Gabriel Almeida  
Dude, what's going on at this coffee shop, bro? Yeah, it's a party at 9:00am yeah.

Emilio Alvarez  
You know how we roll.

Gabriel Almeida  
Yeah, it's funny. You got to stay on mute, bro. You're not too much.

Emilio Alvarez  
I know.

Gabriel Almeida  
It's like a concert.

Emilio Alvarez  
I know, dude, but it was like. Literally, the one was like, it's right next to Blue bike station. See what I can do.

Gabriel Almeida  
All good. Like, if your mic is on the. On your headphones.

Emilio Alvarez  
You know it is.

Gabriel Almeida  
Damn, it's really blasting. What?

Emilio Alvarez  
Is this any better?

Gabriel Almeida  
Yeah, I can't hear the music at all now.

Emilio Alvarez  
Okay, cool, then. I thought it was already by default, but yeah.

Gabriel Almeida  
Wow, look at that, man. The headphones are working.

Emilio Alvarez  
Yeah, yeah, they're good.

Gabriel Almeida  
They're not catching any of the surround noise. Wow.

Emilio Alvarez  
Like, the issues, like, Bose is not great with. It's great, like, noise canceling and stuff like that, but it's not great with. With audio generally.

Gabriel Almeida  
Yeah. So. Dude. Oh, okay.

Emilio Alvarez  
Morning, Ria.

Riya Patel  
Hi. How's it going, area?

Emilio Alvarez  
Good, good. You?

Riya Patel  
Good, good.

Emilio Alvarez  
How's life in the big city?

Riya Patel  
It's not too bad. Why do you have purple lights and at 9am you're not in. You're not in America.

Emilio Alvarez  
No, no, I am. I'm. I'm in Jaho. So, long story short, every. My phone died and I left my charger and the Martin Trust Center.

Riya Patel  
Oh.

Emilio Alvarez  
So I couldn't get them to my blue bike on time. So I was like, you're just gonna have to get going to a coffee shop. If you don't mind. I'm gonna have to, like, because we have a meeting with a board member from Delta V. If, like, if you. If you don't mind if I walk and talking a little bit. Sl. Try to walk and talk.

Riya Patel  
Why are you being so formal?

Emilio Alvarez  
Awesome. Do you guys know each other?

Riya Patel  
I don't think we. I think we've met in passing, but not really spoken. How's it going?

Gabriel Almeida  
Good. How are you? Nice to, like, finally, like, properly meet you.

Riya Patel  
Yeah, you too. Where are you based right now?

Gabriel Almeida  
I'm with Emito in Boston doing Delta V. Nice. But we'll see where it leads to after, right? Probably. I'm gonna go back to Miami. That's my home base, but.

Riya Patel  
Okay.

Gabriel Almeida  
Still figuring it out.

Riya Patel  
Nice. Nice. Well, how's Delta V been this so far? It's been, what, a couple of weeks? When did you guys start?

Gabriel Almeida  
It's been like a month and a half, actually. We started in the first week of June.

Riya Patel  
Okay.

Gabriel Almeida  
Yeah. But it's, like, flying by. It's been great. Honestly, I think it's like, it'll never be more fun to like, try to start a business than it is now in that environment.

Riya Patel  
Yeah, definitely. When. When is it, when is it too?

Gabriel Almeida  
Delta V's until the end of August 2nd. Yeah, until like the first week of September, basically.

Riya Patel  
Nice. That's when you have your big presentations.

Gabriel Almeida  
Yeah. Demo day. Exactly.

Riya Patel  
Nice.

Gabriel Almeida  
We're excited for that. And I see you're working on your startup too. Is that the case?

Riya Patel  
No, that's what I'm using for recruiting right now.

Gabriel Almeida  
Okay, cool.

Riya Patel  
All right. That's smart.

Gabriel Almeida  
I like it.

Riya Patel  
We started working on the idea when were at mit, but my co founder had to go full time to another job and I, I. He was a technical guy, so I feel like I needed to find some. A team and it was Emilio.

Emilio Alvarez  
That's hard.

Gabriel Almeida  
I'm reading what, you know, Ria was doing with this project, Generative AI software startup, focusing on streamlining CAD editing workflows for architects.

Riya Patel  
Yes.

Emilio Alvarez  
Yep.

Gabriel Almeida  
That's super relevant to what we're looking at.

Emilio Alvarez  
I know. That's why I was. Oh, we should talk to Ria.

Riya Patel  
Oh, nice. Well, would love to hear what you're building.

Gabriel Almeida  
Yeah. You want to go ahead, Amino?

Emilio Alvarez  
Sure. So basically, more broadly, we're looking at getting into the BPO space, business process, outsourcing. And like, we have. We're still in the exploratory phase. We're like, trying to figure out what specifically our beach head should be. One of the candidates is interior design slash architecture firms, just because they work.

Gabriel Almeida  
Really closely and like wood mills, furniture design studios, gcs.

Riya Patel  
Right, okay.

Gabriel Almeida  
That whole environment.

Emilio Alvarez  
Yeah, that's like the, that's a, that's like a theory. We still have like, super early days because we like, literally went through massive pivot like two weeks ago.

Riya Patel  
Okay, okay. And so in what way would you like to. Oh, no, go ahead.

Emilio Alvarez  
Yes, we're really looking to better understand, like, the architecture workflow, what pains there are in repetitive work where like, you're like, okay, that like, things that are basically are outsourceable or near sourable, ideally that are not. That are going to be very tough to replace with AI. And we also want to better understand.

Riya Patel  
To replace with AI. Okay, tough.

Emilio Alvarez  
Yeah. And we want to better understand how you interact with different parts of like, the ecosystem.

Riya Patel  
Okay, okay. Happy to walk you through that. I just was curious, like, what was the initial inkling that made you think that bpo, like, why did you pick this space, like, in terms of why did you feel. What was your hunch about interior design for architecture firms needing.

Emilio Alvarez  
Part of it is like it's highly fragmented.

Riya Patel  
Okay.

Emilio Alvarez  
It might be too fragmented is one of my concerns. But like, the more fragmented in general, the less likely it is that like an Accenture and Infosys is going to try to enter the market. Right. Those are the big players in bpo. And then there's like a human element that requires like discernment and feel that our intuition is that this is what's going to make outsourcing. Sorry. And Gen AI more difficult actually work.

Gabriel Almeida  
But I think more like broadly, Ria, as to like, why we're looking into this. We're like super passionate about Latin America. Like, I'm from Brazil, I mean, just from Mexico. And we have like, we've been trying to find a business that's worth building together for like two years.

Riya Patel  
Yeah.

Gabriel Almeida  
And I have a mentor and we recently went through like a massive pivot. Like two weeks ago we stopped looking at telecom, which is like what our backgrounds are, because we didn't find anything worth building there. And I have a mentor in my network that he's already like quite in the end of his career, 60 something years old. And in the last two years he built like a BPO business from scratch based in Colombia with like a Colombian workforce serving US clients, like small medium businesses.

Riya Patel  
Yeah.

Gabriel Almeida  
And he took the business to like 3 million in ARR in two years. Like 1 million in EBITDA.

Riya Patel  
Yes.

Gabriel Almeida  
Cash flow positive for like one year. And all while like. And I think this is the coolest part, like, all while creating like 50 savings to us clients because just of the label arbitrage and creating like economic mobility in Latin America. Because he's able to pay like 60% above current market wages in Colombia while still creating those savings.

Riya Patel  
Yeah.

Gabriel Almeida  
And he did so by like finding like niche, what we're calling like premium white collar services.

Riya Patel  
Yeah, yeah.

Gabriel Almeida  
Which are different from like call centers. Right. Because like call centers the US market has already set like the expected like cost rate for those is like the lowest rage that the workers overseas are willing to take.

Riya Patel  
Yeah, yeah.

Gabriel Almeida  
But there's a lot of like more highly skilled labor. Labor arbitrage opportunity in terms of cost is super real and you can still pay people really well. Right?

Riya Patel  
Yeah, yeah. Okay. No, that's amazing. It gives me like a good sense of like how you're thinking about the business as well. So I'd be happy to walk you through, you know, what are given like my experience as an architect and where I see opportunities for great work.

Emilio Alvarez  
So here we. I'm just. Quick thing. Do you mind if we. If we use an AI note taker?

Riya Patel  
That's fine. Of course. So essentially, you know, I was working at a firm out of New York City and we worked on a number of global projects. So that would mean we'd have a lot of local architecture partners in those areas because they were more aware of, you know, the local design codes, what sort of material specifications work in those zones. In terms of the way the architectural system would work is a client will come to a large, you know, like, reputable firm which has this, like, flashy name, especially for the big projects, right? You're thinking like Saudi Arabia or like huge skyscrapers for like Rockefeller Group. So like, they'll come to these guys, like, you know, the big star architects for the concept design phase. So you'll see the beautiful renderings and those sort of things which will be done by us.

Riya Patel  
And then the next phase will be perhaps us in coordination with those local architects who tend to be cheaper because the concept design phase is really quick and it's just ideas. But then when you move on to the next phase is typically schematic design. That's when you're really starting to flesh out, okay, what is actually the material, what is actually the dimension of things.

Gabriel Almeida  
The shop drawings. 2D drawings, right?

Riya Patel  
Yeah. You start to get a sense of a shop drawing in schematic design. Design development is the third phase and that's when it really gets into nitty gritty of, okay, these are like, you have three 400 page drawing sets which are extremely.

Gabriel Almeida  
Sorry to interrupt you, but just so we learn like the language. So what's the difference between like the schematic drawings and the shop drawings?

Riya Patel  
Yeah, good question. So, I mean, I'm happy to even share. I have to dig it up, but I'm happy to share, like examples of the differences. But schematic drawings are still very diagram. Like there are basic dimensions and, you know, basic areas that you'd share and you'd say, okay, we have so many square foot office space, you don't really flesh out. You, you'll tell people the floor plan, you'll show them the sections, you'll show them the elevations, but you really won't go into details of showing them the joinery methodology. That's more shop drawing. So shop drawing will be like, okay, this is the column. This is how the column meets the floor. This is how you know, this. This is the Lobby desk. I'm designing the full desk for you. Here are all the dimensions of the desk across like.

Riya Patel  
So that's the more detail oriented, like drawing. So it's broken up into like concepts. Schematic design still very diagramy. Design development where you start to flesh out some more of the important details and then construction documents, which is the shop drawings you're referring to. So construction documentation is very time consuming. And that's where we, a lot of star architects hand off the project. After design development, they'll hand it off to the local partners because it is a lot cheaper. They know the local laws a lot better. But I can, you know, say if were working on a project in the US and we had a construction document set to put together and we could outsource that, I could see a lot of efficiencies that could be achieved.

Riya Patel  
Particularly with, you know, if we outsourced it to India, for instance, people would work, you know, hours and were sleeping and we would get those drawings in and be able to like make changes and edits to it.

Gabriel Almeida  
One you talked about like the design development, right? Is that like a next phase of the drawings from the schematic drawings, like it becomes a little bit more detailed. Until then it's the construction documents and shop drawings.

Riya Patel  
Yes, exactly.

Emilio Alvarez  
And design four phases from what I'm hearing.

Riya Patel  
Yes, yes. And then there'll be like the on site construction, administration stuff. And so I think the CD space is the one you're talking about where there's the most scope of, you know, having impact here because that's the most time consuming. But also the, the fees are necessarily a lot higher at that stage. So yeah, I think that could be a really cool space to.

Gabriel Almeida  
And the renderings, Ria, you guys all did them in house with in house employees.

Riya Patel  
It depends really because the renderings tend to be focused more on like up till the design development phase is when we'd be issuing renderings and that. We do some for some projects in house. For some projects there are marketing agencies that we'd outsource the renderings to.

Gabriel Almeida  
Got it.

Riya Patel  
There's also like 3D models that are actually built for this and those tend to be outsourced as well.

Emilio Alvarez  
And quick question, how does the collaboration work? Is it like via email, phone call, Zoom combination?

Riya Patel  
It's a combination of zoom and email. There have also been a lot of 3D modeling tools that allow a lot of cloud based collaboration. So we, when I left, were really using that so that we could be in sync with our engineers. They could see our live model, we could see their work and see it integrated.

Gabriel Almeida  
So Ria, like you mentioned how most architects, like when it gets to the shop drawing, especially the big guys, they hand it off to someone else. Like in terms of like, they don't do the shop drawings themselves. Like is, if that's the case, who do they hand it off to most of the times?

Riya Patel  
And I, I don't know if I wouldn't say most architects. I'm, I'm speaking about a very niche. I, I mean, perhaps it's a niche architect because I'm talking about extremely large projects. So the star architects, like the Arc Angels take off Freed Renfro, so these sort of. Renzo Piano, all of them would hand it off to like, say, building this master plan india. The Indian architects will take over from there.

Gabriel Almeida  
What if it's in the US for these big guys and they're local?

Riya Patel  
Then they would do it most of the times, yes. Like when we've done projects for like the sca, we done the shop drawings as well.

Gabriel Almeida  
Okay, but what I'm hearing from you is like these big guys, apart from like whenever they're doing something international overseas that obviously they hand out to like the local experts, like, it seems like they're not outsourcing much. To your knowledge. Right.

Emilio Alvarez  
I guess I need to head out or I won't make it. But. Sorry, I'll put.

Riya Patel  
Yeah, it was good to see you. Of course, of course.

Gabriel Almeida  
I think the quote. What was the question? I forgot.

Riya Patel  
Outsourcing it. They're not outsourcing it when they're doing the international projects. Is that it?

Gabriel Almeida  
Yeah, no, like when they're doing. So it's what I'm hearing from you to see if I'm. I'm correct. Right. Like is apart from when they're doing international projects that they hand it over to like local, like architects. Right. Because they just know. Know that market better. It seems like these big firms are not doing like outsourcing to your knowledge, right. Outside of their office?

Riya Patel  
No, I don't think so. I think that it might be too, in the sense, in the form of the 3D modelings. 3D, sorry, renderings that you spoke about. Maybe some sort of video animation. If we do, we might outsource that. And we would outsource fabrication for prototypes.

Gabriel Almeida  
Prototypes, yes. Like a little 3D printed things that you put in a showroom or something. Is that what you mean?

Riya Patel  
No, most architecture firms have 3D printers in house. Might outsource It. There are places in New York that do it for you, but I'm talking about a facade prototype that would be almost like my height.

Gabriel Almeida  
Okay, got it.

Riya Patel  
Those large sort of prototypes.

Gabriel Almeida  
Okay, interesting. Like. And how much do you think? Because, like, my intuition is maybe they don't outsource as much because, like, the small guys, like the small architects, the small interior designers, like, the small. They seem to be outsourcing a lot, the people that we talk to.

Riya Patel  
Okay.

Gabriel Almeida  
And I wonder if it's, like, the reason why you don't see the big guys doing it based on what you've saw is just because, like, what they do is so much more complex. Right. Their projects are, like, so. So much bigger. And, like, it's like, it's hard for you to outsource something that complicated.

Riya Patel  
I think it's a combination of that and a little bit of ego. Like, they feel like they have this, like, years of experience, that they've honed their craft, and how could anybody sort of.

Gabriel Almeida  
Right.

Riya Patel  
Figure out what they want? Maybe. Maybe. At least that's how I felt in. In my company, everyone was very proud of the details.

Gabriel Almeida  
So. Interesting. And they have the pockets to pay for the local workforce. Right. For the US Workforce. I mean, they don't have. Doesn't seem like they're pressed to, like, cut costs.

Riya Patel  
No, I think it would help. I think it would help. Yes, it would help.

Gabriel Almeida  
Okay. I'm just trying to understand. It's like, because our intuition, Ria, is we're probably better off in the beginning trying to out. Even if it's not for the interior design architect ecosystem, we're probably better off trying to offer outsourced labor to small, medium businesses first.

Riya Patel  
Yeah.

Gabriel Almeida  
Just because those are less, like, penetrated from, like, existing BPO companies and.

Riya Patel  
For sure.

Gabriel Almeida  
And. And we probably wouldn't be biting on more than we can chew, you know, to begin with.

Riya Patel  
Yeah.

Gabriel Almeida  
That said, it's super important to us to understand, like, if big architecture firms, for example, is a possible follow on market. Right.

Riya Patel  
Yeah. I'm curious, though, because, see, it's like a very iterative process. So, like, if I do a drawing today, like, I might have an idea next week where I'm continuing to work on it, and something will change. So I guess there's a lot of close collaboration that would need to take place between the bpo.

Gabriel Almeida  
Exactly.

Riya Patel  
And the architecture firm working on.

Gabriel Almeida  
Yeah. Like, I. My girlfriend, she's an interior designer in Miami.

Riya Patel  
Yeah.

Gabriel Almeida  
Like a small boutique firm. Yeah. And what they do is, like, they hire informally, almost track workers.

Riya Patel  
Yes. That happens on large projects especially.

Gabriel Almeida  
Yeah, they don't really do like a part time plug and play because like, they don't have the network to be able to activate that, to be honest. But what they do is they hired like, we spoke to like, I think four or five other designers that have her profile in my, in the Miami area. And like, they all pay for like rendering services based in Latin America because they're cheaper. And most of them already have found someone that they actually employ full time, full remote to do drawings for them in like Latin America.

Riya Patel  
That's amazing.

Gabriel Almeida  
Yeah, but it's like they're not satisfied with that structure because it's like they, it's very like sketchy to like pay them like last for my girlfriend, for example, they literally pay taxes on the transfers every month to the employee as if it was revenue because there's no other way for them to like recognize it with the irs, you know?

Riya Patel  
Yeah.

Gabriel Almeida  
And like, they kind of like are really hesitant to like fire the person even though they're not super satisfied with them because they don't have an internal recruiting team. And like, it's a freaking like tragedy when they have to like recruit and someone leaves because nobody has time for that. They don't know how to do that well. And it's all kind of like word of mouth, you know, someone in Brazil that could draw for me and like the community. So.

Riya Patel  
Yeah, no, and I also think that it's very cyclical in nature. Right. Like you get one big project and it'll occupy your whole workforce for like a couple of months or maybe a year. And then after that's done, you're waiting for the next. If you don't have anything else in the pipeline, you know, And I'm thinking like airport scale. Okay. That's like a two year engagement. You need a lot of people to flesh out all those details and then what you do with all that stuff. So I've heard a lot of contractors in that case.

Gabriel Almeida  
Yeah. One thing that we're betting on, Rhianne, I think it'd be good to hear your opinion on it because I know you looked into it a lot with your, like the project that you work on when you were in school. Like when we thought about like outsourcing, for example, I think the path we're leaning most now is like specializing in outsourcing, at least to begin like the drafting for like interior architecture firms, right? Yeah.

Riya Patel  
Yeah.

Gabriel Almeida  
Do you think that's something that like AI is close to completely replacing Drafters?

Riya Patel  
No, not really. I mean, because I think that drafting, while there are a lot of 3D modeling tools that are trying to make drafting a lot easier. For instance, there's Revit where you can 3D model something. You can get different views of that 3D model in plan view and like elevation section and all of that. It makes the process faster, but it doesn't replace the process of actually drafting.

Gabriel Almeida  
Got it?

Riya Patel  
Yeah.

Gabriel Almeida  
Do you have any intuition, Ria, if, like, because we know there's a lot of like single shop architects and interior designers as well, like a kind of one person show.

Riya Patel  
Okay.

Gabriel Almeida  
Do you know if those people do all the work themselves or would you imagine that they do like just like the smaller boutiques? They kind of like have outsourced resources that they tap into.

Riya Patel  
Yeah, I do know a lot of professors that I had, they would often tap into students to like do part time work for them.

Gabriel Almeida  
Okay.

Riya Patel  
And they would do like one off, like, you know, homes in the Hamptons or things like that. And they really rely on like cheap student labor to get this stuff done.

Gabriel Almeida  
That's good then because like, it can be limiting because it's like we don't have a lot of revenue expansion potential per customer. But it doesn't mean that they couldn't be potential clients even if they only hire like one person for us.

Riya Patel  
Yeah, there are many of them, so. Yeah, I'm sure you get a volume.

Gabriel Almeida  
The other thing I wanted to ask you, Ria, is like, we're hearing something that's exciting us is apparently like the need for drafting is not only for architects and interior designers. Right. Apparently, like woodmills need to do that a lot.

Riya Patel  
Yeah.

Gabriel Almeida  
And furniture design studios like quite often as well. And GCS themselves a lot too. Hopefully if we specialize in drafting, we can like reach and gain demand from that entire client base.

Riya Patel  
Yeah.

Gabriel Almeida  
Does that like resonate with you? Does that make sense or.

Riya Patel  
Yeah, I think so. I. I do think that drafting is the most time consuming part. It's the least glamorous part as well. So I think that I would definitely see outsourcing opportunities there. I think in terms of, you know, the rendering space we spoke of before, I think there are already a lot of people that do.

Gabriel Almeida  
Yeah.

Emilio Alvarez  
Rendering.

Gabriel Almeida  
Yeah, that's what we're hearing. That's kind of like well served already, apparently.

Riya Patel  
Yeah. Yeah. But I think drafting is definitely one thing that, that could have a lot of potential to scale. Yeah.

Gabriel Almeida  
Okay. Do you think that, like, how do I ask this? Do you think that Drafting is something that, like, for example, one. One of the things that concerned me, Ria, is these. A lot of these shops already have outsourcing. Like, they already figured out a way to outsource. Like, they have a guy in Peru, a guy in Ecuador, a guy india, a guy in, you know, like. Yeah, they've already found their informal hires that work for them either full time or part time. Some of them are happy with them, some of them aren't.

Gabriel Almeida  
But I feel like to really like, have a high potential in this market, we have to be creating a value prop that's strong enough for them to like, wanna get out of those people and be like, I'm going to stop hiring you independently and like, embrace our service and our employees. Right. And our value prop is like, you don't have to worry about attrition. Right. Because if one of them leaves, we. You don't have to put any time into it. And you're interviewing great other candidates in one week. Because that's what we do. Right. You don't have to be worried about hiring them informally because, like, we pay employee benefits. You pay us as a company and they're your contractor, right?

Riya Patel  
Yeah, yeah.

Gabriel Almeida  
And. But I'm still worried that, like, they might just be like, happy enough with like the people that we've already found overseas for yours for them to make the switch to us, you know?

Riya Patel  
Yeah, yeah.

Gabriel Almeida  
Do you have any thoughts around that?

Riya Patel  
Yeah, I'm curious. I mean, if the thoughts that come to mind are related to, you know, the, like, making it more official as a pathway for them, as you said, like, it's a little bit shady how they're making payments across the border. So maybe like stressing on those points that, you know, we can be like this, you know, remote HR for you and this employee. We'd be happy to get both of them on board and then I guess it serves them in that way.

Gabriel Almeida  
Yeah, got it. Cool. That's super helpful, Ria. Thank you so much.

Riya Patel  
Yeah, please let me know if there's anything else that I could, you know, clarify or if you guys have questions on the space. Because it's something we both look like my co founder and I looked at quite a bit as well because we realize this is the most like time consuming part of an architect's work and it's also the least.

Gabriel Almeida  
Absolutely, we'll let you know. I wanted to ask you to. Ria, do you have any, like, friends that are like designers or like other architects or like wooden woodmill workers? I don't know are people that working for Mood Wheels or Furniture Design Studios that you could, like, introduce us to?

Riya Patel  
Yeah, of course. I'll. I'll put you in touch with a couple of my friends. I. I know that they're working in larger companies right now, but they started off working in smaller shops, so I'm sure they'll give you a good breadth of different experience.

Gabriel Almeida  
Great. Thank you so much. We'll follow up with you on that.

Riya Patel  
All right, thank you.

Gabriel Almeida  
Have a good day. Take care.

Riya Patel  
Keep in touch.