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Edward Jung, President, CTO and Founder, Intellectual Ventures

Actually it's really great to be here, and I think like most of you here, I grew up with ICT in a very deep way. Actually I learned how to write stories in English and programs at the same time when I was about 5 or 6 years old. And I grew up a little older; when I was 25 I became chief software architect at Microsoft Corporation, and was there during the 90' kind of watching ICT really hit its stride.

Now it's worth asking what really was the key contribution of ICT so far, obviously a subject of debate. But my belief is that ICT really helped create a very efficient way of getting ideas from your head to reality. So it could help touch the world.

And it started off with things like, you know, computer models, and running on main frames, and went to spread sheets, desktop publishing, web 1:0 and web 2:0, all ways that you can come up with an idea and impact the world very, very easily, and very quickly. But at the same time what happened is manufacturing also became more efficient, and as a consequence today, it is easier again because of ICT to come up with an idea and have it implemented in product.

So for the first time in history, you can come up with an idea in London; you can have designers helping you in Los Angeles; you can have programmers in India helping develop it; you can have chip manufactured in Malaysia; precision engineering done in Japan; assembling done in China, and shipped worldwide. So a single person can have an idea somewhere and end up coordinating thousands of people and billions of dollars of infrastructure to produce a product worldwide. And that's actually really amazing. So ICTs really helped us creating the most efficient infrastructure ever for ideas.

But, now what? So my partner Nathan Myhrvold, who was CTO at Microsoft and I, we asked this very same question in 2000, when we retired from Microsoft. We, I think, were pretty smart guys, we had a lot of money and we were trying to figure out, ok, what do you do?

Well, it turns out, the first thing you do is look for some problem to solve. And again, the good news is ICTs really helped us there; between the networks that exist and media and data crunching. We have a better understanding of the problems that face the world today than ever. And we've heard a lot about them at this very conference. And these are big problems. You know, we now know that there are diseases; there are viruses, they are agile, they actually invade our immune system, evade our drugs. We have aging populations that are facing chronic diseases that are both physical and mental. We have a widening first and third world gap. We are running into problems from our own waste whether it's CO2, or spent uranium, or just garbage; we are destroying the earth with it. We have energy issues; we have you know nano-technologies issues. Just tons of issues and these are big problems. And it is a bit sobering, because in 2000 Nathan and I were thinking, gee, we're pretty smart, we have a lot of money and we have powerful friends, but guess what, these problems are too big for us. We can't solve them. So the next best thing is to look for some leverage, and try to figure out how you can get lots of other people to solve them.

And that is exactly what we did. We started a company called Intellectual Ventures and we decided that the thing to look for was invention. And those are solutions to problems, and if we

can make invention better well then we can take advantage of all that great infrastructure that makes it easy to take ideas and turn it into product; and makes it easy to find problems. So what is really missing is the solutions part. So that is what we focused on.

So around 2003, we started up. Now we are 600 people, we have about five and a half billion dollars and we invest in invention. We think it is a neglected asset that you have to bring the concept of business to, to create scalable incentives, that get people to tackle the hard problems. Because these problems are bigger than one or two people, even one or two companies. These are problems that we have to unify, thousands of people, certainly from various disciplines across the world to solve. And that is exactly what we have been doing. It is important to understand how different this is in basic science, where you can be passive and let lots of people try to solve the problems on their own; let a thousand flowers bloom. But here we are talking about active management, toward the solution of a problem that we have identified and that is really a key difference, with what we are trying to do with invention at scale.

So we've built a big network of inventors, and we have like I said over 600 people who actively manage thousands of inventors, hundreds of universities and their output as well as companies. And the kinds of things we have been able to invent are very, very, I think in the past years we have done a very cool job, inventing things. Things like meta-materials, enhancement to human immunity, hurricane suppression, ways to do global cooling, proliferation safe nuclear reactors, some of these have actually appeared in the press recently, cheap ways of distributing energy over long distances, efficient transportation, chemical free pesticides, vaccine delivery for third world, first world chronic health care mechanisms, privacy management, cloud computing, better social networking; lots of different areas in which we have created inventions. In fact we now have over 27'000 inventions that we developed in all these different areas. And importantly, we have created a business out of invention. Individual inventors in our network have made over 350 million dollars from the invention that they created, which creates more pull for other inventors. Companies have made over 800 million dollars, working with us. And again that creates more pull for them to enlist in solving these problems.

One of the reasons we think we are successful at doing this, is because we are not a product company. That gives us complete freedom to invent in any area we want to, without worrying about whether we are disrupting our existing product, without worrying about whether it fits into the areas in which we are good. For example in the first world medical care problems that we are trying to solve, we are not a Pharma company, we are not a medical device company, we are not an HMO, we can actually invent across all these areas and try to figure out what actually makes the most sense.

Now one of the things we discovered is that great inventions and an environment to create great inventions are obviously important, but that is only half of the problem. The other part of the problem is you have to create incentives for those inventions. Again, you have to convince companies, you have to convince individuals of course, and also governments, that actually invention is worth doing, and it is worth rewarding people for. And in particular, it is worth spending money on, in order to create a healthy inventing economy, you can't cheat inventors, out of paying them for their inventions. So that has been a big part of what we have been learning as well. Those two things have to fall into balance, in order to create a productive growing economy.

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So in conclusion, you know, I am all for a healthy economy of invention, I think it's the best way to go solve big problems we have. We have huge problems; they will only be solved by ideas. So the more we can do to make ideas more powerful, come faster, better, and sooner, the better off we will all be.

Thank you.