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A lawyer, public policy expert, and tech entrepreneur, Paola Santana is the founder and CEO of GLASS, a software ecosystem using artificial intelligence to power high-performing governments. Her work includes engaging with The White House, the United States Congress, the FAA, and NASA to enact regulatory frameworks for new transportation technologies, and developing public infrastructure projects in Latin America. Previously, she co-founded the autonomous drone pioneer Matternet. In this conversation with Stanford adjunct lecturer Ravi Belani, Santana traces her unique path into entrepreneurship and shares her passion for solving difficult systemic challenges.



Transcript

(mellow electronic music) - Welcome YouTube community 00:00:10,810 and Stanford community to this week's session of the Entrepreneurial Thought Leader Seminar. It is great to have you. I am Ravi Belani, a lecturer in the management science and engineering department at Stanford and the director of Alchemist, an accelerator for enterprise startups. I'd like to officially welcome you to the Entrepreneurial Thought Leader Seminar, which is brought to you by STVP, the entrepreneurship center in Stanford's school of engineering and BASES, the Business Association of Stanford Entrepreneurial Students. This week, we are delighted to welcome Paola Santana to ETL. Often time gang, as you guys know, we have founders that come into ETL that are retrospectively reflecting on their careers in entrepreneurship. It is rare for us to have a founder that is in the throes of the entrepreneurial journey itself, which is why we are so grateful to have Paola come in and share her experiences with us today. Paola has built a reputation for being a founder of ambitious ventures. These are ventures going after really deep change in areas that are oftentimes hard to attack markets that are overlooked by classic Silicon Valley style startups. She was the co-founder and COO of Matternet, which really was one of the pioneers in commercializing drone technology.

Matternet has raised over 30 million from funds like Andreessen Horowitz, Boeing and McKesson. And most recently Paola has been the co-founder and CEO of a new venture Glass, which is a software ecosystem that uses artificial intelligence to power high performing governments. Paola's going after gov technology now. Now just like Chris Sacker from last week, Paola comes to entrepreneurship with academic roots steeped in legal academia. Just like Chris she's also, Georgetown is part for pedigree, she's a Fulbright scholar at Georgetown and Paola holds a master's degree in government procurement law and did her undergraduate legal studies in the Dominican Republic. She has worked in the White House, the Congress for the US Federal Government, the FAA, NASA and NASA to enact regulatory frameworks for new transportation technologies and she's been on a dizzying number of lists. So she's been featured on LinkedIn's Top 30, Top Professionals Under 35, CNET's Top 20 Latin in Tech, Forbes' Top 50 Women of Power in the Dominican Republic and the list goes on and on. She's served as a member of the US Federal Drone Advisory Committee. She's also one of the founding mentors of Stanford Social Enterprise Labs program. If you haven't checked out that you should as well.

So with that, everybody please join me in giving Paola a virtual welcome to ETL. Paola, lots of virtual love to you from the ETL community. Let me start off Paola by just asking a question about you and your identity of who you are, because if you

look at your entrepreneurial path, it is unconventional, dizzying and impressive. You started off your career as a paralegal in the Dominican Republic. You then pursued a couple of master's degrees at the intersection of law and public administration. You worked in the court system in the Dominican Republic, and then you co-founded a own delivery startup. You're an FAA certified pilot, and you've worked at the Federal Drone Advisory Committee and you spent two years handling government affairs for a Hyperloop company. So, you've done all of these different things and now you're the co-founder and CEO of a company devoted to bring technology to change the public sector. So can you thread the needle for us across all these experiences and just at the core, what drives Paola Santana, and how did this all, how did this narrative arc all make sense? - Thank you Ravi so much for having me today. 00:03:57,335 I'm super excited to share the work and that's really what it is like, you know, you get into all these cool ranks and whatnot, and you get to cool places to talk to cool people, to very interesting people and meet people that is really moving the needle because you're doing the work.

It's not about what college you came out from or where you come from, or, you know, your last name. It's the work you're doing, that you're like really authentically doing. So I would say, if you ask me to describe Paola, like who is Paola, what is Paola doing? I am a visionary. And then I build the things that I see in my brain, in my mind. So, and I'm also, I just really believe that with all these abundance that we have in the world, we should all be swimming in opportunities and having access to all these abundance that is in the world. So I hate inequality. I do not understand people not being able to have access to, you know, great education, great healthcare systems, great transportation infrastructure. So I'm just, it's not just that I hate it. It's that I'm acting to change that because I know it can change because I've built systems that can help alleviate and dramatically change how we've done things in the past to actually tackle those problems. So I'm a visionary and then I go and build the things that I think that we can change.

So that's in a nutshell Paola Santana. And whether I do that through tech or through law, or being in a startup, or actually starting a court system from scratch like in the Dominican Republic, for me, it's the same, like my brain thinks in systems and I just see things that need to happen, whether it is a piece of regulation or a piece of code, I just see it in my brain and then I just put the pieces together and I start building things because I'm a long term thinker. So that's in a nutshell, if you wanna position me somewhere, it's like, well, you can't position me anyway because I'm behind problems, big problems, global problems that affect billions of people, that I wanna see them change and really affect these life of these people in my lifetime. So I would say that. - Well, I love this idea of being a long term thinker 00:06:38,800 and trying to, and having this combination of a long term vision and also just understanding what are the next three things you need to get done when you're building something out. And I'd like to just dive deeper into that, because I think many people with your background would be focused on public administration or public, a career of public service. How did you decide to spend your one precious life, especially given the, you know, the pedigree of stuff that you came from, why go into entrepreneurship? Did you have opportunities to, you know, do something more in the public sector and was that at all a attention, or how did you make that decision? - Well, actually, I don't think it was like a decision. 00:07:20,970 Actually, I came to Silicon Valley back in 2011 after being frustrated with not being able to change public sector systems from within. So born and raised the Dominican Republic. I had the opportunity to do, to go to a very good law school in the Dominican Republic.

While I was doing law school I was also working at the National Elections Court, conducting elections, managing political party stuff. I used to see that political parties were not behaving democratically inside which led to my thesis and research for me to graduate from law school that was like a big question on can political parties not behaving democratically inside with their membership govern democratically when they actually get to office? I was like, whoa, I was not expecting to find this. I was just trying to do my 75 page thesis to graduate, right? And suddenly I have these whole world of data, never consider myself a data analyst, of something at the intersection of how do I take this piece of information that I wasn't looking for and now I have like this whole puzzle to figure out on is democracy the system to govern the world, because it seems that through the vehicles that were executing democracy, that is political parties is not the actual means to the end. So I presented that to the Fulbright committee. They were like, okay, what's the answer to that question? And I'm like, I don't know. Give me a Fulbright scholarship so I can go and figure it out. I've come to Washington DC. And I'm telling you things that back then, I didn't understand. So I was thinking I'm gonna go to the political capital of the world that is Washington DC to come up with an answer of what is the next evolution of democracy, or how can I improve political party systems so they can actually govern democratically and make all these, you know, abundance be accessible to everyone. I studied there for one year at Georgetown and George Washington University.

I actually specialized in government contracts, government procurement. We will go back to that later. And I just, to be completely honest, I was like super delighted. I was like, oh, I'm super happy. I'm seeing bigger buildings, nicer suits, more fancy conversations. But to be honest, it was a 10% improvement of the conversation that I was having in Dominican Republic. So I was like, shocked. I was like, it cannot not be that now we have 300 pages reports because of course we're in Washington, DC, but it's the same conversation. Like if this is the system, this is Mecca of government and politics, I don't see the system changing the world at the speed that the world needs to change because there's people dying and we have the resources because I see the resources, they're over here. So that made me rethink what was the means to the end and if I was committed with the means or the end.

Like coming from an emerging economy is very important that, you know, you have a title, like you're a lawyer, then have your certificate of being a lawyer, put it the on the wall and then do be a lawyer. But then I was like, I'm more committed to actually figuring out which system can bring massive positive change to the world. I did a step back. I learned about

technology in Silicon Valley. I saw what technology was doing. This is 2011. And I was like, even if I don't know anything about technology, I'm gonna go to the place where change is happening. I'm gonna learn that language. I'm gonna learn how things get built there and I'm gonna specialize in that. And this is how I make a transition, not even knowing the word entrepreneurship.

So I applied to a think tank program to learn tech inside NASA called Singularity University. That was an entrepreneurial program but I didn't know the word entrepreneur. So I applied to something I didn't know what I was going to, but I just knew I was gonna learn tech to change some of the world's greatest challenges. So this is how blinded I was but I was going after pieces of information of a bigger thing that appealed to me that was, how can we create change for everyone? - So then you go in with this intention of, 00:11:49,390 you know, trying to actually change the world through the powers of democracy or at a very fundamental level, and you end up after then discovering the need to focus on tech or even the amorphous concept of entrepreneurship as the channel for change. To build a very tech forward and ambitious first startup, which isn't a, you know, in Silicon Valley, 90% of the startups are software and you build a drone tech company at a time when it's hardware, there's regulatory issues with even commercializing drone tech. And you end up building one of the Vanguard's in the industry, which was Matternet. Can you share with us what that experience was like? So, first of all, what was the initial, what was the first moment when you realized that this was something that you wanted to dedicate your life or your, at least the next six years of your life to? And when was the moment that you realized that it was actually gonna work? Can you walk us through those two key moments of Matternet and any other milestone events? - Yeah. 00:12:51,918 So it's great that I didn't understand what I was going, what I was, you know, throwing myself in. I never consider myself an entrepreneur. Again, I never had that education.

No one told me ever in my Dominican Republic education, that people that are proactive and act against the problems that they see in the world or that people that start something are entrepreneurs. I wouldn't hear that I'm a collaborator. I would hear that I'm part doing something part of a project and my mom is a business woman. My mom is an actual pioneer in the Dominican Republic for introducing preventative medicine in the Dominican Republic, but I never saw her as an entrepreneur, neither. So the power of understanding what you're doing and oof, you know, putting a word to it was very shocking to me because I was like, I've been seen people doing things from a scratch. I've been doing things from a scratch at the public sector. I just didn't know that was a form of entrepreneurship. So when I started learning about the topic, when I started the company, even when we started Matternet with my co-founders, I still didn't consider myself an entrepreneur. I consider myself a smart person that was coming from one of the contexts that we wanted to solve. So I was very closely following the problem and then when we did solve, the first Matternet principle, again was not let's build fancy drones so we can create the first drone delivery company.

It was about, okay, one billion people in the world today, 10 years ago, still today, same problem, lack access to basic healthcare services and they cannot put, even if they're local farmers and they leave two kilometers away from their local markets, they cannot put their goods into market because they're disconnected in what we call the first and last mile. First and last mile is one to 10 kilometers, most least automated, most expensive part of the whole supply chain. And then it's almost like embarrassing that for by two kilometers you might be totally disconnected from the world's economy. And that's okay if you are wealthy or well off. But if you are poor that means that you're never gonna make a sustainable way out of poverty because you're disconnected from every link. You, we can go deep into that, like even healthcare, you know, you live close to a small clinic in the developing world. The day you get sick, you cannot have access to medicine. When you go to the small clinic, the small clinic has no electricity, doesn't have any vaccines. You need to actually go to to the town and the hospital. So that means that the hospital is full of people that could have and didn't get access to healthcare services in the small clinic that was closest to them.

So the whole world functions on the premise of this spoke and hub system and need just doesn't work all the time, because it means that you need to have a road, one kilometer of road about \$1 million to build, and then you need to have a vehicle that is manned and then you need to have gas. So we're like, can we just leapfrog all these stages of building stuff? Can we just put a vehicle that flies, so we don't need the road and that doesn't need to be manually, you know, driven so we can just remotely send things around? So that was the core of Matternet, to create an internet of matter, Matternet, so we can have like the internet, be functioning on the background, 24/7, and moving as opposed to packages, little packages of information, moving little packages of things that were really needed in the places where we were moving those stuff. And in Dominican Republic, or for anybody that comes from the developing world, I am 35. And when I was born and when I started my company at 25, those roads and those communities that were isolated were still isolated. So for me, from a public sector point of view is poor government decision making year after year, government after government, candidate after candidate, it doesn't matter the color of the political party, it's beyond that. So how can I stop protesting and stop going to Congress and stop voting someone. Hopefully they pass a bill, hopefully they grant the budget so hopefully we build the road. I'm like, can I just connect these communities? And we come up with the drone delivery idea. And it was 2011, it was too early. I was very skeptical too.

I was like, I don't even know how many things we can put in this five pound thing. What are we gonna be moving there? It's like almost the whole, the same conversation of what are we gonna do with a personal computer? Are we gonna put it in the kitchen to have recipes? Like it was the early, early understanding of we need a different mode of transportation, we don't know exactly what we're gonna be moving there to make it profitable, like profit was not even a word in lingo. I just knew that

there was a way to do things different and how we build infrastructure could change if we brought drones to the scene. - And that was, and just to capture that, 00:18:18,750 and that was enough then for you to decide that I'm gonna commit my time against this was understanding that this was a significant problem, you know, that there's a billion people that don't have access to roads and understanding that the current government driven approaches are woefully inadequate. And that there is this hope or this vision of how you could use tech to solve that problem. So that happened in 2011. When was the moment that you realized that actually Matternet was going to work, that the product was going to work? How long did that take and when was, when did that first moment emerge and what was that moment? - I think I always knew it was gonna work. 00:18:57,318 Like the question that this, the questions around entrepreneurship were the ones that I didn't really handle. Like, how do we make money out of this? How do we scale this? How do we go to market? How do we have product to market fit? I didn't understand any of the answers, which were important to understand how to be sustainable. Because one of the things I tell entrepreneurs is, you know, even if you have a social, even if you're a social entrepreneur, even if you have, you know, a publicly, you know, face startup, if you don't find a way to be the owner of your destiny which means to be self-sustainable, you are always depending on someone that is aligned with you to give you money so you can execute the vision that you see in your brain.

So I knew that we needed to find a way to make sure that the technology that we were developing would reach every corner on the world and not to open, to widen the gap between countries that have money to pay for the tech and the countries that do not have the money and this is why their people continues to be poor. So, but I did know it was gonna work because it was like you could, and this is very important. At Stanford you guys talk a lot about this, about the air view of something and the ground view of something like, no, no, no. Let me go to the ground and understand when I do a proof of concept and I see this drone moving one vaccine or one, you know, diagnostic from point A to point B, that is 10 kilometers apart but it's full of mountains and no road. Okay, this is disruptive. And I could see it because I come from that country, I come from one of those countries. So then it was a matter of putting the use case together. Okay, how many countries are like this? How many countries have this problem? How can we gather data that hasn't been gathered in this way before because we have not been optimizing to move things that are five pounds? We have been optimizing to aggregate and then disaggregate. So then it was a matter of conveying the message in a way that the world could follow the vision. It was not until, and then, you know, no past background on entrepreneurship, not a tech person myself but I did have tech co-founders, but it was very hard in the early days.

However, I knew that we needed two pieces. There was no drone regulation either. And the drones, the technical capability for the drones to actually enable the first drone delivery networks didn't exist neither. So my co-founder was like, you know, this tech person that can push the technology side, and then I need to talk to all these different international organizations like the United Nations, International Civil Aviation Organization, all these civil aviation authorities, like the Federal Aviation Authorization here in the United States, NASA and the White House. I didn't actually get to work at the White House. I couldn't, because I'm an immigrant, I'm not a US citizen, so I couldn't get in to work there, but I managed to engage with them to actually pass the first drone regulation. So, I started to see where my skillset that is a skillset that I would say 10 years ago is like, if you're a lawyer, if you're into government, go back to DC. That was the feeling 10 years ago in Silicon Valley. But I started to see like, yeah, I can go to DC, but if I'm not here, we won't have drone regulation. So this is where I started to understand, like, you know what this is super needed and this is gonna happen and then we have a couple of early cases with Bhutan, the prime minister of Bhutan.

So one of our TED Talks and he was like, I need that in Bhutan. Then Doctors Without Borders said, I need that in Papua, New Guinea, and we did a pilot in Papua, New Guinea. Then UNICEF saw that and UNICEF said, you know, I have all this budget to move antiretrovirals to deliver antiretrovirals to newborns that were just born with HIV. And we have a study that if newborns are put into antiretroviral treatment within the first eight weeks after they're born, they never freaking develop HIV. I was like, where do we need to put these drones yesterday? And they were like, this is a test, bring the drones and let's put them in Malawi. That is the country with the high is incidents of HIV. - And that's- 00:23:43,550 the first drone delivery use cases in Africa. So, but again, I was not after let's do big stuff. I was not after let's do flashy stuff. I was after let's do things that change the world today.

So that's when I started to see, like, this is really gonna happen, this is really gonna change something. We just need to find a way to also make money while we do good in the world. - And I really wanna make sure that the listeners get this 00:24:09,340 takeaway because, you know, unlike if for all the founders that actually want to go after deep change, if you're doing a software, you know, a classic software company in Silicon Valley where there's an existing software stack, you identify a very tactical problem, and it's pretty easy just to get to product market fit and solve that short term problem. If you're going after long term change, where in your case, there's no regulatory framework to operate, you need to create new technology, these drones, you need to actually create these networks that need to exist before even, you know, these applications can be fulfilled, it can be a very existential threat if you're trying to build a real long term infrastructure play type of company to survive. And so I wanna make sure that the takeaway about what to focus on is clear for the founders that wanna do more ambitious ventures. What is the advice in the early days, in terms of thinking about what you need to focus on if you're trying to build a deep change company, is it marketing, is it to build your brand so that, you know, the Papua, New Guinea's of the world discover you and then you solicit funding, so you're selling the vision before you build a product, or is it to just focus maniacally on the core challenge that you're trying to solve and find short term wins with that short, with that challenge to market and brand and promote, or something else? - So you need to focus on doing the work 00:25:32,010 and

doing the work is being very close to the problem and following that client and that user to where the client is. So these things that we say all the time, like get out of the building is like, I spend so much time creating perfect surveys, creating the perfect and interview. And when I go on site, I'm so focused on asking my questions that I'm missing the point. When we went to Bhutan and to Papua, New Guinea, the perfect plans were not important anymore because we were on site and before imposing our tech and our plans, we had to, you know, do some reconnaissance and really understand what was going on there. Like these people, and I think also it's important that we give credit to the people that have been trying to solve problems for a while, for decades, actually.

Like you go there and the first thing you need to do is to really understand the problem and get close to the people that have been frustrated, because those are the skeptics of the thing, of the new solution that you bring. So if you follow the problem, you've done 80% of the work. However, I have to admit that I don't know if the prime minister of Bhutan or the Doctors Without Borders or UNICEF, would've heard from us if we wouldn't have had a TED Talk. So it's a mix of doing the work, but then you need to make sure that the people out there that is looking for people like us that are doing the work, that they can find you. And this applies to fundraising, this applies to people that is trying to raise money and that they are a minority, or they're a group that traditionally hasn't built this type of technology or built this type of startup or raised this amount of money. Like you need to do the work, but then you need to talk about the work you're doing, not the opposite. Many people go out and talk about things before they're actually putting the work, but you do need to do both. So I think that was critical for the people that were looking for solutions to understand that there was those type of solutions out there. So you need to do both when you're bringing something new. You need to educate about what you're doing, and then you can solve the problem very closely by doing very fast proof of concepts.

So we had to get on site. It was not about talking on the phone, it was not about Zoom calls. We had to go to these places with whatever technology we had that was very rudimentary back then. I have a couple of pictures that, you know, if you Google like literally Matternet Bhutan or Matternet UNICEF, you will see how our technology evolved in the early days of Matternet, 2013, '14 and '15. - That's great. 00:28:12,820 And I just want everybody to understand that. So the core thing is not to necessarily build a sexy product or tech, it's to solve the problem. Solving, and I think this is actually Paola's secret strength, even though she may not brag about it. We'll sort of get to this as a COO that there's a certain virtue in not self identifying as an entrepreneur but just trying to solve the problem because that's where the real value is. And then in parallel, trumpeting your chest so that those that are looking for you know that you exist, it's not so much as selling as much as making sure that those that know you, that are looking for you just know that you exist so that you can connect those two dots.

I wanna move forward to Glass but before I do, your role at Matternet was as a COO and at Glass, you are the CEO. For people who don't know what a COO is, can you describe what a COO is in a startup, how that's different than a CEO and any lessons that you learned as a COO that are now relevant to being a CEO? - I am a super operational mind. 00:29:13,230 Like I love details. - And COO everybody's a chief operations officer- 00:29:16,800 - Chief operating, chief. 00:29:18,041 Yeah, chief operations officer. I love putting pieces in place and together. I love the nitty gritty of big plans. I love coordinating big systems and inter-operating systems. So if nothing else, a COO is someone that makes sure that whatever division of the companies and all the pieces that need to come together financially, operationally, per se, like day to day stuff, technical people, HR, all of those pieces come together in a way that makes the company move forward. I would say that the main difference between CEO and COO, it depends on who is in those roles.

So in our case, my CEO was highly technical and he was in charge of, I would say, make sure that we were building the drones in the lab. And my job I saw it more as I need to make sure that the labs that we have so thoughtfully built and designed and heavily tested in the lab can go out and be in the air legally, and that we can actually charge for it and that I have a permit, I have a certification, I can fly them around and I can have them do the work that they were meant to do. So I would take I would say the last part of that leg and bring that technology to the world. That what role entailed. In different stages it entailed different things. So I, initially I had to work a lot with regulatory bodies and that was, I would say one of the most painful parts of my role because in Silicon Valley, we're used to go very fast. And then I would come to every weekly meeting with very little progress or no progress at all. Like just to put you on example. The Inter-American Development Bank is like the World Bank, but for Latin America. And I remember taking to them this idea of drone delivery to improve healthcare system infrastructure.

And it took them and us six years to do drone delivery in the Dominican Republic. I am from the Dominican Republic. One of the use cases behind Matternet is from the Dominican Republic. The problem I wanted to solve I saw it in the Dominican Republic, in the province where my parents were born. And still today, I got that look or that question from some of the stakeholders like, but do the drones fly? They've been flying for six years. So it's like, there was this sense that regulation in all this part of the world where people talk a lot, but nothing moves, it didn't fit Silicon Valley. And then when I came to the table with that little outcome, or, you know, talking to NASA and having to do something with NASA or talking with a civil aviation authority that is asking for this amount of paperwork but hasn't approved anything in a year. It was very challenging for me to be a super high performing person and come with no outcome because these outcomes, first of all, didn't just depend on me and number two, because they require time. So I would say that as an operations person I was trying to put a lot of pieces together and to operate on a longer term vision of things that needed to happen, but were not gonna happen on the startup speed, if that makes sense. So I was doing all of that and that's how I complimented, I would say also my CEO that

was more tactical and more working on the vision and the actual technology side of it.

- Yeah, and I think, you know, 00:33:07,452 that is the synergy of startups is founding teams because it is the people that can move more quickly, which is critical in the early stages. You know, one thing that we don't often talk about in Silicon Valley or just in general in entrepreneurship, is that we live in this tech crunch world where everything looks rosy and up and to the right, but we don't talk about challenges and we don't talk about also just keeping healthy relationships between co-founders. Can you, especially during such an intense time when you're trying to literally change the world with a deep change company, can you talk about, and then transition out of that intense co-founder relationship when you're leaving Matternet and then going to start a new company Glass, which we'll hopefully get to in a second. Can you talk about co-founder relationships and also transitioning out of those co-founder relationships and anything that you think we don't talk about that we need to, you know, talk about more around that? - Yeah, I think that co-founder relationships are, again, 00:34:02,627 if you don't know that you are starting a company and you don't know that you are a founder and you don't know that you're an entrepreneur, in your brain, you're just doing a project. And the way of doing projects is that people collaborate what they can when they can. And if it doesn't work, it's like, oh, at least we tried. So I'm a super passionate person and I'm a very high performing person. So I came all in into this project, but I think I didn't take the time to really understand. And people would tell me, people were like, you know, this is like a marriage. You are marrying into something, you're marrying with a person, you're marrying with your investors and you're so focused on the problem and on the thing you're trying to solve, and you're so passionate about it and you're so hungry for change that paperwork or things that are important to understand and reflect on and that's also part of being super young and being the first time.

You don't attention to these things. So I was very lucky that my co-founder was a second time tech entrepreneur and that from the beginning, he was very, you know, insistent into having documentation done right, and done by Silicon Valley tech, Silicon Valley lawyers. But still it's like, you know, we crafted this beautiful relationship of respect, of very high expectations. Like I look back and I'm like, I felt a lot like a failure. I know we'll talk about this a bit because you and I briefly discussed about this. I constantly felt like a failure. I constantly felt that I was not doing enough and I was given like three times the extra mile but really that was the minimum expectation. And when I look back, I'm like, Jesus, I was doing five people's jobs, I was killing myself and that was the right thing to do, but probably not at the right pace or probably not with the right dynamic that I had there. Again, you know, I always felt, you know, coming to the table to my weekly team meeting, I felt like I haven't done anything, but then I haven't slept. So what have I been doing? And I think that if it would've not been because of my co-founder and how strongly we believed in the vision, I wouldn't, I would've not it make it.

I remember once he sent me this beautiful postcard saying never, never, ever, ever give up. And I consider myself like one of the most resilient people I know, and I was about to give up. But at the same time, we didn't have mechanisms to disagree and we didn't have mechanisms to exit. Exit means let's say this doesn't work for you or let's say this doesn't work for me, or let's say we disagree, who's the third person in the room that will make the call. So, you know, in some occasions, I started working with a coach. It was super helpful. Like I started working with this coach that has coached executives from Adobe and big firms because it gets really intense and it's very difficult to actually manage. And then when I finally decided to leave the company, I was very burned out very emotionally, physically, you know, technically. And it was very hard to manage the exhaustion and leaving your baby and your company that you've been at for six and a half years and live it intact like, oh, I'm a winner. So all these things come together and then you cannot detach the person from the business, or, you know, your co-founder from the business.

And I was lucky again, that I had, I'm a lawyer and I had proper legal counsel to make sure that I left my company in a good way but in a way that also made me feel empowered and made me feel, you know, that I was honoring myself and the work that I had done for six years. It's very tricky. It's an art to do that in a way that doesn't break relationships and this is why it's important to talk about disagreements and ending the relationship when you're starting the relationship, which of course, when you are ending the relationship, you're like, someone told me so and so and I didn't do it. So that's like my biggest learning out of that interaction. - Thank you, Paola. 00:38:55,910 And I just wanna make sure that this is really clear because this is something that we don't talk about, but specifically then when it comes to mechanisms, as you're talking about these mechanisms for breaking up that you wish you had put in place at the beginning, specifically, what advice would you give then to founders that are about to join with a co-founder and a startup, what mechanisms should they make sure that they have at the beginning to make that transition point better? - Legal advice, even if, I mean, 00:39:25,200 if you don't have the budget to go to a legal firm that is expert in tech startups, talk to a friend that is a lawyer, talk to someone that has had a startup. Check the documents or the templates. Like you can literally call a lawyer and tell this person, send me a template of a founder agreement. Like check the, explain that to me. Google it.

Like check what legal documents you need to have in place to have a healthy, to have boundaries and checks and balances in the relationship should you need to exit. Make sure that anything that you sign is something that you understand, and if you don't understand be the person that asks dumb questions. I assure you you're gonna be happy that you asked those questions and then try to have a third party. If you're not like, if you're just two co-founders or if you're a group of people, but you're even try to find someone, it can be an advisor, it can be an independent investor, someone that can be that third or one arms length person that can mediate between between founders. And if you can also have a business coach or an advisor that can personally go along with you, not just say for the company, because everybody, including your lawyers, your corporate attorneys, everybody's looking for the company, but nobody is looking out for you individually as a member of the company.

So if you can have someone to accompany you and can see the evolution, can understand and can follow the conversations when disagreements come so don't have to just dump all the info and tell what you're struggling with, I think that would be super helpful at the beginning or at any stage that you are that is not at the end stage, of course. - Perfect. 00:41:12,466 Thank you, Paola. There's a bunch of questions and I wanna get to those, but I also wanna give you time for talking about Glass. So maybe I'm gonna ask one question on Glass then I'm gonna go to the student driven questions.

Which is you then transition, so you leave Matternet and the founding team that was your family to start this new venture which is Glass. People think drones are really sexy. And now you're selling AI software to the play that people think is the most unsexy space, which is the governments, gov tech. Why Glass, why governments? Can you speak to, you know, this sentiment that government and tech startups don't mix well and why should founders, you know, think about doing something in the government space? - So why Glass? 00:41:52,963 You cannot change what you cannot see. So if we don't see what we're doing wrong in the public sector and in government entities and how we're managing the things that belong to all of us, if we don't see that better, we cannot do better. So that's why Glass, it's as simple as that. I wanna put a Glass over public sector, entities and governments, so we can see how they're managing the world and to do that better today. Governments are unsexy, but not to me. I love governments. And just as a reminder, governments are the biggest decision makers in the world, determining the way we live and our opportunities to thrive from education, transportation, healthcare.

Even if you have private access to all these things via a private sector, all these entities depend on government regulation, government policy, or government decision making. But to go to the more granular level, governments are also the largest purchasers in the world. And imagine for a second that the largest purchasers in any jurisdiction, any region, any city, any country in the world, don't have access to the simplicity and the tools that you and I have to live our day to day lives. They don't. They use 1980s software. They use very clunky pieces of technology, all patched up together. A little bit of this, a little bit of that, a little bit of something that an external consultant built and a little bit of something that we built internally in house. And when you put that together, that's a Frankenstein. Why? Because typically in Silicon Valley we have put a lot of money into building amazing software stacks and software suites for enterprise. And what government has received has been a repackaged something of that product that was designed for someone else.

And in Silicon Valley we know the power of a good user experience and user interface. We know that if we follow the problem again, of that specific user or client, we will create something totally different that in the beginning, from the beginning, will have in its DNA that user in the whole experience. So those products, that suite ecosystem of software products for our governments does not exist in the world and that's what Glass is creating, an ecosystem of software products starting with procurement products. Why procurement? Because government is not what government talks about. It's not what the laws that they pass in Congress. Government, the loudest way that government speaks is where they put the money behind, or the projects that they allocate money behind. And public procurement is how governments speak. So we create products that allow governments to spend money more strategically to maximize their budgets and one of our latest discoveries is that government spend, so governments, I would say is the largest market that Silicon Valley hasn't cracked. So it's a 16 tril, I mean, I'm not even making an effort here. It's a \$16 trillion global market that depends on on private sector.

We need to buy goods and goods and services. However, hear this. Every country spends about 20% of their budgets, 30 in public purchases, but they do not purchase from what we say are the backbone of our country's economies, the small and medium businesses. 400 million in small and medium businesses that probably need just one more paperwork or two more clicks to be able to sell to the largest purchaser in their jurisdiction. So we create platforms that connect the largest purchaser in the world to the backbone of our country's economies. It's like no brainer, right? - Yeah, and I think it's a fantastic, 00:46:00,386 it's a classic also Silicon Valley platform to play I think also in many ways, I know we can keep talking about this. There's lots of questions and we're not gonna have time to get through everything in 10 minutes. I wanna ask one more question and I'm gonna go to the students just because I think you're in a privileged spot to speak to this, which is one of the themes for Stanford this year is thinking about identity and how that informs the entrepreneurial journey. You're Latina, you're from the Dominican Republic. Can you speak to how, and especially for any of our Latina or Latinx founders, can you talk about how Latin identity or culture has informed your entrepreneurial journey and anything that you wanna speak about that relationship? - Yes.

00:46:38,830 So interestingly enough, I do not see, I do see myself and I do not see myself as a woman, as a Latina, as a minority or as any label you wanna give me. So it's like, I see myself as a person that is hungry for change. But then I have to recognize that my heritage comes very handy. So I have literally how I tell my friends, I have a PhD in problem solving, like because I come from those places. Like Stanford, unfortunately it's not gonna teach me poverty or how to surviving a slum in the Dominican Republic. Like, I've seen that, I was born there, I was raised there. So I come from that context and then I can also come from a context where people is super resourceful. In Spanish we say that you take your sheet up until you can like, when you're going to bed. You take your sheet, like, well, if the sheet is up to here then that's what you have. So we're super resourceful because we're learned that we need to move forward with what we can, which is a great thing because you're always gonna find a way to make things work.

But it's a very bad thing when you're raising money. Why? Because you're super resourceful. And when you go and look at the numbers of Latinos raising money and raising capital, it even decrease by a three, three points or something like that. I think Crunchbase say said the other day. Why? Because we're so resourceful that we're gonna make our companies and our

startups work, even if nobody else believes in us. So while our counterparts are spending and investing time, pitching decks and finding better ways to communicate their vision, because they want external stakeholders to also have a stake in the game, we are figuring out how to do what we wanna do, like these big and ambitious visions with our own resources. So, it works both ways. One interesting thing also about being a Latina and having very few role models I would say doing what I was doing like tech, but being a lawyer, going after moonshots that's how I call these ambitious ideas but at the same time being public moonshots, like things that I really care deeply that actually are super profitable because all my companies that are going after solving public, public problems, they're super profitable too. So it's like, I'm not a social entrepreneur that is like, that needs Gates Foundation subsidy. We're fully profitable.

And our platforms are, you know, people need to pay to have access to them. And then we have a way to give them at a discounted price or for free to some of our clients that do not have access or do not have the means to pay that. But not having a role model again, gave me good things and bad things. Bad things is that I really didn't know I was an entrepreneur when, while I was solving all these problems. So I couldn't position myself and say like, well, you know, I am a tech entrepreneur and I can command this money for my hardware tech startup. I didn't have that. So I didn't know I could command that money. I didn't know I could do that pitch. I didn't know I could go into a tech stage and not feel the imposter syndrome. But in the other end, not having that role model allowed me to be myself.

So I don't have to fit into anybody else's mold because how does a Latina leader talk like I talk? How does she raise money like I raise money because I don't have any limit or any bad, you know, container of this is how a Latina talking and searching for money and leading a high tech, high growth tech company looks like. So it has shaped me in good and bad ways, but I take the positive part and I don't let any of the talk of Latinas cannot raise, Latinas cannot have this, a woman cannot do any of this. Like actually, this is not part of my script anywhere, anywhere. I don't recognize myself with any of that. And yeah, you know that so. - I know that and I wish, 00:51:14,220 I wish we could spend more time actually diving into that about that superhero strength of yours to just proactively create your own identity and your own path. And that is how the path is created is just by doing it. But I, let me get to the, Paola that was, those are gems. I'm gonna get to the student questions and we only have four minutes so we're gonna be running out of time. But the first question is what would be the key piece of advice you would give to prospective founders looking to start up a company now? Would you advise them to look for moonshot goals as the startup's key goal? Its failure would mean failure of the startup.

Or would you suggest having a north star goal as a moonshot, but the failure to achieve the goal should not mean the startup fails? - The, yeah, it makes total sense. 00:51:56,116 I would recommend to have a really big moonshot and then to operate on an MVP level, minimum viable product. If we don't have time to talk about this, you guys can ask Ravi and I can answer that later, or you can reach out to me on Instagram or on social media. So when you have a north star and you fail at the moonshot, at the little, at the MVP level at the little experiment level, you can always invalidate your means to the moonshot, but you don't invalidate the moonshot because the problem's still there. So that's the way to operate in two levels. The moonshot for me is the 10X and the MVP is the 10% improvement that actually, if you make it in a good way and in a very concrete and limited way, you can actually even make money out of it so you can fund yourself into the moonshot. - Okay. 00:52:41,639 Terrific, thank you. This question is, given that you didn't have a background in engineering and computer science, how are you able to attract technical co-founders and tech investors and get them to appreciate your vision? - You will be able to tell that with more, you know, 00:52:59,960 data points, but you know, that people invest in people. So even today, the investors that are investing in Glass, they're investing in Glass because they know how fierce I am against the problems that I decide to focus on.

So that's the first answer to that question. And the second answer to that question is that I go and find the skillset that I need to complement my skillset in other people, but I also grow. So, you know, I started to understand coding. I started to understand artificial intelligence and machine learning in depth. I started to learn all these things that I think that actually, if I would go back to school, I did law school just to try to understand how to write regulations so something could come to life. And if you think about that in terms of engineering, code is like that. Like, you wanna know what the code is, so you can bring something to life. So I would say that it's not difficult to go and find the missing piece of information or the skillset or the people with the skillset so you can actually create something even if you don't have the current skillset today. So just go find the skillset or find the people or take the course, get it done and start building the thing you see in your brain. - And Paola last question, just for 30 seconds 00:54:23,730 if we were out of time, but what have you learned about how to create productive relationships with regulators? Any advice on that? - I mean...

00:54:30,393 Yes. You need to really it's like, just as I was saying, follow the problem, listen to the person in front of you. These people is optimizing for something else. They're optimizing for status quo, they're optimizing for, if it's not broken, don't break it and they also have a lot of things to keep running. So, for all of us that are thinking about the future and creating the future, we can create the future because we have people today taking care of today. So if you appreciate them, if you honor them and you're like, you know, thank you so much for what you've built or for the regulation that you have built that enables us to be here today, how can I help you? And if you ask that question and they reply to you and you really wanna honor them, you need to listen. So I would say, just listen to them and brainstorming with them paths to go a couple of steps out of their comfort zone, that's a great way to have them feel part of the process and at the same time, you might even understand that they have tried to do what you were trying to do. It's just that they got frustrated. So you have a chance to give them that breath of fresh air so they can actually innovate with you. (mellow electronic music)..

