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Providence Equity Partners Bets on Theatregoers, Live Music Lovers as AI Antidote

Head of Europe Karim Tabet says his firm sees live events as an investing safe haven.

by [Swetha Gopinath](#)

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Going live

As new AI models continue to spook fears for the future of incumbent software providers, private equity firms have been lining up to explain how they are insulated from—or managing—the selloff in what’s traditionally been one of their go-to sectors. I spoke with Karim Tabet, head of Europe at Providence Equity Partners, to hear about how the firm’s investments in live experiences through companies like ATG help set it apart. Here are some edited highlights from our conversation.

—Swetha Gopinath

How concerned are you about the impact of AI?

Few of our businesses are in the software space. In the last ten years, we have invested a lot in live events. If you think about it, live events, whether music or sports or even trade shows, are pretty immune from what’s happening in the AI cycle. As a matter of fact, live events are much more investable today than a decade ago when the debate was about the value of digital content. Back then there were questions about what it meant for people to go to a theater, stadium or a concert, because they could get everything online, on Netflix or Spotify. What we’ve seen is that live events are premium experiences that are growing in appeal. While investors are shying away from SaaS because they’re worried about AI, they see live events as more of a safe haven from an investment point of view.

What about other areas?

We have three main theses we invest behind. The first are experiences, which we believe are immune from AI risks and therefore remain very investable.

The second one is education, and within education there’s a broad range of AI impacts. If you look more at corporate training and educational content spaces, for example, there is more AI risk because content has become cheaper to produce.

And in schools?

If you look at the K-12 sector, on the other end of the spectrum, that’s an environment where we are seeing a reversal in terms of digitization. Some schools are banning cell phones. Some schools are going back to books and in person-learning, because they don’t want to expose children to screens too early. We’ve seen the impact of Covid on the mental health of children and on their development. So, we don’t really believe the K-12 sector will lose attractiveness with AI. Quite the opposite.

You said there were three themes—what’s the third?

The third theme we focus on is connectivity. With regards to AI, our thesis in connectivity is mainly around the picks and shovels, whether it’s data, broadband availability, quality, reliability, or cloud services. All those areas are enabling and being enhanced by AI. So, we see tailwinds there and, because there are a lot of dollars chasing these opportunities, we have to be smart.

How do you decide which AI-adjacent areas to invest in?

We’re looking for businesses that we can improve with AI. Our investment thesis needs to sit alongside AI being an enabler to the business. That could be from investing behind power, i.e. electricity, or the maintenance of data



Karim Tabet Source: Providence Equity Partners

centers. Data center development is an interesting space where we have invested historically but that has become a bit more infrastructure capital driven.

Is AI-related price inflation a big worry?

We are seeing people trying to sell businesses claiming extremely high potential with AI, and therefore with very high price expectations. We are likely to see failed processes when those claims aren’t backed up.

Finally, how have you approached dealmaking in volatile periods?

In 2023 and 2024, when there was a lot of volatility, we were able to continue doing a number of transactions. As a matter of fact, one of our more recent transactions, the acquisition of The Rock-It Company (formerly known as Global Critical Logistics) is a deal we signed in May 2025 just weeks after Liberation Day. Principally, that was because we had conviction about the strengths of the business, and some of the more generalist funds had deserted the process and it ultimately became less competitive than we’d anticipated. Volatility is not always bad for investing.