, left brain technical, but I think that's actually what's needed for this business.

GUY:

So basically - three years, it's a home run or bust, is it?

Bobby

Yeah, totally, it's very binary. We're gonna be gigantic in three years, or we're gonna be zero in three years. There's a third, you know, which I hadn't seen before... so there is the acquisition option, probably, but that doesn't interest me at all. I wanna take the business public as quickly as we can. It's a type of business that connects so well with the public, it's a hugely prominent business, and as you start to roll out, the fever, I believe, will catch a hold. So there is an opportunity for us to really light a fuse over the next 18 months that could get us public pretty soon after.

GUY

Tell me about your first entrepreneurial memory that you had when growing up.

BOBBY

It's not very entrepreneurial..! It was 'taking the decision'. I was writing video games for Nintendo through an Irish company that had the contracts to write them, and myself and three buddies decided, you know, *why are we earning salaries when we were doing all of the work, let's start our own video games company...?* which we did. We got a contract to build a couple of games from a US company, and we thought we had more money than we could ever dream of; and we went bust about 12 months later, because we didn't know what cashflow meant, we didn't know what planning meant, and, you know, by the time it came time to pay the salaries in the December, we didn't have any contracts lined up and, you know, ridiculous. I think I was 18 years old then, and it was a very positive experience, and I got the bug there, for sure. When I started my next business, I took nearly a three-year, what I would call 'sojourn', in the south of France working for a tech company down there.

It was contract rates, loads of money, and I did no good work and learned nothing! But, you know, through that, I met some acquaintances and I saw that there was an opportunity in the company I was working for. They had what I would consider a terrible product for a huge market, and they were almost a duopoly at the time across the world in travel technology; and so I said, *I'm gonna build that* and I got two customers in Mexico City - two local airlines there - and I set up a company, to do that, and I moved to Mexico City and I built that company. You know, I won't bore everyone to death, but it took me 12 years to grow that company and finally exit. I did exit via a trade sale to a multinational, and that was, again, a brilliant experience. Like, we grew to, I think it was £15m with a £7m EBITDA. It was an unreal business, but a terrible business because we weren't growing it. It was definitely a lifestyle business and I'm not proud of the fact that I should have scaled it much more, I should have taken on capital, should have brought in

management, it should have had all these things; and so while it was a good success for me, it was, you know, if I ran it again, it would be...

GUY

...it'd be very different.

BOBBY

Very different, very much so, but it would still be just as boring compared to what I'm doing now.

GUY

Was that Amadeus you were working for in the South of France? The GDS AKA global distribution system? Were there only two in place at the time?

BOBBY

There was Amadeus and Sabre and they were the guys on the block. They still are.

GUY

But you say you might not be learning anything, but I think you probably had a damn good time in the south of France. So, jumping from the south of France to Mexico, what were you running from?!

BOBBY

Yeah, I know! There was definitely a girlfriend that needed to get away from in France! No, I mean it was just lady luck, really. I had this idea through acquaintances I got to meet, basically - there was a joint venture between American Airlines (actually Sabre as well) and a local Mexican, what I would call now a cartel, to build a GDS for Latin America. That was the plan. It was called Sertel, and so the Americans put a lot of money into it and the Mexicans ran it - a recipe for disaster - and I got the contract to build the software and like, then I was 21 years old and I didn't know what the hell I was doing, but I said, *this is a contract, this will pay my way, it's a risk, right, but yeah, it's an adventure too*. So I went to Mexico, I lived in a hotel for nine months, I wrote the software in the hotel room and it worked. It was great, a great piece of software, but of course, the whole thing went belly up. Nobody paid the bills. It was a disaster, and then, again, lady luck... I happened to meet (again through acquaintances) some of the senior leadership team for American Express Travel in Mexico, and they thought that, well, you know, it was kind of a shoehorn. It was almost, you know, *why can't we use this for our travel systems and, you know, mix our card systems and our travel systems?* And of course, you know, in my

shoes, everything looks like a nail when you have a hammer, right? So we did a deal, and they started paying my bills and ultimately I signed a huge contract with American Express worldwide for that software, which was the springboard to then sign IBM and IBM then badged the product under their name and they had a travel technology division... it was almost jumping from one stone to another even bigger stone as I crossed the river; but the deal with American Express was absolutely fundamental and that may or may not have happened, and that's the thing with luck, right? If that deal hadn't happened, it would've been the end of that business, but the deal *did* happen and I maximised that to my advantage and built a pretty good company from it.

GUY

And did you sell it to IBM in the end?

BOBBY

No, they were in the race alright, but I sold it to SITA, an airport technology business. Culturally, it was a car crash, you know - I got there, I wanted to change the world, I wanted to grow at a rate of knots (and there's nothing wrong - SITA is a brilliant company, a well-managed company), but just, you know, it was like I was on a different planet. I didn't like being there, and I moved on as soon as I could. I had a two-year lock-up and I worked it through and I did a good job and all that stuff, but I wasted two years of my life.

GUY

So you came back to Dublin?

BOBBY

I came back to Dublin in 1996, so I was 28, 29 when I came back, and Dublin was booming, then. Around that time I started to reach out to my contacts and say *any good ideas, any teams I can, you know, help dip in?* I didn't know if I wanted to be an investor or an operator or any of these things, and I was introduced to the Turley brothers, who were the founders of a car rental company. Actual, physical cars. I went out to meet them and my contact had already said, "You know, these guys need a tech guy. They're car rental guys, but they need a tech guy" and you know, they were *not* tech guys, they were definitely car rental, since the 60s, but they had built a website that sold or rented their own cars and they decided, *geez, you know, you can make money out of rented cars online*. I went in and I met them and I remember instantly seeing an idea that was basically... You know what? Car rental is awful, right? It's a horrible business, it's a tough business. Let's say you can make money, but it's not great; and then I had in my back pocket 120 airline customers that I had sold software to from my last business, right...

relationships with many of them, and some of the world's largest airlines that knew me, that trusted me, and I knew that their strategies were, you know.

Airlines were starting to get rid of distributions through travel agencies. They were all building websites to sell their tickets directly to customers, and they were doing okay with that (the good airlines were 20% sales online, direct... the bad ones were 3%) but they were all growing, right? So they were generating these millions of customer transactions, with an online average order value of £200 to £300. So, customers have loaded their credit card, they're trusting this site with their credit card (which was very rare online back then - this was 2005) and I'm saying, "You know what, there's this giant customer base that have their card in hand. You know, what they need to be selling is ancillary products that are 100% of the bottom line, and those products are hotel, car and insurance" and the guys, the Turley brothers, had a contract with Holiday Autos, a UK-based car broker to resell their online contracts across Europe, and I said, "Look, you know, I can build a [SaaS middleware](#) that would aggregate that content and drop it onto the website, so you'd instantly have live car availability and booking" and to me that was something I could build in six months, and there was nobody doing it. No-one understood that there was an opportunity to provide a B2B, out-of-the-box, retailing platform for airlines that would just add extra money to their bottom line for no effort. And that's what I say I wanna come on board at. I actually bought a stake in the business from the Turleys - a minority stake - and pretty much took it over. Myself, with another guy, Mike McGearty, ran the business for, I would say 14, nearly 15 years. It was no longer obviously car rental - it was nothing of the sort - it was an enterprise system for airlines.

GUY

So you bought the brothers out, effectively, four or five years later?

BOBBY

Yeah, we did, we did a private equity deal in 2010. That was with ECI Partners and we did a leveraged buyout, brought in some debt and the Turleys stayed on, but they sold their stake to ECI, stayed on and then three years later, we did the same again, but this time the Turleys fully-exited the business and everyone was happy. BC partners came in and bought it from ECI (bought the majority control from ECI), the Turleys departed and myself and Mike stayed on. Me and Mike were a great partnership: I was CTO, he was, kind of, CFO, and then he became CEO and I stayed CTO. It was a brilliant team because all of my weaknesses, he covered well. I couldn't manage my way of a paper bag, as he used to say, and, you know, telling the story, being the visionary, being the evangelist - which this type of business needs - I'm good at that.

GUY

So it's really interesting for founders and PE CEOs, where it just gets naturally held up on a pedestal as being the most important job, but when you found a business, you're the CEO because you're the first person there, and you stay in this position, but actually working out what you're best at and doing more of what you're best at is what most people get stuck on, don't they?

BOBBY

They do. I mean, if you found a business, you're not usually going to be a conservative, strategic person; you're gonna be a little bit crazy, a risk-taker, you're gonna be me, or people like me. I'm very clear on where my strengths are, where my weaknesses are, but most people are gonna be thinking, *well, if I'm not CEO, I potentially lose control* and, you know, there's definitely ego as well, there's a hundred percent ego. I mean, no-one wants to be the CEO and then suddenly be called president or some shit like that. I don't care about that, and that's the honest-to-God truth, because it doesn't matter.

GUY

And what were the best bits about that PE journey with ECI's professional board?

BOBBY

When I think about the ECI journey, which was three years, and then the BC Partners journey, they were very different journeys, but ECI was the first time we had external oversight from a diligence point of view, financial point of view, you know, and then we say, we also were then on not a treadmill, but we were on a defined timeline of, *right: here's where we are now. Now we make a plan for the next three years and we deliver on that plan and we do it and exit*, right? So I really like that. I really liked having something to shoot for. There was an end in sight, there was a clear target in sight.

I won't say the flames were under us, but ECI was a great investor. They were very compatible with us, culturally, and didn't get too involved in much. Other than that, we made one acquisition - ironically of Holiday Autos - during their tenure, and we disagreed on that. We were a B2B business scaling with B2B margins, and you had the growth that we were able to get by adding airlines, adding airlines... but we were buying an ex-growth company, and we were strapping on EBITDA, which looks really nice, you know, in your three-year window, but it was a very difficult business to grow.

So we were diluting our growth ability, and that was challenging, but it still, you know, it was a great marriage and a great team. Similarly with BC, then, it was a totally different animal - a much bigger fund, a much bigger network. They had, you know, access to X number of Amazon guys, and data science consultancies, and for me and Mike, we were thinking we can do much more with this business, but we need help. They found some consultancies that blew my mind, particularly on the machine learning stuff that we applied to our pricing systems. You'd never learn that on your own, and that's when you need the really big help from the PE guys.

GUY

And then you stepped away during the BC ownership from the front line, didn't you?

BOBBY

I won't say that I was bored - that's not the right word - but definitely at the limits of excitement for what it was, you know. We'd all done a great job, the business was well set up, we were 600, 650 people, and I just felt that I wanted to build something else. I was doing a lot of angel investing and I was getting involved in all these different things, spreading myself very thin, and what I really wanted to do was go back to building something. I just wanted to build from the start and do the maths, write the code, build the team. That's what I'm good at. I'm good at the idea, the build, the startup and, and the take into kind of what I call the 'escape velocity'.

My succession plan was, first hire somebody that could replace me, then move up to the board, then move out, which is what I did. I had already started Manna (or pretty much the ideation of it) and then when Covid happened, that was the trigger for really a big downturn for the whole travel industry, and that was the time for me to just go for it, and go full time to Manna.

GUY

The beauty about travel is it's got amazing working capital when it's growing, but when it's shrinking, it's a sting in the tail. I know you lost money through that - does it drive you, indirectly, or in any way, do you think?

BOBBY

No. You know, I was wiped out by Covid... my holding in CarTrawler was wiped out... so I got a zero result, but I'm fortunate that I had done pretty well from the two previous stakes, but it was a horrible couple of months; but, you know, you have to be philosophical. I could have stayed, you know, the new owners, TowerBrook, were great,

very gracious and wanted me to stay and keep doing what I did, but I just felt that I'd flogged this horse enough now, and it's time to do something else.

GUY

And do you think if it wasn't for that you wouldn't have lent into Manna so much?

BOBBY

Good question. I one hundred percent would've lent into Manna. I would've probably stayed on the CarTrawler board, though, and waited for BC Partners to exit and done well out of that, but would it have changed anything? It would've changed a bit, right? I probably would've funded Manna a little longer myself. I probably would've stuck probably another £5m, maybe even £10m more into Manna, and it would've been a mistake.

GUY

You would've kept control, but it would've been slower?

BOBBY

I'm not driven by keeping control. I wouldn't say that I'm driven by maximising the percentage that I own in this business. What I'm driven by is maximising the chance of success, because, as we said at the start, it's binary, right? It's either gonna be zero or gigantic, and if it's gigantic, I'm happy to take a minority stake in gigantic, versus a majority stake in zero.

GUY

You've basically had 30-odd years of tech growth. How do you sustain that?

BOBBY

You do things that are interesting. I was 49 when I started Manna, and I'm 52 and a half now, and I definitely questioned, do I have the energy to do this, because it's 10 years, right? No matter what, it's a decade, so do I have a right to do this? Am I too old? And even if I wanted to, shouldn't we let young people do this kind of thing? And then I said, *you know, I actually do have the energy and this excites me*, so you're right though, it's 30 plus years of taking risks, working hard, doing startups, the madness of growth, and I wouldn't change a single thing about it. The only thing I'd change, as I said, is I would've taken on investment in that first business - Eland. You know, that was the biggest, probably the only mistake that I made (though I've made plenty of mistakes, but that was the biggest one that I would change).

GUY

And you've often had a wingwoman or wingman as part of that journey.

BOBBY

Yeah, and this time I don't, and I don't like it. It's actually lonely. Honestly, It is lonely! I would love to have a wingman/woman/person, you know. I have some great people on my team, I really do, so maybe it's my time. Maybe it's the fact that I have to call myself CEO that now I have to act more responsibly, you know, but when I was with Mike, great news and bad news we shared together, but the team now that I have - I've built a pretty strong leadership team, exec team - but I am, you know, the lonely CEO. It's not a cliché, it's true! I would recommend to get a co-founder, but it's too late for me, now.

GUY

And so what would be your advice for a founder or an entrepreneur embarking on private equity for the first time?

BOBBY

Oh, do it, but my advice is spend a lot of time getting your advisors, right? So we got lucky the first time, we used advisors called Torch Partners, and they were brilliant, and then we used you guys - PWC - for the second time, and again, the advisors were critical. So when you're going in to do PE it's important that your advisors help you and kind of steer you so that you understand, and you can translate, what this really means. If you have a business that's a healthy business that has potential, you'd be wrong to do it on your own, as I did the first time. You bring on PE, not just to get access to the capital and maybe take a few quid off the table, you bring in PE to strengthen you and to head off disaster along the way, and they become, I think, value add to your business along the side, for me anyway. They strengthen you and they increase your chances of the scale that you wouldn't have on your own.

GUY

And the most important qualities you think for a founder or entrepreneur?

BOBBY

PE is different from VC. My biggest weakness is, I don't have that finance background. It's a huge weakness, right? And I think, if you're dealing with PE, you need a strong CFO or else you need to be that type, because as you well know, it's a very disciplined space; and then in general, my best advice for founders, particularly young ones, is to build

networks. Networks are everything, and all of the good things that have happened to me, both in hiring and in opportunities, in customers, in everything, it's been because of the network that I've had, that I've been growing my whole life; so, for founders, don't be insular, be always out there for no particular reason, meeting and talking to new people. And then the other thing on the hiring front - which is the hardest part of getting things right when you start a business - I'm always sizing them up to see how, at some point, may I work with this person, how can they not be useful to me? I'm always meeting new people and I always come away making notes. This sounds spooky, but I do take notes! I note all these people and I categorise them, and when I need someone on batteries, or super capacitors, or if I need someone on whatever it is, I can generally look to my network and get straight there, and that's because I constantly build networks. So, my advice to the entrepreneurs is never stop doing that. Even if you think you don't need it, there's always something good around the corner.

GUY

Like the curiosity! And the most inspiring person to you?

BOBBY

Oh God... So that's a tricky one, because there's a lot of bullshit, right? So I have to say, it has to be Elon Musk, not because of what most people think. The reason he's most inspiring is because he went through the absolute wringer and the whole world - other than his fan club - was writing him off. In Silicon Valley, *everyone* wanted him to fail. So, the resilience of the guy and the sheer determination and level of personal risk that he took is phenomenal.

GUY

Is there a book you currently like, or turn to regularly?

BOBBY

So I mean, they're all similar, like obviously the best business book I've ever read is *Shoe Dog* - the Nike story. Also a great recent read and a sobering one for a lot of people is *The Cult of We*, which is the book about Adam Neumann. That is a great read. I also throw [Super Pumped](#) into that category as well - the story of Uber.