

And our guest speaker, Neil Sahota. Neil, you ready to go? Let's rock it. Let's do it. Alright ladies, gentlemen. Neil Sahota. Yeah, you can clap. <Laugh> clap again. Neil Sahota is somebody who should be in your network. He's a master inventor for IBM. He's been to space like six times. He is a professor here. He has deep roots in entrepreneurship and innovation. His current book is on the revolution of AI and his newest book is gonna be around Disruptive Thinking. So we're very lucky to have him here. He actually is one of our first guest speakers at the Entrepreneur Center in 2014 when this all started. So it's great to have you back. You have a lot to learn and remember, this is just where it starts. This is the guy you connect with on LinkedIn before the night's over. This is the person you asked to take out to coffee later on. He can be a strategic ally for you. And as we know, your network is your network. Boom. Alright ladies, Joe, put up Woo.

That's my ginger brother. One one thing Ryan didn't share is he and I actually had the same editor. It wasn't planned that way. Total coincidence, but tall world. Yeah, but

I haven't been to space yet.

I'm not a heavy, but we're

Ginger brother.

We are Ginger brothers. So I'm happy to be here. This is not a lecture, this is a discussion, so it'll be a little bit more free form, but to hopefully get us thinking here. Now, how many people have a venture in mind? A couple of people. Do you guys wanna share? Yeah,

So what my team and I are focusing on is children's safety, like toddlers. So we have a startup called Toddler Defender. We're gonna incorporate technology into our devices, but I feel like that's an untapped market. Children's safety. There's plenty of things around children like clothing strollers, things of that nature. But children's safety is something that's often ignored in regards to smart homes. And so we're tackling that right now and we're gonna try to incorporate the technology into things along. Like there's tracking devices, there's like cameras and we're just trying to say proof home, starting here in OC and then branching.

Nice. Love the idea.

I'm working on something and it's still works. So it's not something I'm trying to find my way in there.

Oh, cool. Well, I honestly believe that everybody has a billion dollar idea. It's just a question how people are willing to make a sacrifice and the commitment to try and pursue it. Not everyone has cut out to be entrepreneur and that's okay. We do have entrepreneurs, people that work for a company and they pitch the idea. You behave much like an entrepreneur does, but they're building a venture for their company owned by somebody else but their employer essentially. So entrepreneur, entrepreneur, various claims, skill sets. So either way it's important, but I think you guys are using the business model canvas. Yeah. So I'm, I was asked to talk about key partnerships. What is a partner?

A someone by which, like once you get working with them, both can benefit through each other's ideas. And it's not parasitic, so it's not like only one would

Win, right? Yeah. We hope it's not Percy. It's, it's, it's a, it's a, it's a joint, it could be a joint venture, it could be a manufacturer supply chain type of partnership. It's basically something that benefits both organizations. Spot on with that. And why is that so important? Because no person, no company is an island. Our first reaction to things is if we need something, we're gonna try and create it. Build it. Do we have to reinvent the wheel all the time? No, but it's, it's tough. We, we don't sometimes kind of step back and say, okay, wait a second. Is there somebody else already out there that I should be working with that's already doing this? Maybe they're doing it more efficiently, maybe they're doing it better. Maybe there's a win-win scenario here. So that's why partnerships are kind of the often most

overlooked area of the business model canvas. I hate to say it that way, especially given my background. And I've done a lot of ecosystem building, which is basically creating a hub of partnerships. So what kind of business partners are actually out there?

Well, if you're, if you're selling a product, then you need suppliers. If you're selling a service, you need people to actually carry out that service, right?

So if you're building a product, you need suppliers, right? Or you may need manufacturers, distributors, wholesalers. You need a supply chain, right? That's typically what we see. If you're selling a service, do you need partners?

Yeah, because there's, there could be like services in place which could give you the recruiting pool. And so it'd be, you know, quite ignorant if you're just like, no, I'm gonna, you know, figure this whole thing out by myself. But a lot of people try to choose the loan pool

Approach. Well how many people have ever received a paycheck and who actually processed all the paperwork and stuff, your hours to actually issued the paycheck?

And when I say hr, they have like an outsourced partner.

So normally you think it's your employer doing that for you, but it's actually outsourced. Paychex does 80% of everybody in North America's paychecks. So that's an example of an outsourcing service that they're a key partner for A lot of companies, big and small to do that. So when you think like outsourcing or consultants, it's usually a good example of a partnership. Now there are actually other types of partnerships that could be very beneficial as well. So we kind of hit the, the big ones with the supply chain and all that. But I thought I'd share a story. How many people are familiar with the United Nations?

That's pretty good. Okay, we don't have to work on the marketing then. <Laugh>, the United Nations is a collection of 47 agencies. That's what most people don't know about. And historically the agencies have their own domains. So you have UNICEF children's issues, you have the it anything to do with technology. You have the World Health Organization, anything to do with healthcare, you have un low anything to do with labor. And because of their domains, they were just kind of siloed. They rarely ever partnered with each other. In fact, it was not a normal thought process to partner with anybody. World's changed since the UN started. And you look at things that cut across 2015, I was asked to give a speech at the general assembly, actually asked me to speak about ai. You know, they were worried about what is this gonna be? Our machine's gonna rise up, take over the world, how we regulate this.

So I went, I gave a little more optimistic speech than they were probably expecting. But one of the things I actually showed them is how you could use this technology in a variety of initiatives. What's already going on public service, but how it can be used for the sustainable development goals. And if you're not familiar with that, the SDGs are 17 goals. The UN has committed to making a reality zero poverty approving diversity, protecting land on sea, access to justice. I won't worry you at all, 17, but there's a \$20 trillion shortfall every year and try to make them happen. So because I showed them how we could use AI and other emerging technologies, they became really interested and the Secretary General approached me with the reception. He's like, there's a lot of momentum. Can we figure something out? And so I helped start the AI for Good initiative.

This is the very definition of partnership. We created an ecosystem where for an organization that is very slow moving bureaucratic, start thinking like entrepreneurs. They started, got the agencies to start working together. I brought in partnerships with academia, other nonprofits, other government agencies, private industries, which was unheard of in the UN world. And within three years we had completed over 200 projects. And today I think we have, we've impacted 1.2 billion people. And most of it is actually just volunteer. Most of the partners are volunteering their time, their resources, their

people. That's what you can do with good partnerships. It takes work, it takes effort. But I always tell people like, cause they're always kind of, eh, I get that. But convincing somebody or I don't know if there's enough value for this potential partner. I would say if the UN can do this, then anybody can. So let's explore this a little bit more. So we talked about the traditional supply chain partners. How many people have iPhones? Well that makes Apple really happy. Pretty much everybody. Does Apple make its iPhone?

No.

No. Who does?

Multiple suppliers. Subsidiaries, what part?

So we have to get to the special glass for the touchscreen. That's only made in a couple places in the world. What else?

The chips.

Yes, you. The chips isn't an Apple isn't an Apple's own chip.

Samsung sign makes, they put it Knife

Dude does not make chips.

They probably came up with design, but then they sourced manufacturers. Samsung Design, something like

That. No, Samsung is not design chips for Apple <laugh>. Apple does design its own chips. They used to use amd but they decided to bring it in house. So they do what a lot of companies tend to do is they design their stuff and they outsource the actual manufacturing of it. All these pieces that they have for the iPhone have to be assembled. Where does that happen?

Wherever it's cheap to assemble. Hey John,

Assemble it. Where's that? Hey,

Assemble like

That. Well, Foxcon actually does the assembly integration work.

Foxcon.

Foxcon. Yeah. So that there, yeah. So Apple has a lot of partnerships to make this happen. So what is Apple really doing?

<Laugh> just directing people

Essentially. Well, they're directing people, but where's their value add?

The prototype, the

Design. The design, the marketing, right? They do, they come up with the design. Not just for the iPhone, but the packaging. Because the iPhone, it's value proposition is about the look and the feel, right? So you can see all these pieces kind of come together. So you might say like, well why, why would some of these people wanna work with Apple? Then? Why would Foxconn agree to make all these iPhones, you know, and be pressured to do it in a small amount of time? What's it for them? It's a Profitable relationship.

Profitable relationship. How much money does Foxconn make off the iPhone? Billions. Yeah, billions. So we get it in supply chain. It's the most obvious one. Apples a little unusual. They do sell their own phones in their stores. Of course you can buy it at Verizon or T-Mobile and so forth. But most like retail products, consumer products. You have to go through a wholesaler, distributor, retailer to actually get in

front of the people. So you can see there's a lot of partnerships there. Let's look at a different one. How many people like to go to Taco Bell? Oh man, only two. You know, they're a big donor to uci. Did not know that they sponsor scholarships, other stuff. So just, just saying <laugh>, but have, have you ever heard of this Dose Locos Doritos taco?

Oh, that's a partnership.

It's a partnership. Why is that a partnership?

Two entities coming together to make that good one.

Yeah. Right. What is it? It's, it's exactly this. It's a Taco Bell taco. But the shell is made out of, in this case, cool ranch tortilla or Dorito's, big shell chip. Why would they do this? Why would they partner together on this

Profitability

To allow profitability? Well what does Doritos get out of this?

They get a lot. They get marketing. They, they get profits and they also get like unique product placement in a sense. Cheetos not doing that. Doritos is,

Yeah, so they, they get money. Obviously Taco Bell is buying shells from them. You get, you see the packaging, you see the Doritos logo. You guys are probably too young to remember, but Doritos actually try to start its own late night chip line. Why? Because, well, most people wanted to eat chips.

Why?

Yeah, all the time. They love you. <Laugh>.

Maybe like movie actually during, like when there's a movie on at night with the fan, you could

Just have some chips. Maybe. Who eats the most chips? What demographic?

Kids.

Yeah, kids. They usually eats a easy snack for lunch or after school. And dos realized, lot of chip makers realize that they lose part of their, you know, target market as they mature and age, right? People tend to eat less chips when they go to college. When you get the lunch use, it's usually late at night because you're studying hard. So they started a late night chip,

Actually a series of them. They had like jalapeno poppers flavor. They had like a, some taco flavor trying to capitalize with that market. It was an utter failure. Cause we don't associate p potato chips with late night food. And typically, you know, the most popular late night foods are tacos, pizza and kebabs. They're, they're kind of a little more heftier than chips are. So realizing that's not gonna be a successful market. They sell an opportunity to work with Taco Bell. Now their chips are part of the taco, right? So new revenue channel, new source of income, expand out their product line. What does Taco Bell get out of this?

For all those to leverage. Just got that whole, you know, fanatical group of do fans to them.

Yeah, it brings in a new customer base for them and it gives 'em a unique offering, right? Why doesn't, why doesn't Del Taco jump in and partner with Doritos?

Because <inaudible>, they've been secured.

Yeah, they have an exclusive partnership. So you can't do that. And I've heard people say like, well why doesn't do Taco partner with Cheetos?

Well now that's off their table now Cheetos ands from the same company.

Are they,

Are they,

I actually don't know. I don't remember. I know they experimented with Cheeto's taco. But what's the problem with eating Cheetos?

Those that finger

Stuff. Yeah, you get all the stuff. And when do most people eat food? Like fast food?

Like in break,

In a break or in the car or in a place where they can't easily wash their hands. So not so great. That's a good example of a key partnership. So a chance for a joint venture for both of them. Make money and expand their, their brand image. How about credit cards? How many people have a credit card? How many people have a co-branded credit card? What's co-brand? What is the co-brand? <Laugh>

Like external partner brand. Like you got United, you got urgent cards like airlines,

Hotels. Yeah. So you see a lot of airlines. Co airlines aren't issue. The credit cards are working with the bank to do that. Same thing with hotels. What other people co-brand Credit cards.

Retail

Stores. Retail stores. Yep.

How's it going so far? Amazing. Amazing.

<Laugh>

Amazing. I expect nothing less for my ginger <laugh>. I two places at one time. That's why I'm not here. Cause I gotta go do announce butter. That's where you guys should all go after this.

So some of the movie theaters have their own co-branded credit card. Why do this? What's so special about this?

First of all, you're integrating audiences and then cuz the credit card, you know, they want you to spend and you have these stores and have these, you know, airlines. They're, they're returning customers essentially. So it's a match made in heaven.

That's a match made in heaven. You get a United Explorer card there, they offer you points for using it or offer you miles for using that. So every time you buy anything, not just airplane tickets, but you buy gas, you buy groceries, buy a movie ticket, you earn miles, right? So you're incentivized to use this more often. And if you do buy a plane ticket, you get like six times the normal miles. That's good for United, right? Cuz you're buying more stuff and they get a percentage from, what is that? Visa of all your purchases. What's it for? Visa. Then

They make money from the banks

Transaction. Well you they're, what they've seen is the co credit cards. You spend more money, right? Oh,

They're getting more customers. All the united

Customers will, all the United customers are now using this higher volume of business. How many credit card transactions are there in a day?

Million. Little bit over a

Lot over 2 trillion. So even though we might be talking about a few cents more per transaction times 2 trillion a day adds up. So that's a good example of a key partnership. How about this one? Do you recognize the type of car? What is it? Car, bmw. And you recognize the luggage in front of it.

You're taking this money.

Louis Vuitton. Louis Vuitton. Why would these two brands get together? Why would they partner?

Just home,

Home alert. BMW makes cars. Louis Vuitton makes like bags luggage.

Customer said, I'm sure luxury goes to luxury cars. So if we have a bag, you like you to have a Mercedes, a nice car, Mike. If you have a nice car, you probably have a nice bag.

So interesting. Congruent customer sets, good luxury items. But what's the other connection here?

I was just gonna say like that. It's just that rich, you know what I'm saying? Like a rich SMU could worked.

We won't judge <laugh>.

Like it's luxurious stuff. So like severe was it? Yeah. Yeah. Like severe said. Oh, like what said the like you're just, you're just hitting the nail on the head. That is, that's the, you know, the audience's, the consumers who know people who there's roles also customer loyalty. Both of them have like a unique follow. And if you, you can have access to another marker. Who? Bmw.

Well how, I mean for customer thing, I get it makes sense. But how can they bundle their products together, right? That's actually one thing they do do as partners

Seats. It screams lecture. It just screams like 99% of population can't have it.

Well what kind of products for Louis Vuitton do we have here?

Travel.

Travel bags, right? Why would that make sense? With a car,

We gonna go on our road car

Go on our road trip, right? So it becomes a, a travel, a joint travel experience. So you can bundle the two together, buy a car, get Louis Vuitton stuff. Or maybe you are shopping at Louis Vuitton and you get a discount on A B M W. But that's what they're angling for, right? They're both luxury products, similar types of customers. We can bundle our, some of our products together to create a unique travel experience. So it's a little different take on a partnership that sometimes we don't think about. Cuz again, we're focused on selling our products. We don't think about how we might partner with somebody else. That we have a very disparate product line, but together we could both profit off of that. Let's look at another one. How people go to Starbucks. How many people wanna Starbucks? Today?

Yesterday.

Yesterday we're not doing so hot. Then <laugh>, Starbucks and Spotify actually have a partnership. Anyone ever heard of this? If you're a Starbucks employee, Spotify will give you a free premium account. Anybody wanna be a barista? Now?

<Laugh>,

Why would they enter into this partnership?

Well then add value. There you go. There's, okay. I feel like there's a certain demographic of Parisa, the ones I've seen at least. They're usually young college students or around that area. And obviously we all music and so integration.

So it becomes a nice benefit to offer employees.

Employees,

Yeah. You get a free, free premium. Spotify, how much does that work to you guys? A free premium Spotify account

We paid for.

I mean how many people that they would consider that a legitimate perk of working there? Eh, I mean it's obviously one of many but that's why Starbucks has the partnership, right? It's a, an extra perk. They can offer their employees know Starbucks. You may not realize it actually does sell music in most of their baristas. You know, obviously they're pumping music in a lot of their stores. Why would Spotify do this? Why would they give away free premium accounts?

I think the fact that they could have their music play in this store or like have the Starbucks is like a pop culture. A very pop culture coffee. You can get the same coffee else start discharges for the service. So they thing they can have access to those customers if they can place their product in their eyes notice.

Okay, so it's good branding. You get some viral marketing going. How often, how long does a person work at Starbucks?

I learned they're pretty good inquirers. People stick around, but

I dunno. Well, if you're a barista at Starbucks, duration wise, how long do you think you're gonna be work as a barista?

Not too long. So they can afford these for you?

Yeah, the, I think the average Starbucks barista is usually there I think six to eight months. It's not meant to be a permanent career. So you're gonna lose this benefit. Right? So what is Spotify hoping

You get

Out? Yeah, once you get out and you're gonna have it for free anymore but you still, I haven't seen all the value. You'll become a subscriber, right? Yeah. So there's a lot of heavy, you turn it over with young people, you get the viral marketing. So you can see how the partnership benefits both sides. Let's look at a, a strange one. Anybody heard of Warby Parker?

Yeah.

What does Warby Parker do? Make glasses make eyeglasses. Anyone heard of Arby's?

Yeah. Is that hmm? Isn't it ar? Isn't that what they're saying? Isn't that it's, no, I just remembered from

What is ar Arby's do

Sandwiches and stuff

Fast. Yeah, fast food, roast, beef sandwich, burgers, those types of things. How do, how does an eyeglass company or eyewear company a fast food company partner together?

They're not supposed to.

They're not supposed to theoretically. Cause you see it right here. You got the Warby going on, you got the onion ring monocle, you know, used to get the little nice t-shirt, the Warby hat. A tote bag. Only Correl relation I could see is like War Park. Like so that could, there's something I'm missing because I'm not so

Well it's a, it's a good thought but that's not the reason why they partner together. Think about it. Warby Parker and Arby's.

Oh the demographic is by Arby's are usually older perhaps and they're all going blind. So

It's, it is interesting but I don't think Arby's customer base is older. <Laugh>. Yeah, my dad

It's between Arby and

Rb. Yeah, it's actually cuz they rhyme Warby and Arby. That's why they formed a partnership, got the outside the box

<Laugh>

Just because it rhymed. They figured maybe we could do something and so they created Warby with a special packaging. So if you get some like this, you can get a discount off eyewear or you get a Warby Parker like that you can actually get a free meal if you buy whatever package they have. That was the only thing there.

What's a PR move? I guess

It's a PR move, but is it valuable enough to base a partnership on rhyming?

What that profit scene?

It says yes. It's been very profitable for both sides. Yeah, right. People remember rhymes very well. How many people like Star Wars and how many people like Covergirl, how do they link together? Right? This is real, right? They even have this Stormtrooper cosmetics store over here to see the eyes dominate in black winged liner and white contrast lip lips measure up any deep sinister red. Why would you do this? Why would you partner with like Lucas Films if you're Cover Girl

Customer

You can see this is they started the partnership with the episode seven. The Force Awakens. Well that's also product placement, which is a common thing. But you normally don't associate Star Wars with cosmetics, right? I mean but how much makeup is used in those movies? Buckets? Yeah, lots. Can you tell they're using Cover Girl makeup for the actors? When you watch it

Using makeup we cover,

You wouldn't know which one. This is a good way for Cover Girl to advertise. That's what they're doing. So potentially a whole, you said have audience more brand exposure. Why would Lucas films agree to this?

They just saw the money, like of course.

Well how much money is there for Lucas films

For every girl who wants to buy this or wants to sign. Got it.

Well how would you describe the average Star War fan?

Buy a lot

Of stuff. I do buy a lot of stuff, but demographically how would you describe them?

I would say probably, I dunno, younger maybe, but I dunno like lot doing, I would say from four to 20 I'll probably go to like four one. I think they to like, I dunno, maybe for 20 perhaps. I mean, for example at Disneyland, like they have like an exhibit or I dunno what they call it, but they have this whole region in Disneyland where it's just Star Wars and there's hell of old people there actually. So, and they're, they're dressed up in Star Wars stuff. So you'd be surprised.

Well I get that. But demographically right at the before this campaign, before this partnership started, 70% of Star War fans were male.

Wow. Okay.

Right. This was a way Lucas Films saw to attract more female fans to the franchise. How valuable is that? You guys are familiar with the company? Haynes. Haynes. Yeah. Clothing

Ground. The jeans

People not, not jeans, they make undergarments right around for 150 years. But for their first a hundred years or so, they only made male undergarments until somebody in the sixties said, Hey, I can double our market size. Like how can you do that? What if we made women's undergarments? Of course they said that's a terrible idea. That's totally different materials, colors, designs, we don't know anything about that. But good entrepreneur, they pushed on that and they wound up doubling the market. How many people are Disney fans?

It's alright. It's

All, it's all right.

I mean,

So Disney used to be a client of mine and for the longest time they dominated every demographic except male, 13 to 49. No matter what they tried, they couldn't do anything to burglary, break it in that market. So they asked me to come in and help them figure something out. This was mid two thousands. So I brought, pulled together a team, we did some research and my idea to them was, you guys should acquire Marvel comics. And of course what did Disney say? Yeah, Michael Eer said, that is the worst idea I've ever heard. You want us to buy a nearly bankrupt comic book company? Yeah.

Turned out pretty

Actually for them. Sure <laugh>, right? I had to convince them to do it and said, listen, you're looking at it as a comic book company. It's really a content and IP company. You're gonna get all these characters. You can do merchandising, you can do some things in the theme parks. The Ironman movie had just come out. It was a huge hit. I'm like, you can add this to movies, TVs. That's when they started seeing that and the numbers they got convinced. How does Disney deal with males 13 to 49 today?

Better.

They dominate the market. Yeah,

Good question. So these things are very, very big company. There are a lot of minds and brains there. Like why? What happened that they came to you? Like why there wasn't so many there say, Hey, I got this idea, let's do this. Like there like what happened there?

That's, that's why you need consultants as partners cuz they have fresh eyes. When most of these executives that work at these companies, big or small, they've been there how long?

Decades.

Yeah. 25, 30 years. So they can't see the forest from the trees anymore. That's the the biggest problem. They want cons management consultants like myself because we can see things with a fresh set of eyes. That's powerful. You guys all have a magic power of yourselves. You have a fresh set of eyes. You haven't been working and working with these processes or methodologies the same way for five, 10 years. So you, you're not kind of ground down to this is the way stuff works. We can come in and kind of see things and say, whoa, wait a second. Why you do it that way? Is there an improvement opportunity over here? Most people, we work a long co a company that long you, you just don't notice that. So never on their radar, just like this was not on people's radar. Mcdonald's, how many people like McDonald's? You guys are Burger King fans?

Mcdonald's Burger.

Would it surprise you that McDonald's or Burger King had a temporary partnership?

It's quite surprising.

What? Yeah, why is that surprising?

Like

They are direct competitors. Why would direct competitors partner together?

I remember this one and I can't remember what <inaudible> there was like by or something. That was their <inaudible>. It was a few years ago. Very recent

Actually. Yeah, it was not by a whopper. McDonald's decided to run a campaign in South South America. I think it was particularly Argentina. I said for I think every Big Mac or every hamburger, I forgot what it was you buy, we'll donate \$2 to help help these children in need. Murder King saw saw their campaign and said, you know what? For a short period of time we're gonna stop selling Whoppers. In fact, the actively advertised and said, we're not selling Whoppers, please go buy a Big Mac because they're gonna notate \$2 to help these kids. So McDonald's got rid of that. They actually talked to each other and they did a partnership to promote that for a temporary amount of time. And you can see some of the, the numbers right here and how well that worked. We had this thing called cooperation where sometimes competitors do partner together. Ford and Toyota. Do you think they'd ever worked together?

They probably, they probably have the same supplier as well. They probably have, they have the same parts.

They actually don't have the same suppliers,

But they have a lot of same parts.

So I'm pretty sure

They have some of the same parts because they worked together. So they had a couple of different partnerships. The hybrid engine was actually a partnership between Ford and Toyota and they shared the technology and they both use it in their cars today, the entertainment, kind of digital entertainment system you see in the cars. Ford and Toyota started off as a Ford initiative. Toyota said, Hey, we'd like to partner on this with you. And they of course said Sure. So they co-developed it. Joined Venture shared that technology as well. Competition has become a new thing in the last 15 years. It's not something your competitor is usually your enemy, but sometimes they could be a friend and accelerator. Different ways of thinking about partnerships. And that's what you should do. We know we have the traditional partnerships, but you guys all wanna build success festival business ventures. You gotta kinda look outside the box on some unique partnerships to add value. So you gotta think differently. I know you're thinking, oh everyone says think differently. How do you do that? I actually do have a framework. Ryan alluded to it earlier, should call Tucko. So innovation, disruptive thinking doesn't come from like these aha moments. It's like a series of dots that start clicking together. And when you click that last dot, that's when things actually come together.

The challenge though, it's tough to do.

So I always say you gotta do five things. So that's why it's called tucko. You gotta think different, which is come up with the innovative idea. Then you gotta understand different where you gotta actually validate, develop the idea. Is there really a value add? Is it worth doing? Is it meeting unfulfilled customer needs? Then creates different, how do I actually enable this? And this is where finding these unique partnerships comes to play and then be different. Actualizing it, bringing it to market. Another key area where identifying disruptive partnerships brings value and then own different, which is we gotta have the infrastructure to support that. Most companies are not willing to invest in the infrastructure. Tesla was not the first electric vehicle manufacturer. In fact, they've been trying to manufacture electric vehicles since the seventies. Why did Tesla succeed? It's not cuz they had a better design. It's not cuz they revolutionized battery technology. They did not. They made it slightly better, but they were willing to build the supercharging stations. So my framework here, there's actually different methods and approaches you can actually use to be able to do all these things. But the key thing to understand is this is not just about an idea, it's the soup. It's nuts for everything you have to do

for your venture. So everything you see on your business model canvas, you have to apply this framework to, that's how you unlock that exponential value.

So if had more time, I would share more, but I know I don't. So maybe a story for the future Ryan wants, but couple just pieces of advice for you. Keeping the lights on won't keep you safe. Alright. My buddy Peter Dimond likes to say Uber yourself before you get Kodak. That basically means if you're not trying to disrupt yourself, someone is, someone will disrupt you. Who woos the biggest provider of hotel rooms in the world?

Airbnb.

Airbnb. How much real estate do they own? Absolutely nothing. Biggest taxi service in the world. And how many cars do they own?

Not half

Totally different models that all these other established businesses, big social companies, never saw a company. So keeping the lights on won't keep you safe. And then one of my favorites is if opportunity doesn't knock build a door, too many people are kind of waiting for things to materialize. Something will come Uhuh. If it's not happening, you go make it happen. You guys anxious to see the second avatar movie?

Woo

Kelly. One person. Come on. You want, if you're, if you're into it, let me hear it.

Yeah, yeah, it's

Cool. No how people saw the first avatar movie,

The one with,

Yeah, it was a cinematic experience. That was James Cameron is known for. Do you remember when Avatar came out? The first one?

2013. 2012.

Yeah, it was, it was actually I think 2010. Somewhere around 2010. James Cameron had the idea for Avatar in 1995. Why did it take 15 years to make the movie

If

You went to potential people to get money? Like for his thing? They were like

At

The time it's a good, good guess but no.

What took a long Panther shooter?

No, the

Idea himself.

Yeah, he had the idea himself.

No, but did he That was

His initial but on for Avatar. Yeah.

Was he like hesitant?

Was he triggered? Oh, he wasn't hesitant. He knew exactly what he had wanted to do. He had, he already had written the script, but he said the camera technology, movie camera technology isn't up to stop to make the movie. She said, you know, technology's always getting better. I'll wait for someone to

basically create and invent the camera. I need to make avatar. So he waited and he waited and he waited and he waited and he waited. It never happened 10 years ago by he finally said, I don't think anyone's gonna make that camera. So he built a door, he started a new company. It's like an entrepreneur does got money for it. And the company actually created, built, manufactured that camera. Now he has the camera two, late 2007. Now I can go make avatar. He also has a company now that's selling that camera technology to his competitors, the other directors and studios. So I don't, I don't remember the name of the camera, but he waited 10 years. Maybe a little too long. But that's why if opportunity doesn't knock, then build a door. So that's my spiel. I wanna save time for you guys. You have any questions about partnerships, startups in general,

Bcs,

How, are there any like red flags or something you can see them by partner?

Yeah. I mean a partnership is like a marriage. So you have to really vet it out. If they seem like they're very one-sided about things or they're giving you pretty

Call it harsh terms and like a contract deal that may not be a person you wanna partner up with. So a lot of partnerships are about relationship Billy and C, are we comfortable with each other? Do we trust each other? It just isn't like jumping in and saying like, Hey let's just do this. I ironically, this is way back in the day had negotiated a deal with a Japanese company, you know, back in like semiconductor chip manufacturing. And Japan at one point went through a really major economic downturn. And cuz we valued the relationship so much, so much, I actually went and told them like, Hey look, I know you guys are hurting financially. It's a tough time. We will temporarily amend the terms of our contract and we'll just sell you, you know, the, these, these chip designs at cost.

They were like shocked like why are you doing this? Cause we value, we value the partnership. And so for a year and a half we did that. And so they were very appreciative. Things turned around. I said, we appreciate that we can now pay the regular price again. So we'll do that. A couple years later there was a major economic turn town in the whole industry here in North America and we were hurting bad. They came to us and said, Hey, we would like to pay a premium for your designs. Like why are you doing this? We remember what you did for us and we were in trouble. We wanna do the same for you cuz we also value the partnership. That's the kind of people you really wanna find. You had your question

Like the book and the writing. How did you find like an inspiration or like innovation, like things, new ideas, people out?

The new inspiration, the new ideas is primarily boredom. I'm not the kind of guy that likes to just go do the same thing over and over again. Like I can't go to the office and do the same set of work and I'm always trying to problem solve. I always believe there's a better way of doing something. So that's what inspires that. On, on the other things, I have a very big sense of give back. I was very lucky growing up that, you know, I'm a kid from the Bronx. So community was always a big, big part of my life. And I was lucky enough for early to have some good mentors. Some of things that not everyone has the opportunity to do. So, so my motto in life is actually wanna try and leave the world at least as good as I found it, if not better. Which is why I'm so big about trying to help all of you try and be successful. Cause I've made a lot of mistakes in my life, Ryan, all that kind of stuff. I remember starting my first company with my co-founders. We made every mistake possible cause we didn't have this kind of ecosystem, these kinds of resources. So I'd rather you guys learn from all of our mistakes so you can make new mistakes.

So this question is sort of diverged from the idea of partnerships, but we were talking, we were speaking about like, making all those like beginner mistakes. What sort of gave you the fortitude to just be like,

this is a learning process. This doesn't define my company or my idea failing is okay in this stage. What kept you through?

I think

It hurts. Like fail.

It it, it does, it hurt. It hurts to fail. It hurts to be rejected, right? You'll get rejected by lots of investors. All that is okay, right? I mean, people tell you you get thick skin, you develop this stuff. But I don't remember who said, I told, I was really young when I heard this, when they said there's, you have your good days and you have your learning days. And I kind of embraced that philosophy. I I didn't really take it personally if we failed. I didn't say like if we got rejected by a partner or an investor, say, oh my god, it was a learning opportunity. But I think I'm also the kind of guy that's willing to take risk. Most people are not willing to do that. That's what really makes entrepreneurs apart from everybody else, your willingness to take more risk than most people are willing to do. If you had a billion dollar idea for anybody had a billion dollar idea, how many people would say I would quit my job. I would quit school. I would couch surf. I would only eat ramen noodles. I would make whatever sacrifice I could to try and make my idea successful.

Just have to graduate. So my parents don't ask me right after that. I'd,

Yeah, but most people, most people are not willing to do that, right? It's too much, too much risk for them to accept. I, I see a lot of entrepreneurs, they have some great ideas like, well I'm just gonna work on it part-time. I don't wanna give up my job yet. Let's see what happens with this. I'll work weekends and nights. What happens?

The idea just loses momentum. They lose faith in it.

Yeah, it's like, it's never a priority. You don't really put the commitment to it. So it kind of fades off. The truth is, if you really believe your idea, you gotta be committed to it. If you're not committed to it, nobody else will be. And I see it all the time where people are like, well if I could just get a bit of money, it's just you, you want money, you gotta quit your job, you gotta quit school, you gotta quit all these other things. And you gotta be able to put 16, 18 hour days into your business seven days a week. If you're not willing to do that, no one's willing to invest in you. No one's willing to partner with you. No one's willing to go work for you.

How was space

Empty?

<Laugh>.

It, it gives you a whole new perspective on, on things. Have you guys ever seen the movie Dead Poet Society? Yeah. Do you remember what they did at the end?

It's been a while since I saw, I don't remember. It was like an emotional kind of thing. There was something happened, right?

Well there was something very profound. It's a good lesson for all of us. The students, when they, they heard about what happened and they were kicking out Robin Williams character, they all jumped on top of their desk why?

It

Was disrupt.

There was a scene early in the movie where he, you told 'em, throw away your your textbooks and I want you to stay on top of your desks. He's like, does the world look different right from here versus on top of your desk? Does the world look different? Of course it does. It's a different perspective. It's the

same thing with space, right? We have this like perspective of earth, but when you're up in space, you see a, a blue blue marble, right? It really changes the vastness of space. Really changes your perspective of things.

You

Feel so little.

It's not so much you feel so little problems. Yeah, but a lot. Yeah, a lot of things. It's like the things we squabble about just seem so inconsequential. Now. We have this vastness of the universe. All these incredible resources we could be tapping into. And we unfortunately waste a lot of our time with things that are really nets in the grand scheme of things, right? You heard about first world problems. There's there's too much foam in my latte. Oh my god. You know, it's like

There's

Half the world doesn't have access to clean drinking water. I mean, come on.

And how, how did you move to space? Like how, how did

How story for another time? That's a, that's a long story. Any other questions?

Which

Part of space?

Well, we're all, we're all in space. Technically you can't go very, very far out right now.

So how do we see more of you

That that sounds kind of stalkerish

<Laugh> sense.

I'm, I'm all, I always try to make myself available, especially to UCI students and alumni. So as Ryan said, you can find me on LinkedIn. You know, obviously I'm the UCI directory cuz I teach a couple of classes here. Let me just, just reach out. Do you guys know the value of networking? Right? And you know when the best time to network is

All the time.

What? That's right. When you don't need anything. What is networking really about forming social connections? Right? That's one thing I really learned. I never realized some of the things I was doing was networking. But I just meet people. You get to know them, you know, just have coffee, lunch, no agendas. And if you, you find yourself volunteering to help people sometimes if you can. And that's the amazing part. If you network correctly, if the time really comes when you do need help, you typically don't have to ask. People are already volunteering to help you. That's when you know you've successfully networked. One other thing, I'll just point out there, as people say, meet as many people as possible, the truth is you cannot really maintain strong relationships beyond 50 people. Sometimes people rotate in and out depending on life circumstances, other things. And that's okay. But if you try and say, I'm gonna try and have a relationship with 200 people, you won't do it. Well any questions?

How do offset the risks that, how do you get that safety net? Get out from the consequences.

The safety net. I mean you, you dig steps to sometimes mitigate risks, right? Reduce impact or probability or you try to enhance it. Risks are not bad things. Actually risks are just uncertainties. There's certain things we could control. Certain things we could influence to either make the risk happen because it's a positive risk, an opportunity or reduce the severity cuz it's a negative risk. It's a threat. If you go through life thinking as risk is bad, things I can tell you will not be successful. Risks are just uncertainties. We train people look for threats. We don't train them to look for opportunities. Like when

I interview people for a job, I like to ask the question, is it a good thing to be a hundred percent successful? And what is all your first reaction? Yeah, no, but you're all hesitating. Cause I, it's a trick question. The answer is no. But then my, my follow question is why, right? Why is that not a good thing? You're always a hundred percent successful. It tells me you don't take enough risk. You're playing it safe. You're never gonna think about innovation. You're never let alone disruption. Right? And you learn a lot more from failures and mistakes than you do from successes.

I've seen a lot of people, they've been lucky and there's nothing wrong with that. But they think luck translates to skill. And so when they go to their next company, they come police flames out, they're like, oh, must be my co-founders. These are their people. Cuz clearly I'm the superstar. Mm. Yeah. Questions, comments.

Which classes do you teach at UCI and any comment?

I only teach grad students. <Laugh>, sorry. I only teach grad students primarily MBAs and law students. Don't ask me about law. I dunno how I got sucked into that one. But I teach classes in leadership, entrepreneurship, entrepreneurship ecosystems and management consulting. So if you come back to business school or law school, feel free to take my class.

I am also, I don't think Ryan mentioned it, a judge for the new venture competition. So I've been a judge for 15 years. So if you're planning to enter, you're looking for some advice, happy to help out on that front. If you have a con idea where you're trying to build something, there's a product competition on campus called Butterworth and Beal. You can also look into that as well. And if you're a social entrepreneur, part of my UN work, I did set up the innovation factory to the UN has a program for social impact entrepreneurs that provides you with resources, money, equipment, mentors, partners, other things. Cuz one thing that we've learned is that local problems have global solutions. Thank you.

Thank you very much.

Thank

You. My pleasure.

And

Let, let's get a group picture. Guys, thank you.

Thank you <laugh>. Thank you for your time. Oh, my Pleasure.

Sorry, this is still hot. Yes, thank you. Thank you.

All right, let's scoot. 1 31. Let's go. Oh my God. Come on. Come on. Okay. 1, 2, 3. Thank you. Yeah, I'd be happy to. Are you part of one of the.