

[Transcript] AI Hustle: News on Open AI, ChatGPT, Midjourney, NVIDIA, Anthropic, Open Source LLMs / AI-Driven Customer Experience Automation with Kodif CEO Mike Zayonc

Welcome to the OpenAI podcast, the podcast that opens up the world of AI in a quick and concise manner.

Tune in daily to hear the latest news and breakthroughs in the rapidly evolving world of artificial intelligence.

If you've been following the podcast for a while, you'll know that over the last six months I've been working on a stealth AI startup.

Of the hundreds of projects I've covered, this is the one that I believe has the greatest potential.

So today I'm excited to announce AIBOX.

AIBOX is a no-code AI app building platform paired with the App Store for AI that lets you monetize your AI tools.

The platform lets you build apps by linking together AI models like chatGPT, mid-journey and 11Labs, eventually will integrate with software like Gmail, Trello and Salesforce so you can use AI to automate every function in your organization.

To get notified when we launch and be one of the first to build on the platform, you can join the waitlist at AIBOX.AI, the link is in the show notes.

We are currently raising a seed round of funding.

If you're an investor that is focused on disruptive tech, I'd love to tell you more about the platform.

You can reach out to me at jaden at AIBOX.AI, I'll leave that email in the show notes.

Welcome to the AIChat podcast, I'm your host, Jayden Schaefer.

Today on the podcast, we have the pleasure of being joined by Mike Zeonk, who is a serial entrepreneur and a VC partner based in Silicon Valley.

He has a passion for automation, generative AI and supply chain.

We're super excited to have you on the show today.

Welcome, Mike.

Thanks, Jayden.

Great to be on the show.

So I would love to kick this thing off, you know, we're super stoked to have you on.

I'd love to kick this thing off asking you a little bit about your journey and your background was venture capital, something you always knew you were interested in, right?

You're a serial entrepreneur, tell us a little bit about your journey that brought you here but maybe about some of the things you've done in the past as well in entrepreneurship.

Yeah, definitely.

So my background is originally from Vancouver, Canada.

And I was actually a basketball player in university.

I had a scholarship at UBC and then I realized like you can't you can't do that forever, right?

And then so I got into entrepreneurship and helped start a few different companies.

And then eventually was hired by the founder of plug and play back in 2015, who offered me to join plug and play and come to Silicon Valley.

And when when I joined plug and play, there was about 15 people full time.

And now there's about 850 people.

So we grew significantly.

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We grew globally.

And yeah, so I hope start a variety of different programs within plug and play.

And back in 2017, I had an idea to start the supply chain program because I realized there's a lot of changes happening to supply chain.

There's more need for AI and automation.

And that program ended up being extremely successful.

Our first corporate partner was Maersk and then we scaled globally to about six different offices.

And so we're in Silicon Valley.

We're in Arkansas with Walmart, Tyson Foods, JB Hunt, Toronto, Canada,

Savannah, Georgia, Hamburg and Shanghai.

So that was really cool to grow that program.

We ended up raising funds.

So we raised a \$25.5 million fund.

So we our largest investor is actually the Waltons who are Walmart and they really loved what the work we did with wall with Walmart in Arkansas.

And then like will support as your first investor.

We got a bunch of corporates to invest in the funds.

So today the supply chain programs invested in about over 70 startups.

And and yeah, so I I've had a great experience now from the VC side and now the and also the entrepreneurial side.

So after see all these companies grow within plug and play.

I I like wrap we were in supply chain.

We're investors in like Rafi and GIFO, which are unicorns.

And then through the fund also, not just the plug and play family office investors in iron ride, which is a fully electric autonomous truck.

It's now scaly across the US.

I just got really inspired to not so I'm now like kind of like part time on the VC side.

I'm still a family partner in the fund, but also my co-founder now in Codiff.

So I'm back on the entrepreneurial side and Codiff is doing customer support automation.

So we we've raised two rounds of funding and we're automating support at scale.

And I'm happy to chat where both that is as well.

Yeah, super exciting.

Oh my gosh, you've done a lot of really cool things.

You gave me so much meat there to to get some good questions for.

First off, I want to say I didn't realize you're from Vancouver.

I'm actually from Vancouver Island.

So pretty close.

Yeah, yeah.

Yeah, that's kind of funny.

And I think it's cool you have that background in supply chain.

I feel like supply chain wasn't really something I'd looked at looked at a lot when I was in college and then my first job out of college.

I worked at the Institute for Supply Management and got like kind of my eyes

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kind of opened that whole field.

So, you know, here in Utah, there's definitely some really cool stuff.

You're you're working on some of the unicorns you invested in the space.

I'm like, oh, yeah, I recognize those companies.

So that's really exciting.

Talk to me about I want to jump into what you're currently working on with Codiff.

But first, I want to I want to ask you from what you were seeing in the investment side and maybe what you're seeing today, what are some big shifts you feel like AI is making in the supply chain side of things?

Right? I think this is an area that is ripe for disruption.

It's, you know, it impacts the global economy in a really big way.

But have you seen any startups or any big like AI specific kind of impacts that supply chain is going to feel?

Yeah, I think supply chain by definition is all about efficiency and automation.

So the more you can automate and and make processes more efficient, the the better your supply chain will run.

So I think all these companies are really looking at how they can automate.

Some of the like the trucking and logistics and maritime companies are a little bit more old school than some other industries.

And I but I think the the amount of funding like when I started the supply chain program in 2017, there was six billion dollars invested into supply chain startups. And when I yeah, when I started focusing on code, if there was twenty four billion dollars back in twenty twenty two.

So like last year and it was incredible to see like the amount of growth in the market.

And I think COVID obviously had a huge impact.

And a lot of these supply chain companies became a lot like it was funny because it was an industry that was overlooked.

And then not and then it became like a really trendy area for a lot of startups to focus in. So that was really cool to see that kind of transformation.

And but I think in general, like the areas in supply chain that our fund is invested in are like an automation for like robotics inside of a warehouse.

How you can be more efficient, which is a major trend that because I think all these jobs in general that are not things that people like dream of doing, like people don't necessarily want to like just move a box from side to side all day.

Right. So a lot of these roles are being automated.

And and people can do more efficient roles as well.

But but yeah, I mean, really, our fund is looking at the end end supply chain.

So from the a mine, like we work with like large industrial companies, like BSF, largest chemical company ExxonMobil all the way to last mile deliveries, like with working with Walmart and TJX or TJ Maxx, people recognize in the US.

And it's there's so much opportunity, but it's the supply chain is all about AI and all about automation.

And everyone is trying to look at generative AI models, like whether it's

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the big companies or whether it's obviously the startups are now selling it more. So it's it's something that I think it's a major shift, I'd say, in the last like year or two, that people are looking at it more. But it's but it's been something we've been looking at throughout. We're the supply chain fund is not just investing in AI, but it's also looking at sustainability. It's also looking we've invested in blockchain companies. We've we've IOT tracking. But I think by far the hottest area in supply chain has been the AI space. Really exciting. Yeah. And it's kind of interesting because when I was working in supply chain during COVID at Institute for Supply Management, it's kind of an educational place for people that work in supply chain. Yeah, during COVID, everything just went like crazy. It went from like pre COVID is kind of like you said, this overlooked thing. During COVID, it was like, oh, my gosh, like if we don't get the supply chains figured out, like there's some massive impacts on global scale. Something I would I'd be really curious to hear your perspective on, you know, a lot of people talk about right now, there's there's a kind of a group of people that are kind of talking about some of the the problems with AI or an automation and their concerns there. They're worried it's going to displace large swaths of the population. I think we have some some quotes out of McKinsey and some other kind of consulting firms saying, you know, there's going to be some massive disruption there. A lot of people are worried about, you know, job loss and stuff. You kind of touched on it, you know, talking about moving boxes. But I guess what's kind of your philosophy and in investing in these kind of automations and AI systems? Do you worry that this is going to displace a lot of people and cause harm? Do you think there's a net positive to, you know, global kind of quality of life? How do you how do you kind of look at the impact of, you know, disrupting jobs from AI and automation? Yeah, so I think, well, in the first hand, it's going to happen. Like people's roles are going to change. So obviously with that, we need to figure out how that's going to shift. And obviously that's a much deeper discussion. And like there's going to be, yeah, retraining of a lot of people and more education for certain people. But what I've really found interesting, like with Codiff, for example, on the customer support automation side is like some when we're automating like high volume repetitive requests, for example. It's actually improving the agents that experience in their work. So the agents that are there are actually happier because even they don't like to be asked the same repetitive, like, where is my order?

Or like, how do I do this?

So even like the humans are actually happier, right?

So so that's that's obviously the bigger question is like, how can they be retrained or how can they figure out roles that are more meaningful?

But it's it's it's interesting because because a lot of these humans are happier, so it's not not answering or doing these repetitive tasks.

So I think that's going to be the first area that AI is going to be automating.

And then obviously those people are going to have to find five roles that are more meaningful and kind of for them to do in their day to day.

Yeah, I think you think you hit the nail on the head there.

You know, in a lot of these discussions, like the first thing I say is like, whether we like it or not, like it's going to happen.

So like, let's let's discuss how we make it, you know, have the best experience possible for people impacted or whatever.

But yeah, it's kind of interesting because there's definitely some people that resist the change, but the change is inevitable at this point with the technology.

And I think there's so many net positives.

I was recently talking to someone working on autonomous like delivery, like, you know, autonomous flying delivery.

And, you know, they're saying you're going into like a war-torn country and delivering medical supplies.

If you don't have to have a human flying that aircraft in and risking their life, like, you know, it's hard to see that that's not a net positive

just because there's maybe a job displacement, but it's, you know, things that are dangerous or things that are super repetitive.

Yeah, it's great to automate some of those things.

OK, talk to me a little bit.

I'm so curious, right?

So you were deep into this VC kind of space, investing in startups, looking at deals.

And then you decided to move back into entrepreneurship.

Like, talk to me about what made that shift for you and, you know, how, why you decided to kind of make that change?

Definitely. Well, well, first of all, I'm very lucky

because not a lot of people have an opportunity to, you know, change roles and then and then still be involved.

So plug and play has been extremely supportive

and plug and play is an investor in Codiff and plug and play has been allowed me to stay on as like a VC partner,

even though obviously day to day I'm focusing on Codiff, which is not the case for a lot of startups.

So yeah, so it's cool because even today, like, like when I was at AI for I made a ton of startups and I connect them to the

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relevant plug and play team members and I'm still meeting as an entrepreneur. You meet a lot of cool entrepreneurs as well. And then I still send them over to the plug and play team. And so it's kind of I'm more of an operating partner at this point. So it's been helpful because, yeah, I'm still actually getting deals done and referring deals, but I'm not doing any like due diligence or I'm just kind of making simple referrals. And so that's been really cool and lucky for me to be able to. And obviously, I greatly appreciate plug and play for supporting that. And in terms of the like after seeing and investing like over 70 startups with within the plug and play program and seeing some really, really successful entrepreneurs, I kind of realized like to be a really good investor, you have to really and to really empathize with the startups. It's important to like actually, you know, build the build a successful company. And and I was doing a lot of like entrepreneurial stuff before plug and play. But I really wanted to kind of go through that experience, you know, raise like a few rounds of VC funding. And I'm like, I'd like to find a really great team to do that with. And and then I found like the CODIS team, which was very smart and technically advanced and I had something that was already up and running and race race funding and I was able to join as a co-founder. So it just kind of like worked out. And I felt like it leveraged kind of the network I had for for that. And and it just just worked out. But but yeah, eventually, like you get inspired, right? When you invest in all these entrepreneurs, you always kind of like enjoy building and maybe plug and play is very large and kind of self-sustaining. So the program I was actually it was really cool. I was like, even this week, I was selected to the plug and play supply chain program, which obviously I founded. But it was cool to come full circle now, like as a startup and be there among all the other startups and everything. And it's cool to see the program keeps growing and like plug and play is expanding all these new offices in different cities. Like I think you're in Arizona, but they they're now in in Phoenix as well and in a bunch of cities across the US. So it's very cool. Yeah, it's cool to see that everything continue to grow there as well. That's amazing. OK, just for like the listener, can you give like a breakdown of exactly what CODIS is, what you guys are doing? And I guess really like the big problems you're solving for customers. Yeah, so so I code if we codify customer support.

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So at the end of the day, we started our product from initially our CTO.
So our founding CTO norm we sank it off.
He was at Uber as Uber was going public and he was like one of the top engineers there.
And he came up with an idea because Uber was trying to become profitable that, hey, why don't we just automate support?
So he basically took support and then they piloted in a few different countries like India, et cetera, and they ended up building the most automated support system that scaled globally.
So he if you go on to Uber, it was website and and he still has like the white paper that was written and essentially it scaled globally and it automated like depending on the location, like globally for Uber, 60 to 80 percent of the customer request.
So when I when I finally so and it's still running.
So it's still running for like if you go to Uber or Uber eats today, it's his his platform is still running there.
So when I when I saw that, I'm like, wow, that is not an easy thing to do.
Right. So he built this low code platform that was automatable and and easily configurable in different markets.
And and for me, that was really interesting because plug and play obviously works with all these like Fortune 100 companies and massive enterprises that are now looking at like generative AI and automation.
So I thought that was a really good opportunity to kind of bring that to to to Kodiff. And and when Kodiff was was asking me for these intros, like a lot of startups do, it's it's hard to just make an intro and like walk away.
So now and nowadays, like a lot of these relationships, right?
It takes a lot of work and an effort to actually get them integrated successfully.
So that's what I've been doing.
And yeah, it's been really exciting to start pilots with like the plug and play partners and a lot of other enterprises.
Kodiff already has a lot of good case studies with with customers already.
But but yeah, it's it's pretty cool.
Now we're leveraging generative AI sitting on top of kind of our low code automation platform. And and yeah, for me, for me also, like I realized, like this generative AI trend is really big.
And so I wanted to also kind of be in the midst of it, right?
And the best way to do that is in the startup world.
So it's really cool to kind of be at the forefront of it and learning every day about new opportunities.
That's super exciting.
Yeah, I totally I totally know what you mean.
Like when you see a disruption, this big, right?
Like I feel like there's been a handful of course, there's the internet,

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there's the smartphone, there's a few of these big platform shifts.

And I feel like AI is one of these huge ones.

And yeah, when you see how fast everything's evolving, you want to you want to be in it. It's exciting.

It's exciting times and exciting stuff.

You talked to me a little bit about some of your perhaps like a company that was, you know, they had a success story with Kodiff or kind of, you know, something something along those lines.

Yeah, yeah, I'll give you a couple of customer case studies.

So I'll talk first about like our first customer was actually a company called Good Eggs, which is grocery delivery, Instacart competitor, mostly on the West Coast.

And so they asked us to just yeah, like automate kind of like similar to what we built for Uber, their their support.

So and then when I was talking earlier about like how agent CSAC customer experience actually improved was it was it not the customer experience that also improved, but the agent experience also improved because we're automating a lot of their their tickets and improving their average handle time by 40 percent and it was really successful.

So their use cases, they wanted to like issue full on refund.

So for example, if you have a like your milk was crushed or whatever on your being delivered to your house, you can just kind of text the system and then it will see if this is a good credible customer that there's not like trying to gain the system and all that and then we'll just give them a refund. So there's no agent that is required for that, which is really cool. And so for like like a simple like refund, like whatever, like five, ten dollars for milk or whatever was being crushed on the on the delivery to your house, that that was great.

And another company that we're working with is a company called Reserve Bar. So they're like a high end alcohol delivery company.

So the most common question that they get when people are ordering like from their e-commerce platform is, where is my order?

So rather than navigating through all the systems are like tools sitting on top of like Zendesk and Salesforce or all the different systems is able to immediately trigger that.

And based on like, for example, like like the chat bot based on the the customer's email will immediately trigger.

This is the this is the order.

This is where it is in real time and will immediately resolve that issue.

So that was really great.

Very cool. Yeah.

So that that was really cool.

It improved their CSAT, it deflected over 20% of their like high volume,

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low value tickets.

It reduced a lot of their agent hours.

So it was an enormous cost savings for them.

So I could go on and on the like e-commerce was our first industry and customer base.

Now we're also working with like a coin market cap and trust wallet as we're running kind of their their chat bot on their website in the crypto space.

And then yeah, we have a bunch of other kind of larger customers also that we're going to announce soon.

So so yeah, looking at those is kind of like, I'd say the first ones are retail and and finance.

And now because obviously my background, the logistics space, those those were like kind of the first three markets, but we're really like a horizontal customer experience and customer support automation.

Incredible. Wow.

Yeah, I can you can imagine for companies, this is that's an incredible use case and then even for consumers, right?

Like I recently you're from Canada, so you probably know Bank of Montreal.

Yeah, it out to them.

You I had to try to like make an online payment.

They didn't have the portal on the website.

I had to like call.

I got transferred between five different people and I'm just like, please take my money for like my credit card.

Yeah, and like such a hassle.

Yeah, so customers, if you can automate that customer support, they will love your company.

So yeah, huge value to add.

I see a lot of amazing things that you guys are doing there.

Something I would be curious to find out from your perspective is like, what's what's like the next kind of step for Kodiff

that you're really excited about, maybe the next set of features or the next vertical you you plan on kind of attacking?

Like what gets you excited on the horizon?

Yeah, that's there's a lot there.

So I think with Kodiff right now, like we're we're good on funding.

We raise like two rounds of funding and we'll do another big round probably next year.

And then we in terms of the product, we we we only used like a new kind of AI agent assistant tool as well.

So this is actually working with the agent.

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So we're getting contacted by all these like BTOs and like call centers that are also wanting to use our attack because we can in real time provide them AI automated responses. And that can also that can also benefit like our customer facing chatbots, because we're constantly using AI to refine and improve those customer responses.

So I think in terms of what I'm excited about is really working with large enterprises because we we've signed a lot of kind of mid market companies. And and now we're starting to kind of a lot of these large companies, especially the ones like I've worked with with plug and play are now are seeing that they need to do something here. So they need to test so generative AI models or they need to find like a a startup or someone who has experience doing that. So I'm really excited.

I can't announce yet some of our our new kind of enterprise customers, but that are coming in.

But there's some really excited like fortune one under companies that we're we're we're working deeply and in deep talks with.

So that's that's really exciting.

But hopefully on the next podcaster, we'll be able to now.

Yeah, well, yeah, we'll get you on as you guys grow.

It sounds like an incredible company.

Something I'd love to ask you as we're wrapping up the show here.

Do you have a piece of advice that you could give to entrepreneurs in the AI space today?

Yeah, I think the best advice for us that's worked is is really focusing on use cases within the industry.

Right. So I think studying the customers and like what they're trying to solve in the end, that's been the most effective.

So how to put that in like plain business language?

Like this is the problem we're solving.

Obviously, we're using all this AI and local automation to do it in the background.

But that's that's been the important piece for us to.

Yeah, to really like dive deep into like these these industry use cases.

So to figure out like with the the retail and e-commerce customers, like we've already figured that out, like it works great.

But now we're trying to like dive very deep into logistics as well as an example and figure out like the customer care use cases and and the automating unnecessary high volume requests, like a tracking like bill of ladings or working with different

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kind of logistics use cases.

So I'd say that the best advice is yeah,
really finding those customers and kind of co-developing partners
and working with them to bring our technology to market
because we can build all the great the greatest tools and technology.

But if we don't have customers that are utilizing them,
then then it doesn't make sense.

And it's not going to work in the long run.

Yeah, 100 percent.

Mike, thank you so much for coming on the show today.

It has been amazing to have you hear your insights.

It's really cool hearing someone from the VC and entrepreneurship side.

So we really appreciate that in the show notes for the listener.

I will leave a link to Codiff so you can try it out
and for companies that are interested in integrating it.

That'll be the great place to go.

Thank you so much, Mike, and to the listener.

Thank you so much for tuning into the AI chat podcast.

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