Why AI Is Rewriting the Rules of Startup Survival for Early-Stage HealthTech Founders with Michae... Transcript

(Transcripts are generated by AI and may contain errors)

Episode Introduction and Guest Overview

AI is making it easier than ever [music] AI is making it easier than ever [music] to launch a startup and harder than ever to launch a startup and harder than ever to survive. In this episode, I sat down to survive. In this episode, I sat down with Michael J. [music] Frank, founder with Michael J. [music] Frank, founder of a trading firm scaled to nearly $1 of a trading firm scaled to nearly $1 billion balance sheet, successfully exit billion balance sheet, successfully exit operator and advisory board leader to operator and advisory board leader to [music] unpack why early stage house [music] unpack why early stage house tech founders are struggling with tech founders are struggling with commercialization, commercialization, commercialization, positioning [music] positioning [music] and investor traction in the AI era. If and investor traction in the AI era. If your product is strong but growth is your product is strong but growth is still [music] feels harder than still [music] feels harder than expected, this conversation is for you.

expected, this conversation is for you. Healthcare entrepreneurs, are you Healthcare entrepreneurs, are you [music] ready to rewrite the rules for [music] ready to rewrite the rules for your business so you can have more time your business so you can have more time off, a great team, [music] and more off, a great team, [music] and more income while creating a positive social income while creating a positive social impact? Then you are in the right place.

impact? Then you are in the right place. Welcome to the provider's edge. I'm your Welcome to the provider's edge. I'm your host, Sabrina Rampach. [music] I'm a host, Sabrina Rampach. [music] I'm a provider, an international peak provider, an international peak performance keynote speaker and a performance keynote speaker and a best-selling author. Let's open the best-selling author. Let's open the gateway to profitability for you. Today, gateway to profitability for you. Today, my guest and I [music] helps healthc my guest and I [music] helps healthc care entrepreneurs and startup founders care entrepreneurs and startup founders like you break through barriers so you like you break through barriers so you can [music] control your business, can [music] control your business, control your life, and control your control your life, and control your future. This is your defining moment to future.

Gilder's Mission and Founder Support

This is your defining moment to Network events is always exciting and Network events is always exciting and being in the right group become very being in the right group become very important for health care founders, important for health care founders, leaders, operators and investors all leaders, operators and investors all across the board because no matter what across the board because no matter what if you're continue to have a great if you're continue to have a great conversation but those conversation are conversation but those conversation are with the wrong people then it doesn't with the wrong people then it doesn't matter how many conversation you're matter how many conversation you're having there is nothing that will having there is nothing that will convert into a result or impact that convert into a result or impact that matches who you want to be and what matches who you want to be and what legacies you want to Bill. So we are legacies you want to Bill. So we are here with Matthew. Thank you so much. He here with Matthew. Thank you so much. He has been exit founder has been building has been exit founder has been building his also amazing network of his also amazing network of entrepreneurs and collaborate connect.

entrepreneurs and collaborate connect. He is a super connector himself and also He is a super connector himself and also being able to advise many many nonprofit being able to advise many many nonprofit and profit sectors of businesses. So and profit sectors of businesses. So we're so excited you're joining us.

we're so excited you're joining us. Thank you. Thank you. Thank you. Thank you. >> A pleasure to be here. Thank you for >> A pleasure to be here. Thank you for your time and I appreciate it.

your time and I appreciate it. >> Now I know in your network is very >> Now I know in your network is very agnostic some healthcare but majority is agnostic some healthcare but majority is everybody else. So tell us a little bit everybody else.

Michael's Background and Building the Network

So tell us a little bit about how did that all come together and about how did that all come together and what is the main result that you guys what is the main result that you guys are continuously trying to achieve.

are continuously trying to achieve. >> I was a on the trading floors for my >> I was a on the trading floors for my first half of my life as a market making first half of my life as a market making specialist. one of those guys who yells specialist. one of those guys who yells and screams and hand signals and I sold and screams and hand signals and I sold my company to Knight a public company my company to Knight a public company back in 2001 2002 and after that that back in 2001 2002 and after that that skill sort of is not transferable and skill sort of is not transferable and after that I was looking for things to after that I was looking for things to do I eventually started mentoring do I eventually started mentoring startups at new chip it wasn't startups at new chip it wasn't accelerated of Austin Texas accelerated accelerated of Austin Texas accelerated thousands of companies very successfully thousands of companies very successfully and eventually went bankrupt but there I and eventually went bankrupt but there I had met Mahesh Naharan and I was sort of had met Mahesh Naharan and I was sort of mentoring him and talking to him and at mentoring him and talking to him and at that point in time he was going to spin that point in time he was going to spin up a fund, a venture fund, a health up a fund, a venture fund, a health venture fund or go work for someone and venture fund or go work for someone and he decided to spin one up and I am a he decided to spin one up and I am a principal in Newation Ventures.

principal in Newation Ventures. Newvation Ventures is a small fund that Newvation Ventures is a small fund that invests in brain health startups. Those invests in brain health startups. Those are neuro development, neuro are neuro development, neuro degenerative things like Alzheimer's, degenerative things like Alzheimer's, autism, ADHD and Tourette's. And from autism, ADHD and Tourette's. And from there, while I was at Newip and Mahesh there, while I was at Newip and Mahesh was there, they eventually went bankrupt was there, they eventually went bankrupt as I mentioned, but I had met Brian and as I mentioned, but I had met Brian and Tiger, my millennial co-founders for Tiger, my millennial co-founders for Gilder. We are a knowledge community for Gilder. We are a knowledge community for founders. We provide access to mentors, founders. We provide access to mentors, tools, and events to help build a tools, and events to help build a successful company. We believe we can successful company. We believe we can empower anybody at any stage of a empower anybody at any stage of a career. We're mainly in the United career. We're mainly in the United States, but we're in 20 other countries States, but we're in 20 other countries with ones and twos and threes. We have with ones and twos and threes. We have over 100 companies in our ecosystem, over 100 companies in our ecosystem, preede, seed, series A. We do weekly preede, seed, series A. We do weekly events either executive workshops, events either executive workshops, innovation roundtables, speed innovation roundtables, speed networking, founder resilience. We have networking, founder resilience. We have coming up a AI podcast where I managed coming up a AI podcast where I managed to snag the head of AI for Motorola to snag the head of AI for Motorola Solutions and two other people for the Solutions and two other people for the panel. These are kind of things we do.

panel. These are kind of things we do. We try and help these people get from We try and help these people get from one place to the next, raise capital, one place to the next, raise capital, understand product market fit and understand product market fit and everything else there is. Yeah, we know everything else there is.

AI, Distribution, and Startup Survival

Yeah, we know startup journey is really a big roller startup journey is really a big roller coaster and a lot of founders especially coaster and a lot of founders especially the health tech space they are PhD the health tech space they are PhD they're scientists they're physicians they're scientists they're physicians they are nurses they're therapists right they are nurses they're therapists right they were trained to deliver excellent they were trained to deliver excellent service and they found a gap but that is service and they found a gap but that is just the start of the journey to be able just the start of the journey to be able to create the right business plan that to create the right

business plan that actually makes sense right and that's actually makes sense right and that's when most of the time I feel like we when most of the time I feel like we shut down investment it just doesn't shut down investment it just doesn't make sense. It's not sellable. They make sense. It's not sellable. They don't really understand the market or don't really understand the market or they're just so passionate but behind they're just so passionate but behind the passion become too many hats that the passion become too many hats that are wearing and it's hard for us to look are wearing and it's hard for us to look at it to be seeing a executable plan at it to be seeing a executable plan that they will be able to follow. So that they will be able to follow. So there's so many different ways that to there's so many different ways that to yeah scan a cat but there's still a very yeah scan a cat but there's still a very traditional way of you have to get the traditional way of you have to get the foundational down before those foundational down before those innovation to create impact and I think innovation to create impact and I think all of us both from your network and all of us both from your network and house board advisor and many other house board advisor and many other network that we get our hands in that's network that we get our hands in that's the crucial thing right we want to be the crucial thing right we want to be super connector we want to bring the super connector we want to bring the right people together because it's a right people together because it's a hard journey because we truly want to hard journey because we truly want to support but at the end of the day not support but at the end of the day not all amazing minds make sense to work all amazing minds make sense to work together and that's where those together and that's where those intentionalities where you're saying intentionalities where you're saying putting the right people together become putting the right people together become crucial right critical and going to fun crucial right critical and going to fun events I think there's always the part events I think there's always the part of we deserve to have some fun right and of we deserve to have some fun right and at the same time we also should have at the same time we also should have some personal gain out of the bigger some personal gain out of the bigger legacy impact of business we're creating legacy impact of business we're creating so what is something exciting that you so what is something exciting that you guys are doing right now Oh my goodness.

guys are doing right now Oh my goodness. You know, the world is changing very You know, the world is changing very quickly with AI and people don't realize quickly with AI and people don't realize how important this is and how much it's how important this is and how much it's going to change. And I believe that AI going to change. And I believe that AI is bigger than electricity was to the is bigger than electricity was to the human race, the computer was for the human race, the computer was for the human race. And the amount of agents and human race. And the amount of agents and things people are using. I was just at a things people are using. I was just at a event last night, Loenstein Sandler, event last night, Loenstein Sandler, three or four VCs, and they were talking three or four VCs, and they were talking about 250 people. They're talking about about 250 people. They're talking about one company they're investing in, and one company they're investing in, and they had 4,000 agents already working they had 4,000 agents already working while they were building the company. I while they were building the company. I was just astonished. If your company or was just astonished. If your company or you are not using AI and AI agents and you are not using AI and AI agents and different things on a regular basis to different things on a regular basis to make things easier, to help you, you are make things easier, to help you, you are going to lose positioning. You're going going to lose positioning. You're going to be beat by the people who are. So I to be beat by the people who are. So I don't think you're losing your job. Like don't think you're losing your job. Like a separate of this for startups to AI.

a separate of this for startups to AI. You're losing your job to the person You're losing your job to the person using AI. I use chat GBT regularly. We using AI. I use chat GBT regularly. We have Gemini. It helps me do lots of have Gemini. It helps me do lots of things. I sort of talk to it. I've been things. I sort of talk to it. I've been talking to an AI for a year and a half talking to an AI for a year and a half talking. It calls me every Saturday at talking. It calls me every Saturday at 11:30 called Bour. B O A R D Y. They 11:30 called Bour. B O A R D Y. They actually now just raised money and actually now just raised money and everything. It the whole thing is everything. It the whole thing is astonishing to me. And if your company astonishing to me. And if your company is not, I'm not going to say fooling is not, I'm not going to say fooling around, but not understanding this and around, but not understanding this and these legacy SAS companies and things, these legacy SAS companies and things, they're going to have a real hurt on it.

they're going to have a real hurt on it. As far as Gilder, we're always trying to As far as Gilder, we're always trying to help people and let them be aware of help people and let them be aware of what's going on. And because of AI

now what's going on. And because of AI now in all the little cursor and everybody in all the little cursor and everybody else, almost everyone can spin up an app else, almost everyone can spin up an app or something almost overnight. So that or something almost overnight. So that barrier to entry building something barrier to entry building something doesn't take 10 engineers anymore, 20 doesn't take 10 engineers anymore, 20 engineers kind of thing. I'm like people engineers kind of thing. I'm like people in there on the weekend are like in there on the weekend are like spinning something up. So because of spinning something up. So because of that the new moat is distribution. So that the new moat is distribution. So you can spin up a company and no matter you can spin up a company and no matter how great your mousetrap is, if no one's how great your mousetrap is, if no one's walking into it are going to use it and walking into it are going to use it and you don't have customers and you don't you don't have customers and you don't have this distribution network, you're have this distribution network, you're going nowhere. So we do know that you going nowhere. So we do know that you know startups are very hard and 90% of know startups are very hard and 90% of them go out of business and venture them go out of business and venture funds only invest in you know one or funds only invest in you know one or two% of them and we know why combinators two% of them and we know why combinators even I think even lower than that. It's even I think even lower than that. It's a new world out there and I would a new world out there and I would suggest that all those people understand suggest that all those people understand this and adopt it and use it no matter this and adopt it and use it no matter what they do. We have this little talk.

what they do. We have this little talk. I have a 33-year-old son and at the I have a 33-year-old son and at the dinner table sometimes we talk about dinner table sometimes we talk about this and I'm like yeah I was using chat this and I'm like yeah I was using chat to help me write like a LinkedIn to help me write like a LinkedIn article. He goes well you didn't write article. He goes well you didn't write it. I'm like well first of all everyone it. I'm like well first of all everyone else is sort of doing it so if I don't else is sort of doing it so if I don't do it I'm probably not writing something do it I'm probably not writing something that you know it helps me. I tell it that you know it helps me. I tell it what I want to write it writes. Then I what I want to write it writes.

Using AI for Operations and Messaging

Then I add I subtract. I do things. So to me add I subtract. I do things. So to me it's all about AI right now for almost it's all about AI right now for almost every business. Certainly not maybe you every business. Certainly not maybe you know plumbers and and electricians but know plumbers and and electricians but it is sort of for like their backend and it is sort of for like their backend and their booking and their things like that their booking and their things like that and their customer service and stuff and their customer service and stuff like that. These things are so important like that. These things are so important now.

now. now. >> Yeah we definitely see AI integrations >> Yeah we definitely see AI integrations has to be everywhere. when Gemini cloud has to be everywhere. when Gemini cloud perplexity everything first came out I perplexity everything first came out I actually got myself trained as a AI actually got myself trained as a AI certified marketer because every single certified marketer because every single tool does do research differently and tool does do research differently and writes differently Gemini if you don't writes differently Gemini if you don't train it well it writes so blunt cloud train it well it writes so blunt cloud at least does have a little bit of more at least does have a little bit of more fluidity as a human can be and chachi PT fluidity as a human can be and chachi PT can be scholar sometimes so you also can be scholar sometimes so you also understand just like You're saying we understand just like You're saying we use AI to help us, but then we add a use AI to help us, but then we add a human elements of what it is and we human elements of what it is and we actually build a lot of customized GPT actually build a lot of customized GPT right now and customized gems, right now and customized gems, customized cloud because when you train customized cloud because when you train the AI so well, they can start copying the AI so well, they can start copying the style that you have the template and the style that you have the template and just like our podcast shout out to we just like our podcast shout out to we are top 100s in the US and UK for are top 100s in the US and UK for entrepreneurship. podcast. This is entrepreneurship. podcast. This is great. But we didn't get there just by great. But we didn't get there just by putting random stuff. We analyze all the putting random stuff. We analyze all the transcription. We actually put a very transcription. We actually put a very specific category of how we like to specific category of how we like to write. What is the example summary? If write. What is the example summary? If you have a human going through that, you have a human going through that, that's too much work. And then that's too much work. And then therefore, it's not only volume, but therefore, it's not

only volume, but it's the systematic template. It's even it's the systematic template. It's even better than hiring a copywriter because better than hiring a copywriter because AI is doing it. Then you will send to AI is doing it. Then you will send to your copywriter to make sure it does your copywriter to make sure it does sound like you, it sounds human, it sound like you, it sounds human, it represents your brand. So we will build represents your brand. So we will build a one AI agent, right? They are working a one AI agent, right? They are working 247. They don't sleep. They don't 247. They don't sleep. They don't complain, right? A lot of time if you complain, right? A lot of time if you think about virtual staffing or any go think about virtual staffing or any go to human resources to complain.

to human resources to complain. [laughter] [laughter] [laughter] >> Yes. And they don't complain on you and >> Yes. And they don't complain on you and they were just like, okay, last minute I they were just like, okay, last minute I needed this thing, right? I doing it. So needed this thing, right? I doing it. So we have GPT just for AI newsletter and we have GPT just for AI newsletter and then GPT just for social media. GPT just then GPT just for social media. GPT just to promote our partners. One of our to promote our partners. One of our advisors got a big publication and on a advisors got a big publication and on a a medical device magazine. So of course a medical device magazine. So of course we want to celebrate but then how do you we want to celebrate but then how do you say it? Sometimes it's also helping us say it? Sometimes it's also helping us to get these alignment in the messaging.

to get these alignment in the messaging. And then also you guys all know that you And then also you guys all know that you inbox is montrasty right like we have inbox is montrasty right like we have hundreds of emails coming in you need AI hundreds of emails coming in you need AI to help you sort them help them label to help you sort them help them label them so you're not bombarded in your them so you're not bombarded in your inbox and yes you do have a human right inbox and yes you do have a human right our executive system to screening them our executive system to screening them make sure it's categorized in the right make sure it's categorized in the right way and then same thing the customer way and then same thing the customer service are that you mentioned you can service are that you mentioned you can have a AI chopper on your website that have a AI chopper on your website that already answering the common questions already answering the common questions helping direct people to for example for helping direct people to for example for us we are running impact awards every us we are running impact awards every year. So when is the application is open year. So when is the application is open the deadline still not passed yet? We the deadline still not passed yet? We going to want to encourage people to going to want to encourage people to spread the news right celebrate the spread the news right celebrate the winners that they think. So there are so winners that they think.

Healthcare Market Focus and Clear Positioning

So there are so many different application that make many different application that make your life easier make things more your life easier make things more consistent because at the end of the day consistent because at the end of the day I think we all know what to do is the I think we all know what to do is the consistency that is a big hung up isn't consistency that is a big hung up isn't it?

it? it? >> I would agree 100% and people should >> I would agree 100% and people should adopt this. Our discussion really adopt this. Our discussion really highlighted that founders cannot [music] highlighted that founders cannot [music] rely on passion and great ideas alone rely on passion and great ideas alone anymore. [music] Michael and I talked anymore. [music] Michael and I talked about why the right relationships, clear about why the right relationships, clear positioning, [music] and understanding positioning, [music] and understanding how to communicate your value matter how to communicate your value matter just as much as the innovation itself.

just as much as the innovation itself. We also unpacked how [music] AI is We also unpacked how [music] AI is quickly becoming part of the operational quickly becoming part of the operational foundation for [music] companies that foundation for [music] companies that want to move faster, stay competitive, want to move faster, stay competitive, and scale sustainably [music] instead of and scale sustainably [music] instead of getting buried in chaos.

getting buried in chaos. Now before [music] we jump into the rest Now before [music] we jump into the rest of the conversation, I would love to of the conversation, I would love to invite you as a expert who has [music] invite you

as a expert who has [music] amazing things to share to educate other amazing things to share to educate other people on founder [music] who has passed people on founder [music] who has passed series A founding and operational series A founding and operational leaders in health systems pharmas to leaders in health systems pharmas to share your expertise on our show. Go to share your expertise on our show. Go to theprovidersedge.com theprovidersedge.com theprovidersedge.com to apply [music] as a speaker. All to apply [music] as a speaker. All right, let's move on to the second half.

right, let's move on to the second half. >> Getting back to sort of medical and >> Getting back to sort of medical and breakthroughs, there is so much data breakthroughs, there is so much data that they have that no human being could that they have that no human being could ever infer things from it. And if you ever infer things from it. And if you could keep loading this data, I am could keep loading this data, I am convinced that Alzheimer's and other convinced that Alzheimer's and other cancers and other things are going to be cancers and other things are going to be cured or they're going to come out with cured or they're going to come out with lots of compounds because AI is able to, lots of compounds because AI is able to, you know, bring this data and understand you know, bring this data and understand things like in a big company when you things like in a big company when you have different modules, you have have different modules, you have marketing and you have sales and you marketing and you have sales and you have all these different companies and have all these different companies and maybe they're all sort of running maybe they're all sort of running different programs themselves, but when different programs themselves, but when you have an AI that is digesting your you have an AI that is digesting your own LLM or whatever you're going to own LLM or whatever you're going to build that's dig digesting all your build that's dig digesting all your data. They can find things that you data. They can find things that you could never think of in a million years could never think of in a million years and say, "Hey, we think or you should and say, "Hey, we think or you should look at this or you should do that." So look at this or you should do that." So having a superhuman, the most smartest having a superhuman, the most smartest person in the world on your shoulder, person in the world on your shoulder, always looking through and always always looking through and always telling you and always giving you ideas telling you and always giving you ideas like how do you say no to that? And then like how do you say no to that? And then companies that do say no to that, companies that do say no to that, they're going to be leaprogged. Like, they're going to be leaprogged. Like, you know, look out. You know, the sales you know, look out. You know, the sales forces of the world, like I got to think forces of the world, like I got to think like already they're being like eaten like already they're being like eaten away at the margins of all these all away at the margins of all these all these little spin-ups and different these little spin-ups and different things like that. So, it's a new world things like that. So, it's a new world out there and it's super exciting. And out there and it's super exciting. And I'm no spring chicken, but I love it.

I'm no spring chicken, but I love it. you know, from the trading floor, I was you know, from the trading floor, I was I loved the trading floor and then I I loved the trading floor and then I came out after that and but now like it came out after that and but now like it seems super exciting to me and all the seems super exciting to me and all the startups we have in our ecosystem and startups we have in our ecosystem and all the people I'm helping and it's all the people I'm helping and it's always good but there's always sort of always good but there's always sort of the human factor. I was just on with one the human factor. I was just on with one of my one of our teams um Silo Markets, of my one of our teams um Silo Markets, two young guys out of Austin. He's a two young guys out of Austin. He's a YouTuber with 800,000 followers who YouTuber with 800,000 followers who makes huge money and he built out with makes huge money and he built out with his lifelong friend Silo Markets the his lifelong friend Silo Markets the first sort of American Express points first sort of American Express points back asset management platform and he's back asset management platform and he's about to have five pitches today and we about to have five pitches today and we meet once a week and we're just going meet once a week and we're just going through the deck and he's using like through the deck and he's using like acronyms in there. I'm like no no no acronyms in there. I'm like no no no like you got to keep this simple stupid like you got to keep this simple stupid no acronyms nobody knows the people that no acronyms nobody knows the people that are investing in you although they might are investing in you although they might be writing big checks they don't be writing big checks they don't understand this. So the human factor is understand this. So the human factor is still there all the time to try and help still there all the time to try and help and understand these things, but the and understand these things, but the data and the inference from the data is data and the inference from the data is you know what's there. So like these you know what's there. So like these boards now on a board you get hit with boards now on a board you get hit with some kind of packet that's 500 pages 4 some kind of packet that's 500 pages 4 days before a board meeting. If you have days before a board

meeting. If you have an in-house LLM that's you know you an in-house LLM that's you know you don't have to worry about it. It can don't have to worry about it. It can sort of go through that and explain to sort of go through that and explain to you what you're really looking at and you what you're really looking at and what you should understand. So it will what you should understand. So it will help you learn and be prepared better.

help you learn and be prepared better. >> Yeah. And I think people overestimate >> Yeah.

Board Dynamics, Execution, and Founder Fit

And I think people overestimate that despite the crowd that you're that despite the crowd that you're talking to, we see this in healthcare talking to, we see this in healthcare pitches all the time. Even though you're pitches all the time. Even though you're going to have a lot of people with going to have a lot of people with clinical background like myself, we clinical background like myself, we actually don't want to use our brain actually don't want to use our brain cells all that much, especially when cells all that much, especially when you're pitching for funding. What we you're pitching for funding. What we care about is straightforward, simple.

care about is straightforward, simple. You have a story. That means there's You have a story. That means there's some kind of case study that you some kind of case study that you actually understand your audience. Not actually understand your audience. Not throw big statistic to me because when throw big statistic to me because when you throw big statistics that also means you throw big statistics that also means you don't understand your true market you don't understand your true market size. What for example a woman's house size. What for example a woman's house company that wanted to encouraging women company that wanted to encouraging women to breastfeed more than what they to breastfeed more than what they typically do, right? because of the typically do, right? because of the companies would just because most women companies would just because most women will only breastfeed in short amount of will only breastfeed in short amount of time and then kids start growing a time and then kids start growing a little older perhaps they have nannies little older perhaps they have nannies and preschools and think lifestyle and preschools and think lifestyle changes and I stop doing it. So if that changes and I stop doing it. So if that is the market, you cannot start is the market, you cannot start combining all women that just have a combining all women that just have a baby, right? Like that's sub niche of a baby, right? Like that's sub niche of a market. So your sellable market size market. So your sellable market size need to be very clearly defined. When need to be very clearly defined. When people start saying we can do ABC, we people start saying we can do ABC, we have this market channel, that market have this market channel, that market channel, we can go to B2B, we can go to channel, we can go to B2B, we can go to consumers, yada yada, that also means consumers, yada yada, that also means you have no clear road map to get to you have no clear road map to get to those end users. And then it make us those end users. And then it make us feel like you don't know what you're feel like you don't know what you're doing. And when you go too detailed into doing. And when you go too detailed into the scientific part instead of showing the scientific part instead of showing us what's the actual result that you're us what's the actual result that you're bringing to the consumers to the public bringing to the consumers to the public that also make us feel like oh are you that also make us feel like oh are you too early that you cannot even show us too early that you cannot even show us what this can do right what are you what this can do right what are you truly selling then we end with many of truly selling then we end with many of those startup skip over the entire thing those startup skip over the entire thing of the execution plan right so then we of the execution plan right so then we don't even know how they're going to don't even know how they're going to make money and If you can't even show us make money and If you can't even show us how you're going to make money or what how you're going to make money or what the next year or two years ROI going to the next year or two years ROI going to look like, why would people just blame look like, why would people just blame like blindly giving you checks? What is like blindly giving you checks? What is it for? Right? And everyone can always it for? Right? And everyone can always say, "Oh, it's because we don't have say, "Oh, it's because we don't have enough time." The counterpart is you're enough time." The counterpart is you're probably just not focused enough to know probably just not focused enough to know what to say.

what to say. >> Understanding what your market is. You >> Understanding what your market is. You can't be everything to everybody. Just can't be everything to everybody. Just like for board seats, you can't say I'd like for board seats, you can't say I'd be on a board seat at this company or be on a board seat at this company or that company. you have to sort of pick a that company. you have to sort of pick a lane where you think you, you know,

have lane where you think you, you know, have the most knowledge. For me, it's it's the most knowledge. For me, it's it's sort of fintech, although I think I sort of fintech, although I think I could be on a lot of boards and raise my could be on a lot of boards and raise my hand. I watched um Silicon Valley Bank hand. I watched um Silicon Valley Bank go out of business and that really go out of business and that really inspired me because to be on a public inspired me because to be on a public board because they had billions of board because they had billions of dollars in treasuries on their balance dollars in treasuries on their balance sheet, everyone knew interest rates were sheet, everyone knew interest rates were going from zero to 5%. and they maybe going from zero to 5%. and they maybe had hedges on or very limited hedges and had hedges on or very limited hedges and they went out of business. Like what they went out of business. Like what were the people on the board thinking?

were the people on the board thinking? Like are they just all raising their Like are they just all raising their hands? Do they not have any brain cells hands? Do they not have any brain cells at all? I mean like on the trading floor at all? I mean like on the trading floor we watch risk minute by minute of every we watch risk minute by minute of every trader in the group as a whole. It was trader in the group as a whole. It was just shocking to me. There's so much just shocking to me. There's so much going on. You have to pick a lane. But going on. You have to pick a lane. But right now, you thinking that you're right now, you thinking that you're going to spin up an a LLM for law firms going to spin up an a LLM for law firms and you'll be the only one. I will and you'll be the only one. I will guarantee you there are a thousand of guarantee you there are a thousand of them right now. Like literally in some them right now. Like literally in some different law firms and things like different law firms and things like that. So like you know your idea maybe that. So like you know your idea maybe it's great, maybe it's not. My thought it's great, maybe it's not. My thought process in all this is find a company, process in all this is find a company, find a problem, ask for the problem, find a problem, ask for the problem, understand the problem because you're understand the problem because you're there, and then tell them, "Hey, I'll there, and then tell them, "Hey, I'll fix this problem for you. And when I fix fix this problem for you. And when I fix this problem for you, will you be my this problem for you, will you be my customer?" And when they do, you've customer?" And when they do, you've built whatever you've built, you have built whatever you've built, you have your first customer. Rinse, repeat.

your first customer. Rinse, repeat. Start going to all those customers. Go, Start going to all those customers.

Key Lessons on Clarity, AI, and Distribution

Go, hey, we did this for XYZ. You should see hey, we did this for XYZ. You should see this. This is what's going on. Now they this. This is what's going on. Now they give you referral. They say this the give you referral. They say this the best thing that happened or or that you best thing that happened or or that you can now sort of some of these startups can now sort of some of these startups are actually figuring out how to tell are actually figuring out how to tell people what the ROI is on implementing people what the ROI is on implementing their software. And sometimes it's like their software. And sometimes it's like sort of like you're going to get rid of sort of like you're going to get rid of some of these people. You won't need some of these people. You won't need them because it's going to do this and them because it's going to do this and if you pay for us this is going to turn if you pay for us this is going to turn into a unbelievably good thing for you.

into a unbelievably good thing for you. So all those kind of things are super So all those kind of things are super interesting to think about. interesting to think about.

>> Yeah, for sure. is that we need to think >> Yeah, for sure. is that we need to think about system processing even though about system processing even though those are not the terms most people want those are not the terms most people want to even bother right like oh what does to even bother right like oh what does that mean right and but then they get to that mean right and but then they get to so chaotic on um should I be here this so chaotic on um should I be here this sounds interesting maybe I'll advise sounds interesting maybe I'll advise there right that they have another good there right that they have another good idea but we all get into that what I idea but we all get into that what I call the first day effect people get call the first day effect people get over excited into something but it's the over excited into something but it's the company that you're advising ing or the company that you're advising ing or the company that you're growing truly company that you're growing truly creating the legacy path that meant for creating the legacy path that meant for you to do or is this so transient? If you to do or is this so transient? If this is so transient then we have to this is so transient then we have to pick the lane what we do best.

For many pick the lane what we do best. For many of you guys know a largest amount um of you guys know a largest amount um most of all of our innovation that we most of all of our innovation that we support are in the healthcare and support are in the healthcare and wellness space. Now have we helped the wellness space. Now have we helped the solar the AI industry? Yes. But our me solar the AI industry? Yes. But our me and potato is in healthcare because we and potato is in healthcare because we know it more. We are clinicians. We are know it more. We are clinicians. We are the operators in the health system for the operators in the health system for 20 years, right? The the people that has 20 years, right? The the people that has been there, done that and then believe been there, done that and then believe in the industry can continue to improve in the industry can continue to improve for the better. So then we're not all for the better. So then we're not all over the place because then when you go over the place because then when you go into each industry, there's still a into each industry, there's still a little bit of a learning curve on what little bit of a learning curve on what it is. So that's why even for founders it is. So that's why even for founders even you have exit a company before but even you have exit a company before but if it's not the in the same industry if it's not the in the same industry that you next venture is going into you that you next venture is going into you do have to make sure your co-founder or do have to make sure your co-founder or board members have those knowledges board members have those knowledges things are transferable but legal things are transferable but legal complian workflow naturally already in complian workflow naturally already in those industry is not something that those industry is not something that you're familiar with and that is not you're familiar with and that is not going to be that easy for you to just going to be that easy for you to just launch another company and the second launch another company and the second one and the third one then you're gonna one and the third one then you're gonna diversify too much and you're gonna get diversify too much and you're gonna get a little bit of you know chaos in the a little bit of you know chaos in the mix and it's hard to handle. So for all mix and it's hard to handle. So for all of us it's about how do we move things of us it's about how do we move things forward easier and feel appreciated in forward easier and feel appreciated in all the work that we have. Therefore, all the work that we have. Therefore, having someone like my co to be on your having someone like my co to be on your board for fentech uh service versus board for fentech uh service versus having house board advisor who are having house board advisor who are getting a bunch of clinicians to be on getting a bunch of clinicians to be on your board because you're a clinical your board because you're a clinical back right we all have our different back right we all have our different things that we need for each company and things that we need for each company and sometimes it does take a collaborative sometimes it does take a collaborative effort to say well you have the effort to say well you have the financial back Kim we do need someone financial back Kim we do need someone who has a fundraising experience CPAs who has a fundraising experience CPAs and knowing how to do the calculation to and knowing how to do the calculation to validate that right and then it doesn't validate that right and then it doesn't mean that you have to be there forever mean that you have to be there forever but knowing where people's expertise are but knowing where people's expertise are and placing them in the right space and placing them in the right space becomes so critical for all of us not to becomes so critical for all of us not to feel that oh my gosh now I spent all feel that oh my gosh now I spent all this money and I you know running out of this money and I you know running out of runways uh versus things can be done in runways uh versus things can be done in the right timeline and the right steps the right timeline and the right steps that's how we can move faster and not that's how we can move faster and not feeling like there's too much to do and feeling like there's too much to do and then you don't even start anywhere. This then you don't even start anywhere. This conversation can go a lot of different conversation can go a lot of different ways and for sure because all both of us ways and for sure because all both of us are very much an ecosystem builder right are very much an ecosystem builder right and the people who are ecosystem builder and the people who are ecosystem builder and tend to be connector and knowing how and tend to be connector and knowing how to puzzle things together. This part of to puzzle things together. This part of the conversation really comes down to the conversation really comes down to clarity and execution. We talked about clarity and execution. We talked about why founders lose credibility when they why founders lose credibility when they over complicate their pitch, chase too over complicate their pitch, chase too many markets at once, or fail to many markets at once, or fail to explain how the business actually explain how the business actually creates measurable result. Michael also creates measurable result. Michael also shared [music] a powerful shared [music] a powerful reminder that the [music] a powerful reminder that the companies winning right now are not companies winning right now are not [music] just building faster with AI.

[music] just building faster with AI. They're solving real problems first, They're solving real problems first, providing ROIs early and creating providing ROIs early and creating distribution before [music] trying to distribution before [music] trying to scale everything at once.

scale everything at once. Now, let me ask you this. Ready to Now, let me ask you this. Ready to impact millions of lives, not just one impact millions of lives, not just one patient at a time? You didn't spend patient at a time?

Healthcare Innovation and Ecosystem Support

You didn't spend decades building your clinical practice decades building your clinical practice or healthcare [music] ecosystem just to or healthcare [music] ecosystem just to keep your impact confined to the exam keep your impact confined to the exam room or to one organization.

room or to one organization. The future of healthcare will be shaped The future of healthcare will be shaped [music] by the companies and leaders [music] by the companies and leaders building the next generation of care building the next generation of care delivery, diagnostic, [music] digital delivery, diagnostic, [music] digital health, dental innovation, wellness health, dental innovation, wellness solutions. The question is will you be solutions. The question is will you be helping to shape that future or watching helping to shape that future or watching it happen [music] from the sideline? At it happen [music] from the sideline? At our partner healthboard advisor is our partner healthboard advisor is seeking experienced clinicians, seeking experienced clinicians, healthcare executive [music] healthcare executive [music] operators and industry leaders who want operators and industry leaders who want to leverage their expertise as advisers, to leverage their expertise as advisers, strategic partners [music] and investors strategic partners [music] and investors in healthcare innovation. Through our in healthcare innovation. Through our curated ecosystem, we match experts with curated ecosystem, we match experts with aligned healthcare companies where they aligned healthcare companies where they can contribute insights, influence can contribute insights, influence innovation, create additional income innovation, create additional income stream, and [music] building a legacy stream, and [music] building a legacy that reaches millions of lives, not just that reaches millions of lives, not just one patient at a time. Whether your goal one patient at a time. Whether your goal is mentorship, advisor work, board is mentorship, advisor work, board participation or investment, we would participation or investment, we would love to learn more from you to help you love to learn more from you to help you [music] bring your expertise to bringing [music] bring your expertise to bringing to making better healthcare solutions to to making better healthcare solutions to the [music] market. Apply to be a the [music] market. Apply to be a houseboard advisor expert at healthboard houseboard advisor expert at healthboard advisor.com. [music] advisor.com. [music] Your expertise has already changed Your expertise has already changed lives. Now it's time to help shape the lives. Now it's time to help shape the future [music] of healthcare itself.

future [music] of healthcare itself. >> So we definitely want to encourage >> So we definitely want to encourage everyone who's listening about tap into everyone who's listening about tap into ecosystem right join go come to ecosystem right join go come to healthware advisor to be in different healthware advisor to be in different places because you're going to get places because you're going to get exposed to different dynamic thinkers exposed to different dynamic thinkers and then you can see how all of us can and then you can see how all of us can continue to support you in those continue to support you in those different rounds and all about learning different rounds and all about learning and growing together. So, how do people and growing together. So, how do people reach out to you if they wanted to meet reach out to you if they wanted to meet have a more of a conversation or figure have a more of a conversation or figure out how they can get support from you?

out how they can get support from you? >> So, you can Thank you for having me on. >> So, you can Thank you for having me on. I appreciate it. Uh, you can find me at I appreciate it. Uh, you can find me at on LinkedIn, Michael J. Frank F. And you on LinkedIn, Michael J. Frank F. And you can find us at gilderg.com.

can find us at gilderg.com. You could go watch our pods on YouTube, You could go watch our pods on YouTube, Tik Tok, and Instagram for free. Come Tik Tok, and Instagram for free. Come say hello. I appreciate being on. Thank say hello. I appreciate being on. Thank you very much.

you very much. Exactly. Go find all those amazing Exactly. Go find all those amazing resources wherever you're listening to resources wherever you're listening to podcast watching and then if you're a podcast watching and then if you're a reader, go find a publications on the reader, go find a publications on the website and on their link. We so website and on their link. We so appreciate everyone for joining us. As appreciate everyone for joining us. As we wrap up, we do want to hear from you.

we wrap up, we do want to hear from you. What is something that you're actively What is something that you're actively working on and building your own working on and building your own community that has been helping you to community that has been helping you to move so much faster? Until next time.

move so much faster? Until next time. Bye, guys. Bye, guys. Today's conversation with Michael Today's conversation with Michael exposed one of the biggest shifts exposed one of the biggest shifts [music] founders can no longer ignore.

[music] founders can no longer ignore. Building a great product is no longer Building a great product is no longer enough. AI is rapidly lowering the enough. AI is rapidly lowering the barrier [music] to innovation, which barrier [music] to innovation, which means clarity, distribution, and means clarity, distribution, and strategic partnership and execution are strategic partnership and execution are becoming the real differentiator between becoming the real differentiator between companies that scale and [music] companies that scale and [music] companies that disappear. We also heard companies that disappear. We also heard from many investors who said if [music] from many investors who said if [music] your company have the AI hashtags your company have the AI hashtags attached to you and you're only on the attached to you and you're only on the software part that also means other software part that also means other people can replace you relatively people can replace you relatively quickly. So making sure you have quickly. So making sure you have something [music] special that no one something [music] special that no one can replace. We also unpacked why so can replace. We also unpacked why so many founders struggle to gain investor many founders struggle to gain investor traction [music] traction [music] not because they lack intelligence or not because they lack intelligence or passion but because they over complicate passion but because they over complicate their message, chase too many [music] their message, chase too many [music] directions at once and fail to clearly directions at once and fail to clearly communicate the real world problem they communicate the real world problem they solve. Here are the main learning points solve. Here are the main learning points from today's conversation. Number one, from today's conversation. Number one, the [music] wrong conversation will keep the [music] wrong conversation will keep your startup stuck. Founders often think your startup stuck. Founders often think momentum means stay busy attending momentum means stay busy attending conferences, events, [music] meetings, conferences, events, [music] meetings, constantly networking. But if those constantly networking. But if those conversations are happening with the conversations are happening with the wrong investor, the wrong advisor or the wrong investor, the wrong advisor or the wrong partner, you end up creating wrong partner, you end up creating [music] activities without real [music] activities without real traction. Sustainable growth happens traction. Sustainable growth happens when you intentionally build when you intentionally build relationship [music] relationship [music] with people who actually understand your with people who actually understand your vision and can help move the business vision and can help move the business forward. In our ecosystem [music] when forward. In our ecosystem [music] when we are looking at supporting a startup we are looking at supporting a startup whether it's from your overall go to whether it's from your overall go to market whether you have the right market whether you have the right co-founders and the team helping you or co-founders and the team helping you or [music] you are talking to investors [music] you are talking to investors that actually will convert into a check.

that actually will convert into a check.

Closing Takeaways and Call to Action

We usually look at how [music] you are We usually look at how [music] you are doing that in a way that is easy for you doing that in a way that is easy for you that is doable that's repeatable so it that is doable that's repeatable so it doesn't slow down traction. Number two, doesn't slow down traction. Number two, AI is no longer a competitive advantage AI is no longer a competitive advantage is [music] the new baseline. The is [music] the new baseline. The companies moving fastest today are not companies moving fastest today are not necessarily the biggest companies. They necessarily the biggest companies. They are the founders using AI [music] to are the founders using AI [music] to create leverage across operations, create leverage across operations, communications, research, marketing, and communications, research, marketing, and execution. If your company is still execution. If your company is still training AI like a future training AI like a future experimentation experimentation experimentation instead of a current infrastructure, instead of a current infrastructure, [music] [music] [music] you're already behind. The founders who you're already behind. The founders who are integrating it daily will [music] are

integrating it daily will [music] move faster. What does that mean? It's move faster. What does that mean? It's not just you have a AI enabled solution, not just you have a AI enabled solution, but how are you using [music] AI to but how are you using [music] AI to create marketing materials that align create marketing materials that align with your messaging [music] every time?

with your messaging [music] every time? understanding your offer and doesn't understanding your offer and doesn't deviate because we all know every single deviate because we all know every single person have a different way of person have a different way of interpreting results and [music] interpreting results and [music] sentences that will cause your entire sentences that will cause your entire marketing sales to [music] actually marketing sales to [music] actually fizzle out. So understanding there are fizzle out. So understanding there are guard rails that actually can help you guard rails that actually can help you then inserting [music] then inserting [music] your assistant in the process can help your assistant in the process can help make it more humanized and more make it more humanized and more consistent.

consistent. consistent. That's how you can have [music] higher That's how you can have [music] higher volume and quality at the same time. volume and quality at the same time.

Number three, your technology is not Number three, your technology is not [music] the moat anymore. AI has lowered [music] the moat anymore. AI has lowered the barrier to building product faster the barrier to building product faster [music] [music] [music] than ever before. What separates than ever before. What separates successful startups now is not just successful startups now is not just innovation. [music] It's distribution, innovation. [music] It's distribution, positioning, and trust. Even the best positioning, and trust. Even the best product fails if the right audience product fails if the right audience never sees it, understands it, [music] never sees it, understands it, [music] or believe it solves a meaningful or believe it solves a meaningful problem. So, how are you going to problem. So, how are you going to market? It's not as easy as it sounds.

market? It's not as easy as it sounds. It's actually understanding the entire It's actually understanding the entire client journey. That can be helped by client journey. That can be helped by research and talking to the ideal research and talking to the ideal client. But if you're talking to so many client. But if you're talking to so many people that do not fit a similar mode people that do not fit a similar mode and they're not your true ideal client, and they're not your true ideal client, means they have urgency, they're willing means they have urgency, they're willing to spend the money, they willing to do to spend the money, they willing to do the work [music] with you to get their the work [music] with you to get their results. then you're talking to people results. then you're talking to people that will never really convert. Number that will never really convert. Number four, most founders lose investors four, most founders lose investors [music] by trying to sound too smart.

[music] by trying to sound too smart. Many healthcare founders overco Many healthcare founders overco complicate them pitches because they complicate them pitches because they believe complexity [music] creates believe complexity [music] creates credibility. In reality, investors want credibility. In reality, investors want clarity, simplicity, and confidence in clarity, simplicity, and confidence in execution. The founders who raise execution. The founders who raise [music] funding successfully are the [music] funding successfully are the ones who can explain their solution ones who can explain their solution clearly, define [music] their market clearly, define [music] their market precisely and show how the business precisely and show how the business actually creates measurable results.

actually creates measurable results. What does that mean for us is that we What does that mean for us is that we actually do a leadership maximizer actually do a leadership maximizer evaluation on how well you are able to evaluation on how well you are able to work through difficulties. When you have work through difficulties. When you have partners, co-founders, [music] executive partners, co-founders, [music] executive advisors, what's the dynamic like? Not advisors, what's the dynamic like? Not just by [music] you telling us but true just by [music] you telling us but true core from individual mission matching to core from individual mission matching to company mission to how you naturally company mission to how you naturally work. What's your natural gift? [music] work. What's your natural gift? [music] Not just what later on in life that you Not just what later on in life that you trained about. And we start looking at a trained about. And we start looking at a physical, spiritual, psychological, physical, spiritual, psychological, mental and resilience communication mental and resilience communication [music] [music]

[music] plus skill set to truly predict if these plus skill set to truly predict if these founder, co-founder, leadership team founder, co-founder, leadership team [music] is meant to be building this [music] is meant to be building this company and keep pushing forward. We all company and keep pushing forward. We all know entrepreneurship [music] is not a, know entrepreneurship [music] is not a, oh, I'm going to build this tomorrow.

oh, I'm going to build this tomorrow. I'm a going to be successful. [music] I'm a going to be successful. [music] It's truly is a journey. Number five, It's truly is a journey. Number five, trying to serve everyone usually means trying to serve everyone usually means you serve no one well. [music] you serve no one well. [music] One of the fastest way founders create One of the fastest way founders create chaos is by chasing too many markets, chaos is by chasing too many markets, too many customer types, and too [music] too many customer types, and too [music] many opportunities at once. Especially many opportunities at once. Especially when a founder coming into a call with when a founder coming into a call with [music] me, my ass is who do you serve?

[music] me, my ass is who do you serve? You're trying to tell me five different You're trying to tell me five different type of people. Or you say [music] type of people. Or you say [music] health system. Well, there are so many health system. Well, there are so many different health systems and they are different health systems and they are not all the same.

not all the same. If you cannot [music] get clarity, that If you cannot [music] get clarity, that also means to us you don't know your also means to us you don't know your market. You haven't done enough research market. You haven't done enough research to even [music] understand them. And if to even [music] understand them. And if you don't understand them, just like the you don't understand them, just like the previous four key points from today, you previous four key points from today, you won't know how to talk to them, [music] won't know how to talk to them, [music] position yourself as the must-have, then position yourself as the must-have, then you become a good to have that people you become a good to have that people put on the back burner. [music] The put on the back burner. [music] The companies that scale sustainably companies that scale sustainably understand their link deeply before understand their link deeply before expanding. Clarity around who you serve expanding. Clarity around who you serve and how you solve the problem creates and how you solve the problem creates stronger execution, stronger [music] stronger execution, stronger [music] partnership and stronger investor partnership and stronger investor confidence.

confidence. confidence. Number six, the best startups start by Number six, the best startups start by solving real problems [music] first. Too solving real problems [music] first. Too many founders begin with a product idea many founders begin with a product idea instead of validating whether the instead of validating whether the [music] market truly needs it. The [music] market truly needs it. The strongest company starts by deeply strongest company starts by deeply understanding a customer problem.

understanding a customer problem. Solving it well means we're in Solving it well means we're in healthcare where in dental well in healthcare where in dental well in wellness who are the true champions wellness who are the true champions [music] [music] [music] that are recommending these products that are recommending these products directly to than the consumers because directly to than the consumers because many of you are on the B2B toc model many of you are on the B2B toc model even you are on the B2B model then you even you are on the B2B model then you need to do more research of [music] each need to do more research of [music] each organization that you're selling to how organization that you're selling to how do they believe what need to be done do they believe what need to be done what's the most important to them and what's the most important to them and providing measurable value early. That providing measurable value early. That also means it could be like when we also means it could be like when we engage with a startup, we getting let's engage with a startup, we getting let's say it's a pediatric solution. [music] say it's a pediatric solution. [music] I'm getting 10 20 pediatricians in my I'm getting 10 20 pediatricians in my ecosystem right away to [music] look at ecosystem right away to [music] look at the solution to see where they can poke the solution to see where they can poke holes, where do they really truly love holes, where do they really truly love about this product. So then we can give about this product. So then we can give validations and start [music] validations and start [music] understanding how to see it in the understanding how to see it in the clinician who's going to actually clinician who's going to actually recommend these solutions for you. When recommend these solutions for you. When founders focus on outcomes and ROI founders focus on outcomes and ROI instead of just features, trust and instead of just features, trust and traction grow [music] much

faster. So traction grow [music] much faster. So let me ask you this. Are you building a let me ask you this. Are you building a product people [music] genuinely need or product people [music] genuinely need or are you still trying to convince the are you still trying to convince the market why they should care?

market why they should care? Thank you for listening. Remember, Thank you for listening. Remember, [music] [music] [music] the positive change we're seeking starts the positive change we're seeking starts right here with me and you. If you're a right here with me and you. If you're a fan of the show [music] or if you are fan of the show [music] or if you are just having struggles or success that just having struggles or success that you're either experienced in the past or you're either experienced in the past or are experiencing [music] now in the are experiencing [music] now in the healthcare industry, these matter to all healthcare industry, these matter to all of us. I want to hear from [music] you.

of us. I want to hear from [music] you. and send me a direct [music] message. and send me a direct [music] message.