

URL: <https://stvp.stanford.edu/clips/building-responsible-ai-startups>

Andrew Ng, managing general partner at AI Fund, shares AI Fund's process for building startups, using the example of a successful AI-powered green shipping company. He explains how his team looks for feasible, well-built, and ethical projects.



Transcript

- Over the last few years, AI Fund, 00:00:04,830 we've been tuning our process for building startups.. I'm just gonna share that with you.. So we often starts off with a lot of ideas, right? And one example of another startup that we built was Bearing AI, which uses AI for smart routing, on very large oceangoing vessels.. So if you're ship a captain, should you just sail at 20 knots or 22 knots, it's like, who knows? Most ship captains just make some decision.. But because we're able to get global weather and ocean current data, we can make recommendations to ship captains for how to get there on time and use about 10% less fuel.. But this idea was suggested to me by Mitsui, which is a major shareholder in a major shipping line that operates very large oceangoing vessels.. And just one of those things.. I would never have thought of this idea myself 'cause like I've been on a boat, but what do I know about global maritime shipping? But Mitsui suggested this idea to me, and we then validate the idea, make sure there's technical feasibility and the market need, recruit a CEO.. We are fortunate to find Dylan Keil, who's a fantastic CEO with one successful exit before.. And then we spent three months in our current process building a technical prototype with the CEO and doing deep customer validation..

If it survives, two thirds chance of surviving, one third chance of not surviving, we then write a check in that allows the company to build, hire executives, build an MVP, and off it goes to raise additional rounds of capital.. And I think this is what we, and so Bearing AI, well now it's actually, there are now hundreds of ships on the high seas guided by Bearing AI.. Ships guided by Bearing AI have sailed 75 million miles, which is the equivalent of going 3,000 times around the planet and saved about half a million dollars in fuel costs per ship, per year, in addition to significant carbon emissions.. I think we'll save about, I wanna say about a million tons of CO2 emissions so far, but this kind of idea that like, I would never come with this idea myself, but I've learned that my swim lane is AI.. But when I work with experts in other sectors, they're often these exciting opportunities that are very valuable.. But frankly, how many groups in the world are experts in AI and shipping or expert in AI and relationships? I find that the competition intensity at the application layer is often much lower.. And then just one last thing, kind of just full disclosure, something I hope all of you will do too.. My teams only work on projects that we think move humanity forward.. Responsible AI is important and on multiple occasions, we've killed, and I will continue to kill projects that we may assess to be financially sound, but based on ethical grounds.. So lots of exciting opportunities, I think at Stanford, the lots of great costs can take in engineering and elsewhere to learn about that AI tech..

And then when you find applications, or go play at the Infra and Tolling there too.. I think there are lots of opportunities,

but I think there are, what I'm seeing is, frankly, my team at AI Fund with so many startup ideas, we use a task management software.. We use Asana to track this huge list of ideas.. And it's actually quite clear to me there are a lot more good ideas for AI businesses than people with the skill to work on them at this moment in time.. So hopefully there'll be more than enough projects for everyone.. All of you, all of us to work on...