

CNBC Scott Wapner Halftime Report

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

TRANSCRIPTION OF
CNBC'S SCOTT WAPNER "HALFTIME REPORT."

Interview with Bill Ackman on the Coronavirus

1 SCOTT WAPNER: I do right now, though,
2 want to bring in Bill Ackman on the phone. He
3 took to Twitter today to urge the President to
4 take more dramatic measures to stop the spread
5 of the virus.

6 Bill, I thank you for joining us today.

7 BILL ACKMAN: Thank you, Scott.

8 SCOTT WAPNER: A number of ideas you put
9 forth. I'm going to read one of them for our
10 viewers to start.

11 "Mr. President, the only answer is to shut
12 down the country for the next 30 days and close
13 the borders," you say. "Tell all Americans
14 that you are putting us on an extended Spring
15 Break at home with family, keeping only
16 essential services open. The government pays
17 wages until we reopen."

18 I know from our conversations that you
19 have been worried for some time. How did it
20 manifest today with these tweets and going
21 public?

22 BILL ACKMAN: Maybe just a little bit of
23 context. You know, I'm an optimist, but
24 beginning in, I don't know, late January I was
25 getting increasingly bearish, and I woke up

1 with a nightmare. And my nightmare was you had
2 this virus that replicates and infects
3 incredibly rapidly. You know, each person
4 infects 2 1/2 people, each of whom infect 2 1/2
5 people, and, you know, 1 becomes 2, 2 becomes
6 4, 4 becomes 16, 16 and 256, 65,000. You get
7 to just massive, massive numbers from watching
8 this thing rollout in China. It kills, you
9 know, one to two percent of the people. In
10 China the number's been closer to four. People
11 think that's because the health system has been
12 overwhelmed, but one to two percent means
13 friends and family are going to die. The
14 concentration was, the effect was sort of older
15 people; older people with lung or cardiac
16 conditions.

17 I have a father who's almost 81. He's,
18 you know, he's got -- he had lung cancer. He
19 lost two-thirds of his lung capacity as a
20 result of surgery. He's got some health
21 issues, and you have a vir -- the other thing
22 that really scared me is unlike the flu, or
23 when you're sick, you know you have it. Here,
24 you go as much as two weeks without showing any
25 symptoms, or maybe a little bit of a cold.

1 Meanwhile, you're incredibly infectious. And I
2 thought the combination of that, the fact that
3 the virus lives on surfaces for as much as you
4 know, nine days, if we believe what we're
5 reading, means this thing can spread
6 everywhere.

7 And when China shutdown Wuhan, it told
8 people, you know, 12 hours from now we're going
9 to shut down Wuhan. Well, what happened, five
10 million people left Wuhan, and five million
11 people dispersed around China, and five million
12 people dispersed around the world. And it
13 seeded the virus. And I think people are just
14 not used to thinking about exponential
15 compounding on a daily basis. In the beginning
16 you don't see anything, and I think the fact it
17 was -- it sort of -- people -- press reports
18 said it only killed old people, it only killed
19 sick people, I think it made most of the
20 country not particularly concerned.

21 I think the fact that, you know,
22 99 percent of the people lived made most of the
23 people not concerned. The fact that it was in
24 China, and it was like far away, and, you know,
25 Chinese have unusual dietary, you know, habits.

1 They eat some things we don't eat. I just
2 think all these things made people not take it
3 seriously, but when I did the math, I said, you
4 know, the laws of probability tell me this
5 thing is going to be everywhere, everyone.
6 Fifty percent of the world is going to get
7 infected, and I sort of rolled this thing
8 forward, and I said it's just -- it's just a
9 matter of time.

10 SCOTT WAPNER: Do you take comfort in some
11 of the steps that have been taken?

12 It certainly appears as though our
13 response now from a federal level is much
14 better than it was initially. I think we can
15 all admit and take comfort that it is ramped up
16 now.

17 What about the steps that have been taken?
18 The city in which you live is considering a
19 shelter in home, shelter at home declaration.

20 BILL ACKMAN: I think Governor Cuomo has
21 done a superb job, and I think the White House,
22 the President, the Vice President are finally
23 doing -- taking a lot of the necessary steps,
24 but it's not enough. And the reason why it's
25 not enough is the only way -- what's going to

1 happen if we continue the way we are operating
2 is until a vaccine is manufactured, distributed
3 and injected we will go through a depression
4 era period in the country, and millions of
5 people will die around the globe. And as many
6 as a million Americans are going to die. And
7 it's just math. Okay?

8 And the problem is, if you lockdown New
9 York, what will happen is Governor Cuomo will
10 say, okay, we're locking down New York. You
11 know, there was a rumor of that. So what did
12 everyone do? Everyone got out of New York and
13 moved -- went somewhere else, because no one
14 wants to be locked down, and they spread the
15 virus. They're not doing it, you know, to cause
16 anyone harm. They just don't even know that
17 they are infected.

18 And by the way, if you look at the data from
19 Korea, there's some very interesting evidence
20 that suggests that people from 20 to 30 are the
21 massive spreaders. You know, the so-called "R-
22 naught." You know, the reproduction number of
23 the virus I think is much higher particularly in
24 that group of people. So you have a group of
25 people that are, you

1 know, 20 to 30, the millennials, they're going
2 out, they're having fun. They don't feel sick,
3 not afraid of anything and they are spreading
4 this everywhere.

5 And by the way, when the colleges shut
6 down, they all go on spring break and they
7 spread it everywhere. And so I think there is a
8 very high probability that millions of Americans
9 have the virus. And I'll give you some
10 interesting, you know, anecdotal data points.

11 So we took very aggressive measures at
12 Pershing Square, you know, because I was
13 obviously very bearish on this. On February
14 27th I told the firm we're going to work from
15 home. We have a small firm. We've got 50
16 people. We already have two people -- again,
17 we've been
18 working from home for three weeks. We have two
19 people out of 50 that are likely to have the
20 coronavirus based on their symptoms. We're
21 waiting for outcomes, in one case, for a test.
22 The other one is not -- can't get a test, or
23 was in a place where it's more difficult for
24 them get a test. But, you know, that's kind of
25 four percent of our company taking

1 aggressive -- aggressive measures. So it's
2 incredibly widespread. It's deadly, and as we
3 heard on the President's announcement, and this
4 is if you actually track -- follow Twitter,
5 this was out a few days ago, it's killing young
6 people. It's killing healthy people. Right?
7 I think if -- originally what happened, if this
8 broke out in New York and it was killing
9 babies, okay, the country would not have taken
10 the approach it has taken. Okay? But that is
11 the approach that we have to take. Assume it's
12 going to kill your child. Okay? Assume it's
13 got a 1 in 50 chance of killing your child, and
14 operate accordingly. So the very simple answer
15 is -- and by the way, it's happening --

16 You know, the mental model I used is by
17 February, Chinatown, in my view, is a microcosm
18 for the country. What happened in Chinatown,
19 the one thing people did is they stopped going
20 to Chinatown because they were afraid of, you
21 know, maybe people coming home from China, and
22 they didn't want to eat Chinese food. So
23 Chinatown, you know, restaurant revenues went
24 down 50, 60, 70, 80 percent. And what happens?
25 Well, you know, the busboy loses his job. The

1 guy doing the dishes, the waiters lose their
2 job. The number two chef, the chef. You know,
3 the owner has to shut the place. The suppliers
4 stop, you know, providing supplies. Right?
5 The banks that lend to that community start
6 getting defaulted on loans. Every landlord in
7 China has gotten a call from their tenant who
8 says, "I'm sorry, I can't pay rent. I have no
9 revenues coming in."

10 And I said, look, this is a model for the
11 country.

12 SCOTT WAPNER: Uh-huh.

13 BILL ACKMAN: And that's happening now. Right?

14 The canary in the coalmine. And by the
15 way, it's not just -- and the other thing that
16 happens of course, the entrepreneur that owns
17 ten Chinese restaurants in Chinatown, okay,
18 he's also devastated. So it starts with the
19 bottom and it works its way through to the
20 top. Okay? And the same thing is happening
21 right now in our country, right? It starts
22 with the guy who owns an Embassy Suites Hotel.
23 Okay? He's wiped out. Right? When you go
24 from 80 percent occupied to 0, okay, you're
25 toast. You go down 50 percent, you're toast,

1 but you're certainly toast when you go to zero.
2 So he defaults.

3 But, now, again, take a look at Hilton's
4 stock. We're a major shareholder of Hilton.
5 Hilton is the canary in the coalmine. This is
6 an incredibly well capitalized, amazing,
7 dominant global company that actually
8 doesn't own many hotels. It just collects
9 royalties. Down from like 120 to 50. Okay?
10 It's going to zero. Okay? Along with every
11 other hotel company in the world. You know,
12 Park Hotels & Resorts, you know, stock's down
13 from 33 to 4. This is a spin-off from Hilton.
14 Why is it down from 33 to 4, because every
15 hotel is going to be shut down in the country.
16 Every one.

17 SCOTT WAPNER: Hang on. Hang on just one
18 second. You say Hilton is going to zero. I
19 mean --

20 BILL ACKMAN: Again, I'm a major
21 shareholder. What I'm saying is if we allow
22 this to continue the way we allow it to
23 continue, okay, every hotel company in the
24 world, okay, is done. Okay? Because no
25 business can survive a period of 18 months

1 without revenue. Okay? And that's -- stick
2 with me. And that's what happens, okay,
3 when -- if you operate the way we're operating
4 now. Okay?

5 Now, let me give you -- so that's a very,
6 very bearish thought. Okay? And I've been
7 super bearish, but I got bullish. Okay? And
8 the reason why I got bullish, and I've been
9 aggressively buying stocks, including Hilton,
10 today, okay, and I've been buying all the way
11 down: Hilton, Restaurant Brands, Starbucks, you
12 know, walk your way through our -- the only
13 stocks I'm not buying are companies we're on
14 the board and I'm restricted. But the reason
15 why is the only answer for the world is to shut
16 the world for 30 days.

17 SCOTT WAPNER: Uh-huh.

18 BILL ACKMAN: Okay? It's so simple.
19 Okay? And it's happening, it's happening
20 slowly on a rolling basis country by country.
21 But if you take the model from China, what did
22 we learn from China? The thing got out of
23 control. They had no warning. Okay? But the
24 Chinese took incredibly aggressive measures and
25 they shut the economy. They absolutely shut

1 the economy in Wuhan. They shut the economy
2 anywhere there was a virus. And they shut the
3 economy for weeks. And then they're gradually
4 reopening the economy. And the Chinese are
5 incredibly disciplined. They wear masks, they
6 practice social distancing, and they're --
7 you know, President Xi is now toggling between
8 controlling the spread of the virus and
9 reopening the economy. Okay? And that can
10 work.

11 And you look at how South Korea's handled
12 this and how Singapore's handled this, but you
13 need a global effort where every country in
14 the world at the same time says for the next
15 30 days it's basically spend time with your
16 family. You know, on my Twitter feed, the last
17 time I tweeted was probably a couple of years
18 ago.

19 SCOTT WAPNER: Yeah.

20 BILL ACKMAN: I said the President -- all
21 that has to happen is the President goes on TV.
22 By the way, he doesn't need anyone else by his
23 side. He goes on TV, he sits down in front of
24 the American people and he says, "Here's what
25 we need to do to defeat the virus. We've got

1 an invisible, silent, deadly enemy, okay, how
2 do we kill it? Everyone just goes home."

3 SCOTT WAPNER: I --

4 BILL ACKMAN: Sit on the couch. Stick
5 with me for a second. Sit on the couch. You
6 watch Netflix, you order in Chipotle and you
7 stay there for a month and you spend time with
8 your loved ones. Okay? And the virus will
9 die. Okay? And during that period of time the
10 federal government steps in and supports every
11 American that needs help. Okay? We have --
12 you know, rent holiday. No one needs to
13 collect any rent. No one needs to collect any
14 interest. No one needs to collect any taxes.
15 The government, you know, mails checks to
16 people so that people can pay for food. You
17 keep grocery stores open. You keep, you know,
18 the drug stores open. You know, you keep fast
19 food open because people get tired of mom's
20 cooking after a couple of weeks. And then
21 you -- you know, anyone who's out in the public
22 domain wears masks, minimizes interactions, and
23 in a month we're done with this.

24 And by the way, the country survives, the
25 economy survives. If we do this, we're just

1 incrementally over time, until there's a
2 vaccine, we're done. Okay? And what will
3 happen is the hotel industry and the restaurant
4 industry will go bankrupt first. Boeing is,
5 you know, on the brink. Okay? Boeing will not
6 survive without a government bailout. Okay?
7 So look at airline industry, auto industry,
8 restaurant industry, hotel industry, you know,
9 we're -- capitalism does not work in an
10 18-month shutdown. Capitalism can work in a
11 30-day shutdown. And we've got to do the
12 30-day shutdown. And if the President has to
13 bring out the National Guard to keep people in
14 their homes, which I don't think he will need
15 to do, he should do it.

16 SCOTT WAPNER: We will see if it gets to
17 that point. I have to say, I think we're all
18 going through the same range of emotions, if
19 you want to call them that, by virtue of the
20 way you're thinking about this. We're, I think
21 collectively, Bill, so worried that your worst
22 expectations or fears are going to come true,
23 but at the same time trying collectively
24 thinking that we're going to come out better on
25 the other side as represented by your

1 willingness to go into the market today and buy
2 stocks because you think that America is still
3 going to be a great place on the other side of
4 this. It's just so hard at points to see that
5 rainbow when we're all so concerned about
6 what's happening here.

7 BILL ACKMAN: This is a case where you rip
8 the Band-Aid off. And by the way, you know,
9 the President talked about shared sacrifice.
10 The only shared sacrifice that's going on right
11 now is the health care community. Okay? The
12 nurses, the doctors, the people taking care of
13 patients. Okay? Those people are making
14 enormous sacrifices. What would the President
15 be asking the American people to do? He's not
16 saying, you know -- he's not saying to storm
17 the beaches at Normandy, right? He's saying go
18 home. Go home. Spend a month with your
19 family. Okay? I know for some families that's
20 a hardship, okay, but it's nothing; go home,
21 take a deep breath. You know, spend time with
22 loved ones. Take care of your children. Okay?
23 Don't worry, no landlord's going to collect
24 rent, you know, from anyone who can't afford to
25 pay it. The government is going to step in and

1 fund -- you know, send you money so you can buy
2 food. We keep the supermarkets open. We keep
3 the drug stores open. We keep the hospitals
4 open. We keep, you know, our national defense
5 working. And, yes, we have to shut the
6 borders. Okay? And then 30 days later the
7 virus is gone in America, largely gone in
8 America, and then we have to be careful, okay,
9 for the next 12 to 18 months until we have a
10 vaccine. And by careful, I mean we have to
11 practice social distancing. We don't shake
12 hands. We don't hug and kiss. You know, we
13 wear masks and we test like crazy. Okay? We
14 need a test where in five minutes you can tell
15 whether you have the virus.

16 And, you know, think about the flu. The
17 reason why the flu is not so dangerous and not
18 nearly as scary, is because when people get
19 sick, they stay home. And by staying home, they
20 don't pass it on to people. What's happening
21 here is you have a 20-year-old -- you know, you
22 look at the beaches in Fort Lauderdale
23 unfortunately a week ago, right, they're packed
24 with 18 to 22 year olds having the time of
25 their lives, spreading the virus. Okay? And

1 they're probably okay. Most of them. The
2 vast, you know, majority of them, but when they
3 go home to their parents, or they go home to
4 their loved one, or their friend who just had
5 breast cancer surgery and, you know, is immune
6 comprised, they're going to kill that person.
7 Okay? And once you you have the thought
8 experiment, okay, that you know what, everyone
9 feels, you know, 99 percent chance I'll be
10 okay. Okay? But it's not you, it's the person
11 you give it to. And the paradigm I have is
12 that, look, I am not going to kill my father.
13 Okay?

14 SCOTT WAPNER: Yeah.

15 BILL ACKMAN: And so -- and so I shut -- I
16 went into lockdown. I went into lockdown
17 almost a month ago, okay, to save my father's
18 life.

19 SCOTT WAPNER: Yeah.

20 BILL ACKMAN: Okay? Do you understand?
21 We have to -- we've got to save everyone's
22 life. Okay? And then I know this is a
23 business television show, okay, but the other
24 way we save lives is by saving the economy.
25 Okay? And the way you save the economy, every

1 business -- almost every business, big business
2 can survive a month without revenue. Okay?
3 Almost none can survive a quarter without
4 revenue. Okay? Eighteen months down 50, 60,
5 70, 80 percent, they're all toast. Okay? And
6 by the way, I have enormous respect for Steven
7 Mnuchin. Okay? I think he's doing an
8 excellent job, okay, but the U.S. Treasury does
9 not have enough money to bail out every
10 company. Okay? So this trillions of dollars
11 we're throwing at saving this industry, saving
12 that industry, is not going to save the
13 industry. The only thing that's going to save
14 the hotel industry is if we kill the virus and
15 we kill it now.

16 SCOTT WAPNER: Let me -- let me address a
17 couple of things. We obviously want to take
18 care of our friends and our families, and as
19 you say, figure out where this economy goes
20 from here.

21 Andrew Ross Sorkin, my colleague, your
22 friend, writes today in the New York Times, and
23 I want your thought on this on the other side,
24 "The economic crisis can be solved right now.
25 The government could offer every American

1 business, large and small, and every
2 self-employed and gig worker a no-interest
3 bridge loan guaranteed for the duration of the
4 crisis to be paid back over a five-year
5 period."

6 I'd like your reaction to that sort of
7 big, big way of thinking whether you think the
8 government is going to figure this out and do
9 the right thing. And then I want to ask you
10 something else about what the future of
11 corporate America is going to look like.

12 But your initial thoughts on what Andrew
13 wrote.

14 BILL ACKMAN: Respectfully, Andrew's
15 wrong. Okay? You can't borrow your way out of
16 the problem. The problem is not the economy.
17 The President is correct, this is one of the
18 greatest economies that we've ever had. Okay?
19 Every company that we own had the best January,
20 you know, they've ever had. Okay? The
21 consumer was in an unbelievable place. Okay?
22 The banks are really, really well capitalized
23 okay? They were. Okay? But you've got to
24 kill -- you've got to win the war. Okay? You
25 can't lend your way out of the war. You've got

1 to kill the virus. Kill -- the virus dies,
2 okay, if we minimize transmission. Okay? We
3 know that if we wait two -- we wait a month,
4 okay, and everyone stays home. Okay? Other
5 than absolutely essential services. And, yes,
6 there are a lot of Americans that are sick.
7 There are a lot of Americans that need to go to
8 a hospital, but on the path trajectory we are
9 on right now, we're going to overwhelm the New
10 York City health care system in a very short
11 period of time. That's why they're moving
12 ships into New York City. Okay? That's what
13 their, the message is. Okay? The same thing
14 is true in Hackensack in New Jersey. The same
15 thing is going to be true in every major city
16 in the country. And then it's --

17 You know, the canary in the coalmine are
18 the places where everyone flew back from China.
19 Okay? Think about Milan. You have the Milan
20 fashion show; you had this huge outbreak in
21 Italy, right? And so they shut the Milan
22 fashion show, and 100,000 people go home and
23 they go home to Paris, London, you know, Tokyo,
24 you know, Sao Paulo. All over the world.
25 Okay? And some percent of them, okay, have the

1 virus and it spreads. Okay?

2 And by the way, the President has to do
3 this. He's the leader of the free world, but
4 every other nation in the world is going to
5 follow. I was just on the phone with a friend
6 from Brazil, okay, and the President of Brazil
7 is effectively holding rallies in the last
8 couple of days with hundreds of thousands of
9 people out. Okay? Brazil is going to be
10 devastated, okay, unless it shuts this down
11 immediately. Okay?

12 SCOTT WAPNER: The other -- the other
13 point -- I know we're running out of time, but
14 the other point I do want to bring up with you,
15 because I think it's important to discuss sort
16 of what we're going to look like on the other
17 side of this, and that's from the human
18 perspective and the corporate perspective as
19 well.

20 Mark Cuban was on our air earlier today.
21 He thinks big and he's been a leader in sharing
22 his voice as well I think it's fair to say in
23 all of this. He says, "A year after this plays
24 out we're going to look back and say why didn't
25 we consider the workers. The everyday hourly

1 worker, the people making minimum wage, why
2 don't we reward them as well? Let's get ahead
3 of it and whatever we do in the bailout, make
4 sure that every worker gets compensated and
5 gets treated equally."

6 He also says, "Part II: No buybacks, not
7 now, not a year from now, not 20 years from
8 now, not ever. Because effectively you're
9 spending taxpayer money to buyback stock, and
10 to me that is just the wrong way to do that."

11 I bring that up because Starbucks
12 announced a buyback today. Do we need to think
13 about, and you're on a number of boards, you
14 have been, and you will be in the future. Is
15 that right, is that a right policy to still
16 have buybacks when some of these businesses are
17 going to be saved from crumbling?

18 BILL ACKMAN: Yeah, so I called the CEOs
19 of a number of our companies, okay, and told
20 them my concerns. Okay? Of the companies
21 we're closest to, and to not -- stop the
22 buyback programs, to husband resources, to pull
23 down, draw down the credit lines because hell
24 is coming. Okay? And I felt --
25 you know, I was really -- I've never had this

1 experience before in my life. The closest I
2 have with financial crises where I'm saying you
3 know, things are coming, bad stuff's coming.
4 But this was a feeling like I've never had.
5 Like there's a tsunami coming, right? The
6 tsunami's coming and you feel it in the air.
7 Right? The tide starts to roll out, okay, and
8 on the beach people are playing and having fun
9 like there's nothing going on, and that is the
10 feeling I've had for the last two months.
11 Okay? And my colleagues at work, okay, thought
12 I was a lunatic. Okay? A lunatic. Okay, I
13 did stuff I've never done before. I've never
14 had more than like 200 bucks in my wallet.
15 Okay? I went to the bank and I took out a
16 large amount of money in cash because of this
17 concern. I made preparations. This is a month
18 ago. Okay? More than a month ago. And,
19 again, it's all irrelevant what's happened in
20 the past. I just think the -- the bottom line
21 is it's a really simple answer. I'm very
22 confident the White House is considering it, but
23 what's scaring the American people and
24 corporate America is the gradual rollout, okay,
25 of what's going on. We need to shut it down

1 now. Shut it down now.

2 Look, it happens to be Spring Break. You
3 know, it's kind of analogous, the Chinese had
4 their lunar, you know, holiday, right, and so
5 the government just extended it. Okay? Well,
6 it's Spring Break now, a lot of people were
7 going to take these two weeks off anyway. So
8 extend it for a month. A month at home. Okay?
9 How hard is that? Compare that to going to
10 war. Right? Compare that to getting on, you
11 know, one of those boats, you know, and
12 storming the beach. It's nothing. It's not a
13 sacrifice. Okay? It's easy. It's simple.

14 And by the way, the moment the President
15 goes on TV and says this is what we're doing,
16 the stock market will take off. Because this
17 will set the time frame- now, by the way, it's
18 a month and then we have to be careful
19 afterwards. Okay? We can't just go back to
20 our old ways. We have to follow all the
21 procedures we're talking about now until
22 there's a vaccine. Okay? And the good news is
23 capitalism works. Okay? Every scientist and
24 drug company in the world wants to save the
25 world. Okay? And they're hugely motivated

1 reputationally, economically, et cetera. And
2 so I say I'm reasonably confident we're going
3 to get a vaccine in the next 12 to 18 months --

4 SCOTT WAPNER: Do you --

5 BILL ACKMAN: -- but it's not a certainty.

6 SCOTT WAPNER: Bill, did you hear that
7 report?

8 BILL ACKMAN: I did hear it, and it's just
9 further evidence of what I'm telling you.

10 Corporate America is in shutdown right now.

11 Okay? It just doesn't know it yet, or it knows
12 it yet, but no one else knows it yet. Okay?

13 Hotels are going to -- every hotel is going to
14 shut. Every one of them. Okay? Except ones

15 that have government workers in a particular
16 location for whatever reason. Other than that,

17 they're all going to shut. Okay? Every --

18 airlines are going to stop flying. Okay? An
19 airline without revenues, okay, is toast.

20 Okay? And you can bridge the airline for, you
21 know, a shorter period of time, okay, but you

22 can't bridge it for years. Okay? The airline
23 industry goes bankrupt, the hotel industry goes

24 bankrupt, the restaurant industry goes

25 bankrupt, and by the way, private equity goes

1 bankrupt? Okay. Blackstone's a fabulous
2 private equity firm. KKR, they do a tremendous
3 job, but every one of their companies has a lot
4 of leverage. Okay? Every one of their
5 companies goes bankrupt if this thing rolls out
6 over 18 months.

7 SCOTT WAPNER: And yet, I know we're going
8 to finish this interview and some who have
9 listened and listened intently are going to
10 say, you know, on one hand Bill scared the
11 living you know what out of me and now I'm even
12 more concerned than I was before, and yet he's
13 buying stock. So you must have a level of
14 belief in you that we're going to do what you
15 suggest and that we will emerge better on the
16 other side.

17 BILL ACKMAN: Yes, okay, because this is
18 the only answer. Okay? And if the President
19 hasn't already gotten to this answer, okay, he
20 will get there very, very soon. Okay? He's a
21 very smart man. He's motivated to do the --
22 what's in the best interest of the American
23 people. Okay? He wants to get reelected in
24 November. November is not very far away, and
25 if he can save the country from the

1 coronavirus, he will get reelected. Okay? But
2 if we're in a long, drawn out disaster where
3 the airline industry goes bankrupt, every
4 industry one at -- you know, each month, okay,
5 name a sector, it's toast. And I can rank
6 order them. Okay? And they're all going to
7 go. Okay? He's not going to get reelected,
8 and it's going to a be shit show, if you excuse
9 the expression. Okay? We can fix it. Super
10 simple. Okay? Thirty-day Spring Break,
11 America. Okay?

12 And, you know, by the way, the other thing
13 we're going to do is we're going to focus all
14 of our resources on amping up our health care
15 system, creating more ICU beds. You know, we
16 should be immediately building more
17 ventilators. Figuring out how to -- how they
18 can serve more than one patient. We need Elon
19 Musk creating a better ventilator fast. Okay?
20 Shut down -- take the Tesla factory and turn it
21 into a ventilator factory. Okay?

22 So we need to do two things. We need to
23 shut down. You know, everyone's got to work
24 from home, live at home, et cetera. If they
25 can't work from home, they're going to get

1 checks from the government. Okay? And by the
2 way, the vast majority of companies, certainly
3 big companies, will absolutely take care of
4 their of work force during this interim period
5 of time. They can't do it for 18 months, they
6 can do it for 30 days. Okay? They can do it
7 for -- and we're there. We'll get through
8 this.

9 SCOTT WAPNER: Do you still --

10 BILL ACKMAN: And the other countries will
11 follow our lead. Okay? Brazil needs to do
12 this immediately. Okay? Because they don't
13 have the health care system we have. They have
14 an enormous population. Millions of people
15 could die.

16 SCOTT WAPNER: Do you think, though, that
17 we're -- we're working out some sort of bottom?
18 You must if you're willing to put money into
19 the market with the views you have right now.
20 I mean, I think Twitter is going to explode
21 over the people saying he's -- he's --

22 BILL ACKMAN: I have --

23 SCOTT WAPNER: -- talking about the end of
24 the world and yet he's putting into the stock
25 market.

1 BILL ACKMAN: America will end as we know
2 it, okay, I'm sorry to say so, okay, unless we
3 take this option. Okay? And, therefore, I
4 believe it is a certainty in the very short
5 term, okay, that the President is going to go
6 on TV and he's going to say, "America, it's
7 time to go on Spring Break at home. Okay?
8 That's not a big sacrifice. And anyone who can
9 come out of retirement as a nurse, or as a
10 doctor, as a health care worker who wants
11 to help out, that's the war that we're
12 fighting, okay, to save the hundreds of
13 thousands, millions of people, okay, who will
14 die if we don't jump on this now."

15

16 (End of recording.)

17

18

19

20

21

22

23

24

25