



Stanford eCorner

Policy: Friend or Foe?

Steve Jurvetson, *Draper Fisher Jurvetson*; Astro Teller, *X*

October 07, 2015

Video URL: <http://ecorner.stanford.edu/videos/3570/Policy-Friend-or-Foe>

In conversation with Stanford Engineering Dean Persis Drell, DFJ's Steve Jurvetson and X's Astro Teller discuss the challenges and understanding present in working with government regulators and policymakers.



Transcript

Steve, how do you think policy is going to play into the future innovations we're talking about here? Government policy? Yeah. Gosh. It's kind of like the Hippocratic Oath. So first do no harm, I guess, comes to mind. Does that mean you don't work on things-- No, almost never. OK, let's just clarify that. No, no, no. So our companies interact with policy a lot, but we rarely if ever bet on policy swinging our way, with possibly the exception of autonomous vehicles, where we don't know how it'll happen, but it just seems so compellingly obvious that all vehicles will be autonomous and electric in the future, and we'll marvel at the present day that we let people slaughter each other on roads. I'm one of those high-risk category kind of people myself, so that and planes. So we know that's the future, but in general let's say in the energy, clean-tech investments that we've made, we never count on policy making the investment work.

And so we generally are pretty hands-off when it comes to that. Now government can play a big role, obviously, in sponsoring projects, whether it's NASA helping SpaceX get its start, or a big loan to Tesla, obviously, at a critical juncture. There have been really important moments. But rarely is it one of sort of company picking. That's the rare model. Usually it's NSF grants and government grants to universities that are the bread and butter of how we see government helping the tech world. And in policy, we just kind of hope they don't make any more. You know that's wishful thinking. I know. I just kind of try to keep my head low and hope they don't bat it down.

We've had sort of the opposite experience at X, which is we're trying to pick things that we want to fix about the world, whether it's cars that drive themselves, or the contact lenses that we built for monitoring people's bodies, putting computer and sensors inside contact lenses. So whether it's the FAA or the FCC or the FDA or the Fish and Wildlife, we've had to talk to all of them. Fish and Wildlife? Well, for our airborne wind turbines. Oh, yes. There's no part of the government-- the National Highway Traffic Safety Administration-- that we haven't had not just to visit once or twice, but pretty much go live with them. But our experience has been that if you wait until you're done making something, and then you go stand in front of them and you say, is this OK, and you don't really mean is this OK, you mean this will be complete meltdown in my life and the life of lots of other people if you say anything other than yes. Because you're not going to get a straight yes. Then you don't get the straight yes, and then you come away feeling like these people are against innovation. Which I don't think is fair to them, because they're trying-- in an ideal world, regulators would have a membrane that prevents all the bad snake oil from getting through but lets all of the good innovation go through really fast. But of course, you can't tell ahead of time what's the snake oil and what's the good stuff.

I think they do a pretty decent job. Our experience has been, if you go to them several years before you're done and you say, this is what we're working on. What do you think? Here's the goal that we have. This is actually the problem that we're trying to solve. And we're not hung up about our solution, because it's not done. We're actually really hung up about solving

this problem in the world. And the regulators universally are excited about the fact that we're trying to solve problems for people. And then they can engage with us in a creative process of saying, great, how do we help you to get these things done so it can be safe for everybody, and you still don't feel like you're being stymied by us? So I think it depends how you go about it. I agree, we would never bet on the regulations changing. But then again, we almost always bet that regulators can work with us to change in ways that are going to be necessary in order for the world to be a better place.