Summary & Transcript

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1. Strategic Actions and Decisions

- **Recognize the AI Hardware Shift: Hardware efficiency is accelerating rapidly, moving processing capabilities from mainframes and data centers down to consumer laptops and smartphones.**
- **Capitalize on Middle East Supply Disruptions: Supply facility damages in Qatar and regional conflicts have eliminated 10% to 20% of global natural gas and liquids supply, creating severe long-term supply deficits.**
- **Exploit U.S. Export Market Growth: Global buyers in Asia and Europe are actively securing 10-year supply contracts with U.S. producers to lock in energy security away from volatile regions.**
- **Target Value-Mispriced NGL Producers: Natural Gas Liquids (NGLs) like propane and butane are priced against crude oil, allowing specialized producers to realize blended prices ($4.50) significantly above standard natural gas market rates ($2.80).**
- **Initiate Position in Antero Resources (AR): Antero Resources presents a strong risk-reward profile due to its declining cost structure, $1.2B in annual free cash flow, and low debt burdens.**

Executive Summary

Global energy supply shocks and changing tech infrastructure are altering long-term market dynamics. A structural shift is occurring in natural gas and Natural Gas Liquids (NGLs), driven by Middle Eastern supply destruction and expanding U.S. export infrastructure. While the broader market exhibits speculative tech concentration reminiscent of past market tops, fundamental long-term value resides in low-cost U.S. natural gas producers. Companies with direct export infrastructure access, such as Antero Resources, are positioned to capture expanding margins, generate over $1.2 billion in annual free cash flow, and deploy aggressive share buybacks while serving as a resilient cash-flow anchor for institutional portfolios.

Key Takeaways and Practical Lessons

1. **Evaluate Tech CapEx Risks Against Hardware Efficiency: Exponential software efficiency gains reduce reliance on high-cost infrastructure.**
    - ***Practical Lesson:* Re-evaluate long-term datacenter and chipmaker demand assumptions, as AI software optimizations increasingly enable localized edge computing on consumer devices.**

2. **Exploit the Pricing Disconnect in Natural Gas Liquids: Markets regularly misprice NGL-heavy producers by anchoring them to Henry Hub dry gas benchmarks.**
    - ***Practical Lesson:*** **Focus investments on producers rich in propane, butane, and ethane that command higher, oil-linked realizations rather than pure-play dry gas companies.**
3. **Leverage Modern Upstream Efficiency Gains: Technological developments like 5-mile laterals and multi-well pads drastically lower per-unit extraction costs.**
    - ***Practical Lesson:*** **Select operators that leverage existing pad infrastructure to expand output with flat capital expenditure budgets.**
4. **Monitor Structural Inventory Volatility: Stagnant U.S. storage capacity paired with rising domestic and export demand creates structural price spikes during peak seasons.**
    - ***Practical Lesson:*** **Utilize price spikes in the shoulder months to lock in cash flow protection using disciplined hedging strategies.**
5. **Focus on Free Cash Flow Yield and Capital Return: Balance sheet strength and structural cost advantages provide downside protection during broad market downturns.**
    - ***Practical Lesson:*** **Prioritize commodity producers with clear paths to $1B+ free cash flow that actively reduce share counts while holding long-life reserve assets.**

TRANSCRIPT

04:56:36:21 - 04:57:02:15
Danny. My friend. How are you? Good. George, how are you? Great to see you. You've been sort of in the federal witness protection program for a good while. For those who don't know, Danny, he and I go way back, 45 years, 46 years. Fidelity days. So, you know, I'm always shamelessly name dropping Peter Lynch's name.

04:57:02:15 - 04:57:23:20
Well, there was a guy before me who was his, research assistant. You look at, Danny. Frank. So we've been trained the right way by the right guy. Danny marches to the beat of his own drum. Great stock picker. And certainly at a consensus. And so it's a real pleasure. Danny, this is your coming out party for this conference.

04:57:23:20 - 04:57:41:07
Thank you for doing this. We're not, as we were taught. We don't B.S. about the market, but I do want to. You share, you know, some of your thoughts. Very perceptions on the issues of the day as you see them. What sort of captured imagination you and I were talking off camera when we started the oil thing.

04:57:41:07 - 04:58:01:10

Your head's exploding. I private credit to consumer, so have I. The floor is yours. Talk about whatever you're convicted on. So. And then we'll get to your idea. Excellent. Thanks, George. And thank you for this. And thank you. You're doing a great job and love your stock picks have been off the charts lately, sir. You are, you're a World Series caliber all star caliber.

04:58:01:10 - 04:58:29:07
So you should have been the all star game because it's fabulous. Just a couple things here. I'm regurgitating. What other people have already said. One, the I thing, the data center thing, George, is highlighted. Other people have as well. But you keep reading now I think it's what what's becoming most poignant to me is somebody put up a graphic this week or last week that showed the speed of evolution in AI is basically at warp speed.

04:58:29:10 - 04:58:55:02
So you're now seeing and it's manifesting itself like the comparison with PCs from mini computers or the digital equipment days to PCs to phones. And there was a timeline, this one, you've gone from mainframe, basically mainframes, which is data centers to now everybody's making announcements about. And I'm hearing from people that actually running AI models on their laptops and then Fred Hickey.

04:58:55:04 - 04:59:25:23
But I've also confirmed it from other sources, even googling at that. You can now run these AI programs on smartphones. Whoa whoa whoa whoa whoa. You can do this on a smartphone. That's, you can Google it. And the answer is yes. There's now, the programs have gotten simple enough. You know, it's not the super powerful one, but it doesn't have to be, because over time, as we've seen with the smartphones, they go from the size of a brick to small, and the power goes up 20 times or 30 times or 50 times or 100 times a day.

04:59:25:23 - 04:59:44:17
So you should do this. Asking for a friend. What does it do to data centers you can run on? It. I don't think it's a good thing, George, but I'm not sure. But, I, I keep going. Sorry, sorry. Okay, so, so so you have that and then the the the upgrades of the of the AI, the allowance.

04:59:44:19 - 05:00:04:00
It's like every week that one guy's leapfrogging, the other guy's leapfrogging the other guy. Now the government is claiming that, you know, the Chinese are stealing. Except the fact. How can you steal from a guy who's already taken the lead? And then, I was listening to, gavel. What's what's his name? Lewis. Yeah. Lewis.

05:00:04:00 - 05:00:20:10
And here we go. Let me go. Yeah. This one. And and he said the same thing. He said, we're going close. Model the Japanese or the Chinese are going open. Model. They're going low costs. We're the high cost guys, he said. The whole world has gone upside down and backwards. And they're, you know, every time they enter a market, they destroy pricing.

05:00:20:10 - 05:00:40:09

So it's like, okay, so yeah, yeah, I don't need a Ferrari. I don't need a jack. You know, I don't need a you don't need a Ferrari to do basic, you know, a lot of this AI stuff. So I'm extraordinarily nervous and concerned about it. I think it's bad. The consumer shot, the homebuilding which old cycle mindsets bad.

05:00:40:09 - 05:00:56:18
And then the energy thing, it started with four moves and then okay, there was the threat of the barbell SOB, whatever the name of that place is that well, now the hoodies and the guys on the other side of the straight are bad guys too. So now they've I think somebody used the expression, he's got a shit sandwich there.

05:00:56:20 - 05:01:21:06
And then now you got the red, see, because they're bombing the you know, they're bombing the shit out of Kazakhstan. Well, there's a million and a half barrels that just got knocked out of the market. So the, this doesn't look good. And then we burn down all the inventory. So, you know, and the prices now up starting to reflect reality, I think which long story short, it leads me to my idea.

05:01:21:06 - 05:01:40:02
So you want to. Let's go. Let's let's go for it. Go for it. All right. So, everyone talks about oil, refined products, coal, but, and a little bit of natural gas. But if you talk about a thing called the natural gas liquids, these are products like ethane, butane, propane. And they come out of the same.

05:01:40:02 - 05:01:59:15
Well, but wet gas. Well, it's there's you drill the same hole, you get gas, you get the gas, like, you know, the dry gas, and then you get this other stuff. The advantage of these dry, these other liquids are they're much higher value prices than the dry gas, but they're lower than oil. But the price is driven off the oil.

05:01:59:15 - 05:02:24:20
So foil prices are up. It tends to pull up propane, ethane, butane and the natural gas liquids. But the the companies are being valued as though all the one that's coming out of the things is the $2.80 you see on your Bloomberg screen. So, these these other products tend to be they have different uses. They're a home heating oil, obviously, propane crop drying gasoline additives.

05:02:24:22 - 05:02:46:05
But the big market, one of the big markets is the manufacturing of plastics. And oh, by the way, one of our biggest export markets for these liquids is China. Because they need it because the alternative is naphtha, which is a derivative of crude oil. So if you have crude oil up here, naphtha prices are up. You know a high you can import ethane which is a better molecule to make plastics with.

05:02:46:05 - 05:03:14:08
And it's much cheaper. So plastics demand or demand for gas. You know across the board it's up and to the right. But it gets better now because now, the US is now the world's second largest exporter of natural gas. But with the closure of the Straits of Hormuz and the damage to there was a Qatar

facility, the world has lost about but nine numbers between 10 and 20% of its natural gas and natural gas liquids supply.

05:03:14:10 - 05:03:41:01
Qatar. The risk was Qatar. Qatar, however, you pronounce that was supposed to be expanding their capacity. But when the Iranians blew up their facility, it the the equipment to replace that, it's like a 5 or 7 year lead time. So their ability to grow, forget about current market conditions or ability to add capacity in the future, which was going to be 3 to 5 years from now isn't going to happen.

05:03:41:03 - 05:04:10:13
And that capacity, those that that the equipment is probably going to be used to fix the existing facility. So you're not going to have any growth from the biggest export risk factor is just basically been taken out of the market. The short term issues are obvious. But everybody's trying to work, you know, do workarounds in, in the Middle East, the problem with natural gas and natural gas liquids is you got to have got you got to get the liquids, okay.

05:04:10:14 - 05:04:29:22
Got to get the gas to you got to have a pipeline. Three. You got to clean it because it has to be fracking. It's called fractionated. They're clean out. Take out all the sulfur divided into its derivative capacity. The products that we talked about protein ethene butane. Then you got to put it into a terminal. You got to sometimes you have to freeze it to subzero and then you got to get it on a boat, get it out.

05:04:29:22 - 05:05:02:05
It's very hard to replicate that by just running a pipeline across Saudi Arabia or Turkey or wherever. So I think it's I think it's a long term problem. The other thing that I think will now happen or is clearly happening is if you were in the, Singapore, Taiwan, Japan, South America, and you were relying on Vietnam or any of the southeast countries, the Southeast Asia countries, you were lying on Middle East natural gas.

05:05:02:07 - 05:05:26:07
You just got to wake up, call. So there's aren't the sources of other sources. So the United States, maybe Australia, and then like Trinidad, Tobago in a couple of years, maybe sometime down the road, Argentina. But there just aren't a lot of alternatives. And our capacity to export is going to double over the next five years, 3 to 5 years.

05:05:26:09 - 05:05:45:04
So if you want it and you want to be a supply and you want safety, you want security. I think I keep listening to the calls from the companies in the space. The Japanese are showing up and signing a ten year contract. These guys are showing up and sign a ten year contract. So the world is saying I can't.

05:05:45:04 - 05:06:07:24
I got to diversify my supply. I got to diversify my risk. I need to go someplace that's safe. And I'm going to lock up supply. But you're going to lock up supply. You're going to pay a price. So, so the big

buyers China, Southeast Asia, and now also Europe, I just saw the numbers today, Europe is can't even get to halfway shield for their winter natural gas needs.

05:06:08:01 - 05:06:26:21
Oh. The whole a separatist stop right there because you've forgotten you're one of the most knowledgeable guys ever talked about natural gas. You're in that gas and you're telling me to build the ramp in the in the European build is not looking too good, is there? Not even close. Can't can't put it out. Not even close. Not even close.

05:06:27:01 - 05:06:45:00
Now you've got like way below where they're supposed to be at this time because winter starts in like 4 or 5 months. Yeah. Okay. All right. So they're at like 50% filled. They should be about 70 or 80 okay I keep going. Okay. So as I said before, demand is basically up and the right term by plastics, cooking, heating, electricity.

05:06:45:06 - 05:07:07:00
And and I already explained how plastics, and again, so much like, refined products, natural gas liquids are like refined products which have gone through the roof. Natural gas accounts are very well positioned. The other thing that's happened is the US producers here, because their balance sheets are in shape and they're generating cash, and they use their hedging for pretty well.

05:07:07:02 - 05:07:31:20
They are now no longer price takers, meaning if the price drops to low for just basic natural gas, they will shut in production and they'll shut it in for the colder months for 3 or 4 months. So in my mind, you got a floor with an open ended up side, and we'll come back to that. These are the numbers I heard today from range report resources.

05:07:31:20 - 05:08:00:22
Exports are growing at very high rates. Natural gas is up 17%. Liquids are up 40% year on year. Propane is up 30% year on year. And, you got more terminals coming on in 27 to export the stuff. So to me demand sides up. So you're going to be moving more volume. Okay. So just a little background on the efficiencies.

05:08:00:22 - 05:08:26:20
What's happened in this industry 20 years ago when I first started paying attention to it? I was out in Pittsburgh and the first wells were being drilled out there. It was called a turkey foot. It was one well, it was one whole, three laterals and they went out 1200 feet. Today. I just saw that equity announced that they ran a lateral out five miles from the same pad.

05:08:26:22 - 05:08:54:22
So you've gone from 1200 feet to five miles, and also the pads are now doing multiple wells at different depths. If they're if they're stacked place. So you can run put $100 million rig on top. Same rig, same crew. You don't have to do anything more. And you can increase your production and maintain your production for a very long time, with no incremental costs or very modest incremental cost.

05:08:54:24 - 05:09:12:18

So volume up because you're now running the laterals out longer, you're running more laterals. And then the other thing they're now saying is they can go back to older wells when they used to use the old technology and come back and redo them. So you got the same hole, same pad, same infrastructure, all the gathering lines. Did you got a gap, you got that water.

05:09:12:20 - 05:09:32:05

You got to have the drilling fluids. You got to have the roads. And then you got to have these gathering lines that gather from the well and move it to the major pipelines or to the fractionation facilities. So everybody talks about productivity and efficiency. I think the oil industry and the natural gas industry in particular has gone off the charts.

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So the U.S opportunities, natural gas stocks seem to be valued off the price of natural gas. Yet some of the companies have a significant portion of their production being natural gas liquids i.e. higher price. So the same, well, same hole for 120% or 60% of your production, you're going to get $2 and 80 to $3.50. And then the other 30%, you may get 6 or $7 equivalent price to your blended price.

05:09:56:19 - 05:10:20:13

When you look at the reported blending price, it's not the price on your screen. At $2.80, it's more like $4.50. So, and then the volume is going up. So, my preference has been to focus on the northeast natural gas producers. There are at least seven candidates. And given that they're generally moving lockstep, I've chosen to focus my attention on a few.

05:10:20:15 - 05:10:40:15

To quote our old boss, Peter Lynch. You tackle the backfield and then look for the football. So, I tackle the backfield, and then I chose for football. I found four footballs or five footballs. So the names are K'Nex, eco Range resource, and and Terrell. I've owned them for many years, and that I'm adding to them again.

05:10:40:17 - 05:11:11:23

And the focus today will be on Antero Resources stocks ticker is are my quick little cheat sheet from our let me find it here. Old school investment company report price is 3435 today. Equity market cap 10 billion shares outstanding 310. Debt 2 billion. My estimate this year 375 to $4. Next year. 375 to $4. Free cash flow this year, 1.2 billion.

05:11:12:00 - 05:11:34:00

Next year at least 1.2 billion. Again, the variation will be, the price of natural gas itself. But I think they pretty much hedge in. And then natural gas liquids prices are and that's predicated on like $65 crude. So I think the, you know, it's predicated on, 70 less than $70 crude and 350 natural gas.

05:11:34:02 - 05:11:56:07

And I think my numbers are low. All right. So let's go specifically on Antero. In the case of Antero, they've cut costs more, and have more runway over the next three years and more to come. They've cut our debt dramatically, lowered interest costs, lengthen the few maturities they have left. They have taken full. They held 30% of another public company called the midstream.

05:11:56:07 - 05:12:26:22
They started it, funded it. That pipeline system gives them direct access to the Gulf of Mexico that provides them the ability to produce the natural gas liquids and get world prices versus getting domestic prices. All in all caps. All in cash costs. We're about $2.70. By 2028, the cost will decline to $2 per MCF. So you're going to get like, what's that, a 2010, 20, 30% reduction in costs.

05:12:26:24 - 05:12:53:14
And this is pretty much locked in. At the end of 25, they made they swapped out or sold their, wet their, their Marcellus properties and combined all their operations in an acquisition in West Virginia. So essentially, they have consolidated everything in West Virginia, which provides tremendous cost efficiencies. And at the same time, Antero Midstream bought the pipeline company that was associated with that company.

05:12:53:16 - 05:13:16:20
And so they now have the pipeline out of West Virginia into their pipeline to feed, their, their, production. The net net cost was $2 billion. Cash flows were so strong in the first quarter, they paid down another large chunk of the debt. So that's why their debt is now down to 2 billion. And they could literally pay it off the whole debt in two years.

05:13:16:20 - 05:13:42:18
But they're not there's no reason to, the sister Antero midstream, again, as I mentioned, bought the pipeline. So you're going to go from $2 cost to, 20 to $2 per million cubic feet. The gross savings, just to put a number on it is $800 million, and it's pretty much locked in. The bulk of that comes from renegotiating their pipeline transport contracts.

05:13:42:20 - 05:14:13:16
It's $800 million on a $10 billion market cap. Company. Well, production should run about, four point 5,000,000 cubic feet a day. So if you take four point 5,000,000 cubic feet, cut expenses by, you know, $0.80, cap spending is flat at about $1 billion. Production can grow single digits. Nominal increase in capital spending, cash flow. As I mentioned, free cash flow after CapEx is a billion, 1,000,000,002.

05:14:13:18 - 05:14:32:18
First quarter free cash flow was close to 650 million, but that was because gas prices went 90. This is the other phenomena that's happened in this industry. Demand has gone up and to the right, the United States. And we every year you take in the shoulder months, you fill the storage. And so that you have the extra gas available.

05:14:32:18 - 05:14:58:20
When winter comes. We used to have so we haven't added storage but demand both export and US consumption is up into the right. Storage has been flat. So the number that nobody seems to pay

attention to is our days of supply of inventory has gone from like 50 days to 35 days. So what happens is it creates a tremendous degree of volatility.

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If winter is normal, you run out of gas, or if you have a cold winter or one of those February cold snaps, you run out of natural gas and the price balloons up to like seven, eight, nine bucks. Now, mind you, the cost is two. And that happened in the first quarter. And then it drives out the curve.

05:15:19:21 - 05:15:52:15
And what these guys did and all the other guys did is they go when they hedged out March, April and May so that when the shoulder came, they were still getting very high prices. So you kind of smooth out. So you have a you have protection on the downside and you have open ended on the upside. And as soon as the upside happens, they hedge it, lock it in and then bring in, like I said, 650 million in a quarter for company with a 10 billion market cap, with 2 billion in debt.

05:15:52:17 - 05:16:12:09
So that was that. So to sum it up, industry fund chart looks great. Stocks came down because all the energy came down. Everybody hates gas. It's volatile called a widowmaker or because natural gas if you've traded you lose your mind. People watch you going to watch the weather, but the short on short and long on the story is towards industry.

05:16:12:09 - 05:16:32:20
Fundamentals are promising to very very good. You have domestic demand, export demand, premium prices, the excess the world prices which are higher than the US. You have a smart management is effectively positioning the company to be the low cost producer. But it doesn't matter. It's just the low cost period. Bounce you in great shape but substantial cash flow.

05:16:32:20 - 05:16:53:00
Reasonable valuation. I didn't mention the 20 year reserve life. This is the amazing thing about these northeastern producers. They produce whatever it is, how many billion cubic feet a day and or a year or whatever it is, and then the SEC requires them to re-up their ten year and it never changes. Range said they actually have 30 years reserves.

05:16:53:00 - 05:17:13:19
The other good thing about the northeast, well, as they tend to be very long lived, especially versus the Permian, which you lose half of your production in the first 18 months, and then you, you draft these guys in the lower 5 or 6 years. So you have, growth in basin demand, assuming some of this.

05:17:13:19 - 05:17:32:08
But I think the electric demand is going to be there. I'm not so certain about the data center demand, but if it is, that's great because these guys are sitting right in the middle of it. They have substantial unhedged exposure to natural gas unless prices go up and then they hedge it. But they have enough. They hedge enough just to cover all the nuts.

05:17:32:10 - 05:17:53:16

Share repurchase, has already started. My guess is, again, I think it's their billion dollars of free cash flow. That'll go to share repurchase. If the equity market cap is $10 billion and you're purchasing a patient, I can do the math. It's kind of like a 10%. So Danny's dropping this, putting a bow on, upside downside.

05:17:53:16 - 05:18:11:08
I mean, I think just technically, you and I have all the charts. I mean, I think it's. I mean, timing is always difficult, but it's a particularly good time to be entering the stock, as you know, get up as high as 45 in April and it's, 35. But when you think fundamentally sort the charts, it's carving out a bottom.

05:18:11:10 - 05:18:31:20
Fundamentally, though, what's the upside downside in your view? What's the risk? I think it's I think it's it's upside to 45. And then if we're going to end up in a higher oil world, then it's, you know, it's up until people decide what the, what the cap rate is on the free cash flow. But at 10%, they decide it's 5%.

05:18:31:20 - 05:18:47:08
The stock goes up, you know. So I mean, I mean, this is a stock you can sleep whether or not you own it for a long time. So it's not a trades investment. So you know check back six months a year from now. It looks great. I mean it's steady Eddie. The kind of world that we're in.

05:18:47:10 - 05:19:12:00
No, it's great idea, Danny. Really is. I mean, it's not some crazy get rich quick sex, drugs, rock and roll meme stock. This is investing in. Danny. One last thing. When you. It's just a sort of philosophical thing. When the way we were trained and you and I talk all the time when we were trained. And you look at what the what the lunatics are running the asylum and you see the stuff that's running.

05:19:12:02 - 05:19:29:09
I mean, like I look at, I'm like, people are going to get hurt, wiped out a lot of this stuff. I mean, I think it's it's like a whole new generation. You and I talked about this. So the whole generation of investors, they haven't you recycle a whole new generation of investors who didn't live through what we went through.

05:19:29:11 - 05:19:48:00
And human nature doesn't change. Yeah, the names change. The people change. But wash, rinse, repeat. And I look at a lot of the speculation I look I'll go back to, you know, when you were talking I talking about.com or way back when with the Nikkei Bankers Trust, Nikkei Pouvoirs Japan, whatever. It's like there 2008. It's like same old, same one.

05:19:48:00 - 05:20:06:03
I mean, look at this. And I'm like, what the heck? I mean, what do you what can you say about this? To me? It's like, what do you want to tell folks? I'm just like, this is insane. What's going on? I remember when Baldwin United, when we had that summer intern, and he was sweating bullets, and he was dead.

05:20:06:03 - 05:20:27:18

Right on Baldwin United. And it blew up. That was like 1980, 81. You had the Enron fiasco? Yeah. Dot com. Danny. Danny told about the big boat in the Boston Harbor. Oh, okay. So all right, so this is the only reason I bring it up. Know I've discussed this with George is I think it was 1983 or 1984.

05:20:27:18 - 05:20:49:17

And digital equipment, most people that are investing, they never even heard of digital yet. And then he got expert digital equipment that people have no fucking idea what it was. It was the largest computer company in the world. It was the biggest market cap company in the United States. It was number one. It had overtaken. IBM was located out in Waltham or Woburn or someplace.

05:20:49:19 - 05:21:12:07

And Ken Olson was the CEO and he was the hero. It was the biggest computer company in the world. They were having Dick world, you can put it up. I think it was 1983 and you couldn't get a hotel room for 50 miles around Boston, and there were so few hotel rooms, they brought the QE two into Boston Harbor.

05:21:12:09 - 05:21:40:24

And our analyst at the time, I won't mention her name, though, made her name, mentioned her name. She came back from that meeting, wrote up the big investment committee report, got to buy IBM. And I looked somebody else was in my office with me. Okay, so she's on it. This is this is a short and I think three years later, digital equipment collapse, 70% got taken over by something else and then disappeared completely off the planet Earth.

05:21:41:01 - 05:21:57:18

So if you had lived through that and seen it and by the way, the whole many computer industry there was it wasn't just tech, it was prime wiring data, general computers, I think it was computer vision for a whole bunch of on 128. It made 120. I got there, they all got wiped out by the wipe, wiped out.

05:21:57:18 - 05:22:21:18

And then Olson famously said, these laptops never give me anything. Remember the whole thing? Yeah, yeah. And then that whole business got wiped out. It all ended up on your cell phone. So yeah, the answer is yes. And Apple took it all. So when you draw the parallels to that and it's technology and you didn't go to the.com thing, it's like after the second or third or fourth time you say, I've seen this movie so many times, now it's memory.

05:22:21:20 - 05:22:49:24

The Chinese are coming with memory. Memory can be made everywhere. And then the last thing this week that there was I think micron announced this one was shocking. You're going to spend $1 billion and open a plant in upstate New York. I think I read that. The last place in the world you would open anything if you were manufacturing anything in this country is upstate New York, is New York's New York period, and they're doing it.

05:22:50:01 - 05:23:07:20

And in 18 months, you're going to have chips coming out the wazoo. And then we've talked about this data center thing, which doesn't make any sense. So that's it. I had just, you know, go. And George, you've highlighted it. Rothman. Daddy, daddy, didn't you?

05:23:07:22 - 05:23:31:17
Could go ahead. What was it, the way specific. Yeah. I gotta rewrite the lyrics. Barbra Streisand, please call your office. Yeah. So, dude, it's like I call this the Britney Spears. Spears market. I can't believe. Whoops, I did it again. They're doing it all over again. But as our friend Julian Garin points out, it's 17 times worse than.com.

05:23:31:17 - 05:23:57:00
Was this a complete and say Sandy. Yeah. And Louis gave whatever he his his thing is he's got the global thing kind of figured out and and and I just don't see and, and I think what his point is, is the world has changed in the last five months. The world has fundamentally changed. And you always have an expression that the facts change.

05:23:57:00 - 05:24:16:01
I change my whatever it is or change my pain, whatever it. Yeah, no, but you've got to move now. You have to move it like, okay, you have to completely flip everything you thought. Because the world that existed in January and February is not the world today, and it will not be the world six months from today. And that leads you back to one of the new energy environment.

05:24:16:03 - 05:24:47:23
And the last time I lived through the energy thing was 1979 to 83, 84, and it was as insane then for energy as the semiconductors are today. So and that could end well. So, Danny, this has been awesome. You and I did that great, podcast a couple weeks ago with, Julian Guerin and, No, it was it was Melody and Jack and Melody, right.

05:24:47:23 - 05:25:03:14
And Jack Campbell, we are going to do that again soon. So, Danny, so glad you came out of the closet here. The folks need to hear the, you know, where we've seen this movie before, and there's nothing we wanted to do. So. And so I thank you. Service and an awesome. Thank you. We'll do it again soon.

05:25:03:14 - 05:25:07:08
Thank you so much. Jen is great. Thank you George. Keep up the good work. Yeah, well, the.