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Jorge Rios is the founder and CEO of Bridgefy. Bridgefy's technology helps millions of people around the world use mobile apps without an internet connection, through Bluetooth-based mesh networks for mobile. In this conversation with Stanford adjunct lecturer Ravi Belani, Rios shares how his company's success is rooted in a distinctly international approach to entrepreneurship.

Transcript

Narrator Who you are defines how you're built. 00:00:06,210 (bright music) - Welcome YouTube and Stanford communities, 00:00:12,473 to this week's Entrepreneurial Thought Leader Seminar. And the ETL series, as you know, is presented by STVP, the Entrepreneurship Center in Stanford School of Engineering, and BASES, the Business Association of Stanford Entrepreneurial Students. 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. Today, we are thrilled to welcome Jorge Rios to ETL. Jorge Rios is the founder and CEO of Bridgefy. Bridgefy's technology helps millions of people use mobile apps without an internet connection, through Bluetooth-based mesh networks for mobile. According to Forbes, after Signal, Bridgefy was the most popular app downloaded in Ukraine by Ukrainian civilians during the Ukrainian crisis. Bridgefy has become the leading app in protest movements and for civilians in war-stricken zones like Myanmar and Hong Kong, and almost every area where peer to peer messaging without internet infrastructure or government control is desired. Bridgefy has been growing exponentially, they've grown almost three X over the past year alone.

Jorge Rios grew up in Monterrey, Mexico, and began his career in the public sector, helping local teenagers develop, fund and launch entrepreneurial projects through local city government. His first company was an online food ordering platform in Mexico, and he founded Bridgefy when he observed the need for Mexico city inhabitants to have a more reliable communication infrastructure in the aftermath of earthquakes. Since Bridgefy was founded, its patented technologies helped more than eight million people share information without an internet connection, in contexts such as internet shutdowns, natural disasters, rural communities, underserved schools and large events. Bridgefy received the United Nations WSA Award, and has been featured as a "PRO" magazine top 100 startup as one of the 25 most innovative companies, according to TechCrunch. Prior to becoming an entrepreneur, Jorge Rios taught politics, economics at international topics at the University of Monterrey, and he has served on the board of StartupBus, and advises multiple startups and entrepreneurs, and was also named one of MIT's top 35 innovators in 2020. So with that being said, please welcome Jorge. Jorge, big welcome from both the Stanford and YouTube communities. - Hey everyone, thank you for having me. 00:02:39,470 - So Jorge, where I'd like to begin 00:02:41,420 is just by explaining what Bridgefy is. In February, Bridgefy hit a tipping point and became one of the leading apps in Ukraine.

Can you use use that as a window to explain exactly what Bridgefy is, where it's used, and can you give some use cases of

how people have been using bridge in Ukraine? - Of course. Bridgefy is a mobile messaging app 00:03:03,160 that works without the internet. Instead of using data, we use Bluetooth low energy to connect devices in situations and places in which it was previously impossible for the internet to reach. And so this has proven to be useful, like you said, Ravi, in protests, natural disasters, at very large events, at schools, et cetera, because we know that the majority of smartphone owners do not own, do not have access to an internet connection. And so we found that there was an immense market, there was an immense need and that not only people were having a bad time when they lost access to the internet, but also companies that make apps lose out on revenue, lose out on engagement when people don't have access to a connection. And so we thought, hey, let's build another alternative to the internet that works in the situation, in places where the internet does not. - Okay, so I wanna dig into that 00:03:53,560 because I wanna talk about the origin story of Bridgefy. And let me first set some context, 'cause I think that there are two narratives on how great startups get founded. There is an ends-based narrative where you have a founder that is a visionary, and they have some keen insight into the future that nobody understands. And entrepreneurship is about curing the resources to achieve that vision.

But there's another narrative, which is more of a process-based narrative, where entrepreneurship is more of a muse that seduces a founder down a path. But then by going through the journey, you pivot, you change, you use design thinking, which is, I think, the wisdom of the design thinking school, to unlock insights that you would've never have known before, and you end up pursuing something that might have been a deeper calling than you even realized from the beginning. And I know everything is sort of a combination of the two, but which of the two did Bridgefy fall in, and can you talk about the origin story, how Bridgefy was created? - Definitely the second one, we were first time founders. 00:04:55,000 We are, I guess, technically first time founders, in the states, at least. And so I was elected to represent Mexico in a hackathon, it's called StartupBus, in which teams from several parts of the United States, several parts of Canada and several parts of Mexico, they meet in a specific city, in that year, it was Austin, Texas. And so I was elected to represent Mexico, but I had no knowledge of technology. I had just worked on a startup, notice the quotes, for the past three months only. And so yeah, that's where Bridgefy Was born, out of necessity, like you said. We started thinking of something that people actually needed. Not only a convenience, not only is like a novelty, but something that would actually impact people's lives, including our own.

And so yeah, we met on the bus and we thought, let's build a messaging app that works without any internet connection whatsoever, because in Mexico city, there were earthquakes almost every two or three weeks. And so we thought this would be cool, and then we can also take you to concerts, we can take it to stadiums, et cetera. And so yeah, we got second place in that contest, and so we thought this was really cool. A lot of people identified with the idea and the then vision, which was very small compared to today's vision. And so yeah, we decided to turn it into a company, yeah. - So I wanna keep going down this thread. 00:06:20,240 So I just want the founders and the students to all understand this. So the impetus for this thing that has now become this influential tool to really influence the world started with, you had this vision of people using it after the Mexico City earthquakes, maybe in concerts, people in concerts would text each other. And now can you give some examples of some of the more touching ways that you're people use the app in Ukraine or how you're actually seeing it being used? - Yeah, definitely, since we launched it back in 2015, 00:06:47,540 we've seen major usage spikes in very, very delicate situations, such as the Mexico City earthquake in 2017, and there were a couple of hurricanes in the states, that hit the United States in the same year. So that's when we got a very first big spike.

And then throughout the years, we were also used in Hong Kong and the protests in India, Myanmar, Thailand, and then more recently in Ukraine. And people were using it to communicate during these situations because they knew that they were going to be surrounded by tens, if not hundreds of thousands of people. And you know what happens when large amounts of devices are trying to connect to the same network, it gets saturated, so it becomes unusable. And so people started using it because there was no alternative. Bridgefy was the only app that worked during those situations. But then as the years went by, it started evolving into... We choose to use Bridgefy because it keeps us out of the public eye. Because if you send a message, like a Bluetooth message to somebody that is within 330 feet from you using Bridgefy, then it doesn't go through a server. We never have our content go through servers, at least with the version that we have right now, and so people start identifying it as an extra layer of privacy and anonymity. We started learning from our users that you know what? Bridgefy is no longer a natural disaster and events app.

It is now turning into an app that people have identified as a tool for protests. And so that's when we started paying attention to stuff like security, anonymity and privacy, because it had evolved into that. And so now we have this huge responsibility of paying more attention to security, paying more attention to how the app is being used by people that don't know English or Spanish, which are the only two languages that we support right now. And so just how do we make that better? How do we reach more people? How do we make it easier use and how do we make it more attractive to use by those that want to and need to stay safe and anonymous? - Yes, and so I wanna underscore this point, 00:08:52,010 because the initial vision was people at concerts are gonna use it to message about how great a song is at a concert with each other. And now what are the messages that people are using, that you're seeing even in the real time crises? What are they using the app for? Just so people understand the gravity of this. - Yeah, they're using it to mobilize, they're using it to, 00:09:13,040 if you lose sight of a loved one or a friend or whatever, then they also use that to find each other. And so yeah, a lot of organization and a lot of filling in the holes that the internet leaves, where you lose sight of your family, if you lose sight of somebody that you were working with or something like that. And so this is when the technology has been the most valuable, in those situations in which you cannot afford to be disconnected from the world. - And it's literally life or death now. 00:09:40,960 If you get disconnected from Bridgefy, either you're not gonna know where your loved ones are in Ukraine, it'll also prevent

how the messaging is happening for the people that are resisting the occupation.

So it's become a critical life or death messaging tool effectively. - Yes. 00:09:59,730 - So can you walk us through the moments of how... 00:10:01,460 'cause I think there's a few examples of pivoting towards something which is such a grand calling, as what's happened with Bridgefy. Can you share any insights that you've learned about how to unlock these pivots or these moments as a founder to find where, I don't like to use the word the universe, but the spirit of entrepreneurship ends up pointing you and saying, Jorge, you're not gonna build a concert messaging app, you're actually gonna be a critical, a messaging tool for war-torn and protest-driven movements. Can you give us a little bit more color in terms how that happened, and any advice for future founders on that? - Yeah, definitely, so it wasn't a decision that we made. 00:10:41,390 We didn't plan for it to be used the way that it's being used today. And so like I said, our users were telling us through downloads, through messages on social media, through a lot of email, that they needed this for a different use case. They needed this for a different situation than we had originally envisioned. So people still use it for events, a few thousand people use it at Coachella.

People still use it at schools. Nevertheless, the main, main usage right now is situations in which there is censorship, in which there is a political problem going on. And so, yeah, I mean, we kind of had to pivot. We didn't choose a pivot, and so we built the app and then we realized that it was being used for these other things. And then at the same time, we were building out the Bridgefy SDK, which is basically software that other companies can integrate into their own mobile apps and make their apps work without the internet. So imagine one day being able to use Twitter or Facebook Messenger or a Red Cross app when you don't have access to data. And so we started building that in a different way. We started building that with security, with privacy, with anonymity in mind, because we had been led to this pivot. It wasn't a decision, it wasn't like one day a light bulb turned on in my head and we said, okay, you know what? We should pursue protest and we should market to countries where there's gonna be a political conflict. It was basically what happened.

It was basically what our users told us that they wanted. - And was there a moment when you realized 00:12:14,530 that this was the new direction of Bridgefy, and when did you know that it would become this phenomenon? Was there a moment when you realized this was actually gonna become fairly significant? - I don't wanna say that this is the direction 00:12:28,691 that we're gonna keep going on. We basically are focusing right now on licensing the technology to any app that wants it. However, our own app is taking this direction. So it's very interesting because we have this as a responsibility, and we have to keep preparing for that. And I guess the moment when we realized, wow, this is actually happening, this is actually getting big and interesting was back in 2000, well, 2017 was very, very emotional for us because all my team is Mexican. And so a lot of people lost their lives in the Mexico City earthquake. And so just the messages that we got from people saying, "Thank you for building this. I literally found my mom, thanks to this app. We had downloaded it like one or two days before." By coincidence, there was this person that had downloaded it literally that same day before the earthquake.

And so that's when it really hit us like, okay, this is important. Not necessarily to the point where we were like, okay, millions of people are using it already, that was a little bit later, but definitely that was one of the first ones. And then when it started getting even more serious was in 2019, when it started just going viral in Hong Kong. We had 350,000 downloads, which to us was a huge amount. It was double what we already had had. And so we got 350,000 downloads in like two days. And we started getting in the news, we were on "Forbes", "Wall Street Journal" and whatnot. So that's when we started getting a lot of good opinions but all also bad ones, because they said you're supporting the protestors, which we were not, we just had the app on the app stores. We don't support or not support anybody, we are a tool. And so we also got a lot of flack because our security was not great back then.

So it had a lot of vulnerabilities and we let our users known, but they were still there. And so throughout the years, we started focusing on fixing those holes and improving our security, and to the point where we are about to hire a security team to work in-house. - And so I find this fascinating 00:14:30,720 because you built this with this intention of helping out people that were within the Mexico City earthquakes, or even concert goers. Now you're in the throes of these, probably the deepest global crises, and you are significantly influencing those with your technology. One of the themes for Stanford this year is exploring ethics and entrepreneurship. And I imagine that you are now in the middle of some pretty interesting ethical situations. If that's true, can you share any experiences that have happened to you as a founder, that have posed ethical dilemmas or situations that have... where you're you feel like you've been confronted by different entities that have invested interest in trying to understand what you're doing? - (laughing) Where do I begin? 00:15:19,030 Definitely, so we actually were... We got a very, very large amount of messages in 2020, because we got around 3 million downloads in Myanmar because of the protests. And a lot of people reached out to us saying that we should shut it off, that we should remove the app from the app stores because it was fueling this protest, which is completely not true.

That protest was gonna happen regardless. And so that was one... It wasn't an ethical dilemma because we weren't going to take it down of course, but it was something that made us pause and made us think, okay, are we doing the right thing? What if this gets into the hand of drug dealers? What do this gets into the hands of the wrong people? Like we have no control over who uses our app, like any other app does, you don't know what the content is that they're sharing, and so this is constantly on our minds. Like how do we avoid becoming a social media platform that is evil? How do we avoid becoming a source of evil? How do we avoid Bridgefy being used for things that we don't agree with, that are not ethical? And so as a founder, you really have to stick to your guns. You're gonna get a lot of noise from the outside, from both the little devil and

the little angel on your shoulders, but you really, really have to stick to your guns. And most importantly, I think as a founder, you have to ask for opinions and you have to talk to people that have already been in those dilemmas, and you're gonna get conflicting opinions as well, but it will help you come to a decision. And at the end of the day, what helps you sleep at night, even if it's a little bit, is having done what you think is right. I know it sounds a little bit cliche, but if you don't run your business in a way that you think is right, it's not going to be a... It's not gonna be worth getting up in the morning to go and do. - And do you formalize for yourself principles 00:17:13,380 to navigate making these decisions when people are trying to tell you what you should be doing in these war-torn countries or not doing? Are there principles that you have to navigate those, and what principles have you developed? And if there is any situation that came to you, that was a difficult situation that you could share, and how you had to navigate that using those principles, it's welcomed.

- Yeah, definitely. 00:17:41,320 So it's very basic, it's basically don't do evil, like Oogway used to say, but it's, don't lie, don't steal. Like those are crucial for a company, and you see a lot of companies doing it on a daily basis, but we are very aware of how that can impact us in the future. And for example, I think I know which example you're talking about, a few years ago, like five or six years ago, we were fundraising. And two funds in the same round that we were raising offered us money, but then they offered us money in a way that weren't comfortable with, like they offered us money and then they said, "Okay, we're gonna invest in you, but then you have to return this much money," and so we weren't comfortable with that. And then I spoke to my advisors, I spoke to my family, i spoke to a few friends that I trusted in, and everybody said, you can't take this money. And I said, my company's going to die. We weren't considering it, but if they make you an offer, you as a founder, as a CEO of a company, you have to seriously consider both options, of taking it or not taking it. And so it was money that we were going to be very uncomfortable with. It was not the partner that we wanted.

And so at the end of the day, we didn't take it, even though it would've completely changed our company. But that basically set the pace for the following years where whenever we sat down with a customer or with an investor, or with a potential advisor that we didn't really trust, and it gave us this feeling of like something that you can't really measure, but you know what, I don't like the vibe of this person, like he gives me the wrong impression of this and this, and that, you have to follow your gut. 'Cause at the end of the day, like you have all these opinions, all this gamut of opinions, but you have to run things the way that you want to run them. - And if I can, can I ask about the ethical issues around, 00:19:28,270 you view the technology as a technology, and so do you view it as just a tool, agnostically, or do you think that you also have an obligation to ethically constrain how the tool is used? Does it matter who uses Bridgefy to you? Obviously like in the news right now, Twitter with Elon Musk's bid to acquire Twitter, everybody's asking will Twitter now allow Donald Trump on the platform in Twitter, which has been a messaging buzz, yeah, has made this ethical decision to not allow certain behaviors on their platform. How do you navigate similar ethically controversial situations like that? - The thing with Bridgefy, 00:20:05,670 and this is going to get a little bit specific and particular to our technology, is that we don't have access to any content. And so there is no way for us to police anything. We are going to roll out a version of Bridgefy that will let you report users, and we might be able to take the look at like if that user has been reporting multiple times, but really, the price that you pay for extreme privacy and security, and anonymity, is that it can be used by anybody. And you have no, like Signal for example, is considered to one of the safest messaging apps in the world, and so you don't know who's using it. Like probably I'm sure that bad actors are using it as well as good actors, and I'm sure that Bridgefy has also been used by people that we wish weren't using it, but really, there's not much you can do. You just need to keep it as safe as possible, and just work on encryption and whatnot.

But there's really not a lot that we can do. So to answer your question, we consider ourselves a tool to help humanity in general, whether it's five students in one classroom in rural Mexico or 800,000 people in Ukraine. But yeah, I mean, it's a tricky question. - No, that's why we're asking, 00:21:17,570 and I appreciate you having the conversation around that. But it sounds like, so you went through this one pivot where there's this opportunity that emerged, which was around really using Bridgefy in these situations and areas that you couldn't have predicted before. It sounds like you were also hinting at that there's like another pivot that seems to have emerged as well, where not only is it useful in war torn areas, but that, actually, there's other use cases that are now on the horizon that you guys are thinking about supporting. Can you explain how that now has emerged or what is that? - Yeah, definitely. 00:21:46,760 So the Bridgefy app, we're never gonna decide what is being used for, but the Bridgefy SDK, the technology that we license, that's what you mean, right? - Yeah, or I guess what's on the horizon now. 00:22:00,390 It sounds like we were saying what unlocked before was that people were just using it for messaging when they didn't have internet infrastructure. Then there was this realization that it's actually, even with internet infrastructure, it's a better tool because of security and privacy from other sources.

So suddenly, then this is, again, sort of the entrepreneurial news unlocking this other unforeseen opportunity. I was wondering if there was something along that and how you discovered that. - Yeah, definitely. 00:22:25,470 So the Bridgefy app started off as a like proof of concept, 'cause we always wanted to get into the B2B side of the company, and make the Ubers and Twitters of the world work without the internet. But then the app started growing up. And so we stopped being a proof of concept and now it's a one of our two verticals. And so right now, our goal for the next few months is to make people use Bridgefy more. So we want people to use Bridgefy, not only when don't have access to the internet, not only when there's a protest or an event or when they're at school, but also throughout the whole day. So we are going to release a version of the Bridgefy app that will contain internet and non-internet capability, so that you will be able to use Bridgefy 24/7, and then should you lose access to the internet? You don't need to switch apps like you need to do with, let's say WhatsApp, Signal or Telegram, if they stop working, you need to switch to Bridgefy. Well, what we want is for people to just fall in love with

Bridgefy, make it as safe as we can, add all the cool features that all the other apps have.

And so not necessarily replace the other apps, but be a better alternative, be an alternative that people can use all day, regardless of whether they have access to the internet or not. And we feel this is gonna be huge in regions like Latin America, like Africa and Southeast Asia. - Okay, and what I found fascinating 00:23:38,780 is how you have these cascading insights that unlock to building out this product that you could never have a priority predicted. It just became this thing that you wouldn't have predicted before in advance. - Yeah, absolutely. 00:23:49,600 Especially like all the safety features that we're going to roll out, like disappearing messages and having to put in a special password in order to open the Bridgefy app, just to open it, self-constructing messages, like you can set a timer, a security QR code, like all those things, including the Signal protocol, which we're adding. We're the only company in the world that has made the Signal protocol work without the internet. And so Bridgefy is going to be as safe as Signal, except that it's also going to work without data. So we feel that that's a compelling offer that we're making to users. And hopefully, that will make other companies say, hey, this is really cool.

More than eight million people are using Bridgefy because it works without the internet. I, Uber, should adopt this technology, or WhatsApp, or Twitter, or Tinder or what have you, should also want to make an effort to service those markets that have a smartphone but they don't have access to data. - And so you're saying before that it's a tool, 00:24:45,190 but it also sounds like with this next evolution, you view it as more than that, as like a platform that everybody gets plugged into, do you view it as a product or a platform and how would you make the distinction? - So the Bridgefy, they're both products 00:25:01,450 except that the Bridgefy SDK is an infrastructure play. So we want to build this global network where you can go to, let's say San Francisco, and automatically get information or send information out to anybody in the city. Thanks to Bridgefy working on smartphones, on smart cars, on smart street lights, on microwaves, everything that we can get our technology onto, we will. And we're already working on that because we are convinced that that's what's needed right now. Like for example, in developing regions, 4G is still not universal and it's been around for years. And so 5G is not even on the horizon for the vast majority of the world population. And just bringing an alternative that works today, like, all you need is your phone. All you need is to turn Bluetooth on and you can plug into a huge 800,000 person network around you.

Then we feel that's really valuable for protests and events, but also schools, and also in the gaming sector and international travel, tourism, rural regions, we feel that all these people, all these communities, need this technology and the telco-infrastructure is not catching up. It's expensive, it's slow to rollout. And if you don't have 4G today, there is a very slim chance that you will have 5G in the near future, but we're ready for that. - So it's so fascinating to me 00:26:17,640 how this thread of this journey has taken you from this initial application of Bridgefy, now you're even thinking horizontally to all these different applications. And it sounds like it's getting bigger and it's like a sequel, it's getting bigger and batter up with every movement. But how is the journey? And everything's exploding now, but can you talk about the journey up until this point? Were there challenges as a founder? We oftentimes live in this TechCrunch world where everything seems like it's up until the right and it's easy to build these apps. Can I invite you to share on the low points of getting to this point here? - Absolutely. 00:26:55,100 Yeah, like one of our investors, Biz Stone, says an overnight success- - Biz Stone is the co-founder of Twitter, everybody, 00:27:01,960 just in case you didn't know, but yeah. Yeah. Sorry.

- Yeah, Biz Stone, one of the co-founders of Twitter, 00:27:06,920 I think he probably said on his book, and he said that an overnight success takes 10 years to make. And so I completely agree with that, because we did go through a lot of stuff up until, I would say, 2019 that Alchemist Accelerator, the best B2B accelerator in the world, there I say, adopted us. Before that we went through like five very, very rough years in which nobody wanted to invest in us. And maybe that's our fault 'cause we've never been graded fundraising, our specialties is building product. And so in the very beginning when we started Bridgefy, a lot of people wouldn't even take meetings with us because they said, "We don't understand the product, we don't understand technology, we're not in that market. We've never invested in a Mexican company," even though we were not a Mexican company. And we went through a lot of stuff. Like when we first moved to San Francisco, we were invited by the person that invented the StartupBus, Elias Bizannes, who's also on our board today. And he invited us to come to San Francisco and we work. He had this hostel slash coworking space, it was like a three story building.

And so he said, "You can come to San Francisco and stay here for three months," although we stayed for six. "You can come from San Francisco and stay for three months. You just have to work, help us with hostel stuff. You need to help clean, you need to help like build bunk beds, you need to help with the coworking space, whatnot." In order for stay in San Francisco for free, but we didn't have any money. So we constantly went to Uber events. I remember we went to a Nest event before they got bought out. We went to a lot of Twitter events just to have dinner, 'cause we didn't have money to buy food. And so one of our challenges every day was, okay, who turn is it to find dinner? And say, okay, my turn. I found this event that is four blocks away. They're gonna give out pizza and beer if you stay and watch this pitch night or whatever.

And so we used to go to those events and just eat as much as we could, 'cause we couldn't afford to buy three meals a day. Sometimes some days, and I apologize to my former hostel mates, we used to have to steal breakfast. Take a couple eggs here, take a little bit of milk from there. And so this basically, that's how Bridgefy started and that's how we are today. We don't steal food anymore. I don't think my team steals food anymore, but we evolved in a very scrappy minded way. Like we don't waste money when you don't need to. Like we've achieved way, way more than any of our competitors with a fraction of what they've raised, because we don't go up around buying cars, we don't go about around like renting huge offices in San

Francisco. We pay for what we need. And our goal is to build a product and to help people, not to spend money.

And so throughout the years we went through a lot of crisis, a lot of recessions, a lot of team rotations. There's one time in 2015, we were literally like two weeks away from telling our team, "We ran out of money, you guys should start looking for work." And we got selected to participate in this Twitter contest called Twitter Hatch, and the price was $25,000, which is what we needed to last for three more months, and that would've given us time to fundraise. Second and third prices were not enough for even two more weeks. And so one of my co-founders says, "You have to go and you have to win." And I say, "Okay, that's great advice, thank you for that." And so we went and we won, and that ended up being the only year that they held that contest. It was basically like, it's not that I believe or don't believe in fate, but like whenever we have been about to throw in the towel, something has happened that has revived us. Again, 2018, both of my co-founders left in December, 2018, three weeks later, Alchemist said, "You are accepted into the Alchemist program." We went on to raise $1.5 million. Like it's just been a hell of a ride (laughing). - Yes, yes, yes. 00:30:54,390 I mean, that's an understatement, it sounds like. And so, people oftentimes say, you just have to be present to win as an entrepreneur.

So, so much of it is being there when the wave takes you, almost like surfing when the wave takes you, and you have to go through all these challenges to be there. But I'm curious, Jorge, because you're going through all, even these experiences now, where you're in unchartered territory. When you came to San Francisco, that also felt like it was unchartered territory. How have you received, or have you been able to receive mentorship through the entrepreneurial journey? Has your experience as an entrepreneur from Mexico, building a global company out of Silicon Valley, do you think that is unique to other entrepreneurial journeys? And can you share about what that experience has been like and how you have navigated that? - Yeah, now it's all been uncharted territory. 00:31:48,280 It's all been a constant learning process throughout the years, albeit way, way more drastically at the very beginning. And we are definitely not the first Mexican, we're definitely not the first company that is made of 100% Mexicans that has been successful or not successful in Silicon Valley by a long shot. However, we think that we are unique in that we've impacted such a huge amount of people in such a small amount of time with technology that we've built in a coworking space, in a hostel without any money in our pockets. And so it's definitely been a lot of push-backs from Silicon Valley that we managed to survive. Like I said, a lot of funds wouldn't even take a meeting with us when they learned that we were Latinx, Ivy leagues, or that we didn't even have green cards back then. That we weren't living in the Bay Area, and that's what we're trying to fundraise for, so we can't afford to live in the Bay Area.

So it's been a lot of stuff that I know that not every single company has gone through. We haven't been the only ones, but it has definitely been a unique, not unique, but a very special journey so far. - Yes, and founders, 00:33:06,930 I'm gonna open it up for questions in five minutes, I'm gonna ask one or two more questions. So again, you can start posting questions, if you have for Jorge. Jorge, then given all of that, do you have any advice for founders that are coming from underrepresented areas in United States? Anything that you would've done differently knowing what you know now? - Well, you actually, 00:33:30,990 people who are coming from outside the States have an advantage nowadays because you can easily raise money without even physically being in the United States. All you need to do is be a Delaware C-Corp, or let me rephrase, all you need to be is an American company, not necessarily Delaware. But yeah, like for example, one company that I'm advising right now from Ecuador, they were very worried that they needed to take a loan out from the bank in order to come to California and be able to stay here for a week, to be able to take meetings and fundraise. And I said, "Which fund has asked you for an in-person meeting." And they said, "Well, none, but we have to go meet them." And I said, "No, you don't." That you can raise money, we're actually, we, Bridgefy are fundraising right now, and we haven't been in California in a while. And so that's an event is that you have, you don't need to be in the States before you raise money. And another one is that you probably understand problems that people in California do not.

You probably have life experiences that have nothing to do with a day to day of somebody in California. And so you can bring a different viewpoint to the table. You can identify with these problems, like lack of access to the internet. Like for example, at the very beginning, we used to pitch Bridgefy and people would say, "But I always have access to the internet." Yeah, but Latin America and Africa and Southeast Asia, but all you have to do is turn WiFi on, like the antenna, and then you have access to the internet, or if not, you have your data plan. And it was so challenging to convince people that that was not a reality. It is not a universal privilege to have access to the internet. And so this is an example of how people coming from outside of the United States, like you have that advantage, you have that advantage and you don't need to be in the States today, which I think is the biggest difference from when we started back in 2014. We had to be in California, they had to see you, they had to see if they like you. And now you can raise two or 3 million on a Zoom call. - That's fantastic.

00:35:32,050 I think everybody's becoming more of a global citizen and it's partly because of technologies like yours, the geopolitical lines are blurring and everybody has a vested interest in everything now around the world. Can you speak to how the entrepreneurial ecosystem has changed in Latin America and/or just globally, and if there's opportunities or things that have shifted even since when you started Bridgefy. - Yeah, definitely. 00:35:55,500 So the very few funds in Latin America that were active eight, nine years ago, are finally starting to see the benefits of having taken those risks. And that in turn, lets other funds acknowledge that Mexico and Latin America have a lot to offer. You are seeing a lot of success stories in Mexico and Argentina or Brazil that were not there before. So it was unproven territory, uncharted territory for us, 'cause back then the majority of the investors that we spoke to had never heard of any Mexican company being successful in California. I'm not saying they weren't, but nobody knew of them, they weren't famous. Like any Brazilian company, any Argentina company, any Chilean company. And so now Latin America has evolved and grown to that point where there are many, many more funds.

There are many, many more angel investors, which we did not find back in the day. And they know that the resources are there, that the talent is there. Latin America has ridiculous developer talent, ridiculously developer talent. And a lot of cities are business hubs and universities focus on businesses programs as well. And so you have what it takes to make it, if you want American money, you need to be an American company, but you don't need to have any Americans on your team. And so, yeah, it's basically that. And then FinTech has taken over because there are hundreds of millions of poor people in Latin America. And if you bring just a fraction of them to the digitized world, then you're gonna make it, which is something that, for example, NewBank has done fantastically. And so yeah, a lot of markets that you have access to that others don't. - Yeah, it's so true, it's so ripe, I think right now, 00:37:37,790 there's so much happening, it's so exciting.

I'm gonna turn it over now to the student driven questions. Students feel free to post questions if you have them for Jorge. But the first question is do large internet providers and cell phone companies AT&T, Verizon, view the technology of Bridgefy, particularly the SDK, as a threat to the services they offer? Do you see Bridgefy as a disruptive technology in these industries? - I don't think they see it as a threat. 00:38:04,100 At least we haven't heard that from conversations that we've had with a few of those, it's basically more of a plus for them. Imagine if you could take an iPhone out of the box and it's an AT&T iPhone, just to name a brand, it's an AT&T iPhone and right out the box, you can start using apps that are already on your iPhone. Imagine how powerful that could be to hundreds of millions of people. And you know that, oh, you know what? Only AT&T phones have this technology, whereas the other carriers don't. So this could be a plus for them. In addition to us being able to cover the gaps that in this same example that the AT&T network would leave, on top of like a third option, would be that we also reduce server load, we will reduce server load for these kinds of companies. So that if Ravi and I, if you and I, Ravi, are at a stadium and I wanna send you a payment, or I wanna send you my location, or what have you, instead of consuming resources, by making my message go through a server, I can just send it straight to you.

And that is maybe a fraction of a cent, but ask any huge company what their Amazon web services bill is every month, and it's stratospheric, and so that's another plus. So I don't think they're ever going to see us as a threat because we are there when their service doesn't work. So we're an add-on. And then the second part of the question- - Is, do you view it as a disruptive technology? 00:39:22,680 So the classic disruptive technologies they appear sort of, I know, but the implication behind that question, I think is that the classic disruptive technologies appear innocent and they're going after sort of, a low end market, which in many ways Bridgefy. It's almost like a cruder version of doing messaging when you don't have internet connectivity effective, but a simpler method. And then over time as these SDKs evolve and everything else evolves, it starts to usurp the incumbent. And so I think the hidden question here is, do you think in the future as you grow exponentially, when people think about Bridgefy five years from now, are they gonna think about it as a network like an AT&T or a Verizon back in the old days, five years from now? Is it gonna be the new next generation network? Or what is the vision for what Bridgefy becomes? - I don't think we're going to replace 00:40:16,530 traditional cell phone and internet networks. It's just, they're just different animals than Bridgefy, but we are going to see a change in the way that people communicate, because we see people demanding to their app makers like Uber and the Twitters and the WhatsApps, like we hope to get to that point where they're demanding that they also work without the internet because the other apps are. And once we partner out with of either an Apple or a Google and are on every single iPhone, and/or every single Android, then we will see this universal, like this global network that is unavoidable. Bridgefy is very similar to Bitcoin, I think, it's to crypto in general, because it's something that it's almost impossible to stop.

And I don't mean that in a bad way, I mean, like, we don't break any laws, you don't need jailbreak your phone. It's almost impossible to stop and it's for the people. And so we create independent decentralized networks that people can use that they can't today, and that's not fair. Like it's not fair that I can't participate in the local local economy or local society, or like my life has to be in danger because I can't afford a airplane, or because your infrastructure is not enough, it's not robust enough. You didn't wanna invest enough in this rural town in Mexico, and now there was a flood and everybody screwed. So basically we want to do that. We wanna democratize communications to a point that it's unavoidable for apps to include the Bridgefy technology and participate in this network because everybody else is going to be. - Okay, and if you were gonna become the next network, 00:41:42,840 you probably wouldn't say it publicly right now to everybody- - No, we are going to become, 00:41:45,900 we're gonna become the next network. We're gonna replace the internet. We're not gonna replace the internet ever.

That would be ridiculous for me to say, but we are going to be an alternative for when the internet is not available. - It becomes the next manifestation. 00:41:58,070 Okay, fantastic. There's a bunch of questions, so I'm just gonna keep going through as many as we can. This next question is, thanks for the talk, Jorge, how have you gone about building a technical product with limited resources? How did you focus between getting something on a market fast and building more long-term quality? - That's a great question. 00:42:16,400 We actually built it ourselves. I used to have two co-founders, and then when we raised a little bit of money, we hired former engineers. So we've always been a product-heavy company. And so we've always focused on building product, always focus on building product then, because we didn't know if Bridgefy was gonna be able to exist, because so many other companies had tried to build it and failed because the technologies weren't ready. Bluetooth was not ready, operating systems like iOS and Android were not ready.

And I think there was also a lack of understanding of the basic problem of the fundamentals of the problem. And so we were at the right place at the right time and we are the first ones but we're definitely not gonna be the last ones, I think. And so, yeah, we first focused on the product. Once we were like, oh, wow, this is actually weird, we were actually able to build,

that this can actually exist now, then we started focusing on growing. - Okay, next question, Jorge, 00:43:04,190 can you talk more about your background, including your education and your experience teaching at the University of Monterey? How did your academic and teaching interests lead to the creation of your companies? - (laughing) How did they know I was a teacher? 00:43:18,940 So I am a business major and I have an MBA, which has not been of any use whatsoever. I mean, you don't need an MBA to start your own company. Maybe it helps you if you go to Stanford, if you go to like a really, really top school that I would say, like the majority of the people that I know that have MBAs regret doing it. It's better if you invest your youth in finding out what you love, finding out what you like to work on, and then going hard on that. And yeah, teaching really, really shaped me as a person because I used to teach at a really, really low privileged underprivileged schools, and so you see how important it was. At the same time I taught at a local public school in Mexico that was very, very underprivileged.

And then I also taught at one of the best high schools in Mexico. And so you could see the differences, you could see the contrasts, and it helped you appreciate maybe in the future, didn't realize that then, but in the future, it helped me appreciate how, if those kids had had the same computers, if they had had the same access to a WiFi network, how on par would they have been with the other school? And that basically reflects Latin America, the southern hemisphere, Latin America, Africa, et cetera, like how that compares to Europe, how that compare to the United States. And that if we all had the same resources, there wouldn't be developing and developed countries, and that's what we are trying to fix in a way. - Thank you, Jorge. 00:44:44,060 Next question, how do you balance, this might be similar, but how do you balance, to a previous question, but how do you balance the research and development aspect of a startup with a need to keep a tight balance sheet when you're new in the field? - They're not mutually exclusive, we've always done both. 00:44:58,912 We've always focused on product. I would say that only the past, maybe year, we focused on growing, but before that we were always working on product, product, product, and building something people needed. And the 8 million people that have downloaded Bridgefy, it has been come completely organic. That is something that I should have said earlier, we have not put a single cent into marketing. And that's because we built something that people wanted, which is something that is my biggest ask out of potential entrepreneurs on this meeting.

Find out if people want what you're building. That is the first thing you have to do. Talk to people, run a poll, build a very basic version and give it out for free. Find out if people want it, 'cause if they don't want it, it doesn't matter if you raise $12 million, it doesn't matter if you have the best fund co-founder, it does not matter, people will not use it. They don't care how much you raised, they don't care what school you went to. Find out if people want it, and then you got to make, you just need to build it. You just need to hire and you just need to fundraise, sell the easy parts. - (laughs) I'm gonna actually exercise my prerogative 00:46:00,790 and jump to one of the questions, which is, it sounds like you've had some stressful moments as a founder, do you have any tricks for managing stress and staying optimistic? - Yes, that is actually something, 00:46:16,340 yeah, one of my very few regrets is since I started Bridgefy, is not taking care of myself physically and my mental health as well. I just put it out for later, put it out for later until I got to a point where I was like, oh man, now I have to start taking a blood pressure pill, I have to start taking a cholesterol pill, I have to start taking pills for my, 'cause I developed like really bad stomach aches because I got super stressed, and I wish I had taken care of them before they became huge problems. And that's also something that I really, really recommend, take care of yourself.

Like you don't have to kill yourself to build a company. That is a myth, that is something that a lot of people, especially in California want you to believe because it's in their best interest. You do not need to kill yourself. You don't need to sacrifice your family or yourself or your social life for your company. There is such thing as work-life balance. And so I eat well, I eat better than I did a few years ago. I meditate a lot and I also have learned how to let go. Like if it's 7:00 p.m., that's the end of your work day. Unless there an emergency, you are allowed to turn your phone off, you're allowed to spend time with your family, and you have to for the sake of your company. - Thank you, Jorge.

00:47:23,120 Thank you, thank you, thank you for sharing that. Next question, what type of entrepreneurial education did you receive throughout your life before beginning your startup journey? Was there any type of programs, courses, you can think back to that made a big impact in shaping the entrepreneur that you are today? - Before Bridgefy? 00:47:41,290 Yes, I founded my first company in Mexico. It lasted three months and we went through an accelerator program. I learned how to pitch and I learned what a business model was, I learned what a startup was. We failed, that's a story for another day, but it was pure luck and coincidence that I got into the startup world. But yeah, other than that, I've had to learn it as I go. I read a lot of books, talk to a lot of people and just pay attention to what others are doing. Not necessarily in your space, but people who have already got into the point where you want wanna be, just learn from them. And I think that's the best quality you can have as a founder, like realize that you do not know everything, realize when you are wrong and be able to learn. - And are there any specific books 00:48:25,200 that you would tell your former self to read sooner? Any books that you wanna recommend to the next generation of- - Yeah, I wish I read "The Lean Startup" earlier, 00:48:34,030 "Crossing the Chasm" as well.

And I would say what would've also really helped me at the very beginning is one of the pitching books. What was it? Never split the middle, that the outcome it gives us. - "Pitch Anything", 00:48:44,687 "Pitch Anything" probably. - "Pitch Anything", oh yeah. 00:48:49,230 "Pitch Anything" and "Never Split the Difference". Sorry, "Never Split the Difference" and "Pitch Anything". Like those are really helpful, not only for fundraising, but also talking to your team and your wife. - That's great. Okay. 00:49:02,070 Next question, Bridgefy's mission to connect people of the world regardless of wealth, privilege or

circumstance, reminds me a lot of cryptocurrencies.

Bridgefy and crypto have the same concerns you discussed, as having good actors and bad actors, but finding the ethical nature and having the platform available for everyone free of censorship. Is that something you've thought about? - Yes, absolutely. 00:49:22,130 We actually mentioned it, I think like 10 minutes ago, that I bridge try as a crypto. It's decentralized, we wanna make it as democratized as possible. One day we might make it open source to a certain degree. And so it is something that the world needs that is gonna take a while for us to get to critical mass, maybe one or two more years, but we know that the world needs it and the world wants it, very similar to crypto. And so, yeah, we feel that we are very, very similar. - Okay. 00:49:50,980 Next question is how do you envision the future technological landscape of off network mobile communications? Are there any emerging, such as Mobile mesh networks, Starlink, et cetera, which would out complete Bluetooth given the limited range? - So that's a very good question. 00:50:08,120 We are not limited to Bluetooth.

We built the technology on Bluetooth because it was what worked back in the day, back in 2014, 2015, it was what was available. Now we have Wi-Fi Aware, we have all these other protocols that work with IOT as well. So we're not limited to Bluetooth, we don't want to be outgrown by anybody else. And so what I see happening in the next five years is that, well, we already know this, more and more people are gonna have a smartphone and they're gonna wanna participate in the digital world, but the infrastructure is not gonna be enough. And so that's where we come in. That's where Elon Musk comes in, that's where Bridgefy comes in to fill in those gaps that the current telco infrastructure has left and still has. And so I think that that's where we're going to get to, and hopefully 4G will continue to grow, 5G I'm not really concerned about, but yeah, that's how we see the next five years. - I'm gonna ask you a question, 00:51:05,699 just diving into like that moment that we had before, about reading these books and about how these books are good for people, interacting with people. So I'd love to just get into the nuts and bolts of being an effective leader. Can you share what you've learned about building a team? And leader slash founder of a startup, what have you learned about building a team? Any advice that you'd wanna share to the next generation? - Yeah, make very, very sure, be very sure 00:51:36,420 that you are partnering up with the right people.

Some people might seem like great co-founders at the very beginning, but you might learn later that they weren't that great or the other way around. Maybe some of the people that weren't like the shiniest stars in your team end up being like the person that you trust the most or the most important aspect of your development team, for example. And so it really comes down to what we said at the very beginning, Ravi, that you have to trust your gut, you have to trust your feelings. And it, like I said, it sounds kind of romantic kind of cliche, but you have to, because you don't know what's gonna happen in the future. And there's no book, and there's no questions that you can ask somebody that will tell you what this person is gonna be like in five years. So if you can spend six months sleeping in the same hostel room with somebody and you don't get into a fist fight, then that might be a good signal. But yeah, choose very, very wisely, especially before you start giving out equity, for example, make sure that those people are gonna be worth that in the future. - There is a quite a strong pattern 00:52:39,500 matching with co-founders that manage to live together and then start their companies in the same space. Partly just because you are forced to create all these norms and values and deal with conflicts, just because of physically living together, that you learn a lot about each other. So that's great.

So again, trust your instincts. If you have a bad, your gut is really in your body, Jorge, that's how you feel it. If you know somebody's good or bad, you can feel it in your body, it's not something rational. It's just that, that's by the sense that you have. Okay. There's a question that came up just based on that, which is diving into that more, what are the specific values that you would look for then in a potential co-founder or even an employee? What are you looking for, Jorge, or what would you like from other people? - I would say like, number one is honesty. 00:53:20,130 Like that's basically it, because honesty encompasses everything from telling you if you're messing up, telling you if they think that you're doing something wrong, telling you where they think things should head towards. But also like being honest in the way that you're not gonna say, yes, I am in front of my computer and I am working on this, and you're out of the beach. Like that everything is encompassed around that. And also would say that a lot of people we've met have been very, very smart, very resourceful, but they weren't really hard workers.

And so you wanna get a co-founder that is honest, that you like as a person, like you can go grab a beer with, and you're not gonna be like, oh man, how much longer till I get out of here? But also that are like hard workers, that want it as much as you. That are as hungry and as ambitious as you are, then you will, in all likelihood, make a good match. - Can, you know all those things, Jorge just with your gut, 00:54:16,020 or are those things that you only understand after some experience? - I think you have to make do with what you have. 00:54:24,300 If you have no experience, then you have to trust your gut. And then if you have already seven, eight years of experience then you have to trust your gut, but you also have to look for the signals and the red flags that you already learned from. You were gonna say something. - And oh, by experience, 00:54:37,210 I meant by actually working with that person. So I'm wondering as a hack for you, would you extend somebody to be a co-founder just based on a gut instinct or would you wanna work with them for a little period of time and establish if they're honest, if they're hard working, all these things first. Would you recommend that before formalizing an offer with somebody? - Absolutely. Absolutely.

00:54:58,890 Yeah, definitely, if you can afford it time-wise and resource-wise, then definitely, get to know a person as much as you can before you get into that marriage with them. - And as a co-founder any guidance on, 00:55:11,280 should you put yourself on vesting schedules at the beginning with your co-founders? - Absolutely. 00:55:26,690 So if you leave the

company, you don't leave with 33% of the company. So that's vesting, that's a vesting schedule. They are your friends. You need to put one on yourself as well. Your investors will demand that you have one. And so they're very good, highly recommend. - Okay. Terrific.

00:55:45,830 We have one more minute, Jorge, any other pieces of advice that you wanna give for the next generation of founders that you wish you had received when you were starting out, or thinking about starting out? And I guess the classic question that we oftentimes ask and I should ask right now is, what do you wish you knew when you were 20 years old, which is the average age of the Stanford students that are here? - When I was 20 years old, 00:56:12,123 I wish I knew that I could do anything. Yeah, 'cause I thought like, oh man, well, I'm Mexican and I'm going to this university and I have these friends and I've only taken these courses. So I guess I have to work on something related to that. But the world is full of opportunity and you just have to want it. And not only take it, but you have to want it. And that's, I guess, my biggest piece of advice. And again, I'm very cliche, but if you're not in love with something, don't work on it, you're gonna be miserable. And it's not about the money. Money is important, yes, But if you are in love with something, you're gonna be working on it, even if you run out of money, which is extremely important in a startup, in a founder's life. So yeah, work on something that keeps you up at night.

(bright music)..