

[KIST AI Special Lecture]

Cross-Industry AI Innovation - Silicon Valley's Model for AI-Driven Technology Transfer Across Industries

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About Speaker

- *Co-Founder & CTO @ Erudio Bio, San Jose & Novato, CA, USA*
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- *KFAS-Salzburg Global Leadership Initiative Fellow @ Salzburg Global Seminar*, Salzburg, Austria
- Technology Consultant @ Gerson Lehrman Group (GLG), NY, USA
- *Co-Founder & CTO / Head of Global R&D & Chief Applied Scientist / Senior Fellow @ Gauss Labs, Inc., Palo Alto, CA, USA* 2020 ~ 2023

- Senior Applied Scientist @ Amazon.com, Inc., Vancouver, BC, Canada ~ 2020
- Principal Engineer @ Software R&D Center, DS Division, Samsung, Korea ~ 2017
- Principal Engineer @ Strategic Marketing & Sales Team, Samsung, Korea ~ 2016
- Principal Engineer @ DT Team, DRAM Development Lab, Samsung, Korea ~ 2015
- Senior Engineer @ CAE Team, Samsung, Korea ~ 2012
- PhD - Electrical Engineering @ Stanford University, CA, USA ~ 2004
- Development Engineer @ Voyan, Santa Clara, CA, USA ~ 2001
- MS - Electrical Engineering @ Stanford University, CA, USA ~ 1999
- BS - Electrical & Computer Engineering @ Seoul National University 1994 ~ 1998

Highlight of Career Journey

- BS in EE @ SNU, MS & PhD in EE @ Stanford University
 - *Convex Optimization - Theory, Algorithms & Software*
 - advised by *Prof. Stephen P. Boyd*
- Principal Engineer @ Samsung Semiconductor, Inc.
 - AI & Convex Optimization
 - collaboration with *DRAM/NAND Design/Manufacturing/Test Teams*
- Senior Applied Scientist @ Amazon.com, Inc.
 - e-Commerce AIs - anomaly detection, deep RL, and recommender system
 - Bezos's project - drove *\$200M* in additional sales via Amazon Mobile Shopping App
- *Co-Founder & CTO / Global R&D Head & Chief Applied Scientist @ Gauss Labs, Inc.*
- *Co-Founder & CTO* - AI Technology & Business Development @ Erudio Bio, Inc.

Today

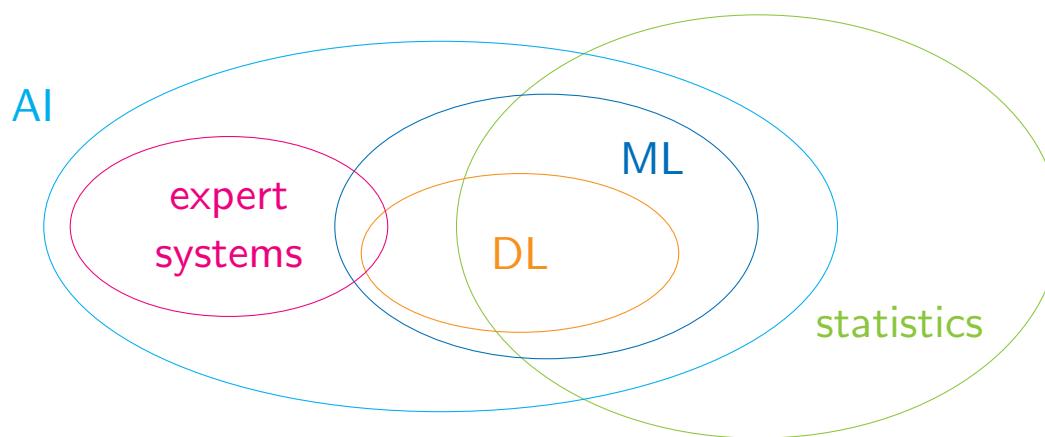
- Artificial Intelligence - 5
 - AI history & recent significant achievements
 - Market indicators for unprecedented AI progress
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 - Big Data → ML/DL → LLM & genAI → Agentic AI
 - Implication of grand success of LLM in multimodal AI
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Artificial Intelligence

Definition and History

Definition & relation to other technologies

- AI
 - is technology doing tasks requiring human intelligence, such as learning, problem-solving, decision-making & language understanding
 - encompasses *range of technologies, methodologies, applications & products*
- AI, ML, DL, statistics & expert system¹ [HGH⁺22]



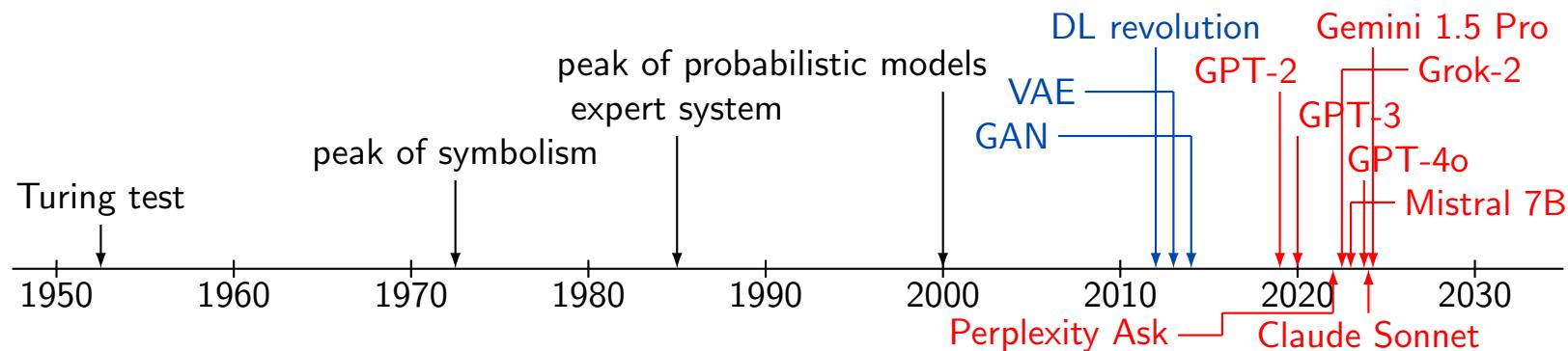
¹ML: machine learning & DL: deep learning

History



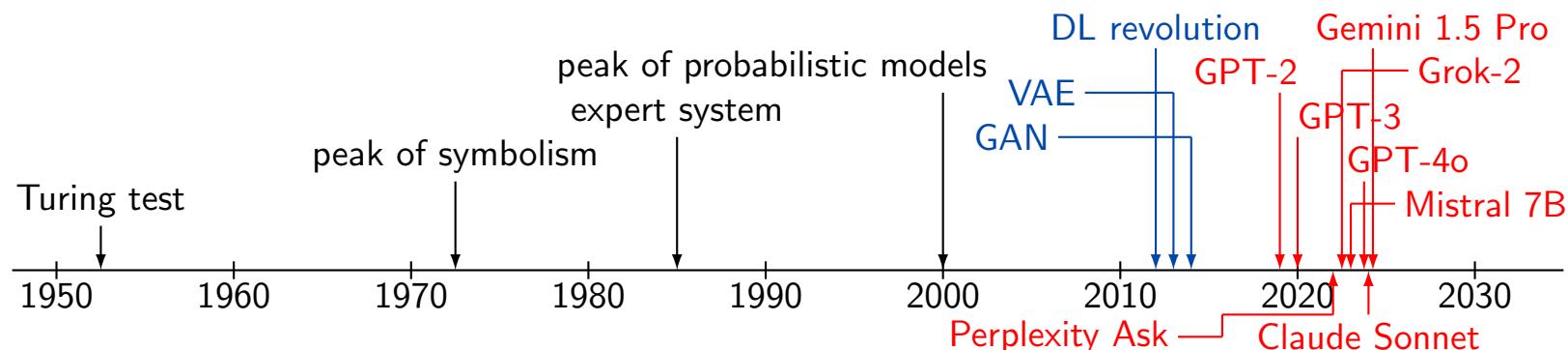
Birth of AI - early foundations & precursor technologies

- 1950s ~ 1970s
 - Alan Turing - concept of “*thinking machine*” & *Turing test* to evaluate machine intelligence (1950s)
 - *symbolists* (as opposed to connectionists) - early AI focused on symbolic reasoning, logic & problem-solving - Dartmouth Conference in 1956 by *John McCarthy, Marvin Minsky, Allen Newell & Herbert A. Simon*
 - precursor technologies - genetic algorithms (GAs), Markov chains & *hidden Markov models (HMMs)* - laying foundation for generative processes (1970s ~)



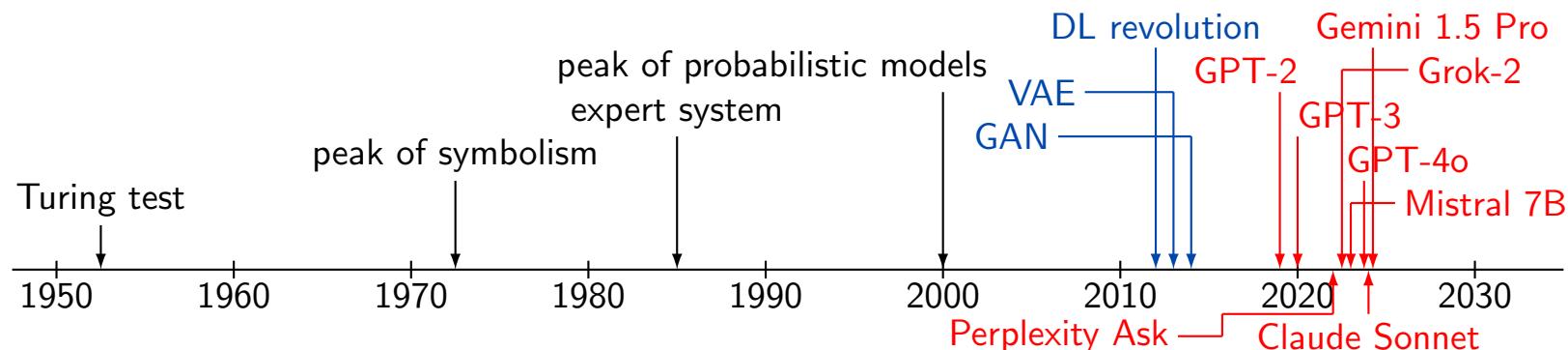
Rule-based systems & probabilistic models

- 1980s ~ early 2000s
 - *expert systems* (1980s) - AI systems designed to mimic human decision-making in specific domains
 - development of neural networks (NN) w/ backpropagation *training multi-layered networks* - setting stage for way more complex generative models
 - *probabilistic models* (including network models, *i.e.*, Bayesian networks) & Markov models - laying groundwork for data generation & pattern prediction



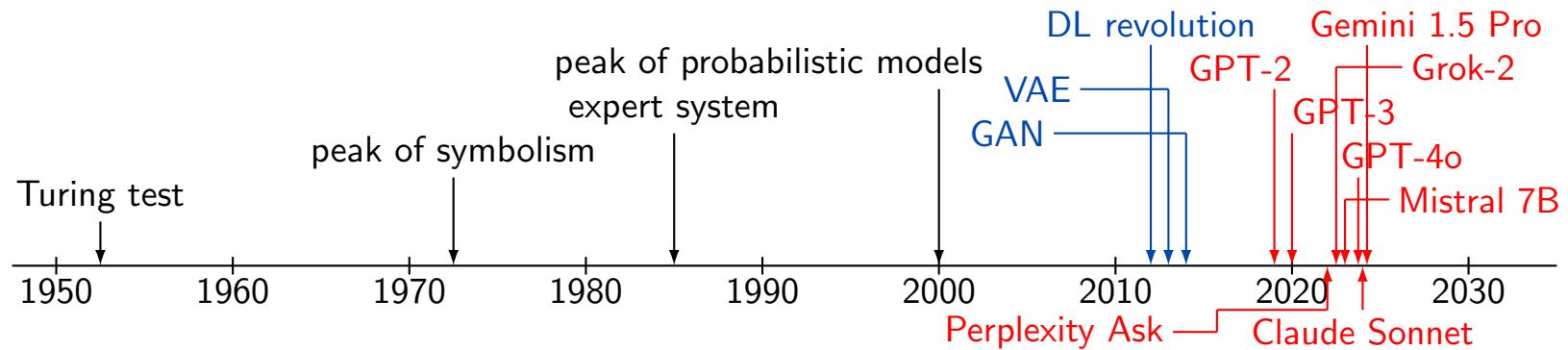
Rise of deep learning & generative models

- 2010s - breakthrough in genAI
 - *deep learning (DL) revolution* - advances in GPU computing and data availability led to the rapid development of deep neural networks.
 - *variational autoencoder (VAE)* (2013) - by Kingma and Welling - learns mappings between input and latent spaces
 - *generative adversarial network (GAN)* (2014) - by Ian Goodfellow - game-changer in generative modeling where two NNs compete each other to create realistic data
 - widely used in image generation & creative tasks



Transformer models & multimodal AI

- late 2010s ~ Present
 - Transformer architecture (2017) - by Vaswani et al.
 - *revolutionized NLP*, e.g., LLM & various genAI models
 - GPT series - generative pre-trained transformer
 - GPT-2 (2019) - generating human-like texts - *marking leap in language models*
 - GPT-3 (2020) - 175B params - set *new standards for LLM*
 - multimodal systems - DALL-E & CLIP (2021) - *linking text and visual data*
 - emergence of diffusion models (2020s) - new approach for generating high-quality images - progressively “denoising” random noise (DALL-E 2 & Stable Diffusion)



Significant AI Achievements - 2014 – 2025

Deep learning revolution

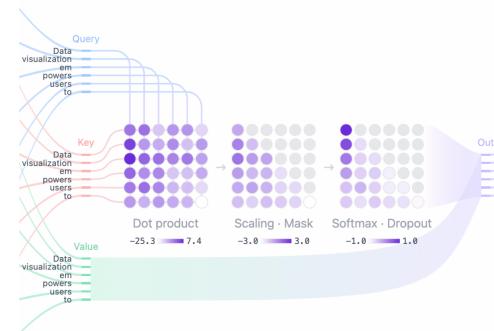
- 2012 – 2015 - DL revolution²
 - CNNs demonstrated exceptional performance in image recognition, e.g., *AlexNet's victory in ImageNet competition*
 - widespread adoption of DL learning in CV transforming industries
- 2016 - AlphaGo defeats human Go champion
 - DeepMind's AlphaGo defeated world champion in Go, extremely complex game *believed to be beyond AI's reach*
 - significant milestone in RL - AI's potential in solving complex & strategic problems



²CV: computer vision, NN: neural network, CNN: convolutional NN, RL: reinforcement learning

Transformer changes everything

- 2017 – 2018 - Transformers & NLP breakthroughs³
 - *Transformer (e.g., BERT & GPT) revolutionized NLP*
 - major advancements in, *e.g.*, machine translation & chatbots
- 2020 - AI in healthcare – AlphaFold & beyond
 - DeepMind's *AlphaFold solves 50-year-old protein folding problem* predicting 3D protein structures with remarkable accuracy
 - accelerates drug discovery and personalized medicine - offering new insights into diseases and potential treatments



³NLP: natural language processing, GPT: generative pre-trained transformer

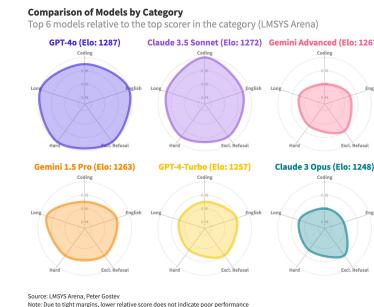
Lots of breakthroughs in AI technology and applications in 2024

- proliferation of advanced AI models
 - GPT-4o, Claude Sonnet, Claude 3 series, Llama 3, Sora, Gemini
 - *transforming industries* such as content creation, customer service, education, etc.
- breakthroughs in specialized AI applications
 - Figure 02, Optimus, AlphaFold 3
 - driving unprecedented advancements in automation, drug discovery, scientific understanding - *profoundly affecting healthcare, manufacturing, scientific research*



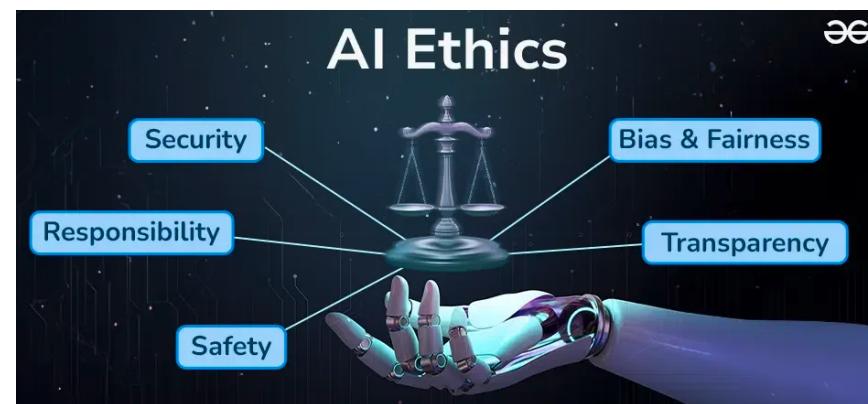
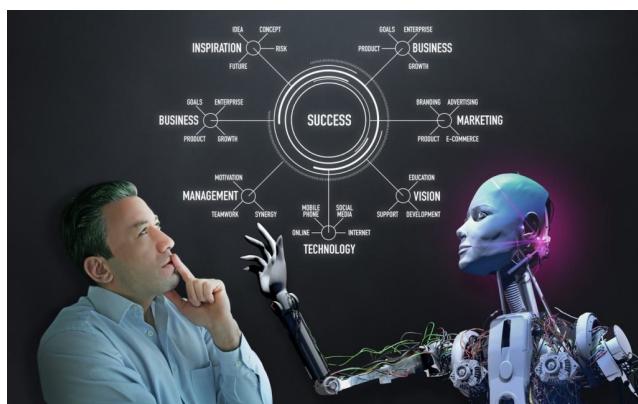
Major AI Breakthroughs in 2025

- next-generation foundation models
 - GPT-5 and Claude 4 demonstrate emergent reasoning abilities
 - open-source models achieving parity with leading commercial systems from 2024
- hardware innovations
 - NVIDIA's Blackwell successor architecture delivering 3-4x performance improvement
 - AMD's MI350 accelerators challenging NVIDIA's market dominance
- AI-human collaboration systems
 - seamless multimodal interfaces enabling natural human-AI collaboration
 - AI systems effectively explaining reasoning and recommendations
 - augmented reality interfaces providing real-time AI assistance in professional contexts



Transformative impact of AI - reshaping industries, work & society

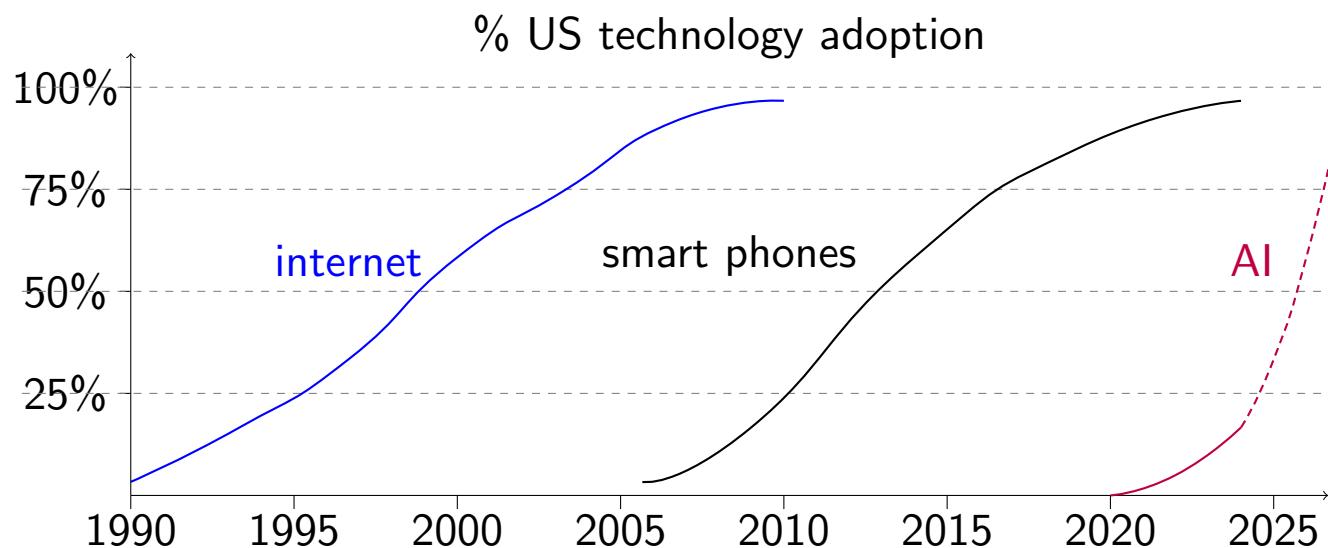
- accelerating human-AI collaboration
 - not only reshaping industries but *altering how humans interact with technology*
 - AI's role as collaborator and augmentor redefines productivity, creativity, the way we address global challenges, e.g., *sustainability & healthcare*
 - AI-driven automation *transforms workforce dynamics* - creating new opportunities while challenging traditional job roles
 - *ethical AI considerations* becoming central not only to business strategy, but to society as a whole - *influencing regulations, corporate responsibility & public trust*



Measuring AI's Ascent

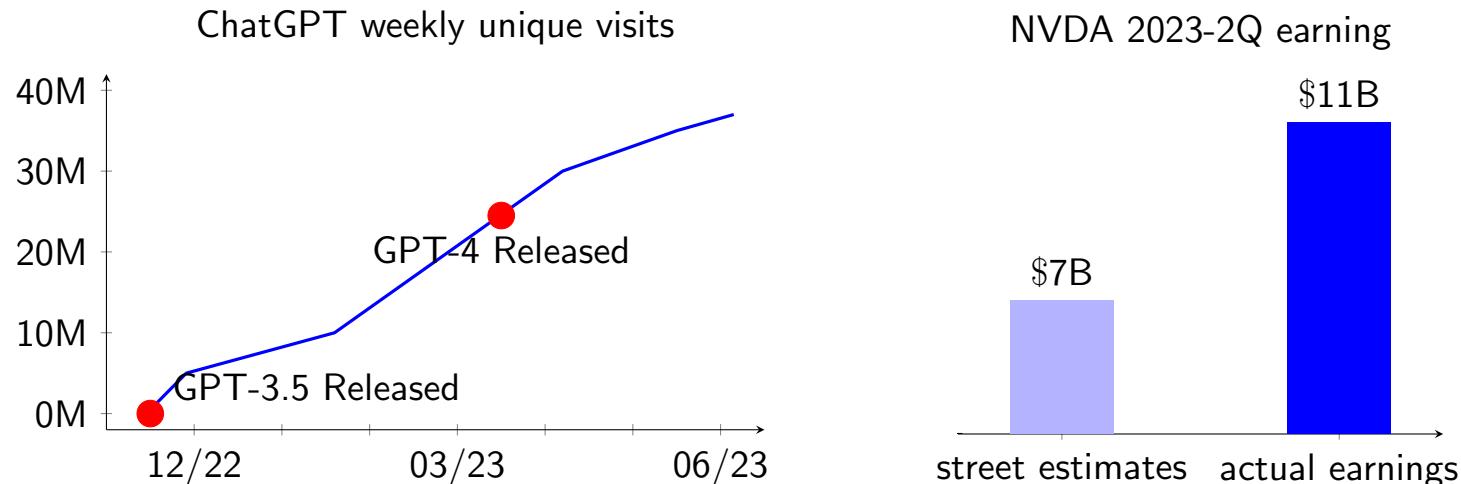
Where are we in AI today?

- sunrise phase - currently experiencing dawn of AI era with significant advancements and increasing adoption across various industries
- early adoption - in early stages of AI lifecycle with widespread adoption and innovation across sectors marking significant shift in technology's role in society



Explosion of AI ecosystems - ChatGPT & NVIDIA

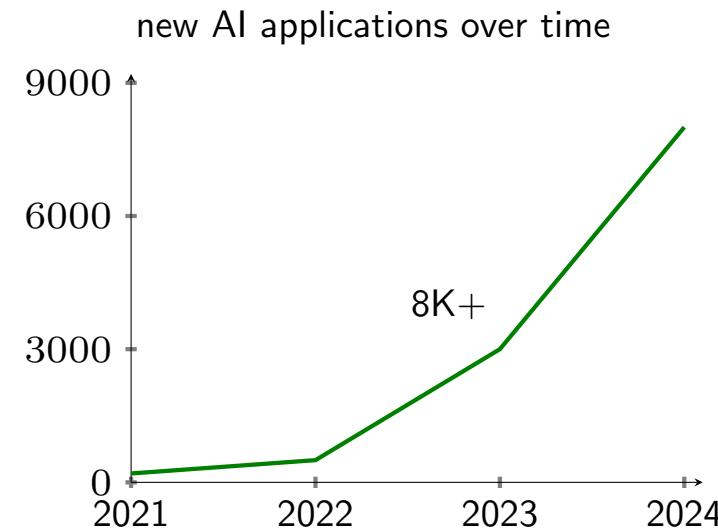
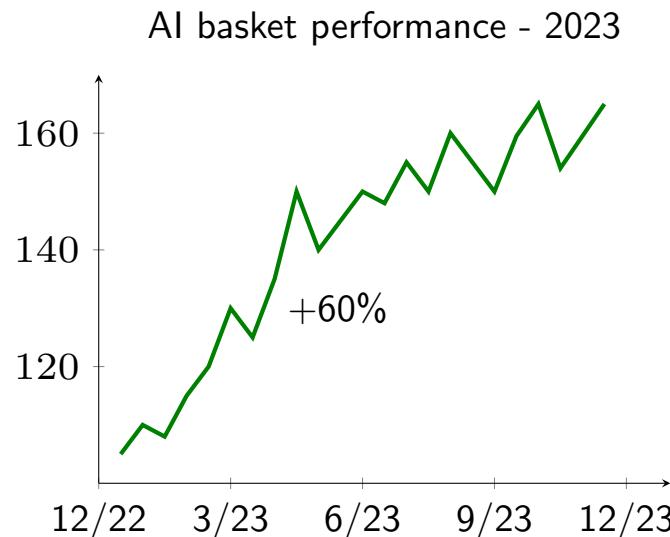
- took only *5 months for ChatGPT users to reach 35M*
- NVIDIA 2023 Q2 earning exceeds market expectation by big margin - \$7B vs \$13.5B
 - surprisingly, *101% year-to-year growth*
 - even more surprisingly *gross margin was 71.2%* - up from 43.5% in previous year⁴



⁴source - Bloomberg

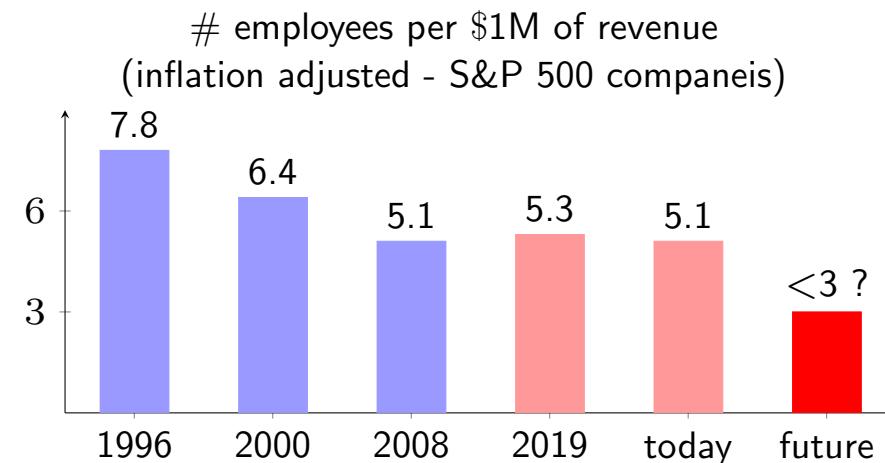
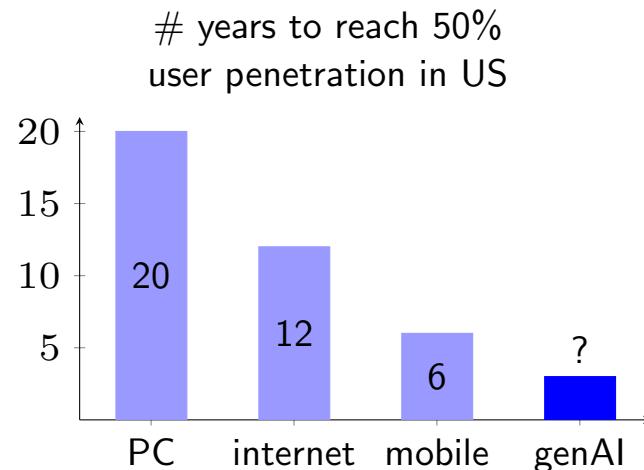
Explosion of AI ecosystems - AI stock market

- *AI investment surge in 2023 - portfolio performance soars by 60%*
 - AI-focused stocks significantly outpaced traditional market indices
- *over 8,000 new AI applications* developed in last 3 years
 - applications span from healthcare and finance to manufacturing and entertainment



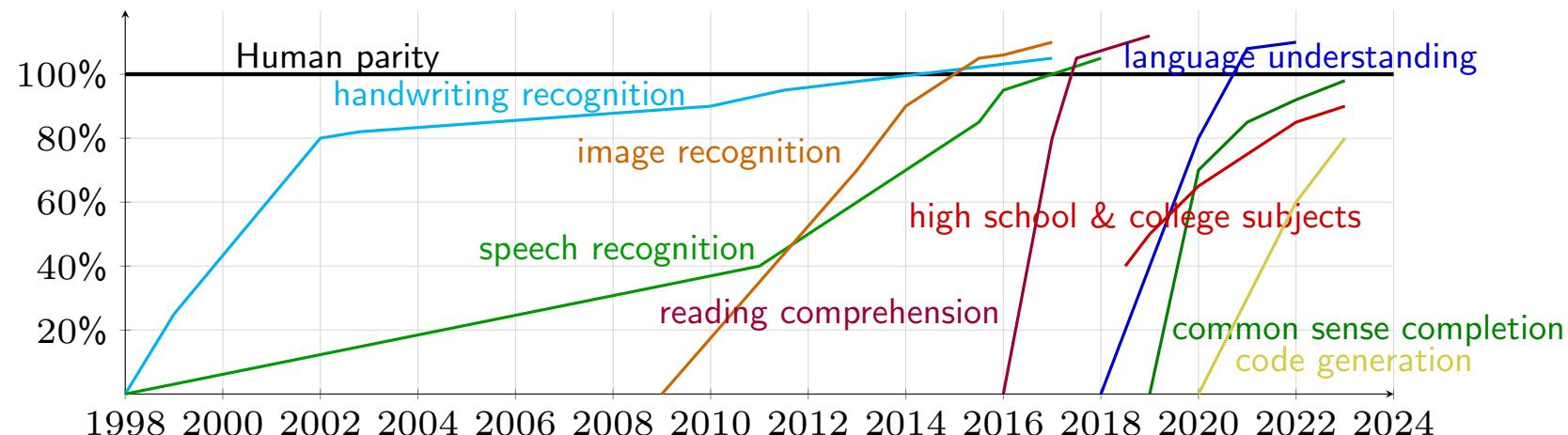
AI's transformative impact - adoption speed & economic potential

- adoption - has been twice as fast with platform shifts suggesting
 - increasing demand and readiness for new technology improved user experience & accessibility
- AI's potential to drive economy for years to come
 - 35% improvement in productivity driven by introduction of PCs and internet
 - greater gains expected with AI proliferation



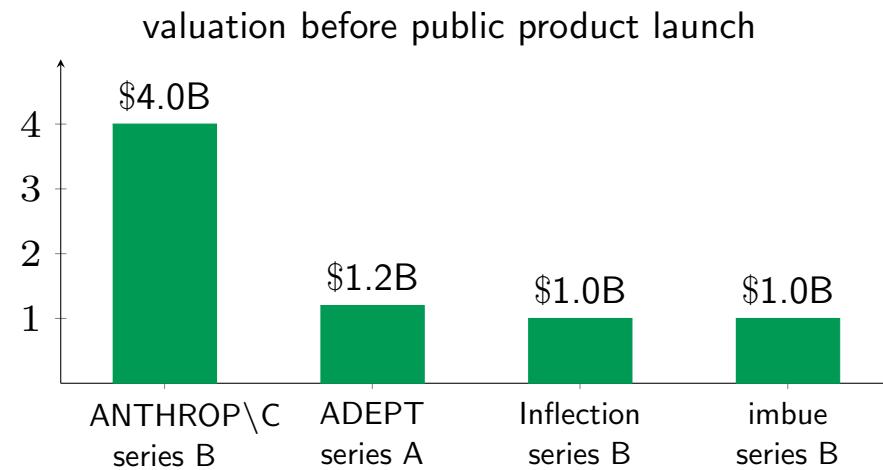
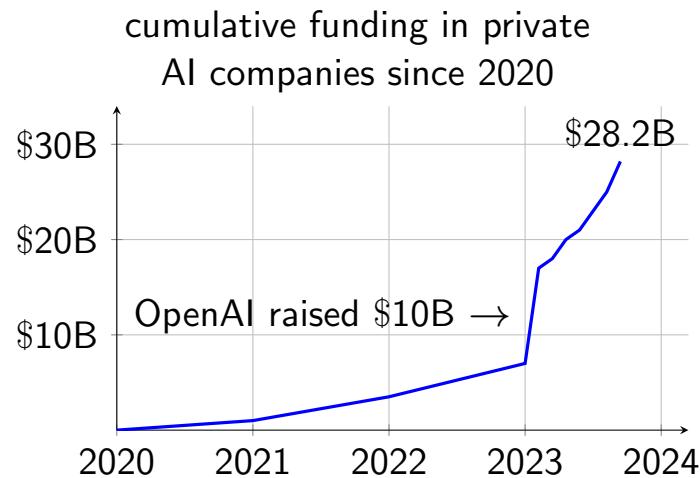
AI getting more & more faster

- steep upward slopes of AI capabilities highlight accelerating pace of AI development
 - period of exponential growth with AI potentially mastering new skills and surpassing human capabilities at ever-increasing rate
- closing gap to human parity - some capabilities approaching or arguably reached human parity, while others having still way to go
 - achieving truly human-like capabilities in broad range remains a challenge



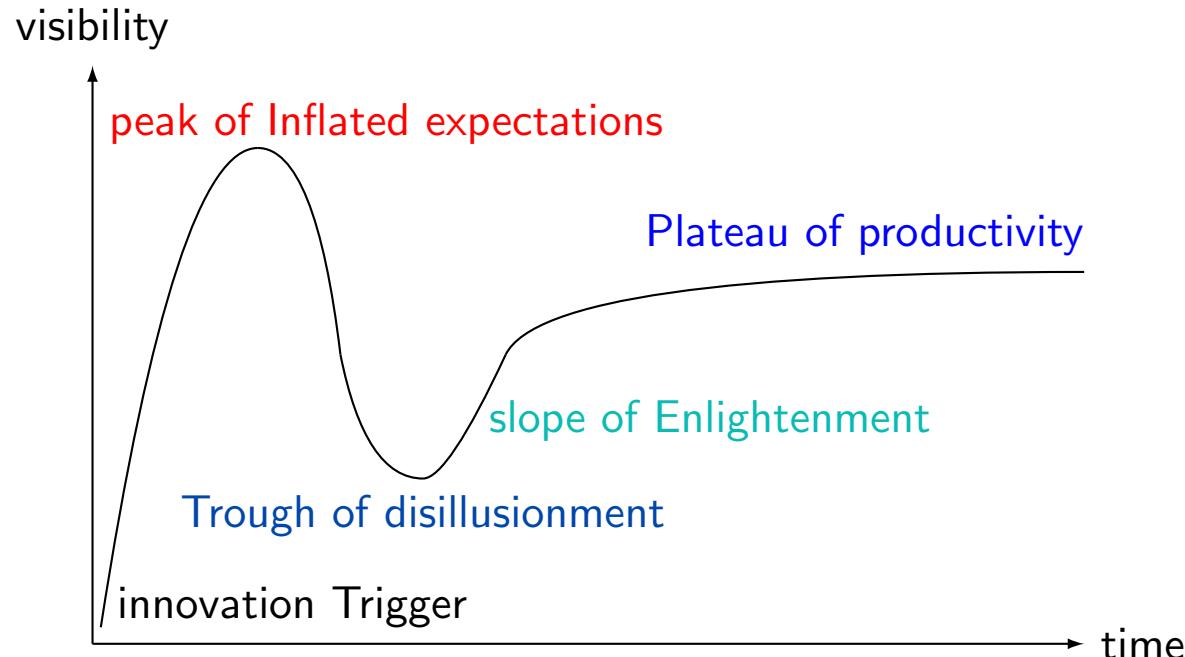
Massive investment in AI

- *explosive growth* - cumulative funding skyrocketed reaching staggering \$28.2B
- OpenAI - significant fundraising (= \$10B) fueled rapid growth
- *valuation surge* - substantial valuations even before public products for stellar companies
- *fierce competition for capital* among AI startups driving innovation & accelerating development
- massive investment indicates *strong belief in & optimistic outlook for potential of AI* to revolutionize industries & drive economic growth



Is AI hype?

Technology hype cycle



- innovation trigger - technology breakthrough kicks things off
- peak of inflated expectations - early publicity induces many successes followed by even more
- trough of disillusionment - expectations wane as technology producers shake out or fail
- slope of enlightenment - benefit enterprise, technology better understood, more enterprises fund pilots

Fiber vs cloud infrastructure

- fiber infrastructure - 1990s
 - Telco Co's raised \$1.6T of equity & \$600B of debt
 - bandwidth costs decreased 90% within 4 years
 - companies - Covage, NothStart, Telligent, Electric Lightwave, 360 networks, Nextlink, Broadwind, UUNET, NFS Communications, Global Crossing, Level 3 Communications
 - became *public good*
- cloud infrastructure - 2010s
 - entirely new computing paradigm
 - mostly public companies with data centers
 - *big 4 hyperscalers generate \$150B + annual revenue*



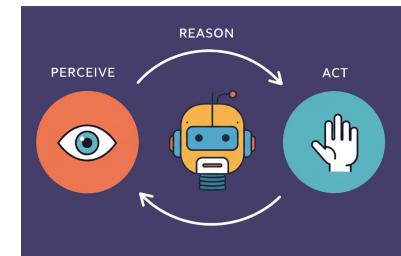
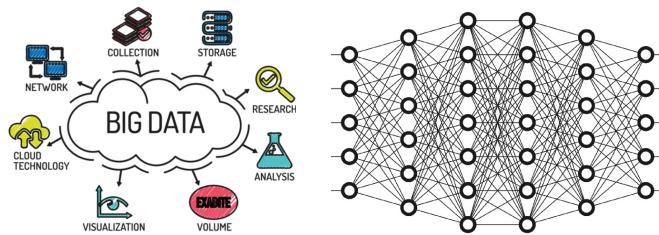
Yes & No

characteristics of hype cycles	speaker's views
value accrual misaligned with investment	<ul style="list-style-type: none">• OpenAI still operating at a loss; business model <i>still</i> not clear• gradual value creation across broad range of industries and technologies (<i>e.g.</i>, CV, LLMs, RL) unlike fiber optic bubble in 1990s
overestimating timeline & capabilities of technology	<ul style="list-style-type: none">• self-driving cars delayed for over 15 years, with limited hope for achieving level 5 autonomy• AI, however, has proven useful within a shorter 5-year span, with enterprises eagerly adopting
lack of widespread utility due to technology maturity	<ul style="list-style-type: none">• AI already providing significant utility across various domains• vs quantum computing remains promising in theory but lacks widespread practical utility

AI Agents

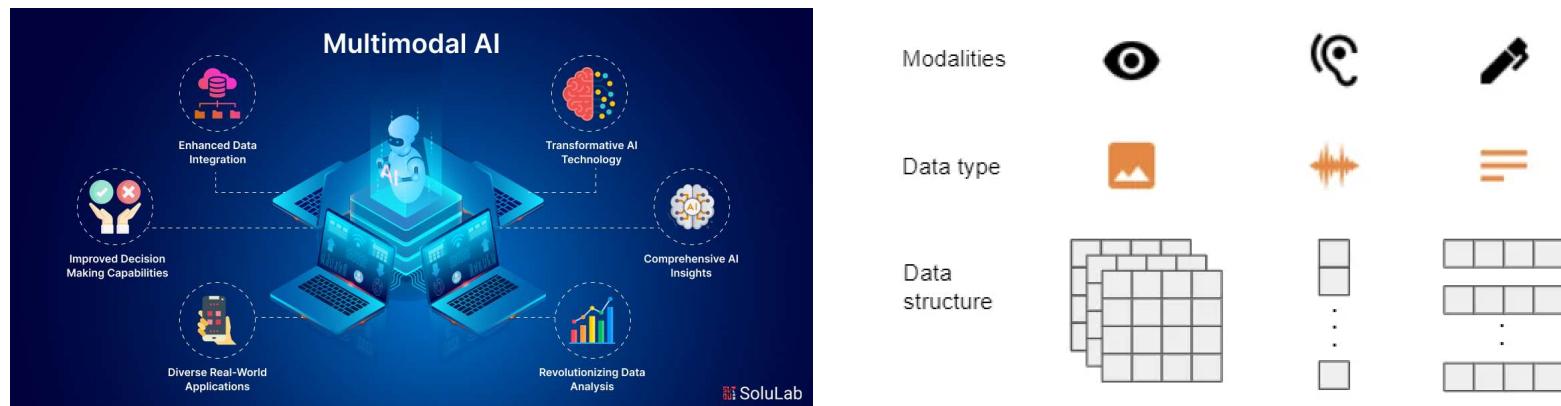
AI progress in 21st century in keywords

- 2010 ~ Big Data
- 2012 ~ Deep Learning
- 2017 ~ Transformer - Attention is All you need!
- 2022 ~ LLM & genAI
- 2024 ~ AI Agent (Agentic AI)



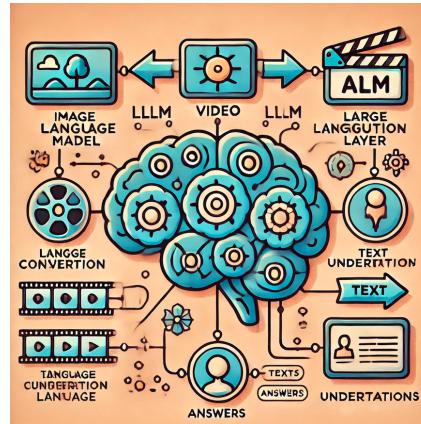
Multimodal learning

- understand information from multiple modalities, *e.g.*, text, images, audio, video
- representation learning methods
 - combine multiple representations or learn multimodal representations simultaneously
- applications
 - images from text prompt, videos with narration, musics with lyrics
- collaboration among different modalities
 - understand image world (open system) using language (closed system)



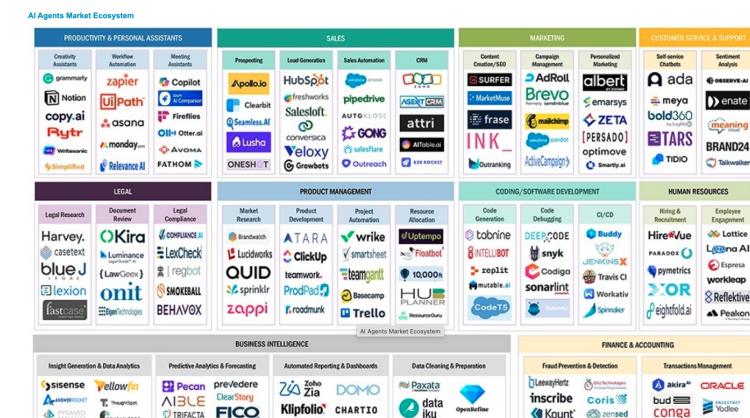
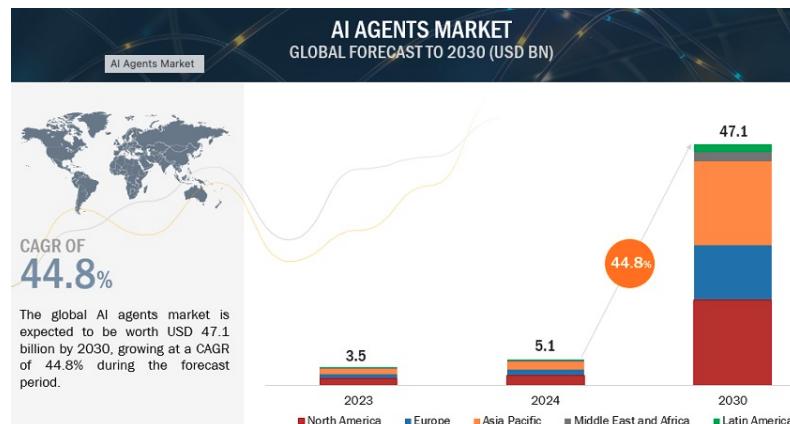
Implications of success of LLMs

- many researchers change gears towards LLM
 - from computer vision (CV), speech, music, video, even reinforcement learning
- *LLM is not only about NLP . . . humans have . . .*
 - evolved to optimize natural language structures for eons
 - handed down knowledge using *this natural languages* for thousands of years
 - internal structure (or equivalently, representation) of natural languages optimized via *thousands of generation by evolution*
- *LLM connects non-linguistic world (open system) via natural languages (closed system)*



Multimodal AI (mmAI)

- mmAI - systems processing & integrating data from multiple sources & modalities, to generate unified response / decision
 - 1990s – 2000s - early systems - initial research combining basic text & image data
 - 2010s - CNNs & RNNs enabling more sophisticated handling of multimodality
 - 2020s - modern multimodal models - Transformer-based architectures handling complex multi-source data at highly advanced level
 - mmAI *mimics human cognitive ability* to interpret and integrate information from various sources, leading to holistic decision-making

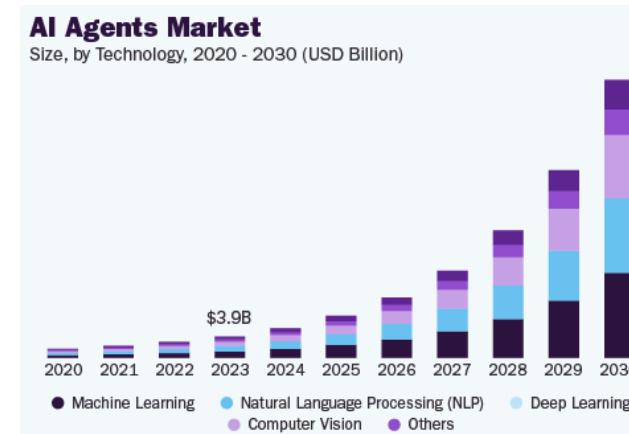
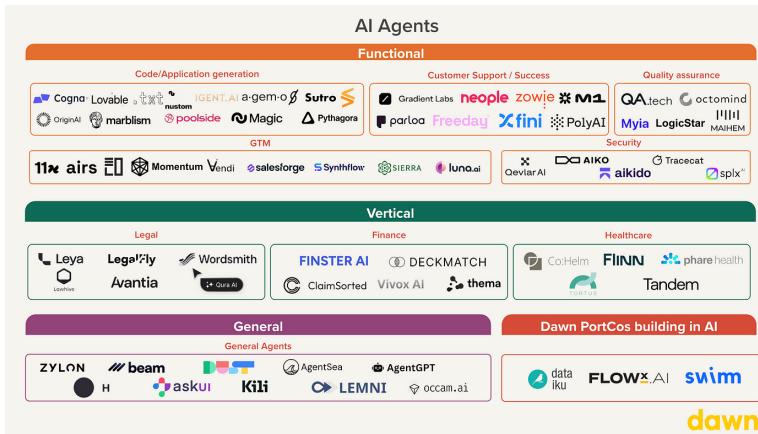


mmAI Technology

- core components
 - data preprocessing - images, text, audio & video
 - architectures - unified Transformer-based (*e.g.*, ViT) & cross-attention mechanisms / hybrid architectures (*e.g.*, CNNs + LLMs)
 - integration layers - fusion methods for combining data representations from different modalities
- technical challenges
 - data alignment - accurate alignment of multimodal data
 - computational demand - high-resource requirements for training and inferencing
 - diverse data quality - manage variations in data quality across modalities
- advancements
 - multimodal embeddings - shared feature spaces interaction between modalities
 - self-supervised learning - leverage unlabeled data to learn representations across modalities

AI agents powered by multimodal LLMs

- foundation
 - integrate multimodal AI capabilities for enhanced interaction & decision-making
- components
 - perceive environment through multiple modalities (visual, audio, text), process using LLM technology, generate contextual responses & take actions
- capabilities
 - understand complex environments, reason across modalities, engage in natural interactions, adapt behavior based on context & feedback



AI agents - Present & Future

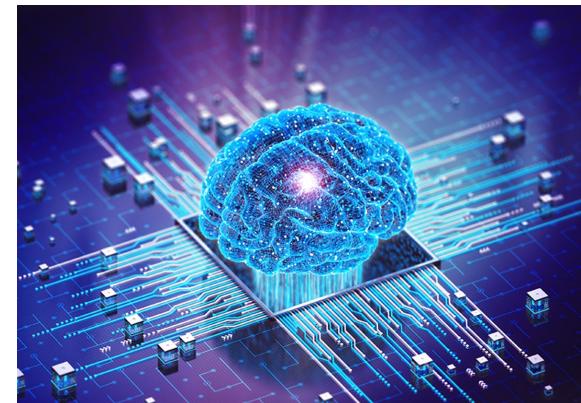
- emerging applications
 - scientific research - agents analyzing & running experiments & generating hypotheses
 - creative collaboration - AI partners in design & art combining multiple mediums
 - environmental monitoring - processing satellite sensor data for climate analysis
 - healthcare - enhanced diagnostic combining imaging, *e.g.*, MRI, with patient history
 - customer experience - virtual assistants understanding spoken language & visual cues
 - autonomous vehicles - integration of visual, radar & audio data
- future
 - ubiquitous AI agents - seamless integration into everyday devices
 - highly tailored personalized experience - in education, entertainment & healthcare



AI & Biotech

AI in biology

- AI has been used in biological sciences, and science in general
- AI's ability to process large amounts of raw, unstructured data (*e.g.*, DNA sequence data)
 - reduces time and cost to conduct experiments in biology
 - enables other types of experiments that previously were unattainable
 - contributes to broader field of engineering biology or biotechnology
- AI increases human ability to make direct changes at cellular level and create novel genetic material (*e.g.*, DNA and RNA) to obtain specific functions



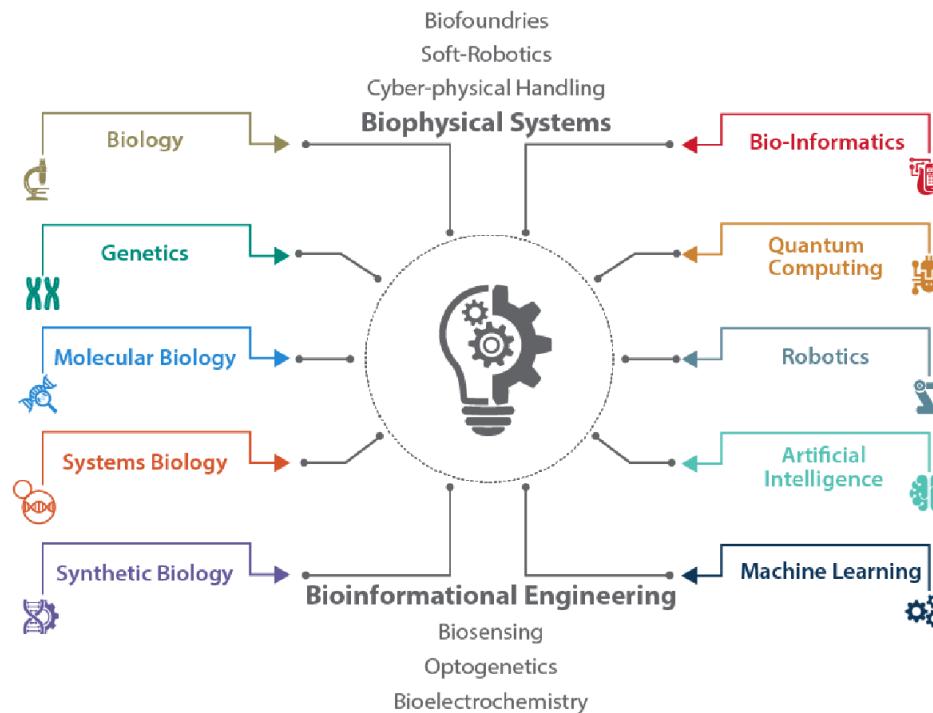
Biotech

Biotech

- biotechnology
 - is multidisciplinary field leveraging broad set of sciences and technologies
 - relies on and builds upon advances in other fields such as nanotechnology & robotics, and, increasingly, AI
 - enables researchers to read and write DNA
 - sequencing technologies “read” DNA while gene synthesis technologies take sequence data and “write” DNA turning data into physical material
- 2018 National Defense Strategy & Senior US Defense and Intelligence Officials identified emerging technologies that could have disruptive impact on US national security [[Say21](#)]
 - *AI*, lethal autonomous weapons, hypersonic weapons, directed energy weapons, *biotechnology*, quantum technology
- other names for biotechnology are engineering biology, synthetic biology, biological science (when discussed in context of AI)

Biotech - multidisciplinary field

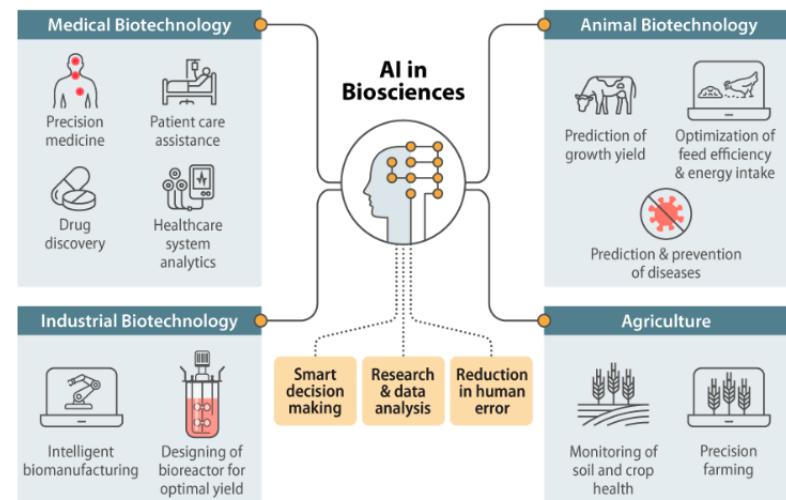
- sciences and technologies enabling biotechnology include (but not limited to)
 - (molecular) biology, genetics, systems biology, synthetic biology, bio-informatics, quantum computing, robotics [DFJ22]



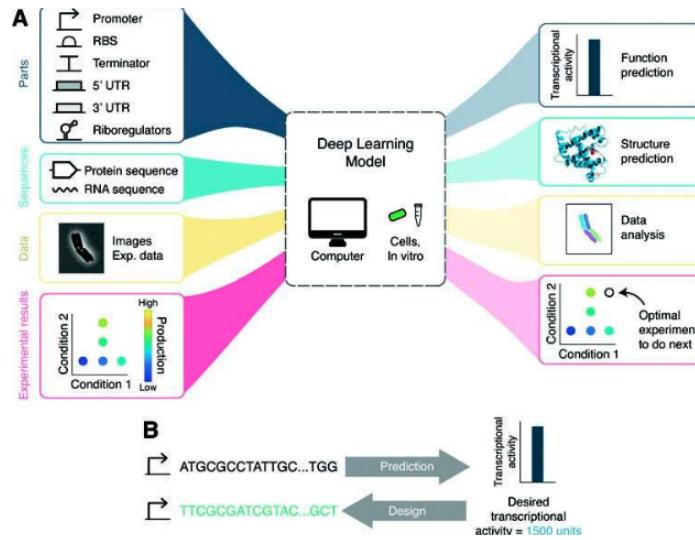
Convergence of AI and biological design

- AI & biological sciences converging [BKP22]
 - each building upon the other's capabilities for new research and development across multiple areas
- Demis Hassabis, CEO & cofounder of DeepMind, said of biology [Toe23]

“. . . biology can be thought of as information processing system, albeit extraordinarily complex and dynamic one . . . just as mathematics turned out to be the right description language for physics, biology may turn out to be *the perfect type of regime for the application of AI!*”
- both AI & biotech rely on and build upon advances in other scientific disciplines and technology fields, such as nanotechnology, robotics, and increasingly big data (e.g., genetic sequence data)
 - each of these fields itself convergence of multiple sciences and technologies
- so *their impacts can combine to create new capabilities*



Multi-source genetic sequence data



- AI, essential to analyzing exponential growth of genetic sequence data

“AI will be essential to fully understanding how genetic code interacts with biological processes” - US National Security Commission on Artificial Intelligence (NSCAI)

 - process huge amounts of biological data, *e.g.*, genetic sequence data, coming from different biological sources for understanding complex biological systems
 - sequence data, molecular structure data, image data, time-series, omics data
- *e.g.*, analyze genomic data sets to determine the genetic basis of particular trait and potentially uncover genetic markers linked with that trait

Quality & quantity of biological data

- limiting factor, however, is *quality and quantity* of biological data, *e.g.*, DNA sequences, that AI is trained on
 - *e.g.*, accurate identification of particular species based on DNA requires reference sequences of *sufficient quality* to exist and be available
- databases have varying standards - access, type, and quality of information
- design, management, quality standards, and data protocols for reference databases can affect utility of particular DNA sequence



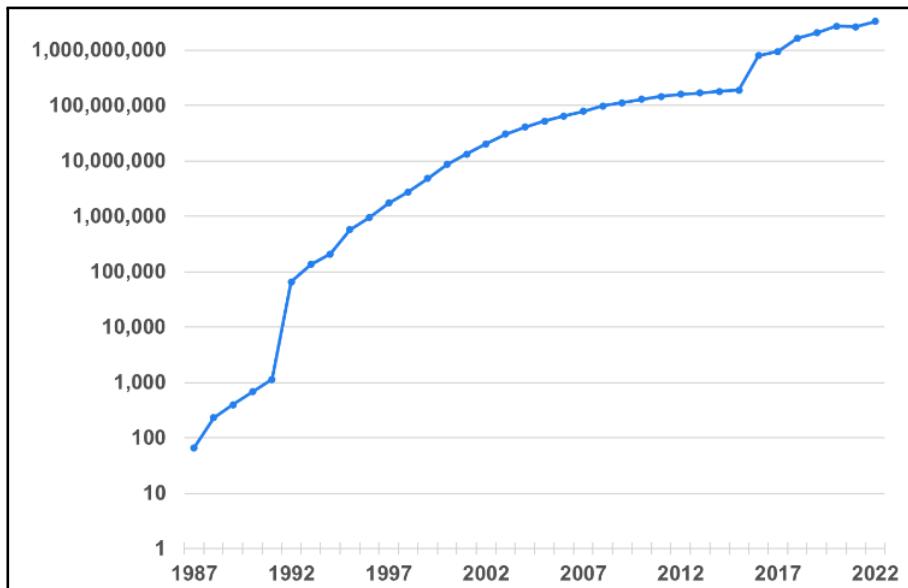
Rapid growth of biological data

- volume of genetic sequence data grown exponentially as sequencing technology evolved
- more than 1,700 databases incorporating data on genomics, protein sequences, protein structures, plants, metabolic pathways, *etc.*, *e.g.*
 - open-source public database
 - Protein Data Bank, US-funded data center - more than *terabyte of three-dimensional structure data* for biological molecules, *e.g.*, proteins, DNA, RNA
 - proprietary database
 - Gingko Bioworks - more than *2B protein sequences*
 - public research groups
 - Broad Institute - produces roughly *500 terabases of genomic data per month*
- great potential value in aggregate volume of genetic datasets that can be collectively mined to discover and characterize relationships among genes

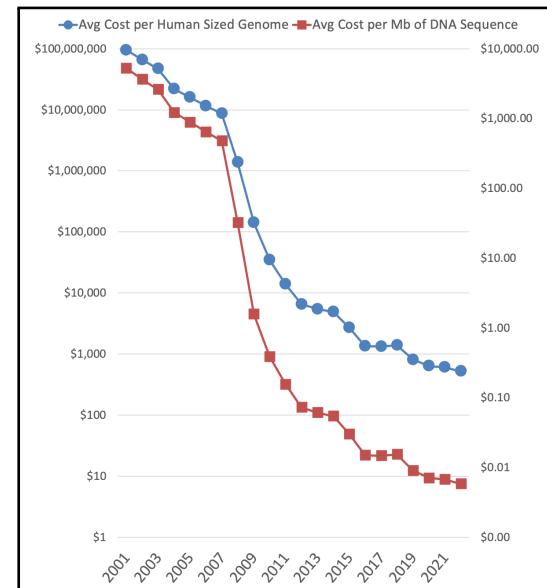
Volume and sequencing cost of DNA over time

- volume of DNA sequences & DNA sequencing cost
 - data source: National Human Genome Research Institute (NHGRI) [[Wet23](#)] & International Nucleotide Sequence Database Collaboration (INSDC)
- more dramatic than Moore's law!*

sequences in INSDC



DNA sequencing cost



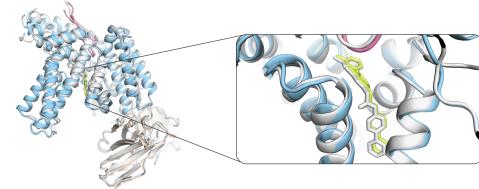
Bio data availability and bias

- US National Security Commission on Artificial Intelligence (NSCAI) recommends
 - US fund and prioritize development of a biobank containing "*wide range of high-quality biological and genetic data sets securely accessible by researchers*"
 - establishment of database of broad range of human, animal, and plant genomes would
 - *enhance and democratize biotechnology innovations*
 - *facilitate new levels of AI-enabled analysis of genetic data*
- bias - availability of genetic data & decisions about selection of genetic data can introduce bias, e.g.
 - training AI model on datasets emphasizing or omitting certain genetic traits can affect how information is used and types of applications developed - *potentially privileging or disadvantaging certain populations*
 - access to data and to AI models themselves may impact communities of differing socioeconomic status or other factors unequally

Emerging Trends in Biotech

AlphaFold

- solving 50-year-old protein folding problem, “*one of biology's grand challenges*”
 - definition - given amino acid sequence, predict how it folds into a 3D structure
 - proteins fold in microseconds, but predicting computationally nearly impossible
- AlphaFold 1 (2018) - DL + physics-based energy functions → AlphaFold 2 (2020)
 - attention-based NN solving protein folding “in principle” → AlphaFold 3 (2024)
 - diffusion-based DL, drug-protein interactions, protein complexes
- AlphaFold protein structure database
 - >200MM protein structures - nearly every known protein, used by >2MM researchers
- Applications & implications
 - drug discovery - target identification, lead optimization, side effect prediction
 - enzyme engineering, agriculture, environmental, vaccine development

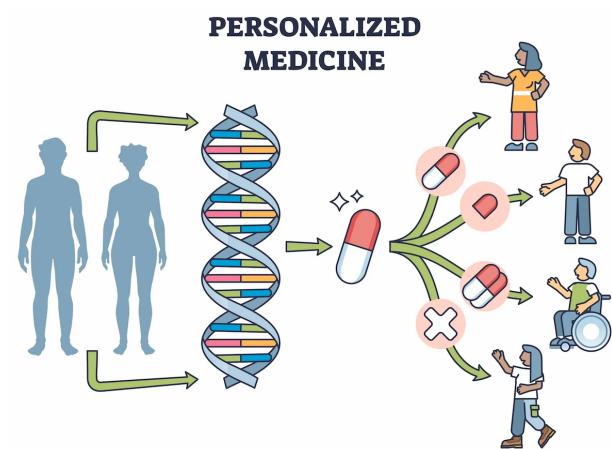


AlphaGo

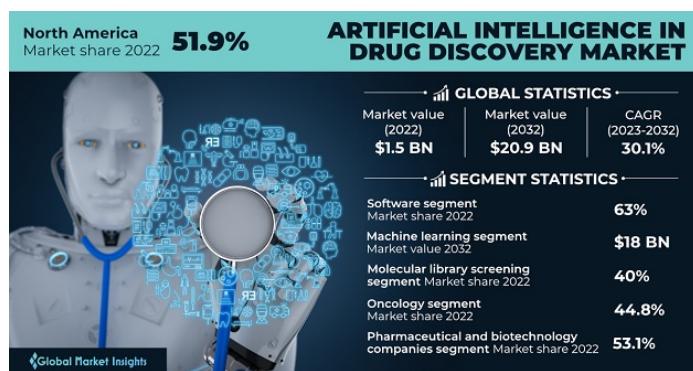


Personalized medicine

- *shift from one-size-fits-all approach to tailored treatments*
- based on individual genetic profiles, lifestyles & environments
- AI enables analysis of vast data to predict patient responses to treatments, thus enhancing efficacy and reducing adverse effects
- e.g.
 - custom cancer therapies
 - personalized treatment plans for rare diseases
 - precision pharmacogenomics
- companies - Tempus, Foundation Medicine, etc.



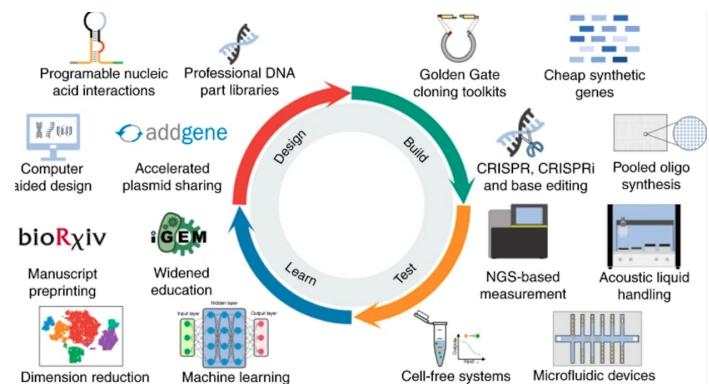
AI-driven drug discovery



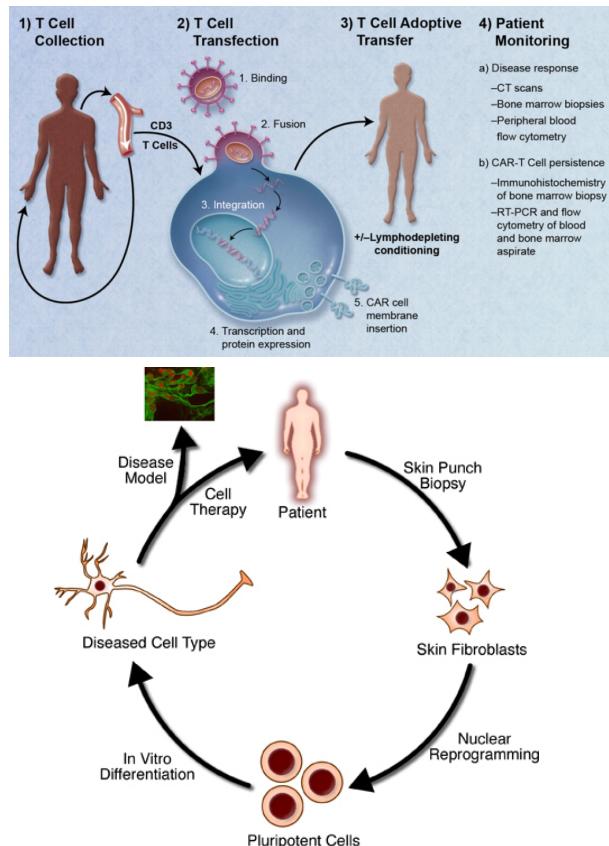
- traditional drug discovery process - time-consuming and costly often taking decades and billions of dollars
- AI streamlines this process by predicting the efficacy and safety of potential compounds with more speed and accuracy
- AI models analyze chemical databases to identify new drug candidates or repurpose existing drugs for new therapeutic uses
- companies - Insilico Medicine, Atomwise.

Synthetic biology

- use AI for gene editing, biomaterial production and synthetic pathways
- combine principles of biology and engineering to design and construct new biological entities
- AI optimizes synthetic biology processes from designing genetic circuits to scaling up production
- company - Ginkgo Bioworks uses AI to design custom microorganisms for applications ranging from pharmaceuticals to industrial chemicals



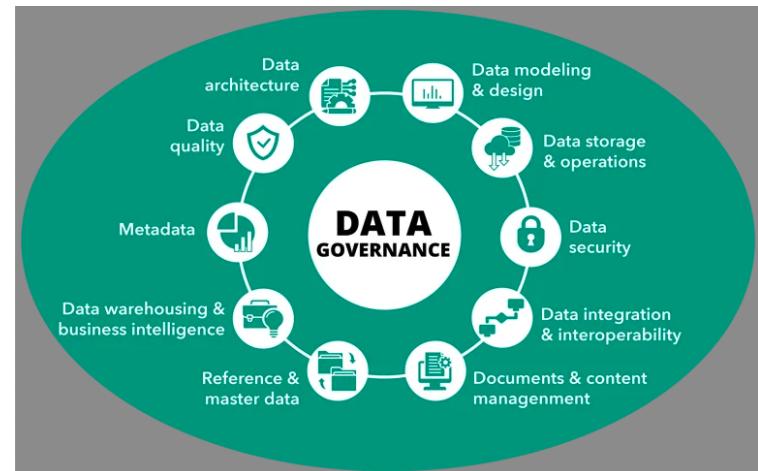
Regenerative medicine



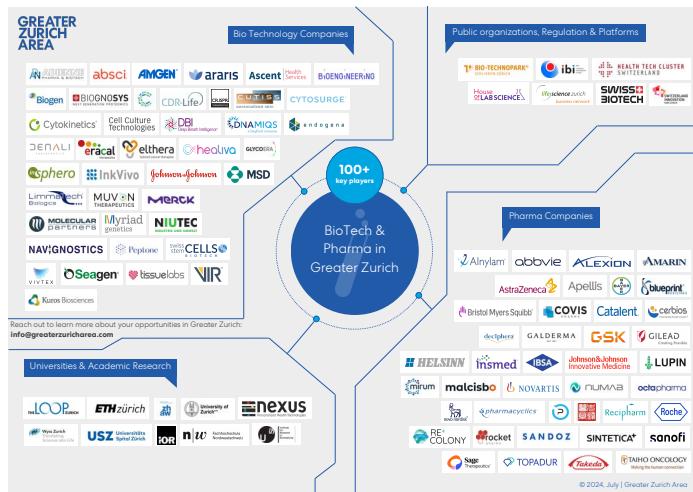
- AI advances development of stem cell therapies & tissue engineering
- AI algorithms assist in identifying optimal cell types, predicting cell behavior & personalized treatments
- particularly for conditions such as neurodegenerative diseases, heart failure and orthopedic injuries
- company - Organovo leverages AI to potentially improve the efficacy and scalability of regenerative therapies, developing next-generation treatments

Bio data integration

- integration of disparate data sources, including genomic, proteomic & clinical data - one of biggest challenges in biotech & healthcare
- AI delivers meaningful insights *only when* seamless data integration and interoperability realized
- developing platforms facilitating comprehensive, longitudinal patient data analysis - vital enablers of AI in biotech
- company - Flatiron Health working on integrating diverse datasets to provide holistic view of patient health



Biotech companies



- Atomwise - small molecule drug discovery
- Cradle - protein design
- Exscientia - precision medicine
- Iktos - small molecule drug discovery and design
- Insilico Medicine - full-stack drug discovery system
- Schrödinger, Inc. - use physics-based models to find best possible molecule
- Absci Corporation - antibody design, creating new from scratch antibodies, *i.e.*, “*de novo* antibodies”, and testing them in laboratories

Appendices

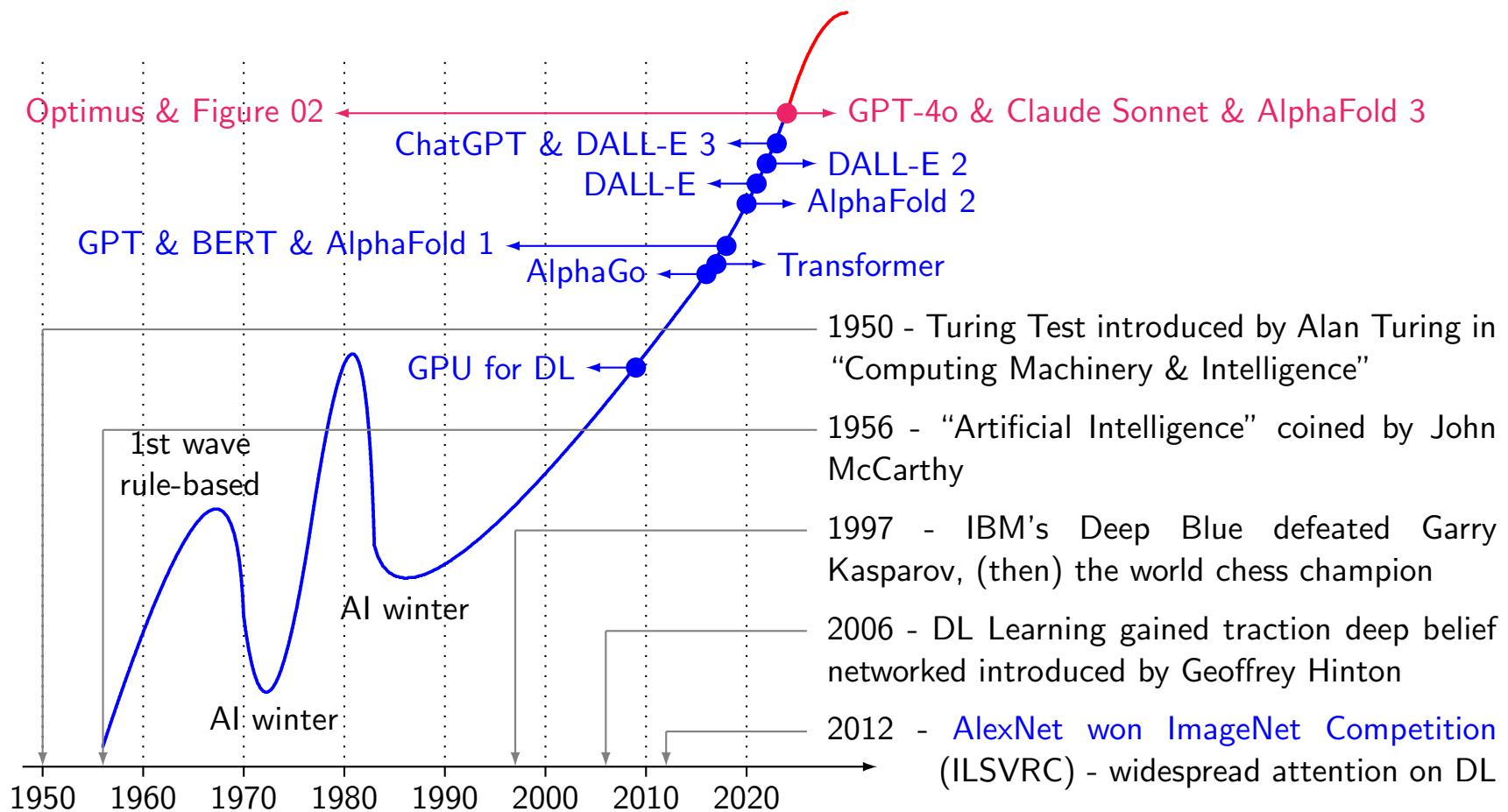
Silicon Valley's Cultural Engine of Innovation and Disruption

My journey from Samsung & Amazon to Gauss Labs & Erudio Bio

- Samsung Semiconductor, Inc.
 - inception into industry from academia, the world's best memory chip maker!
- Amazon.com, Inc.
 - experience so-called Silicon Valley big tech culture and technology
 - set tone for my future career trajectory!
- Gauss Labs, Inc.
 - found & operate AI startup, shaping corporate culture & spearheading R&D as CTO
 - inherent challenges of Korean conglomerate spin-off startup - cultural constraints, over-capitalization, and leadership limitations
- Erudio Bio, Inc.
 - concrete & tangible bio-technology in addition to AI
 - great decisions regarding business development; business models, market fit, go-to-market (GTM) strategies based on lessons learned *in a hard way* ☺

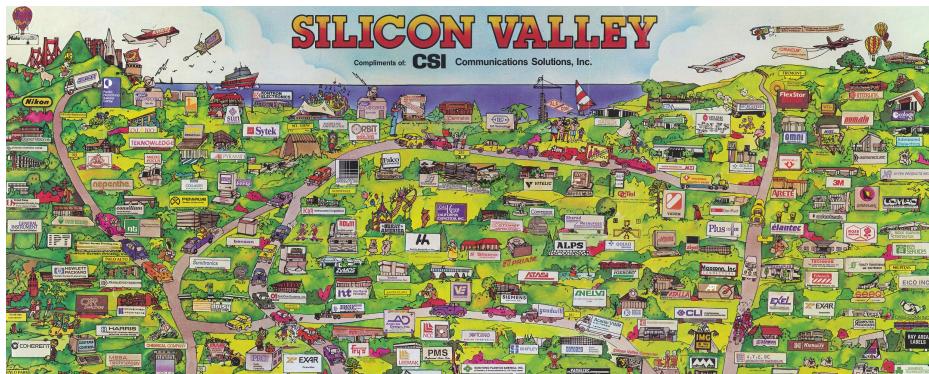


Joining Amazon.com, Inc. at the inflection point of AI



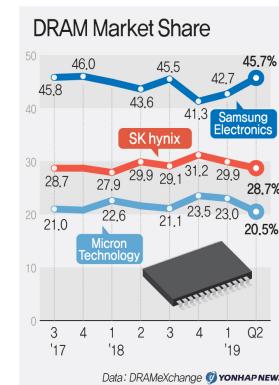
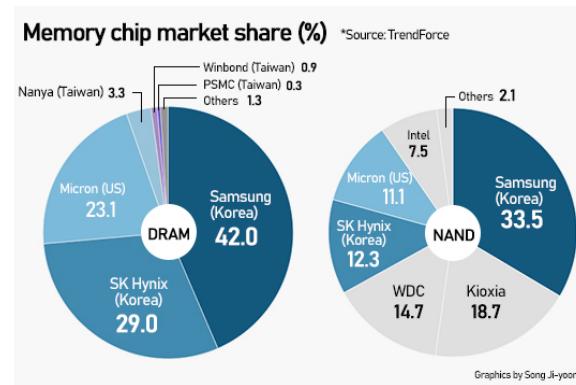
Innovation ecosystem of Silicon Valley

- key characteristics
 - risk-taking culture, *trust* in technology → *genuine* respect for engineers and scientists
 - easy access to huge capital - VCs, angel investors alike
 - talent density - engineers, researchers, scientists, entrepreneurs, PMs, TPMs, . . .
 - diversity, “collision density” of ideas
 - ecosystem of collaboration and competition - startups, academia, industry leaders
- what they mean for global big tech
 - set trends in AI, software & hardware (and or hence) product & industry innovation
 - act as testing ground for disruptive ideas



Case study: Amazon - amazing differentiators of big techs

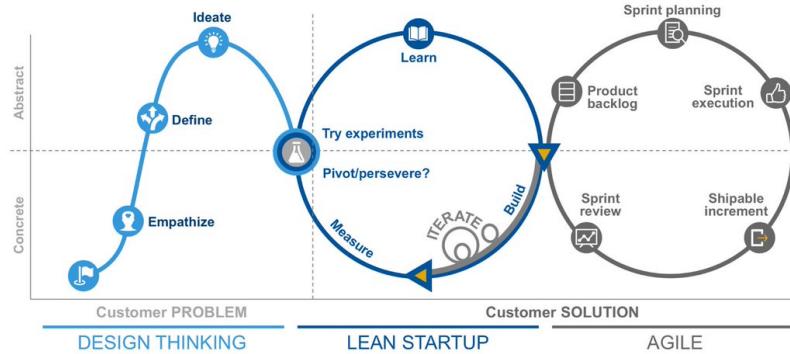
- Amazon's culture & leadership principles
 - customer obsession as driver of innovation
 - high standards & ownership culture, disagree & commit
 - bias for action and long-term thinking - sounds contradictory?
 - mechanisms like “two-pizza teams” & “Day One” for (or rather despite) scalability
- lessons for Korean corporations
 - applying customer-centric innovation in hardware & AI, e.g., on-device AI
 - balancing agility with long-term R&D
 - *build / adapt / apply on the core strength of Samsung that no other company has!*



Founding and scaling startups

- challenges
 - competence of and chemistry among co-founders crucial
 - technology & great team are *necessary*, but *not sufficient (at all!)* for success
 - business models, market fit, timing, agility, flexibility for pivoting / perseverance
- insight
 - importance of domain expertise in addition to AI
 - balancing innovation with good business decisions

Combine Design Thinking, Lean Startup and Agile



Product-Market Fit (PMF)



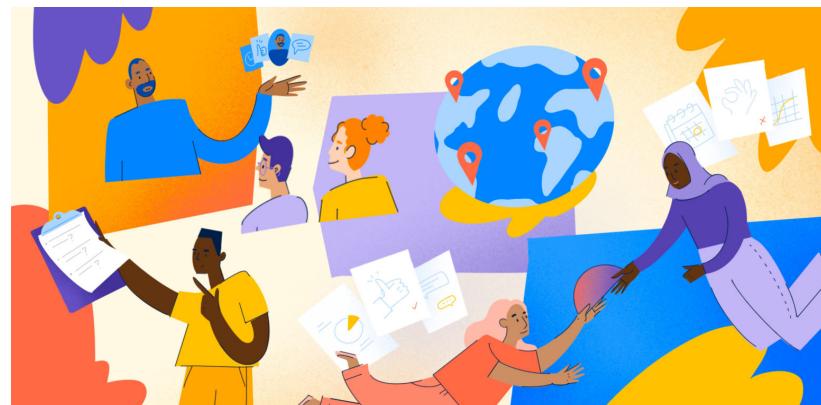
Bridging Silicon Valley & Korea

- cultural differences
 - risk appetite & failure tolerance
 - decision-making speed vs hierarchy
 - innovation vs execution focus
- opportunities for collaboration
 - leveraging Korea's manufacturing expertise with Silicon Valley's software/AI strengths
 - building global teams with diverse perspectives



To be successful . . .

- embrace customer/market-centric mindset in innovation and for business decisions
- balance agility with long-term vision
- foster cross-cultural collaboration for global impact
- ((very) strategically and carefully) leverage AI to solve real-world industrial challenges



Industrial AI

Industrial AI (inAI)

- inAI (collectively) refers to AI technology & software and their products developed for
 - *customer values creation, productivity improvement, cost reduction, production optimization, predictive analysis, insight discovery*
 - *semiconductor, steel, oil & gas, cement, and other various manufacturing industries* (unlike general AI, which is frontier research discipline striving to achieve human-level intelligence)



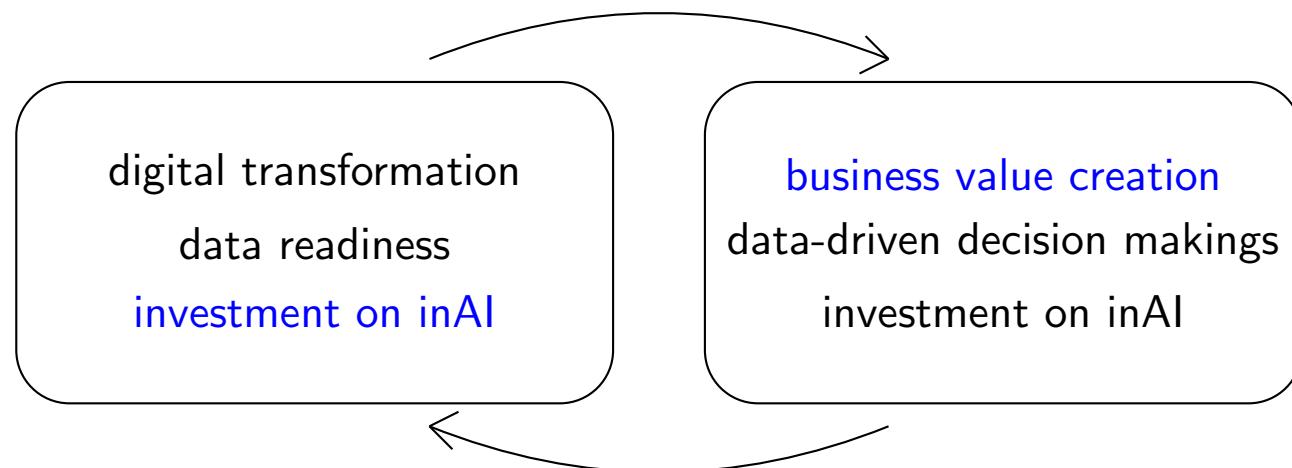
inAI fields

- product
 - product design & innovation, adaptability & advancement, product quality & validation, design for reusability & recyclability, performance optimization
- production process
 - *production quality*, process management, inter-process relations, process routing & scheduling, process design & innovation, *traceability*, *predictive process control*
- machinery & equipment
 - *predictive maintenance*, *monitoring & diagnosis*, component development, *ramp-up optimization*, material consumption prediction
- supply chain
 - supply chain monitoring, material requirements planning, customer management, supplier management, logistics, reusability & recyclability

Characteristics of inAI

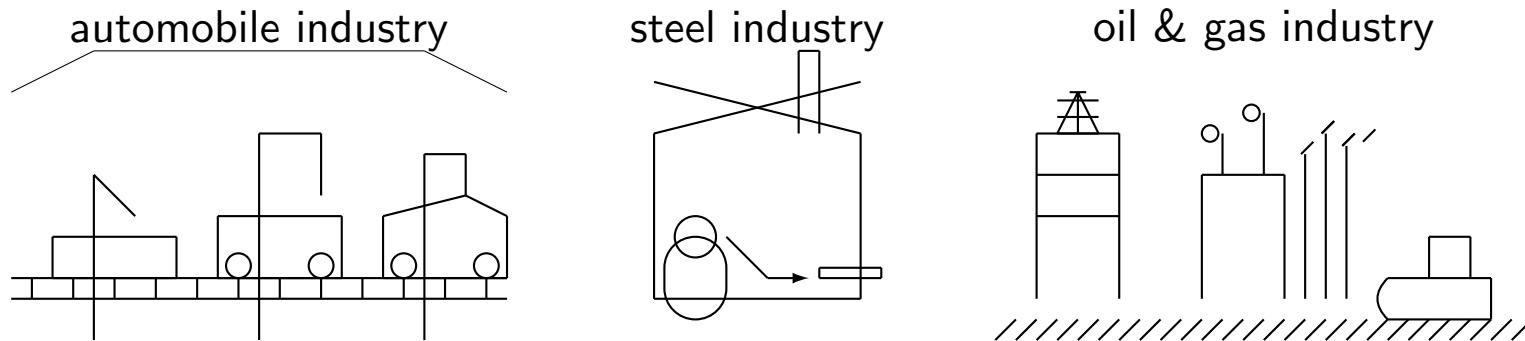
Vicious (or virtuous) cycle

- integration of inAI with customers' business creates monetary values and encourages data-driven decisions
- however, to do so, digital transformation with data-readiness is MUST-have
- created values, in turn, can be invested into infrastructure required for digital transformation and success of inAI!



Data-centric AI

- unlike many ML disciplines where foundation models do generic representation learning, *i.e.*, learn universal features
- each equipment has (gradually) different data characteristics, hence need data-centric AI
 - “. . . need 1,000 models for 1,000 problems” - Andrew Ng
 - data-centric AI - discipline of systematically engineering the data used to build AI system



Challenging data characteristics

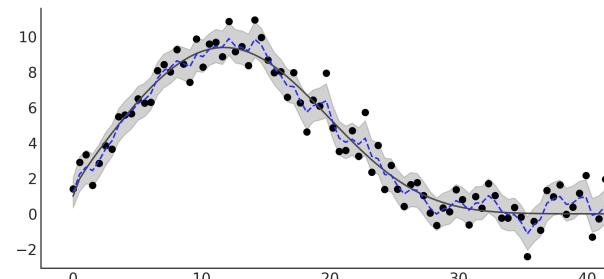
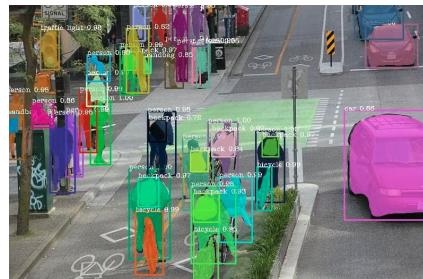
- huge volume
- data multi-modality
- high velocity requirement
- very fat data
- sever data shift & drift (in many cases)
- label imbalance
- data quality



Manufacturing AI

MLs in manufacturing AI (manAI)

- *image data* - huge amount of image data measured and inspected
 - SEM/TEM images, wafer defect maps, test failure pattern maps⁵
→ semantic segmentation, defect inspection, anomaly detection
- *time-series (TS) data* - all the data coming out of manufacturing is TS
 - equipment sensor data, process times, various measurements, MES data⁶
→ regression, anomaly detection, semi-supervised learning, Bayesian inference



⁵SEM: scanning electron microscope, TEM: transmission electron microscope

⁶MES: manufacturing execution system

CV ML in manAI

Computer vision ML in manAI

- measurement and inspection (MI)
 - metrology - measurement of critical features
 - inspection - defect inspection, defect localization, defect classification
 - failure pattern analysis
- applications
 - automatic feature measurement
 - anomaly detection
 - defect inspection

Automatic feature measurement

- ML techniques
 - image enhancement (denoising)
 - texture segmentation
 - repetitive pattern recognition
 - automatic measurement

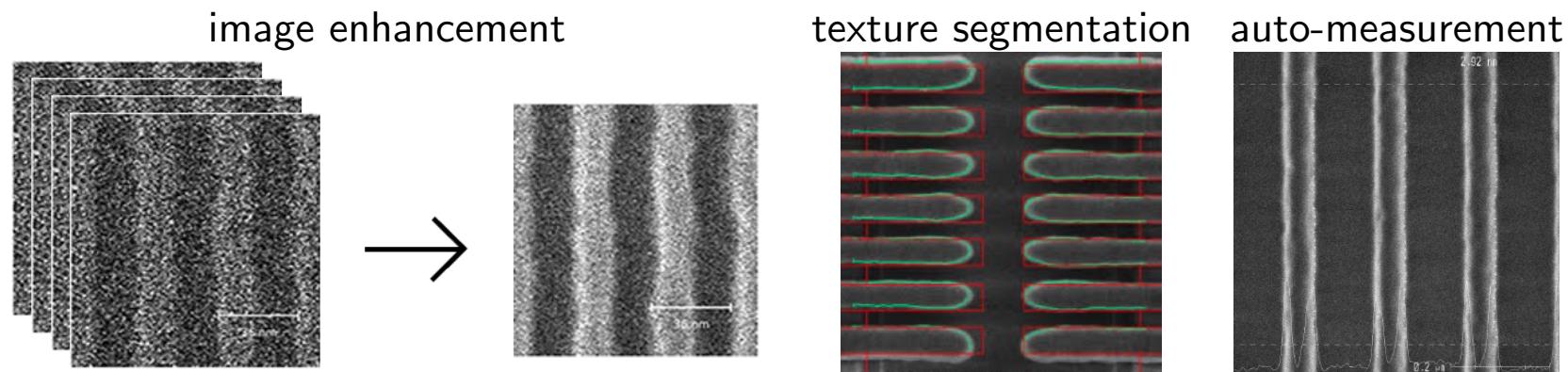


Image enhancement

- image enhancement techniques
 - general supervised denoising using DL
 - blind denoising using DL - remove noise without prior knowledge of noise adapting to various noise types
 - super-resolution - upscale low-resolution images, add realistic details for sharper & higher-quality images

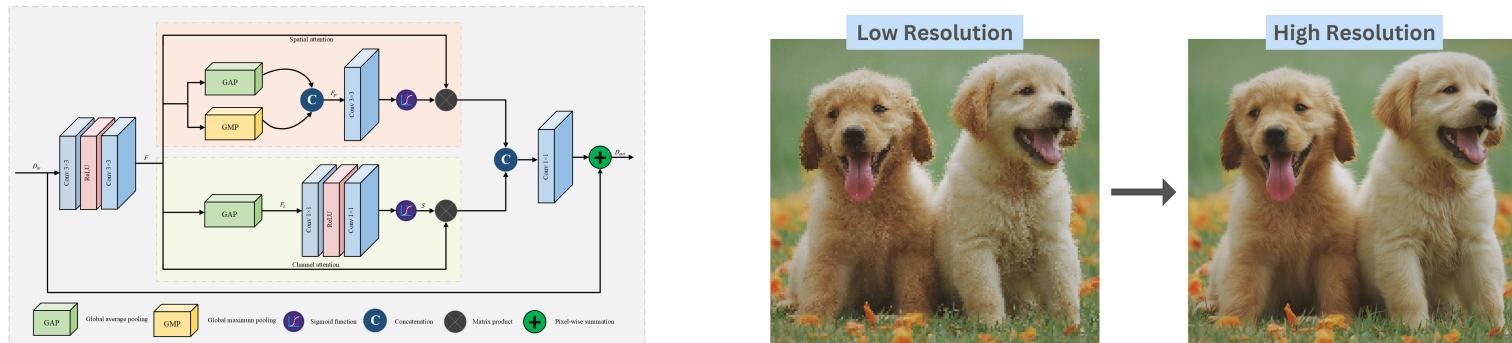
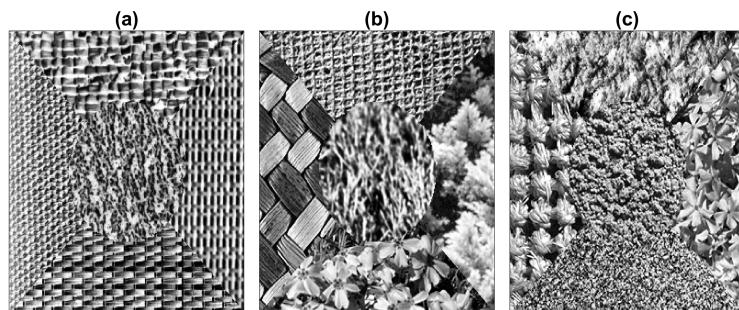


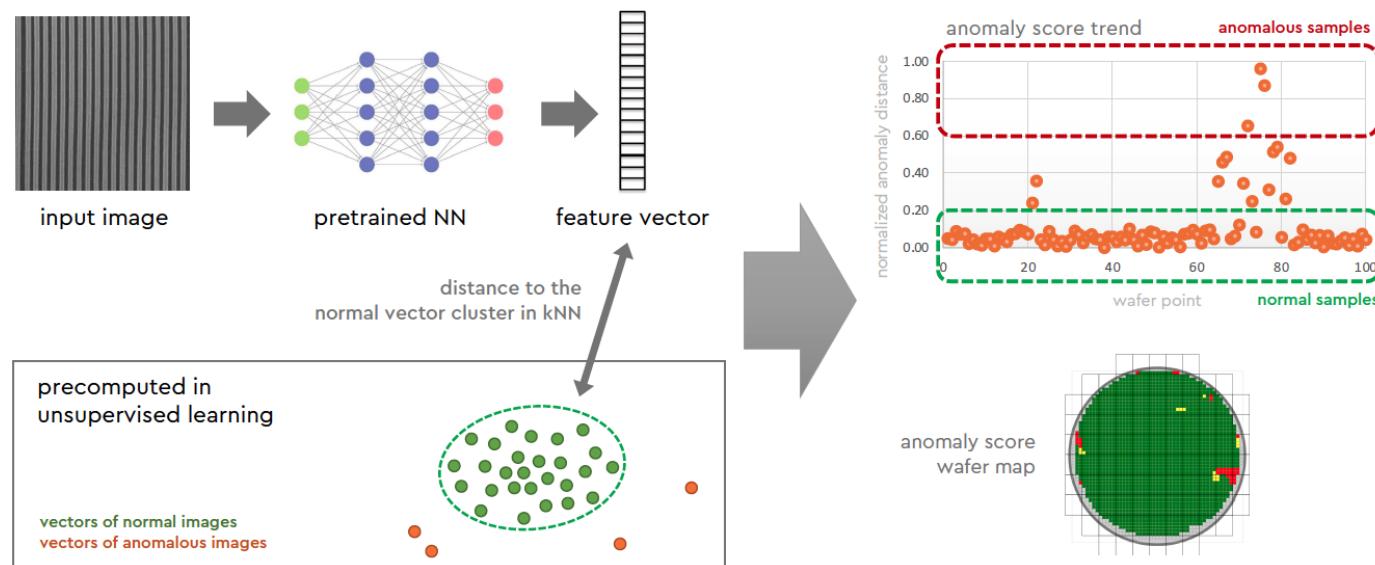
Image segmentation

- texture segmentation
 - distinguish areas based on texture patterns - identifying regions with similar textural features - used for material classification, surface defect detection, medical imaging
 - methods - Gabor filters, wavelet transforms, DL
- semantic segmentation
 - assign class labels to every pixel - enabling precise object and region identification - used for autonomous driving, scene understanding, medical diagnostics
 - methods - fully convolutional network (FCN), U-net, DeepLab



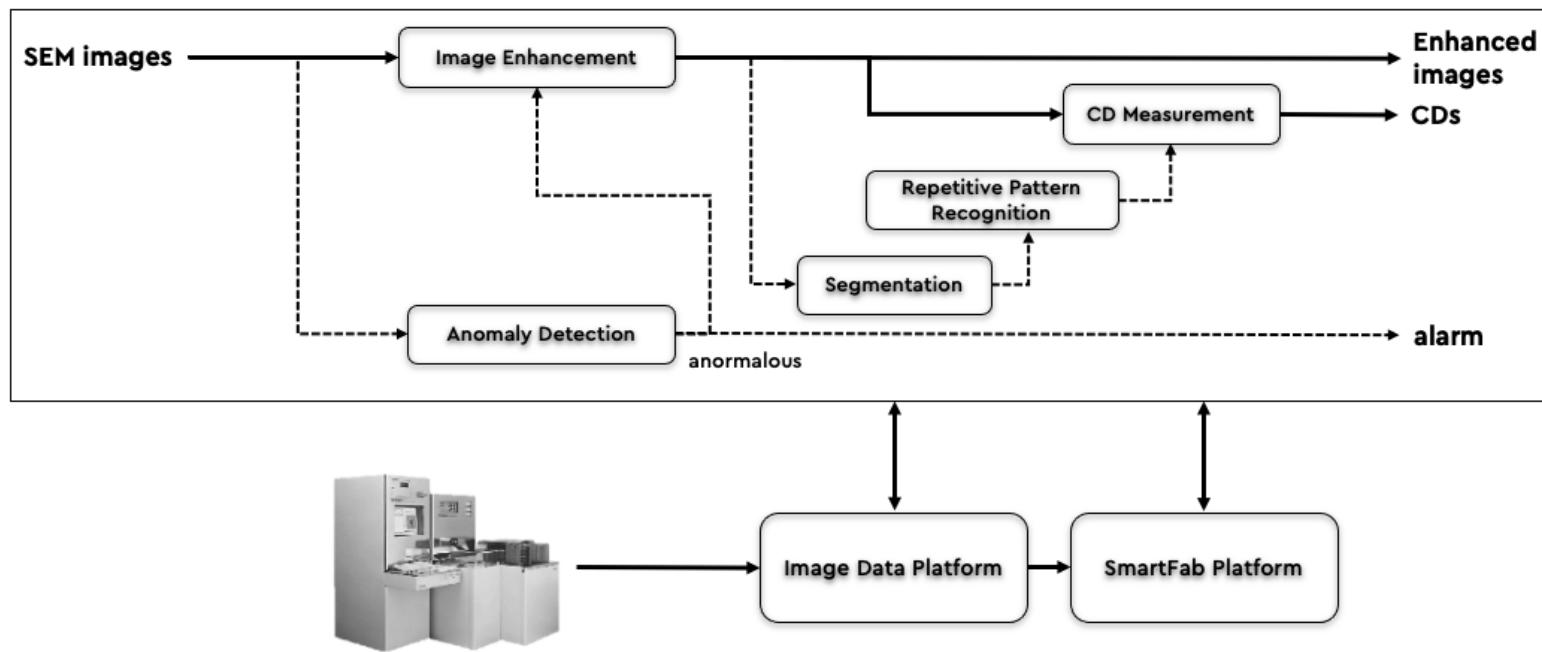
Anomaly detection using side product

- representation in embedding space obtained as side product from previous processes
- distance from normal clusters used for anomaly detection
- can be used for yield drop prediction and analysis



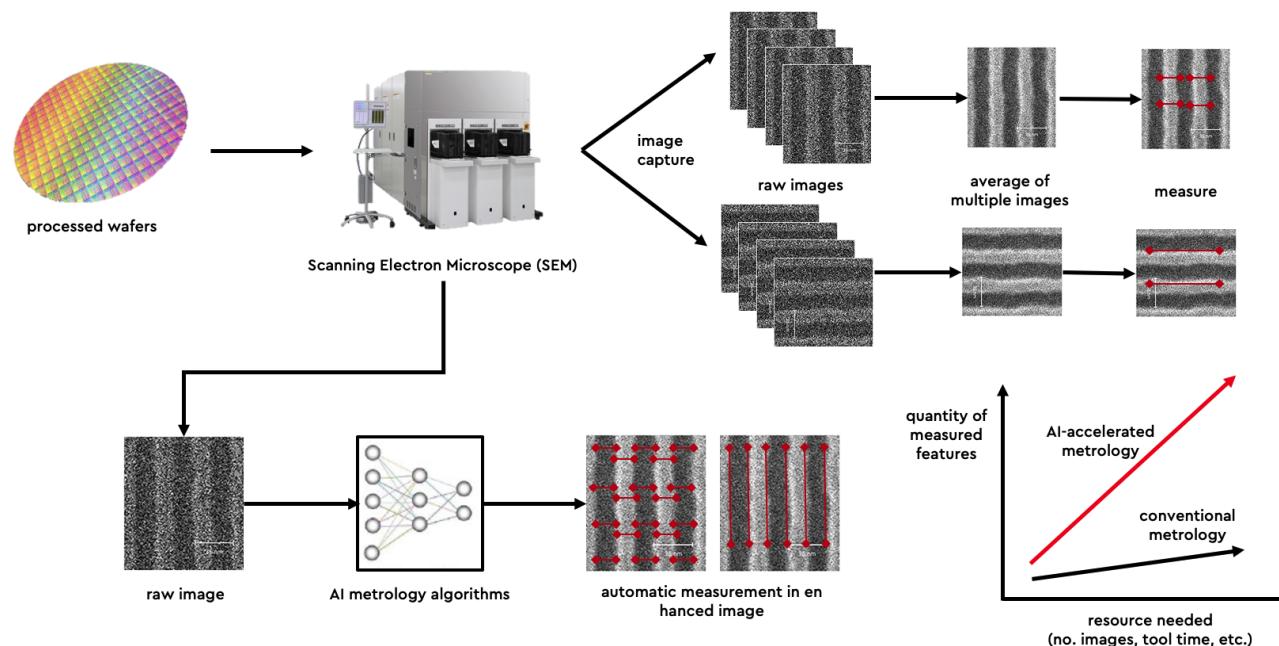
AI-enabled metrology system

- integration of separate components creates AI-enabled metrology system



Benefits of new system

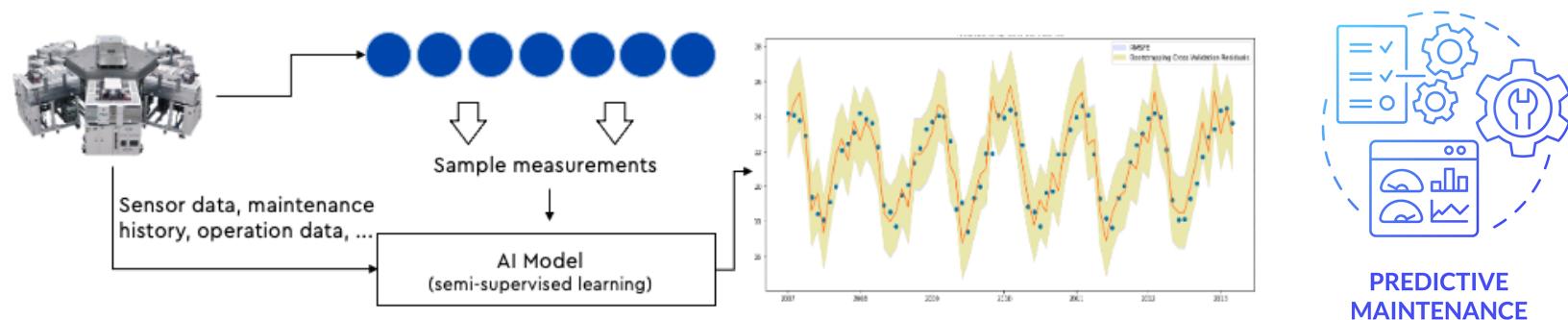
- new system provides
 - improved accuracy and reliability
 - improved throughput
 - savings on investment on measurement equipment



TS ML in manAI

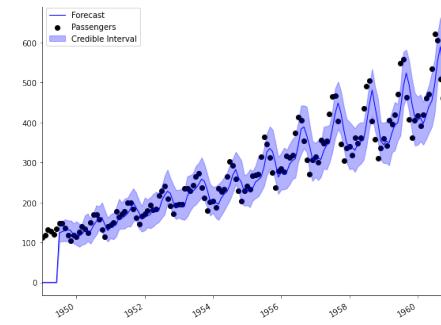
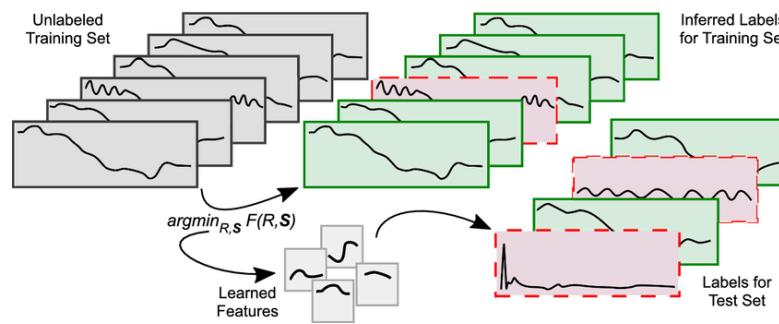
Time-series ML applications in manAI

- estimation of TS values
 - virtual metrology - estimate measurement without physically measuring things
- anomaly detection on TS
 - predictive maintenance - predict maintenance times ahead
- multi-modal ML using LLM & genAI
 - root cause analysis and recommendation system



TS MLs in manAI

- TS regression/prediction/estimation
 - LSTM, GRU, attention-based models, Transformer-based architecture for capturing long-term dependencies and patterns
- anomaly detection
 - isolation forest, autoencoders, one-class SVM
- TS regression providing credibility intervals
 - Bayesian-based approaches offering uncertainty estimation alongside predictions

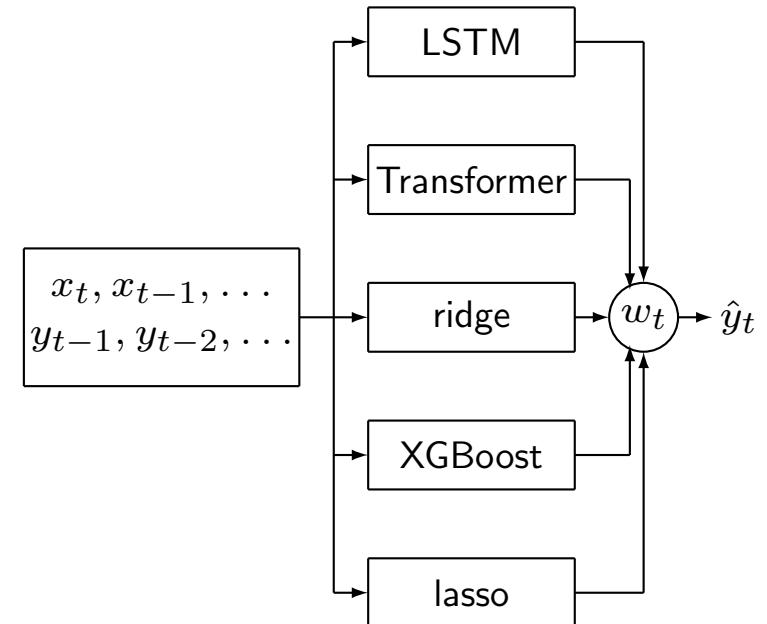


Difficulties with TS ML

- no definition exists for general TS data
- data drift & shift
 - $p(x_{t_k}, x_{t_{k-1}}, \dots)$ changes over time
 - $p(y_{t_k} | x_{t_k}, x_{t_{k-1}}, \dots, y_{t_{k-1}}, y_{t_{k-2}}, \dots)$ changes over time
- (extremely) fat data, poor data quality, huge volume of data to process
- not many research results available
- none of algorithms in academic papers work / no off-the-shelf algorithms work

Online learning for TS regression

- use multiple experts - $f_{1,k}, \dots, f_{p_k,k}$ for each time step $t = t_k$ where $f_{i,k}$ can be any of following
 - seq2seq models (e.g., LSTM, Transformer-based models)
 - non-DL statistical learning models (e.g., online ridge regression)
- model predictor for t_k , $g_k : \mathbf{R}^n \rightarrow \mathbf{R}^m$ as weighted sum of experts



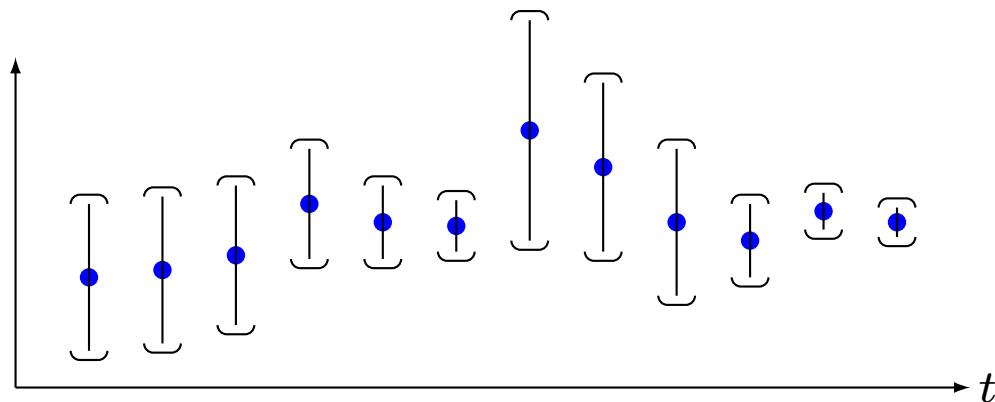
$$g_k = w_{1,k}f_{1,k} + w_{2,k}f_{2,k} + \cdots + w_{p_k,k}f_{p_k,k} = \sum_{i=1}^{p_k} w_{i,k}f_{i,k}$$

Credibility intervals

- every point prediction is wrong, *i.e.*

$$\text{Prob}(\hat{y}_t = y_t) = 0$$

- reliability of prediction matters, however, *none* literature deals with this (properly)
- critical for our customers, *i.e.*, *such information is critical for downstream applications*
 - e.g.*, when used for feedback control, need to know how reliable prediction results are
 - sometimes *more crucial than algorithm accuracy*



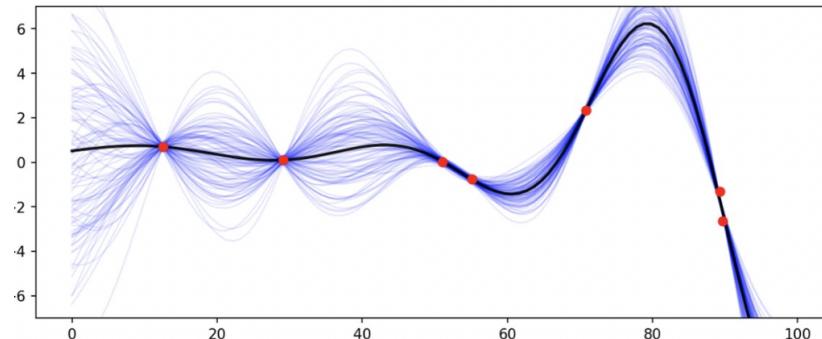
Bayesian approach for credibility interval evaluation

- assume conditional distribution i th predictor parameterized by $\theta_{i,k} \in \Theta$

$$p_{i,k}(y(t_k) | x_{t_k}, x_{t_{k-1}}, \dots, y(t_{k-1}), y(t_{k-2}), \dots) = p_{i,k}(y(t_k); x_{t_k}, \theta_{i,k})$$

- depends on prior & current input, *i.e.*, $\theta_{i,k}$ & x_{t_k}
- update $\theta_{i,k+1}$ from $\theta_{i,k}$ after observing true $y(t_k)$ using Bayesian rule

$$p(w; \theta_{i,k+1}) := p(w | y(t_k); x_{t_k}, \theta_{i,k}) = \frac{p(y(t_k) | w, x_{t_k}) p(w; \theta_{i,k})}{\int p(y(t_k) | w, x_{t_k}) p(w; \theta_{i,k}) dw}$$



Virtual Metrology

VM

- background
 - every process engineer wants to (so badly) measure every material processed - make sure process done as desired
 - *e.g.*, in semiconductor manufacturing, photolithography engineer wants to make sure diameter of holes or line spacing on wafers done correctly to satisfy specification for GPU or memory chips
 - however, various constraints prevent them from doing it, *e.g.*, in semiconductor manufacturing
 - measurement equipment requires investment
 - incur intolerable throughput
 - fab space does not allow
- GOAL - *measure every processed material without physically measuring them*

VM - problem formulation

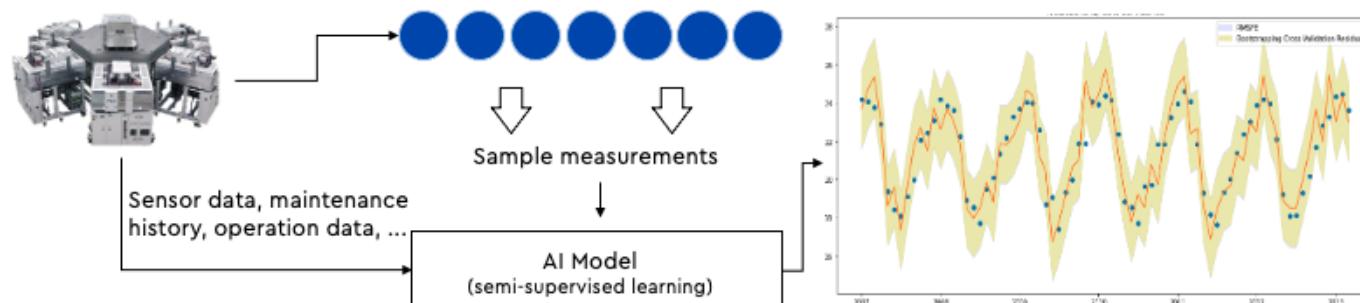
- problem description

(stochastically) predict y_{t_k}
 given $x_{t_k}, x_{t_{k-1}}, \dots, y_{t_{k-1}}, y_{t_{k-2}}, \dots$

- our problem formulation

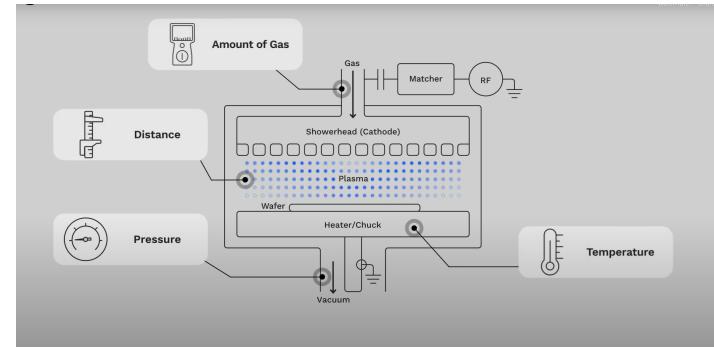
$$\begin{aligned} & \text{minimize} && \sum_{k=1}^K w_{k,K-k} l(y_{t_k}, \hat{y}_{t_k}) \\ & \text{subject to} && \hat{y}_{t_k} = g_k(x_{t_k}, x_{t_{k-1}}, \dots, y_{t_{k-1}}, y_{t_{k-2}}, \dots) \end{aligned}$$

where optimization variables - $g_1, g_2, \dots : \mathcal{D} \rightarrow \mathbf{R}^m$



VM - Gauss Labs' inAI success story

- Gauss Labs' ML solution & AI product
 - fully home-grown online TS adaptive ensemble learning method
 - outperform competitors and customer inhouse tools, e.g., *Samsung, Intel, Lam Research*
 - published & patented in US, Europe, and Korea
- business impacts
 - improve process quality - reduction of process variation by tens of percents
 - (indirectly) contribute to better product quality and yield
 - Gauss Labs' main revenue source



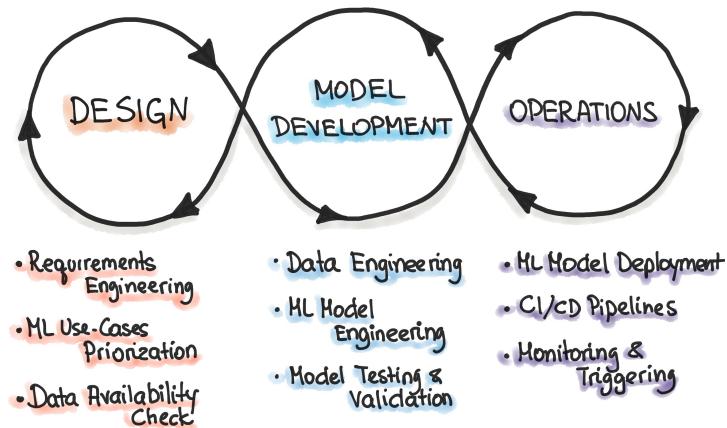
Manufacturing AI Productionization

Minimally required efforts for manAI

- MLOps - for CI/CD
- data preprocessing - missing values, inconsistent names, difference among different systems
- feature extraction & selection
- monitoring & retraining
- notification, via messengers or emails
- mainline merge approvals by humans
- data latency, data reliability, & data availability

MLOps for manAI

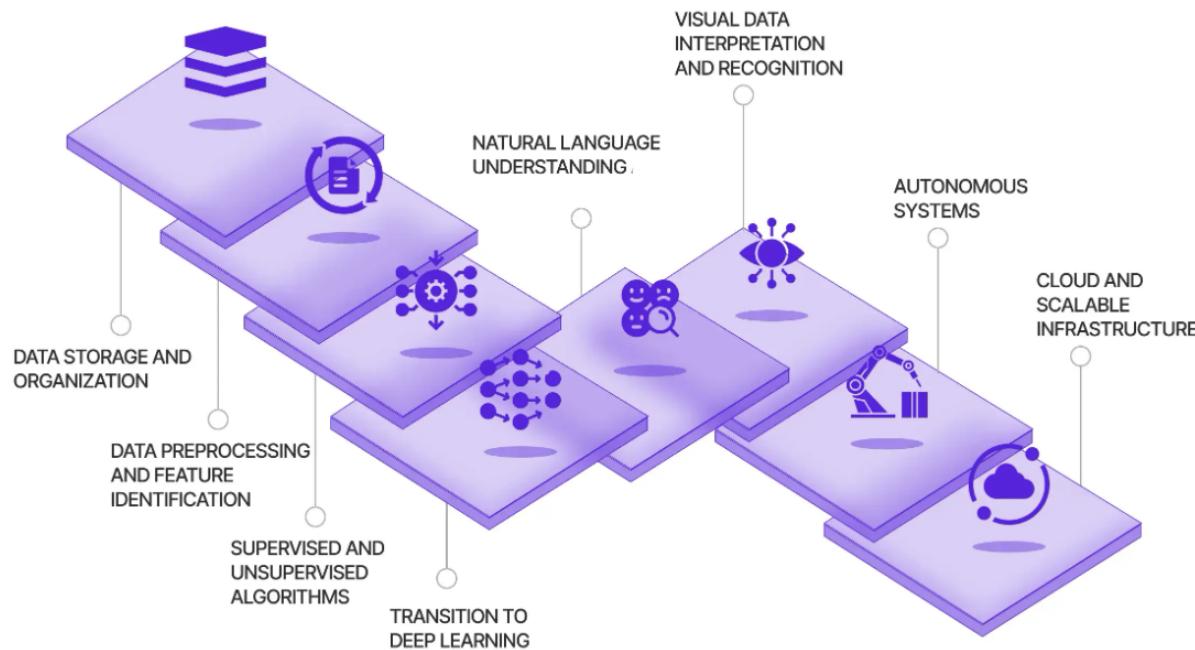
- environment for flexible and agile exploration - EDA⁷
- fast & efficient iteration of algorithm selection, experiments, & analysis
- correct training / validation / test data sets critical!
- seamless productionization from, e.g., Jupyter notebook to production-ready code
- monitoring, *right* metrics, notification, re-training



⁷EDA - exploratory data analysis

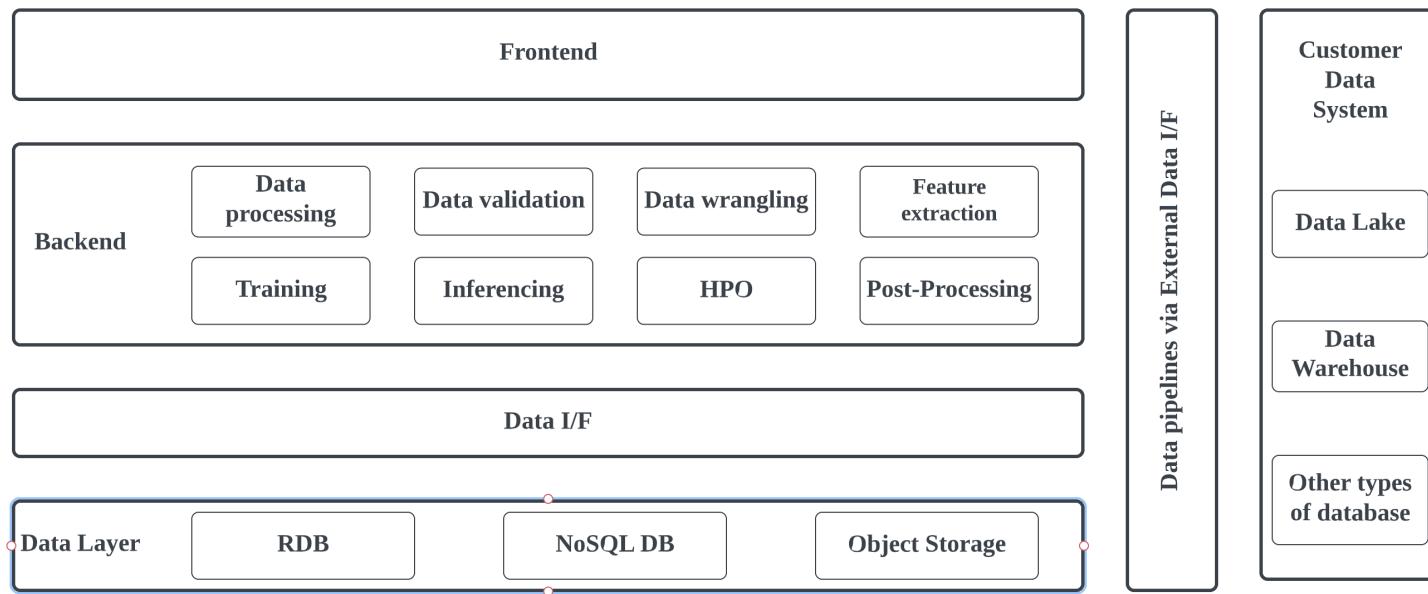
manAI software system

- data, data, data! – store, persist, retrieve, data quality
- seamless pipeline for development, testing, running deployed services
- development environment should be built separately



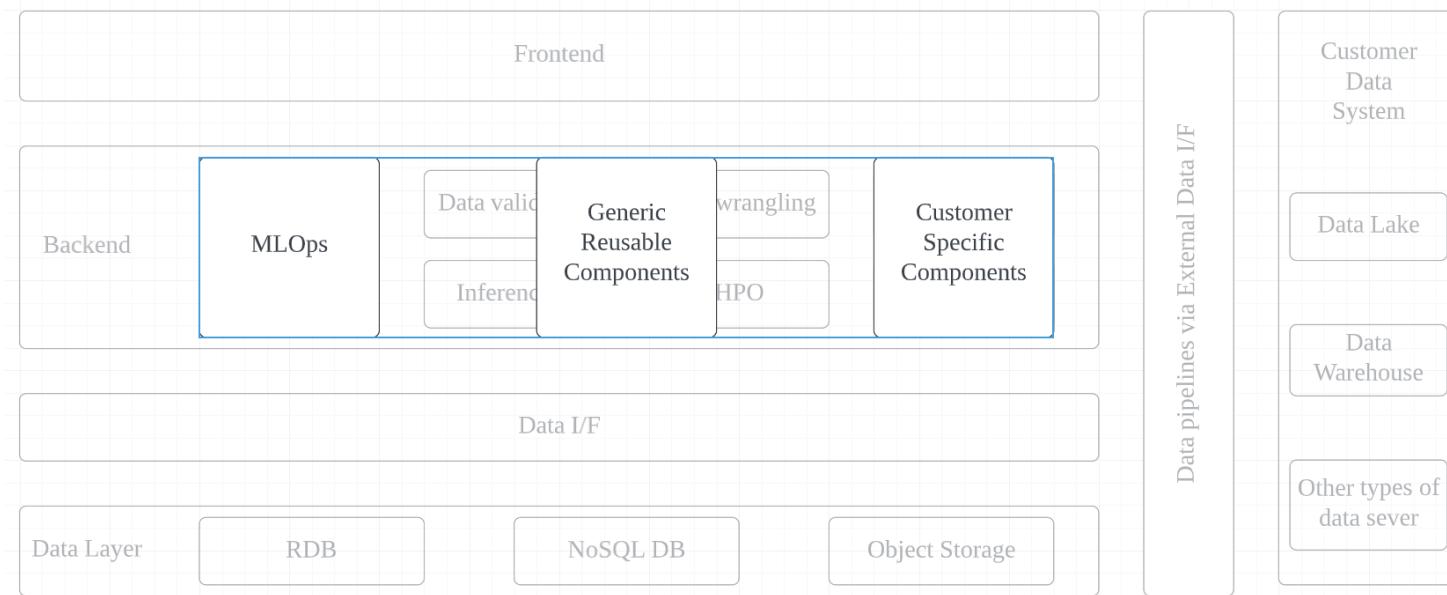
manAI system architecture

- frontend / backend / data I/F / data layer
- efficient and effective MLOps in backend or development environment



Reusable components vs customer specific components

- make sure to build two components separate - generic reusable and customer specific
- generic models should be tuned for each use case
- generic model library grows as interacting with more and more customers



My Two Cents

Recommendations for maximum impact via inAI

- concrete goals of projects
 - north star – yield improvement, process quality, making engineers' lives easier
 - hard problem – scheduling and optimization
- be strategic!
 - learn from others – lots of successes & failures of inAI
 - ball park estimation for ROI crucial – efforts, time, expertise, data
 - utilities vs technical excellency / uniqueness vs common technology
 - home-grown vs off-the-shelf

Remember . . .

- data, data, data! – readiness, quality, procurement, pre-processing, DB
- *never* underestimate domain knowledge & expertise – data do NOT tell you everything
- EDA
- do *not* over-optimize your algorithms – ML is all about trials-&-errors
- overfitting, generalization, concept drift/shift - way more important than you could ever imagine
- devOps, MLOps, agile dev, software development & engineering

Conclusion

Conclusion

- various CV MLs used for inAI applications
- TS ML applications found in every place in manufacturing
- drift/shift & data noise make TS MLs very challenging, but working solutions found
- in reality, crucial bottlenecks are
 - data quality, preprocessing, monitoring, notification, and retraining
 - data latency, availability, and reliability
 - excellency in software platform design and development using cloud services

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Thank You