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# STOCK STORIES: SPOTIFY

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## JAMES ANDERSON

European company Spotify is on its way to becoming a global leader. James Anderson, joint manager of Scottish Mortgage, shares his enthusiasm for Spotify and its founder.

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**James Anderson:** I'd like now to do that unusual pleasure of speaking about a successful European platform technology company. That company is Spotify. I think many of you will know that it has effectively led a revolution in terms of listening to music and in terms of the economics of the music industry, which had once collapsed. We think Spotify, in both its philosophy and its dedication to providing the best service, is poised to become the leader on a global basis.

I think Daniel Ek, the founder, is probably the most interesting person in European business these days. And his absolute determination to prove that one of these businesses can be developed on a global scale from Europe. And in many ways, he thinks that there are great advantages in doing that. As he put it to me, 'You don't need to worry about what's going to happen if you need to chain staff to the healthcare insurance in Europe,' which is obviously not true if you are in America.

He finds it refreshing, the level of education that is already given in Sweden to music and hence provides new acts at every possible opportunity. So, I think it's a superbly led company, but I think the statistics tell you as well, that it is working to that global dominance. Not just is it managing to overcome, in most markets of the world, the competition from Apple, Amazon, and the like. But it's also an ally of Tencent in China, which I think will prove a very interesting mutual piece of negotiation in the years to come.

So, although this is a company that is in the midst of going public in a slightly unusual way, I think by the end of the year it will be a public company that we all ought to know a great deal more about.

