Prepare to Persevere - The Future of Technology & Business

Hello, everybody. I name is Steve Hoffman, but in Silicon Valley, they call me Captain Hoff because I'm the founder and chairman of Founders Space. Founders Space is one of the world's leading startup accelerators. Right now, we operate in over 22 countries around the world. We have 50 partners, and we run incubators and accelerators in the United States and other countries. We also partner with start up incubators and accelerators, you know, across Europe and Asia. We are doing a lot in terms of technology startups. And we cover all of the major technology sectors. You know, everything from enterprise and artificial intelligence, to space tech and biotech. We not only advise in startups, but we also invest in startups. So we have our own funds here in the United States, and we work with partner funds overseas. Now, Founders Space was ranked by Forbes Magazine as the number one accelerator for overseas startups here in Silicon Valley. And we grew by accepting startups from all over the world. Most people don't realize it, but over 50% of the startups in Silicon Valley, the founders came from overseas. So, we mirror that. We work with both American startups, as well as startups from all over the world. And one of our strengths is that we connect entrepreneurs globally. So we have resources in terms of venture capital, go to market expertise, relationships with governments all over the world. And that is a key advantage that we provide our entrepreneurs. I myself am an author, so I have run three venture funded startups in my career, and I've gone through everything. So if you are a start up founder, I know what you're going through. I've had very good experiences and very tough challenges. And I have two books. You know, one is on innovation, and it is called "Make Elephants Fly." And it is also about taking your big idea, which is the elephant, that seems impossible to get off the ground and takes you step-by-step how to take that idea and make it a reality, to build a great business. And my new book is coming out soon, early next year, and it will be published by HarperCollins. It is called "Surviving a Start up." Just from the title, I think you know what it's about. It is about everything entrepreneurs know to survive and overcome obstacles and wind up on top. Now we will begin the lecture, so I'm right here in Silicon Valley. And I am always tuned into the future of technology in business, especially now in the era of COVID-19, when it is an economic winter, so it is a little difficult out there. And what I'm going to do is, I'm going to give you some advice on what to do with your startup, and how to take advantages of opportunities that are here right now and how to go through the various tech sectors. Each one outlining the different potentials in what's going on, so that as you grow your business, you will have a good overview and insights into what's coming in the future, and what opportunities there are at the current time. So let's start with innovation and opportunity. So if you're a start up founder right now, and I work with hundreds of founders all over the world, helping them every day with their companies, you are faced with a lot of problems. So the founding environment in the United States, especially in Silicon Valley, is still good. We are still making investments. In fact, it hasn't slowed down that much. Certain sectors have been hard-hit. But overall, investment is still going strong. However overseas, it's another story. Like if you have a start up in China, much, much harder to get money now, especially for early-stage companies. Companies that have not proven out their business models, and also, if you are here in the U.S., you might be facing problems if you are in certain difficult sectors. You know, travel and leisure, you know, anything to do with retail. These are hard-hit sectors right now. And so many of these businesses, and many start up founders I know that are working in these areas have been hit. And they will ask me some questions, like, what do I do now when my business is facing extreme difficulty? Naturally, the first thing you need to do is look at your burn rate. You know, can you get to breakeven or profitability so that you are losing money, so that you can weather the storm? That's number one. Beyond that, what I think is really important for all entrepreneurs is to take the time you have now, especially if businesses have been impacted, or you worked in the travel business and retail, and you can't even operate some of your business. Take advantage of the employees you have and get them innovated. Instead of just having them sit and wait, or putting them on furlough, or even worse, laying them off, if you have the capital, take those employees and actually challenge them to reimagine your business. Because this is a great time. It is sort of a down time. Normally when things are going well, you don't have time to do this. You don't have time to think about every facet of the business and question whether you are on the right path in what you could do better. So as you go through this process, one of my pieces of advice is, adopt the latest technologies. If you aren't using the latest technologies, you're going to be at a disadvantage moving forward. So there are areas in your business. It could be in logistics, it could be in customer service, it could be in marketing. You should be going to your team, your staff and challenging them. What technologies can you adopt now? You have time. Things are a little slow. Go out there, get these technologies and figure them out, and incorporate them into your workflow. Because that will give them a huge competitive advantage when we come out of the difficult times. So when things get better, if you use the time you have now wisely, you will be ahead of your competitors. The next thing that I recommend is to engage your customers. So a lot of entrepreneurs will ask me, they'll say, you know, I want to innovate, but I don't know how. I don't know what to do right now. You know, which ideas should I pursue? What direction should I go? Well, I tell those entrepreneurs, if you don't know what to do, or even if you think you know what to do, but you might not be sure, the thing you should do is go to your customers. Ask them what they need. Don't ask them the products you should build, because they don't know what product you should build. There is a famous quote where Henry Ford said, if I asked my customers what I wanted, they would have told me, faster horses. So they would only think in terms of what they can imagine. If you look at faster horses, the customers are telling forward what they want. They are telling Ford that they want to go from point A to point B much faster. If a car can do that, that's the solution. Your job is to go to customers and find out what they need, not the product they would make more fundamental things that they need in their business. Are they running into headaches? Are there efficiency problems? Do they want to do something in a new way that technology would enable? If you can figure out these things, that's a gateway to the future. That points you in the direction of where your innovation should be going. It is key. Once you get good at this, once you start up a regular dialogue with your customers, with your strategic partners, with your vendors, with everybody in your ecosystem, you can start to get ideas on where to take your company in the future. My last point is, invest in that future. If you don't invest in the future, I guarantee you, you will be left behind. It is not enough to have a profitable business today. What you need to do, and as investors, what we're looking for is, what will you be like five years from now? 10 years from now? That is what we are investing in you today. That's what we are investing in you to maintain or increase profit margins today. We are looking at, what can you do in the future? Can you get some sort of exponential growth moving forward? That's why investors did not care when Amazon for years and years didn't make a profit. They weren't concerned about the short-term. They were concerned about where Amazon was going, how they were going to dominate the market. In your business, this is what you should be thinking about right now at this time. And I am going to go through and show you some of the different text sectors now, and what's going on in those sectors, and where different opportunities might lie. So let's look at financial technology. So, syntax has been on a roll and currently, there's lots more money. Like, I get syntech startups handing me their business plans every single day. Some of them are amazing, some of them aren't so good. But syntech, there is so much more room for innovation. We've seen it with crypto currency. You know, crypto currency has been out there. There is all of these different flavors. You have to be careful. I'm not a big fan of a new start up using crypto currency today. I think, you know, bit coin and the others, they are established. It is very hard to break in with a new crypto currency honestly. Can it be done? Anything can be done. But is it likely that you'll come along with a new crypto currency and actually change an interest see? No. The current C will consolidate and, they will probably consolidate around stable currencies. Currencies that, there will be two types of currencies. The currencies that fluctuate wildly, and those will be more for speculators. You know, that's what's happening now. A lot of the money isn't really based on utility of these currencies, it is based on speculation. That's why they have the value they do. But there will be other crypto currencies. You know, that will serve payments and all of these other forms of transactions moving forward, and we are going to see those emerge. Online banking. Online banking is a huge sector. Now we've seen and growing and growing steadily. A lot of money has gone into it. It is very crowded. So if you are going to start an online banking startup, it is going to be difficult. That said, like a business plan came across my desk this morning for an online banking startup, that looks pretty amazing. I'm going to talk with the CEO. It was a new idea that I hadn't heard of, and I thought I had heard of them all. It just shows you that there is always room for innovation. I can't tell you that idea because it is confidential. But I will tell you that there is always room to push the limits. Online insurance has been another big area. That also has boomed recently. And a lot of the low hanging fruit has been taken. The other area that I think still has a lot of room to run is investment and financial platforms. So we've seen all sorts of platforms for investing in wheel estate, can investing in commodities, loans, and all of these things out there. But there is still a lot more, especially if you get into industry-specific financing. So if you're an entrepreneur out there, I tell you, go deep on a vertical. Go deep on heavy machinery. Can I build a financial platform for this heavy machinery industry? You know, how does it work? How are these things financed? You know, how are construction projects financed? Are they doing it the most efficient way? Go deep on the vertical and try to figure out in the financial technology space where you can add value. The other area that is also huge is market data and analysis. This is tied into AI and everything else, because there's always a need for more accurate market data. And again, the big ideas, a lot of them have been taken already. But there are a lot of areas that are niche markets with multibillion-dollar markets, where you can get into analyzing data, and the finances, and analysis that could be really valuable. This could be in healthcare, it could be in agriculture. You know, there are these huge areas where they need specialized financial platforms. If you're an entrepreneur out there, look at these. Travel and hospitality. This area has been almost devastated by COVID-19. I mean, it is really hard if you run a traditional hotel business. I don't know what they're doing. They are probably deeply in the red. I hate to see it. But a lot of startups are also suffering. You know, even Airbnb has taken a big hit. And you know, they don't own real estate, so the costs are much less. But you know, people just aren't traveling as much so they aren't using Airbnb and other services as much as they would have. And especially online booking and all these other ones. I work with start ups. And a lot of startups in the technology, travel space and hospitality space where they are building services, they are hard-hit. You know, it's a difficult time right now, so these are the companies. I have a rule for companies. If you are an entrepreneur out there and you are wondering, like, what should I do? My business has been slammed by COVID-19. You know, it's really hard to run my business. I run a travel related business, nothing is happening. What should I do? Should I just abandon this business? Should I continue to invest in it? Should I just continue to survive? I have a rule for you. If your business was doing well before COVID-19, like, you are doing well, you are growing, things look promising, then stick with it. Because once COVID-19 ends, and it will end, then you will be in a good position. In fact, a lot of your competitors may have been shaken out. They may have gone away. And you yourself will be in a position to actually take advantage of the situation. So stick with it. And it doesn't mean you shouldn't try new things. I'm always for that. But if the core business was solid, don't just throw it out. Now, if your core business was not doing well before COVID-19, like you are struggling, like it was a lot of work, the growth potential was limited but you kept at it, if it wasn't great before COVID-19, it's not going to be great afterward. So my advice to you is scrap that business. It doesn't matter how much you invested in the business in the past. You can't look back. You have to look forward. All that matters is, what will this business be in the future? So this is a great time to reflect on the company and make those tough decisions. Like, you know, jettison what isn't working, and even if it is painful, even if you put a lot of your emotional energy and personal savings into it, cut those losses and look to the future. So let's look at travel and hospitality. The trends are now, are there smart spaces taking over? Space sharing is a big one. People are now sharing retail space. So there will be multiple brands in one retail space. They were sharing retail spaces for limited periods of time with pop-up stores and things like this, two really interesting areas. It has been hard-hit because of COVID-19, but there is a lot of room for innovation in this area. You know, trip planning, travel planning, how people make trips. I will tell you, last year, I spent 70% of my time traveling around the world, working with startups. And it was a hassle. It is still a hassle to book hotels, to figure things out. You know, you can use a travel agent but a lot of times, the online platforms are very good, but there is still a lot of work to do. Wherever there is pain, there is room for a startup to step in. Travel services. The whole back ends for travel. Enterprise travel, supporting corporate customers, that is still an area that has untapped potential. And in the future as things rebound, those will be good. Let's look at space technology. So, space technology has been on a roll. We have all heard of Elon Musk. He is in the news every single day talking about something amazing. You know, whether it is going to Mars, or whatever he's doing. Setting up space stations. So space tech has been booming. You know, Jeff Bezos is in it, Richard Branson is in it, everybody is in it, all of these celebrity entrepreneurs. They are sort of leading the way. Because they are celebrity entrepreneurs, because they are visionaries, because they get the massive amounts of capital it takes to do space technology, they have done very well. But you don't have to be a celebrity entrepreneur to participate in this space. There is now a lot of room for smaller entrepreneurs. This is because the space ecosystem has grown. So there will still be these big companies like SpaceX and blue origin and virgin, Galactic, you know, these will be big, well-funded operations. But there will also be room for a lot of smaller players to grow, because these big companies will need support. They will need new software. They will need new hardware. They will need new services, and all of these different things is the thing as this whole ecosystem expands. So if you're an entrepreneur and you are smart, you will pick an area in the space tech sector that doesn't require a lot of upfront capital. Why I say this is, unless you are, like, famous, or you have had an amazing track record, it is really hard to raise the type of money you need to do something big like launch satellites and build space stations and rockets that go to the moon and all of these different things. Those are so expensive. So the smart idea is, focus on the really hard problem that can be solved with software. Software, not hardware. Hardware is expensive, hardware is really hard. Software you can do with a small team and really fill the gap that is high-value. So my advice to entrepreneurs now thinking of entering the space tech sector is, look for those opportunities. There is going to be a lot of software that's needed in running these space stations. You know, they are talking about building bases on the moon and all of these different things. Just getting more efficient product into orbit. All of this requires a lot of different logistics, a lot of different specialized services and software and all of these things. If you can step in and solve these problems, you can create a very healthy, if the market is large enough, business for yourself. Other areas that are interesting is satellite. So the cost of launching a satellite has gone down and down and down. Thanks to Elon Musk. He has really pioneered the way. But the satellite market is going to be saturated. We only need so many satellites. You look at Elon Musk and what he's doing with his star link and all of the satellites he's launching, he's thinking, his plan is to launch at least 46,000 families. 46,000. In other words, you know, what a SpaceX's strategy is, is basically, they have built all of these rockets and they have become very efficient. But there aren't enough other people to fill their payloads. In fact, they have a surplus of space. So what they've done is decided to take it upon themselves to build their own satellites and essentially build the largest satellite network, drive down the cost, and make it essentially in the future unprofitable for other people to launch their own satellites, but instead, use their satellite networks. That is SpaceX's strategy. It is the strategy that Amazon uses, and Google uses, and all of these companies use. Get the biggest network out there. You get the network effect. You can basically dominate large economies of scale and efficiency. That is what SpaceX's strategy is and we will see how it plays out in the coming years. There will be a certain point where they don't eat a lot more satellite. Maybe more advanced satellites replacing others, but it won't be at the rates that they are deploying now where it is thousands and thousands of satellites a month. That will slow down. But the services on these satellite systems will remain. If you can come up with new services that leverage their platform and you can do this, that might be an area where you can actually grow a very profitable startup. Let's go to cyber security. So, cyber security is kind of an evergreen. My personal opinion is, this sector will never go away because there will always be hackers, no matter how secure we make our things, there will be hackers who will find a new way to get in there. And you know, there are so many areas in cyber security. Data protection, smart surveillance, fraud detection, anti-hacking solutions, virus detection. All of these, there is room for innovation. Especially if you apply AI, big data, all of these things to these problems, you can come up with solutions that people aren't capable of right now, and actually give yourself the advantage to push through the market and push aside competitiveness. Now, one area that you might not know about that is really interesting is, smart surveillance. So in the world today, they are deploying more and more cameras and audio in public spaces. You know, these CCTV cameras, they will actually watch people. But while they are doing that using AI, you can extract a lot of data. And stores are using this to actually watch people within the stores. Not just for security, for shoplifting. They have those algorithms. In fact, they have algorithms out right now where they can actually anticipate whether a person will be a shoplifter, simply by how they move through a store. So basically, it is pattern matching. Certain people, when they are stealing a product, they will behave a certain way. And if you match those patterns, they could say this person is likely to actually be a shoplifter and they can alert those stores. They have that technology right now and it is amazingly accurate. Now in the future, what they are looking at is, using the same technology for many, many other purposes. And right now there are companies out there that deploy systems that will actually analyze customers' buying behavior. So they will measure how long you look at a certain product. What product, where your eyes are going, the products you are looking at. You know, how you move through the retail store. All of these things. The data has been gathered, and they are using AI to actually optimize what the store does, what products they stock on their shelves, how long they stock those products, how they lay out their stores, everything. Every detail of the store is being optimized through the use of AI and big data and security cameras. And in public spaces, there are now surveillance cameras that will actually, like if you are in a park and you are not supposed to walk on the grass and you step on the grass, a camera will actually send -- the system will actually send a text message to your phone telling you, don't walk on the grass. It is kind of big brother-ish, and a lot of this technology can be abused. And I'm always very concerned about that, and we need safeguards. But there is also all of this potential. And the potential isn't just in a park. It's in a factory. How employees are instructed, how they move about a fact three. It's in an office building making things more efficient. If you can think about these cameras, microphones listening in on people, and actually use that data to make systems function better, whether it is inside a corporation, inside, you know, any type of organization, there is an opportunity there. I will go on to the next one. Because of time, I could talk about this all day. As you can see, cyber security is a very rich area that won't be going away. It remains strong even if the economy isn't strong peer people need this. Big data and AI. We have seen over the past five plus years that big data and AI has boomed. Huge amounts of venture capital have gone into AI and big data, and for good reason. You know, there are technologies out there like the block chain, which are powerful, but they are very narrowly focused. If you look at the block chain, it was designed to do one thing really well. People have tried to retrofit that technology and make it do other things really well. Most of those have failed. But with AI and big data, it can be applied to virtually any data. It is one of these utilities that can just make any business better. So what we have seen is that, you know, there has been a proliferation of AI product's. We are flooded with them. But a lot of them are really good. Here are some of the areas that I see in the future that there are still opportunities. One is smart business processes. So businesses have processes. Business industries. Every type has processes that you can improve with AI and big data. There are so many different niches that are multibillion-dollar niches, they are very big, that you can potentially tap. AI, and education and training. We are just at the beginning of what's possible with AI and education and training. Honestly. You know, if you look at the classrooms today and how we train people, we are using fundamentally the same methods they used in the dark ages. Maybe not that long ago. But honestly, all the way back to the Industrial Revolution. In the Industrial Revolution, the whole idea for how we run our schools and how we trained people was that it was supposed to be like an assembly line, like a mass production cycle. So you move these students down an assembly line which is K-12, putting them with specialization on each one go to the math class, go to the English class, sit with a group. Your entire education isn't targeted at any specific individual because there will be very smart people in the class, and people in the class who are challenged, right? Who are having trouble keeping up. Now the teacher, a single teacher can't really accommodate such a wide range of students. It's really hard. So they have to sort of pick a medium level, where the students that are struggling can barely keep up, and the students that are smart, they are usually bored. That's the best they can do. However with AI in education, you can actually customize it to each individual. So the AI can work one-on-one with people, adapt to their specific needs, if they have learning disabilities or are extremely bright at certain topics, they can charge ahead at whatever speed they are capable of, and if they are having trouble, the AI can target exactly why they are having trouble and help them. This area I will tell you is so exciting and can do so much for the world. Intelligent marketplaces. We have seen, you know, marketplaces are one of the biggest drivers of value in investment. So you know, you look at Amazon. Is a marketplace with buyers and sellers. You look at Uber. There are drivers and customers who want to get places. You look at eBay and any of these places. They are all marketplaces. Looking at these and making them more intelligent, great opportunities. Prediction engines. If you are AI with big data, you can actually predict the future. They can predict amazing things. They can predict, like, in retail stores, like, months in advance on certain days how many hamburgers you will sell. It is unbelievable. And what the weather will be like. All of these different things. You know, they can predict actually by measuring with AI a person's heart. You know, what chance they have of dying within the next year. So, it is getting very granular. And then the last one is, artificial general intelligence. So it is called AGI. And, AGI is a step beyond the AI we have now. So the AI we have now is narrow artificial intelligence. Narrow AI. And it is focused on specific problems. You ask an AI. AI can be brilliant at doing one thing. But, you get a car, a self driving car. Getting a car from point A to point B is pretty simple. But you ask a car, what is a car? What is a road? It has no idea. Artificial intelligence is like a human being. That intelligence can understand the context of the world, and how it functions like our brains do. That is coming. Open AI and other companies are really pushing the envelope on it now. I encourage you to look in that area. I'm going to speed up, because time is limited and I'm talking too long. I'm going to go faster. Be prepared. IOT and robotics. Huge areas. General-purpose robots are a big one, but very, very tough. General Dynamics, all of these robot companies. You know, Sony has built their own robot. There are so many robot companies out there. Honestly, building a general-purpose robot is extremely hard, and it is also, you know, it is not only hard to bills, because you have to do the hardware, the software, and everything has to work, but it is really hard to sell. Robotics. Focus, focus. Narrow, narrow, narrow down to very specific high-value caps that your robot can do. That is a much more profitable place. Factory automation is going. They are talking about lights out factories. Foxconn is moving in that direction in a big way. Smart cities. I could talk for hours about this, about what's happening in smart cities. It is pretty amazing and is only going to get better. And a big area if you are into software are, IOT platforms how do you manage these devices? We are getting to the point where we have literally trillions of IOT devices in the marketplace. Right now we are at billions. We will soon hit trillions. How do you manage the data? How do you manage security? All of that. Big opportunity. Healthcare and telemedicine. This sector has boomed with COVID-19. I will tell you, like, telemedicine, just the previous quarter, they raised, like, $170 million. It is just going through the roof. I think it was 700 something million. Don't quote me on that number. I don't remember exactly. But it is a lot of money. The areas that are going are online consultations. So, instead of going into your Doctor which is a pain, can you get online to get the job done? Second opinions and diagnoses with AI and things like that. There are services coming out now that will diagnose you through your phone, which is pretty amazing. Medical training is a big one that people often overlook. A huge opportunity now, in that doctors go through med school, but they don't know everything. They are always having to learn new things. Nurses are always having to learn new things. There is always new procedures and different certifications. Getting into this field can be lucrative. Rehabilitation. Especially remote. Home rehabilitation. So if you have gone through surgery, you've had an accident or you're elderly, these can be very valuable. And remote surgery. Very specialized. I'm working with startups around the world now that, they will, you know, a surgeon will be doing surgery in one location, and a specialist -- you know, specialists have really deep knowledge that the surgeon may not have. If there surgery is routine, they won't need the specialist, because the specialist is needed. But on demand if they are running into trouble, they can tap into a specialist, through virtual reality or augmented reality can step in and actually remotely help them complete the operation. Cloud and SaaS has been another evergreen, going superstrong. If you look at the money in Silicon Valley, being invested in cloud and software as a service startup, it is just enormous. It dwarfs other sectors. You know, and there is still so much room for growth. So if you're thinking about, you know, what to do in software, this is sort of a sure bet if you can figure out a problem to solve. Everything from software, infrastructure, marketing, productivity sales. Huge opportunities. Medium entertainment. So recently with COVID-19, you know, film production has been shut down, TV production has been shut down. One of my friends is a film projector. He is actually trying to figure out how to make his movie. He has a big budget. He's a Hollywood guy. They are trying to structure it so that they can actually shoot the movie. Well, having social distancing, you can imagine that's pretty hard. Different locations, trying to do it all outdoors. Even though a lot of it is indoors, they are trying to move all of these things outdoors. It is very interesting. But we'll we really see the film business go? You know, online with Netflix, Disney plus, Hulu, all of these services, Amazon and YouTube are all pushing out paid services for movies. That will continue to go big because our viewing habits are changing. Even more interesting is social entertainment. Like in the entertainment space, you know, the entertainment has moved online. Look at TikTok. Likes, I remember TikTok. I traveled a lot. I saw it in China years ago. And then it just exploded on the U.S. scene and in the world. It might get banned by Donald Trump. We don't really know. It has already been banned in India because they are having political conflict with China. The bottom line is, social entertainment is continuing to go strong. There will be more innovations. These companies are worth so much and it is so hard to build an application that goes viral, like TikTok, or Instagram. Spotify, the podcasting has exploded. If you're doing a podcasting start up and just making content, I'm sorry. Don't focus on the content. Focus on the platform. The companies that investors like me want to see our platform companies. Because we know you can create great content, but there is a limited upside. It is going to be great for a while, and then it is going to be hard to blow that into a multibillion-dollar business. You may make tens of billions of dollars, maybe even hundreds, but, billions of dollars, that's where platforms come in. If you're going to Silicon Valley venture capitalist, focus on building platforms, not content, and not products. AI generated music, movies, and news. Again, I could talk for hours on this. AI generated music is huge now. Like, you can actually, you know, Spotify has one of the top AI music guys in acquired companies. And they are actually pumping out music that you are listening to, that you don't even know wasn't created by a real band. They don't tell you. You have the name of a band. But the entire band now including the vocals, there getting to the point where the vocals are almost good enough to be distinguishable by human vocals could be generated by AI in the future. That's going to bring the cost down of music dramatically. More than that, they can actually customize the music on the fly. So as people listen to the music, they can actually have the algorithm on the music, making it more and more viral, more and more likable. So you think of a normal band. They create a song, put it out there and see what happens. The music is self could be dynamic. The music itself will be changing based on how people react to the music. We are also going to see that with movies and television shows and all these things. They will actually start to become more dynamic. They will change based on feedback. Why feedback? This feedback could be, like, how long they watched, when they tune in, when they tune out, whether they share it or not, all of these different things. It could also be biometric feedback. Basically, they have devices like the Fitbit that you can measure your pulse. They have wearables that can measure perspiration. They have brain computer interfaces. These devices can actually get a much deeper sense of how people react to different content and customize it for them. Content that they react to, and that is just for them. Personalized music, that maybe your song is slightly different from everybody else's son in the world but it is a different song that is customized to you, to get your heart pounding, to get your neurons firing. This is what we'll see in the future. We are also seeing it in news. They have AI generated stories. A huge portion of Bloomberg news is generated by AI. This is going to continue to boom. Biotech. One of the biggest areas -- I'm trying to move fast. One of the biggest areas out there is biotech. It's enormous and it continues to grow. CRISPR has been an amazing, fundamental technology that has transformed, basically, the biotech industry, and is transforming the world. I mean, there is so much going on with CRISPR. It is actually unbelievable. CRISPR is, you know, basically, our body is our code. And our genetics, you know, the human genome that we have mapped out now is basically the source code for human beings, and we are figuring out how to hack that. CRISPR is basically the tool we are using to hack the code for our bodies. Not just us, but every plant on the planet, every animal, we can make new strains of corn, new strains of any crop out there that never existed before that can be heat resistant, so, as the climate changes, the crops won't die, they can use less water, they can taste better. Amazing things. We are building callous. Actually, the University of Florida, and they are working on genetically altered cattle that can survive in high heat. So you'll imagine as climate changes, people are going to need these cattle. Like in Africa it is heating up. Their cows will die. If they have a genetically modified cow, maybe they will survive. They are working with humans, and they have their first CRISPR edited baby that was a big scandal. You know in China, because they really weren't ethical, I won't go into that, but, enormous potential for modifying the human genome and making people disease-free, essentially eradicating cancer, all of these diseases. Gene therapy has enormous potential for not only preventing and eradicating and securing diseases, but also for longevity. So, other areas are, cloning. You know, cloning is still, you know, not a huge business. But they are cloning cattle out there for breeding. They are cloning ponies and all of these different things. Transgenic lifeforms. That's where you combine the different DNAs of different life forms. So they created a goat and a sheep put together. And then there is also sci-fi stuff like cryogenics, where you freeze the body and hope that in the future you can bring that person back and actually make them cure whatever disease they have, so they can live much longer or maybe forever when they would have died in our current time. Let's wrap this up now with the future other things that I won't have time to talk about, but I will just put them in your head. Bio implants, an enormous area in vinyl mix, making artificial limbs and all of these things that are controlled by your brain. Mixed and augmented reality, many false starts. But you know, Apple is coming out with their new glasses. There is new contact lenses that Google and others are working on. These, there is still a lot of potential there. New materials of all types. You know, we have all heard of -- which can be superthin, incredibly thin and support the weight of an element. These are amazing new materials out there. Nanotechnology. I could talk for hours on this, but we are getting down to the point where we can build little machines, tiny machines that can go out there and do amazing things in the world. You know, transform plastics that are -- gobble them up or transform them into usable materials. Quantum computing, a whole other area that we will have a lot of breakthroughs, although it is going to be very expensive. For most entrepreneurs out there, it is out of your reach. It is very expensive to build these quantum computers. Especially when you run them. And then brain technology. Like, Elon Musk is working right now with neural link and many other companies. Actually, I'm kind of an expert in this area. I have worked across the world with startups and big corporations. It is absolutely fascinating. So I want to leave a little time for questions. I'm going to wrap this up by saying, if you want to get a hold of me or you want to submit your business plan to our venture group, go to foundersspace.com. There are areas where you can submit your base plans. There are lots of videos of me if you like me talking. There are my books and everything else. You can go there and we can communicate. So, thank you very much. I look forward to your questions. We have 10 minutes. Let's take it to the questions now.

Okay. We will go ahead and move into the Q&A portion of this webinar. We are going to use the remaining time to address as many questions as we possibly can. We are receiving a lot of really great questions. Thank you for those. So I want to go ahead and jump right in so we can get to as many as possible. All right, Steve, so this first question comes from Mustafa. Mustafa says he is the owner of a leading company, and he wants to know if technology is supposed to be used to focus on customers, or is it to track competitors' development to keep up, or both? Can you talk a little bit about that?

That's an interesting question. So technology, right now, there is a lot of technology out there used for customer service, for figuring out what customers think, so you can understand what they are doing for analyzing customer behavior, all of these things are incredibly valuable. This is where we see, you ask about other areas in the customer related field. Can you repeat the second part of the question? I just blanked out. I'm sorry. Repeat the second part.

Oh, yes, no problem. Are you using the technology to focus on the customers or to track the competitors' development so that you can keep up with it?

Oh, the competitors. Sorry. That's where I blanked out. First of all, you have access to all customers. The idea of tracking competitors could be super valuable. It is actually a great opportunity for startup founders. I haven't seen a lot of companies doing this. I'm sure there are some. I haven't researched it. If I am a company, I want to know everything my competitors are doing. The more data and the earlier I can get this data, the better decisions I can make. So, a lot of this data of course is not public. But there is a lot of public data out there that people just don't know about. Like on a competitor's social networks. People just don't chat. If you can get updates and alerts about what your competitors are doing, that's an area I think could be extremely valuable. That is the type of startup that for me I'd be very interested in. Next question.

All right. The next question comes from Yolanda. Yolanda is asking Steve if you could give some clarity around AIA's usage in marketing, and what companies should adopt to their toolboxes today?

I will say that AI and marketing, if you aren't using AI powered solutions, the fact is, you may be using an AI powered solution and may not even know it. Behind hub spot and a lot of these marketing companies, they are deploying more and more AI to actually help their customers which are using enterprises do better marketing. In terms of Google, like with ad targeting, there is a huge amount of AI under the hood that when you use Google ad words or Facebook ads, you don't even realize that the AI is analyzing massive amounts of data and matching the ads you put up with the most likely customers. Is there area for improvement? Yes. There is still huge opportunities in this area. In all aspects of marketing, AI can be employed. Now, it would take me forever, like, to go through all of the opportunities out there. You know, everything from viral marketing to promotions and, you know, events, and all of these different areas where you can market your company's. And inbound marketing. And in each of these, AI would be employed in a different way. But the fundamental way, the most -- the biggest thing you'd want to do with marketing is, you have a budget, and you have a product. So you want to get your product in front of as many potential buyers at as low a cost as possible. And the AI will enable you to do this in various ways. In general, AI can do a lot of things in marketing. It can make your workflow better. It can do all sorts of things. It can manage your assets. All of these things. But the biggest nugget of value is connecting advertisers with their customers in the most intelligent way possible. That's where we see the early startups and the big companies like Google, Facebook, and Amazon. They are all using AI under the hood for their ad networks and everything else. But there is many, many more areas. Too much to cover, but great question. Thank you.

Okay, this next question comes from Claudia. We have had a lot of questions about AI and utilizing AI in your business. Claudia wants to know, what if you don't have a technical background? Is there a way? What is the most efficient way to start a new business in AI?

Great question, and I answer this quite often. You don't need a technical background to start a company quite honestly. As a CEO, your job is not to code. If you are spending your time coding, you are not doing your job. The CEO's number one job in the company is to bring in the right people. If you bring on board to your company the people in the areas that you need and you can convince them that you are a tiny startup, and that your shares which are worth nothing right now will be worth a huge amount in the future and get them to join you, that's your job. That is more important than your idea honestly. If you get the right people on board, will figure out what to do. Even if you start with some idea, it is just the beginning. An idea is the starting point and most become successful not from an initial idea. It is an iterative process, where to go. The companies that become successful are the ones that get the best people on board. So go out, if you want to work in AI, find brilliant AI people, the type of people who really get it. The type of people who can actually implement it, roll up their sleeves. These are the type of people you need to bring into your inner circle as your cofounder and first employee if you are going to build an AI center. And your job basically is first to bring them in. Then bring them the money so you can pay them. Then bring in customers so they can build your product. Basically, your job is always bringing in different people and selling them on your vision and getting them to build the product of the future. You as a CEO don't even have to know what that product is. You just have to recognize it. One of one of your employees comes in and says, should we do this? You have to be the one that says, yes. Elon Musk did not start Tesla. He was just an early angel investor. You know, Kalanick didn't start Uber. He was an early angel investor. They were smart enough to see the opportunity and take the reins, because they are great salespeople, they are -- I mean, they are master salespeople, master promoters, masters of the vision and most important the they bring in the right people. They don't necessarily have to know about all these things. You know, Musk can't know how to build a rocket ship. He might know some stuff, but it is far too complex. His job to build SpaceX, the first thing he did, bring in the right people.

Okay. So we are really close on time today. We have time today to include one more question in this Q&A segment. This one comes to us from Ashley asking which of these industries discussed today are both untapped and extremely profitable? Another attendee asks, can you mention or talk about any businesses that are doing this in the industry that they could be looking at? -- For guidance there.

Okay, I hope I gave you some ideas in going through all of the different sectors. Now in terms of the civic businesses, there are so many opportunities. I mean, this -- you know, let me say one thing. Technology is advancing every single day. Every day, there is a new technology out there and it opens a new door and it opens basically that door for the entrepreneur to go through, take that technology and reinvent the business. So my advice to you isn't to ask me what business I think I want to do or what I think has potential. What you need to do if you are an entrepreneur is, like if you're interested, if you just love food, or the restaurant business, what you need to do is go deep into that industry and start to figure out where they have headaches, where they have pain, and where you can take the latest technologies, the ones I've outlined here, and apply them to those problems and come up with a solution that is not a little better, because you will never succeed if it is a little better, that is exponentially better than any other competitors are offering. So where do I see opportunities? Well, I always see opportunity coming from the technology itself. The technology is a tool that you used to get a result. The opportunity for the business is coming from the business itself. So I see big -- honestly, because technology is advancing so fast, every business on the planet can be improved. Every single business on the planet can be reinvented. It doesn't matter if you are a farmer, like, farming potatoes, that business can be improved with technology. And it can be extremely profitable if you look at all of the potatoes firmed in the world. If you are a person, you are a fishery and you go out and you have a boat and you do fishing, how can that be improved with technology? You can reinvent any of these businesses, any business you think of can be reinvented. The hard part is how. Now I will give you a couple of areas that I am super excited about. So, I'm super excited right now about things you can do with brain computer interfaces. So, brain computer interfaces basically enable you to start to read brain waves, and the noninvasive ones, Elon Musk is working on a chip that you actually have to drill a hole in your head. You have to make that really small, but most people don't want to do it. Most of us are not willing to do it. But there are a lot of technologies that are emerging now that just require you to wear a headset. The types of things they can do, the types of businesses out there are things, like, they can tell. They can actually help you anticipate what you'll need in the future, because it is looking at your brain and what you need and how you react. And actually, a lot of the future will be looking out at what people want and getting it to them before they even know they need it. So let me say that again. A great business opportunity and this could be applied to a lot of different fields, everything from, I don't know where I want to eat today, too, I'm having a problem at work, and I don't even know what it is, to the AI has already figured that out and they're actually getting a solution to you before you understand that problem fully. Because AI, human beings, our knowledge is very limited. Very limited in what we can do. It can go in there and analyze the different data points and actually come to people with solutions before they know they have a problem. That's what I want to get you thinking about. I want to leave you on this one note. Look to build platforms that can actually solve problems before people know they have them. Now this is kind of virgin territory. We are just starting to enter it, and you can use robotics for that, you can use AI, you can use big data, brain computer interfaces. You can use a lot of the technologies I've outlined in this presentation, and you can also apply it to virtually every business. I will leave you all on that note. I look forward to engaging with you on that future and helping you do great things.

Okay. Those are all the questions we have time for today. If we did not have a chance to address your question during this live session, I'd like to recommend reaching out to your mentor after today's session who can assist you with your questions and further business needs. If you are not already working with a mentor, get further information and request one by going to www.score.org/find-mentor. Another option is to visit New Virtual Mentor and Virtual Resources. This is a free, virtual online meeting place where visitors can go to get questions answered, and advised by certified personal mentors. They are ready and available Tuesdays and Thursdays from two to 5:00 p.m. There is an expansive portfolio of resources available through partners, peer to peer networking, and more that can be accessed through that environment. So to get further information and register, you can go to the score website. So as a reminder, a link to the recording of this session will be sent to all participants and a post event email is going out shortly after the webinar ends. And also Steve mentioned if you have questions in regards to the session today, looking for information on investors, you can reach out to or go to FoundersSpace.com and get further information there. So on behalf of SCORE, I'd like to thank you for attending today and give a very special thanks to Steve Hoffman for presenting with us as well. Steve, thank you so much. We are truly grateful for your time today, and this excellent and enlightening presentation.

Thank you. I have enjoyed it.

Okay, thanks again, everyone. We hope you have a nice day ahead and take care. [ Event concluded ]