

All right, everyone.

We've got a nice early one for you this morning.

Well, early for us here in Australia at least, uh,

it's a different story for Tony.

Uh, and of course, we are speaking to Tony Abrahams.

He's the co-founder. He's the CEO of AI Media.

This is a company I know a lot of you guys know very well,

partly because we've spoken to Tony a bunch of times,

but also because as I just checked this morning,

AI Media is now the second top ranked company

in, uh, strawman.

Now, when you look at some of the key business metrics, uh,

that's probably not too much of a surprise.

If, however, you are unfamiliar with the business,

and I know we do have a lot of new members since we last had

a chat with Tony, um, I really would, for starters,

encourage you to revisit some of those earlier discussions.

We try to sort of do a high level kind of discussion.

So a lot of that stuff is sort of evergreen

and entirely re relevant today.

But in short, AI media provides live

and automated captioning translation

and transcription services used

to do this using flesh and blood humans.

And now it's all about, as the name probably suggests,

that AI kind of infrastructure.

Um, let me hasten to add, AI is something that I think a lot

of us in the, in, in, you know, on the A SX, it's natural

to sort of roll your eyes a little bit here

because, you know, when the new black comes along,
everyone's ai, you know, uh, I hasten
to add that with AI media.

It was doing it well before it was cool,
and it's actually doing it in a way that generates revenues.

So that's, that kind
of probably puts it into a separate, uh, category.

Um, a few things just to understand here.

I want to try and, I guess, uh, convey some
of the insights I've had with chatting
to Tony over the years.

And, and hopefully this will
help everyone in their understanding.

So, AI media is not building large language models.

It's incorporating the models that have been developed in,
in Silicon Valley, but it's integrating these best
of breed models into these highly complex,
low latency broadcast and enterprise environments.

And it does this through encoders, through a, a network,
and then these backend SaaS products.

And I suppose that's the moat.

It's this deep integration into customer systems
that makes this technology very defensible, very sticky.

Another important point that I think you, you really need
to understand, if you're new to the business,

you might look at this and go, well,
it doesn't really look like a growth company.

Revenue is actually down a little bit last year.

What you've gotta understand here is the company is going through, in fact, it's a good way through the transition now of sort of this managed decline in the legacy business, while it bulks up the newer part of the business.

And you need to go below the surface to understand what is happening here and perhaps why, um, I think a lot of people on strongman find it quite an exciting opportunity.

Um, and, and why it pays to sort of, uh, go beyond the surface level.

Look when you, when you are examining a company, um, so the transformation is well underway.

Uh, technology products now account for 63% of total revenue.

Um, that was zero five years ago.

Just to put that into context.

Uh, Lexie usage is up 48% year on year.

Gross margins are nudging, just are shy of 70% at this point in time.

And as, as many of you have noted, this is a business that is cashflow positive.

It is debt free. It funds all of its r and d from operations.

None of that is capitalized.

Um, and we are now, you know, pushing into 36 odd different countries growing recurring revenue.

A clear path towards is very, uh, lofty target in FY 29

of \$150 million in revenue.

So there's a lot to catch up on.

I very, I have to add a few things.

I'm a shareholder, so please bear in mind, uh, my bias and, and, and check me on that.

Um, it's important we don't suffer too much group think here.

Uh, also if you do have questions, I see a bunch of them have come through, so thank you for those.

But please, if any pop, uh, pop into your mind, pop them in there and I'll put them to Tony when we get the chance.

And last but not least, this is definitely not advice.

We are all care. No responsibility.

Uh, it is on you to do your own due diligence and reach your own conclusions.

Uh, Tony, with all of that out of the way, sorry for the very long introduction there.

Thanks, thanks for your time again, and, and great to see you.

No, thanks for having me back, Andrew.

And, and, and look, you, you, you nailed that introduction.

And I would also encourage any of, uh, the strawman, uh, listeners that have not seen those earlier, uh, um, uh, interviews to actually do that.

Because, uh, what we are delivering today, uh, is a set of results that we've effectively foreshadowed for years ago, and that I foreshadowed with you.

And then the last time we met, uh, about 12 months ago,
I think, uh, we were only six months into a five year plan,
uh, to get to that 150 million in revenue.

Uh, now we're 18 months into that plan, uh,
and we're feeling a lot more confident, obviously,
because we've got, uh, an extra year under the belt.

Yeah, I mean that, I'm glad you mentioned that too,
because, um, it, it's something
that I certainly encourage our members to pay attention to.
It's what is said versus what is done.

And it, it, it definitely,
and sadly, puts you in a minority camp there.

Not everything that gets said is delivered in the,
in the sphere, the rich we operate.

So it certainly, uh, is something that we do take notice of.

Let me, let me try and put this to you, Tony, in a way that,
uh, as I said before,

hopefully help people understand things a little bit better.

And, and I went through some of our old interviews and,

and I've borrowed heavily on your language here,

and I want to make sure I get it right

and don't butcher this.

So, big picture view here.

You've got these things called encoders.

Actually, did you have one on hand there? Uh,

Still, uh, we do. And in

fact, I'm, I am, I'm joining from,

I should say I'm joining from our a hundred percent made in
the USA, uh, factory in Farmingdale Long Island.

Uh, and yes, while it's, uh, early for you,
it's the end of the day here.

So we've got a nice empty, uh, uh, room behind me, which is,
uh, which is obviously good for the background noise,
but this is where we, uh, make and manufacture the boards,
and these are the hardware boards.

And, um, I have got, uh, a finished good here.

Uh, so this is the, uh, Lexi voice, uh,
encoder, the first of the, uh, Lexi Voice encoders.

Yep. Um, and you can see on the back there
that it's got basically inputs for any kind of video device
that you might get.

Yep. And this is the key.

This is why we bought EEG, uh, four years ago. Yes.

Um, uh, and this is what has propelled our software growth.

And you go hardware,
how does the hardware propel your software growth?

Well, it's the real estate.

It's the real estate that this hardware occupies,
which is this plugs in directly
to the source from the customer.

So literally the video plugs in the back there. Yeah.

And because, as you said, we are doing live,
if you are closest to the source,
you can deliver things the quickest.

Yes. So what, what I've, what I heard you use the term
before is you said the encoders are the on-ramps.

They take these raw feed, this like audio feed,

this video feed, it converts it into a, a digital stream.

That digital stream goes from the on-ramp to the highway.

And the highway is the ICAP networks.

It's this secure low latency network

that takes these encoded streams,

and then it, it shuffles that off to your cloud platform,

the cloud platform being Lexy, which is the brains.

So we've got the on-ramp, we've got the highway,

and we've got the brains.

And the brains is where, I guess most

of the magic happens in the sense that that's

where you get the, the captioning, the translation,

the transcription, and then it sends it back across

through the highway, back through the ICAP network.

And so your, your customers are able to plug

and play, essentially, do a, do a, a, a broadcast

and have all of this magic sort of happen.

And then this gets fed to the customer.

I wanna say, I've, I don't have the slide in front of me,

but we're talking a maximum of eight seconds.

But from when, when the feed sort of goes out to,

when it comes back with all this magic integrated,

how's that for a high level view?

Is that roughly right? Or where?

It was pretty good. That was very good.

But let me, let me, before we go onto the cloud, I just,

I've got one that's open.

Ah, ah, yes. So I showed you the finished good before.

Right? This is, this is a work in progress or a rework,

but you can see they're not overly complicated.

Right. There's not a lot in them, uh, in terms of Right.

There's a lot of air because you don't want the things to overheat.

Uh, but as you said, it's effectively just an on ramp. Yeah.

Uh, so effectively what we are doing is think about this ultimately just as a fancy fly screen, right?

What it does is it actually just stops 99% of the bandwidth from flowing through.

And you go, well, why is that important? Live? Right?

I mean, if you are, you know, Ima I mean, if you want to get a message through to someone, um, very quickly, and you are on, um, cell phone reception, um, you are gonna send a thumbnail, you're not gonna send a high definition image.

Yes. Yes. That's it. Yes. That's it. That's what we do.

And that's why we had to acquire EEG, because you've then got first direct access to the video.

The video plugs into the back of the encoder.

The encoder acts like a fly screen or stops 99.9% of the bandwidth.

Let's, through uncompressed audio mm-hmm. Isolated audio.

Mm-hmm. Right? So it's, it, so if we, we are taking it from, uh, the NRL uh, commentary booth, then we are gonna get individual audio from the commentators Yep.

Upstream plugged into individual sources so that we don't get the crowd noise.

Mm. If you get the crowd noise,
it makes it a lot more difficult to caption and translate.

Yes. So that's, so effectively what we are doing, um,
and as you said, we don't do the AI engines.

Right. Um, in fact, an analogy, um, uh,
the, the, the, um, I found myself using
and explaining recently is that I believe
AI is like water.

You think about ai, think about it like water.

It is essential.

You need, you need you, you need water everywhere. Right.

But ultimately, water is free,
but we pay a lot for,
um, a water plant.

We pay a lot for a desalination plant. Why?

Because we need to get water where we need it
and when we need it.

Mm. And that's effectively what AI media does
with AI tools in a live broadcast environment.

Yes. Yes. Yeah.

So what we're doing is we are the water plant. Yeah.

So someone says, well, do, do, do, do you, do you,
do you make the ai Well, no,
the water plant doesn't make the water either, right?

Yes. Right. That's the input. Yeah.

What we do is we, they get the water from A to B. Yeah.

We get the AI from A to B. Mm. That's what we do.

So we are building the pipes really
for the AI infrastructure,

and we are building the pipes for the AI infrastructure
in a live environment in a B2B world.

Right. So we are not talking about doing this,
uh, direct to consumer.

Yep. Right. I'm wear, I'm wearing the new Apple AirPods.

They do the same thing as Lexi Voice natively,
but they do it direct to consumer.

So they take the audio that's coming into my ear,
and then they do that same computation on the cloud.

They're just sending the audio that's coming
through my earbud up to the cloud
and doing the translation if I wanted to listen
to it in a translated way.

Yeah. So we are not doing anything that they're,
we are not doing anything different to what Apple is doing.

We're not doing anything different to what Meta is doing.

We're not doing anything different to what Amazon is doing.

We're just doing it in a different environment. Mm-hmm.

And that's why these customers that, you know,

these companies that develop these direct
to consumer versions

of the applications we have are customers of ours.

Yeah. They're some of our largest customers. Why?

Because, well, they're also our largest suppliers.

Like, we go and buy services from AWS, we go
and buy services from, um, uh, from Google.

We go and buy services from a bunch
of independent third parties

who have developed applications, for example,
that do really good, uh, text to speech synthetically.

So they sound like a human in Croatian. Right.

So there'll be a number of
different companies that have got that.

And we basically stack those, as you've said on our cloud.

Yeah. Right. And so the, the, the Lexie Cloud is
where all the smarts happen,
but you actually need to get the smarts to the engine.

Yes. And that's what these devices do.

And the other thing, that's a great analogy.

Thank you for that. Uh, the other thing that, that, uh,
landed for me last time we chatted was the, the,
these encoders are, are required either way, whether
or not they're using you.

Correct. Your customers using AI media, whether
or not they want to do all this, this is an,
an essential bit of kit that is already required.

They also extremely long lived bits of hardware
and, and why That's, and, and the,
and the third, um, point that I want to hammer on is, is
that they then have all these ancillary sort of services
and functionality sort of around it, which is
what I touched on in the introduction there, is that
it's kind of the gateway drug, I suppose,
for you when you're, when you're dealing
with these customers, is, is that here's an encoder.
You need this anyway, once you've got it, it's going
to be very tightly embedded into your tech stack.

And all of the operational stuff is gonna flow around that.

But then it gives, it gives you, um, I mean,
and there's nice margins on that as well.

This is still a profitable, uh, uh, line
of business in its own right.

But then that's what enables
and feeds all of this backend, um,
in fact even higher margin services
that you're able to provide. Is that right?

Yeah. But the, but the, the,
the software services are brand new, right?

Yes. That's what, that's, that's the, that's the bit
that's really important to remember.

So yes. Uh, the, the business that we bought,
that's now our subsidiary, right?

In Farmingdale Long Island where I'm standing right now,
this business has been manufacturing, um,
boards just like this since 1980.

Yeah. Right.

So, so actually you go
to a broadcaster in the United States.

So there's, I think there's three, no, there's,
there's 4,700 of these devices
live in the United States today.

Yeah. But they're all sitting in broadcast racks. Yeah.

Right. Now, whether now a broadcast rack can be one at
Disney that's got like a hundred channels.

Right. Or it can be at Yankee Stadium. Hmm. Right.

And so there is a 4 92 sitting at Yankee Stadium, right?

Yep. So for so of doing this,

but right now what we need to do is we need

to upgrade that equipment.

So we are releasing a brand new Lexi Voice encoder for the,

um, uh, April, 2026, uh, show in Las Vegas.

That will be a Lexi Voice encoder. Mm-hmm.

Specifically for LXi voice. Mm-hmm. Right.

That can do four channels of LXi voice at once.

Our basic, uh, Lexy uh, encoders will be rebranded,

the Lexy Text encoder.

'cause the Lexie text encoder can just do,

can do four channels of text.

Um, and then the Lexy Voice encoder will

be a more premium product.

It'll have better GPUs.

Um, and it'll be able to deliver this with four, uh, uh,

different language inputs.

And what we're actually 5, 5, 5 different language inputs,

English would be the sixth.

So what that means is that you could deliver this, say

for the United Nations six UN languages one box.

That's correct. And that's what we'll be

releasing in, uh, April.

It'll be a higher price box than the one we've got now.

Yeah. Um, uh,

but this will be, uh, this, this is really to embed

what is this brand new service that we just launched

this April, and it's still pre-revenue.

We said it would take nine months for that sales cycle.

So we are expecting meaningful revenues to flow from January still, you know, on track, which certainly in line with everything that we've said.

Yep. But to the point on software being brand new, this hardware business in, um, uh, EEG, right?

EEG stands for Electrical engineering group. Right. Originally it was the electrical engineering in these devices.

Right. And the smarts around, um, you know, kind of designing these, um, boards and these chip sets that, that kind of sit in there, um, uh, that was still 90% of the revenue, 93% of the revenue of EEG when we bought the business in 2021.

Mm-hmm. Right. So, so they, now, they had already released Lexi text then.

So Lexi text was in its fourth year, but it still only had 7% of the total revenue.

So when we bought the, when we bought the business, it was doing, uh, 10 million minutes of Lexy a year.

Today it's do, we are doing a hundred million minutes, right?

Mm-hmm. So we've gone 10 x in four years, went from 10 million minutes to a hundred million minutes, but the revenue for Lexie at that point went from 800,000 a year, which was when we bought 800 hundred thousand in 2021,

which was its fourth year of operation.

So it went from zero to 800,000 in four years,
and then in the next four years,
and that was 10 million minutes.

So it went from zero minutes to 10 million minutes,
\$800,000 in four years.

In the next four years, it went from 10 million minutes
to a hundred million minutes,
but the revenue went from 800,000 to 24 million, not
to 8 million to 24 million.

Mm-hmm. So same product,
but we're selling it into markets
that have a greater capacity to pay.

Yes. Right. So the US market was, is, is, is a very price
conscious market, and the volumes are much higher.

Right. So 90% of our sales are still into the United States,
but those sales that are now outside
of traditional broadcast
and the sales that are outside the US we're able
to get a much higher margin for Yeah.

And that's why we launched our
70 30 partner program, uh, at the A GM
where we're effectively saying we will deal with anyone
who is a channel partner who has pricing power.

Mm-hmm. And if they can add AI media's,
Lexi services to their own encoder network, right.

Because yes, you're right.

Someone needs an encoder,
but it doesn't necessarily need to be our encoder.

Yeah. Right. Uh, now, at the moment, almost all of it is on our encoder, but for a couple of integrations that we've done with Imagine and Grass Valley, but by and large, still 85% of our sales are direct.

Mm-hmm. We want 85% of our sales to be indirect and for our channel partners to be getting 30% of the ticket.

And I suppose that's the, the drive behind that is it allows you to capture more market more quickly and more cheaply as well.

Well, and it's about, um, uh, ensuring that it's, uh, that, that it's a land grab, right?

Yeah. Like this is a brand new service. Right? Yeah.

It's not like, you know, I mean, I started AI media in 2003, and we've been using AI since 2003, but in a live environment, we needed humans.

Mm-hmm. Um, uh, to, to supervise the ai Yeah.

But 100% of sessions through to 2021. Mm-hmm. Right?

And, and, and then we said, well, and then we're gonna have a gradual decline, which is what's masked the increase, right.

In the, in the, uh, recurring revenue, which was zero.

Um, and we exited June at 2 million a month with a total of 17 million in recurring revenue over the year.

So the focus is gonna be on how quickly can we get that 2 million a month to be 3 million a month?

Yeah. Right? Yeah. And,

and not worry about what that total revenue line is because it's comprised of Yeah.

A whole bunch of stuff that is falling. Right.

Because we used to have a services business. Yeah.

Um, and, uh, when that services business at its peak did \$45 million of revenue, but only 700,000 minutes Mm.

A year. Right.

So we are now doing a hundred million minutes for less revenue than we were getting for 700,000 minutes, in fact,

for about half the revenue that we were getting.

But we are growing that volume, and we're growing that volume very quickly.

But the thing we are most excited about is that this growth from zero to a hundred million minutes has all been text.

Yeah. There's no voice in this at all.

And what we know is that the market for voice is about 30 times larger than the market for text.

Mm-hmm. So then you say, well, what, what can we expect for Lexi voice?

And you say, well, if Lexi Voice follows the same trajectory that Lexi text followed, right.

Lexi text went from zero to 800,000 in the first four years.

Could you multiply that by 30

and get an approximation on where you think we would get for each of those four years?

And the answer is yes. Mm-hmm. Yeah.

And that's how we start to build out the FY 29 forecast together with, and the final piece in the puzzle is a brand new product that we will be launching next April in Las Vegas, uh, which is Lexi ai.

Yes. Right. And this is, this is, this is really, so we've got the encoders.

Mm-hmm. Right? They act as the fly screen, they connect to the, um, uh, to the cloud.

They make sure that you've got the best engine today, regardless of when you bought the encoder.

'cause all the encoder is doing is serving up a small piece of audio, linking it with the metadata that you've got, aligning everything and making sure that it comes out second by second frame by frame in the right way.

Yeah. All the smarts are being done on the cloud.

And so effectively what we want to do is we want to then basically expand that sort of managed cloud service to then take a, so what approach?

So what, what then? So we've now we, you know, we've now, um, captioned your, your, your, your movie or your meeting or whatever.

Um, we've now given you a translation, um, of what's happening in real time so that someone, um, at the ball game can actually listen in Korean, uh, to an a, a, a live translated commentary, um, with an eight second delay sitting there in the stadium.

Um, uh, but then what did they do next? Right.

And then, and, and then what happens?

So, so this is how we're really feeding the Lexy AI into it.

We've been, um, as they say, dog fooding it in-house, so, so, you know, eating your own dog food.

Yeah. Yep. Um, uh, and I, I can't live without it.

I'm very, very, very excited to, uh, uh, to launch this product.

Uh, yeah. So for every, every internal meeting we take, it analyzes the video, it looks at people's body language.

I was like, you know, I asked for, for feedback on how did I go on that internal meeting?

It's like, Tony, you really should have paused for an extra second.

Like, it's that level of, you know, before making that point, you know, let that point land. Yeah.

I can, I can e It. It's insane. Yeah, yeah, yeah. Yeah.

So that's coming in April as well.

And then we've got the whole suite, right? Yeah.

And then that we're not, we're not expecting any more major product launches until, uh, right through, through to 2029.

And the job right now is just to commercialize the products we've got, make them better and better reduce the latency even further.

Um, you know, you, you mentioned Yes, we're down to eight and a half seconds, uh,

but for English into Spanish, it's now five seconds.

Hmm. Okay. So it just gets better and better. Yeah.

Um, and, and this is

before we've put the new Nvidia processes in the workflow
that are 30 times faster than
the ones that we've currently got.

Now, we're not gonna get 30 times faster
because actually the processing still has to get done.

You still have to wait for the end
of the sentence, et cetera, et cetera.

Yeah. But we are already at the point,
and I was, you know, I just spent two weeks in Geneva.
Um, and what's interesting is this is the fourth time I've
been to Geneva in 15 months.

The first time I went there, everyone was like, no, no, no.
Human interpreters. We have to keep human interpreters.
We've got the, the interpreters union.

There's no way we could even think about it.

The second time I went, there were a few people going, oh,
we, we we're having a look at this.

Um, the third time I went,
which was in the summer, everyone was looking at it.

Um, and this time round, everyone is certain
that no human's ever gonna be
interpreting in the next two years.

Yeah. That's how quickly it's all moved.

It, it's, I love it. 'cause they all use chat g pt,
they all use chat GPT of, right.

Of, and they're like, and, and,
and I had pl every single time, every single, every single,
um, meeting I had in the last two weeks,

I had a horror story about someone's interpreter.

Yeah. Right. Yep.

It's like, well, they have to change every 15 minutes.

We spend 20% of our budget on these people.

They're inconsistent. There's no quality assurance.

I swap every 15 minutes. This one's good.

This one's terrible. How could you follow a conversation if you only have it in 15 minute chunks? Yep.

Yep. It's, it's,

I had a to mute and unmute.

Like, it's all the basic stuff. Right.

Then they don't turn up and, you know, all this, and, and, and sometimes they're like 600 bucks an hour. Like, it's Crazy. Yeah.

I

Mean, we're talking about \$30 an hour for like, and so where we're at is, is we're at now in voice 23 months.

We're at voice now where we were 23 months ago with text.

Mm-hmm. Which is the AI is now better than the humans. Yeah.

Yeah. Gosh. It happens. It not for every, not for not for every language.

Not for every language, but, but, but, but,

but English into Spanish, French, Portuguese,

which are the main use cases that we're talking about here and back into English, right?

Yeah. So it's Spanish broadcast into English.

French broadcast into English. Right.

It's better than human. Yeah. Faster, better.

There's no, you, you would be,
you'd literally be taking a pot of money
and burning it if you got a human interpreter
on those languages there.

And so that's what we're really excited about.

So we're just focusing on, let's, let's look at
that language pair that works.

Let's look at the use case that we've got. Right.

Big US broadcast, um, uh, installed base.

Um, can we broadcast everything you do in Spanish as well?

And sell Spanish language ads? Right. Yeah.

What about, you know, one of our largest customers is, um,
uh, uh, you know, owns the Telemundo.

Uh, uh, uh, you know, so, you know,

I was in Boston, um, on the weekend.

There's a lot of sport going on at the moment.

You know, you go to a pub, half
of the TVs are actually on in Spanish, and the the,
and our captions are coming on in Spanish.

Mm-hmm. But what if you had the opportunity then to listen
through the app to the English commentary? Yeah.

Yeah. It's, it's cool.

I mean, oh gosh, my head's spinning.

So there's a couple things that, that stand out
to me when looking particularly at the, at the, the broader
history of the company.

And as a student of business, um,
what usually happens when there is an incumbent

that has a particular skill set
and is facing a potential disruption is that usually
that is ignored, downplayed, resisted and fought.

You, you don't very often get a company.

Amazon's always the one held up as the classic example here
where a company will actively manage the decline
of a revenue profit generating enter, uh, a segment
in recognition of the future.

Like, you can deny it, you know,
like Kodak is the other great example there
that, that, that didn't do it.

So I just, I just make the point that it was sort of,
there is a parallel universe
where the company just went into
irrelevance very, very quickly.

Um, just because the tech is changing
so fast, it's so much cheaper.

It's so much better. If you guys didn't do it,
someone else was gonna do it,
and then you just can't compete.

So I just, I just nothing to say there other than well done,
because I know it's generally a hard thing to do
because when you speak to board members and the,
and investors, it's like, Hey, as the CEO I really want
to manage the decline of this cash cow that we've got,
and I want to put all this money into this uncertain future.

Um, so, so well done there.

Um, the, the other thing that stands out,
and I think you might have used this term last time we

chatted, is this concept of the razor and blade model,
or the printer and ink kind of model there, which,
which very much, uh, uh, resonates with
what you guys are doing in terms of with the encoder.

Here you go. And again, it's not
as though you're giving it away below cost or for free,
but, you know, here you go.

And then the real money is made on the up upsell
to the backend and the enhancement of all of these kinds
of services, um, which is just such a wonderful model.

And the final thing I'll say, and then,
and then I'll, I'll let you have some, some comments,
is you were talking before about, um, uh, the, the amount
of encoders you're selling.

I just wanna draw attention to slide six.

In your most recent presentation, the number
of encoders sold in FY 25 was up 39%.

Um, can you elaborate a little bit more on, on

Why? Well, that's Europe, I

mean, that was just Europe, right?

Yeah. Because when we, when, when we bought EEG right?

All of these products only worked in the US and Canada.

Mm-hmm. Like they were right.

And, and, and keep and, and remember as well, right?

I mean, they drive on the other side of the road, the plug,
the different, there's a different voltage.

And then within broadcast,

they actually have 30 frames a second, and we have 25.

Okay. Like it's completely different. Yeah.

Uh, let alone the standards for

how you demonstrate the caption.

So it took our engineering team three years

from 2021 to 2024

to actually get it working in other countries at all.

And then it was in the last six months

that we added 23 new countries

because, uh, you know, once you've got a handle on the fact

that there's only a certain number

of finite different plugs, right.

And now it's, and now it's down to, okay, the character set

of, you know, the s

with the S on it doesn't come out if there's an E

before it at the end of a line, blah, blah,

blah in Croatian.

Right. Um, and,

and so these are the level of the problems

that we are debugging at the moment,

but that's kind of a week by week problem as opposed to, uh,

year by year problem.

And, you know, the reason that we knew that we needed

to buy EEG when we did was

because we knew that this era of,

you know, call it chat, GPT style functionality was coming.

And we knew that it was coming in April of 2018. Mm.

So, and, and it was April 20, I can remember exactly

where I was because I was at the, um,

Facebook F eight developer conference in Silicon Valley,

and we had just been the launch partner with Facebook to launch live captioning on the Facebook platform in June of 2017.

So this is nine months later. Yep.

So nine months later, we're at this conference, everyone said, make sure you come to the address of the head of AI after lunch on day two.

That was all anybody ever said.

And this was 90 minutes, it was, you could have heard a pin drop in the room.

And it basically went through, uh, all of the, um, uh, technological breakthroughs that had happened with, uh, Google, um, uh, which was kind of leading things and, and, and Facebook at the time.

Um, and basically said, look, we've got these hidden markoff models.

Now what we are basically doing is with telling the ai, look, you probably know more than we do.

We previously wanted you to just go from cause to effect.

Now we're gonna assume that there's a whole bunch of intermediate steps that we can't see.

Uh, just assume there's an infinite number of those and see if that improves how the model works.

Mm. Um, or didn't just improve it, it turned out that it went through the roof.

And everything we looked at from then was like, okay, this asymptotic improvements in, um, uh, accuracy that we were getting Yeah.

Suddenly uptick. Yes.

And then we were like, okay, it's a zero

To one kind of mode that quantum shift.

'cause it's, these things are never linear. Right.

It's sort of like no refinement

and then quantum jump and then refinement.

Yeah. But, but, but,

but I knew enough to be certain

that the Respeak model was dead.

Yep. In April of 2018, by December of 2019,

we had identified EEG as the only target that was gonna win.

Mm-hmm. And the reason was every single country

had their own manufacturer of these boards.

Mm-hmm. And so we had one in Australia,

but rather than them doing, you know,

\$8 million a year in sales in the us, which is what,

you know, EEG did, they were doing 400,000 Aussie

and it was just a circuit board.

Yeah. It wasn't a computer

that kind of, and there was no network.

There was no connections to the cloud.

So effectively it was this sort of, um, so, uh, uh,

very niche in industries around the world,

but the leader was the one in the biggest market,

which was the United States.

And we knew that we could make it work around the world,

but that was really, I mean, when we bought the business,

people said, you bought a business

that's only in one market, it's got an 80% market share.

How the hell are you gonna grow it? Yeah.

Yeah. You know,

and that's what we've done, and that's what we've done.

Right. So, so I don't think it was particularly smart

necessarily to see

that the respeak days were coming to an end.

Um, but you're right.

If we hadn't done anything,

then we'd be in the dustbin of history now.

Yeah. Um, but, um, also just, we were looking out for this moment for forever and keep in mind as well, right?

Like, I mean, we floated the,

the company on a respeak model at a dollar 23 a share.

Yeah. I hardly sold anything,

and now I own 12 million more shares than we did at IPO.

Right. So as the share price has fallen Yeah.

Um, you know, as people have, you know, uh, uh, seen, um, the, the, the, the revenue kind of fall, fall.

And in fact, one of, one of one

of our institutional investors who recently rejoined, um,

uh, the register said to me on the way down, she said, look,

Tony, it's not that I don't believe you, that you're gonna,

I don't, it's not that I don't believe

you, that you're gonna succeed.

It's that I don't need to believe you.

'cause the market isn't gonna reward you until they see it.

So we are just gonna sell

and we're gonna buy back cheaper in three years.

And that's exactly what she did. Yeah. Right.

So, Uh, so, you know, I mean, we're still below the IPO price with a, you know, with, with, with a business.

I think that is, you know, significantly better placed than where we, we launched in September, 2020.

Yeah. I think that comment has been made on our platform too.

And it's, it is fascinating that those, those days were, I mean, the markets were frothy back then.

Uh, valuations were, were, were, were lifted.

Although you could probably still make the same comment, but I'm always interested.

It, it, it's a bit like the Gartner hype cycle.

You know, it happens all the time in tech and, and certainly in markets as well, where a sort of a vision is painted and everyone gets super excited, and then everyone gets very disappointed when it's not delivered three weeks later.

And, and then, and then, and then sort of like the hype falls out of it and that.

But behind the scenes, the company continues to build, continues to make incremental improvement.

The IP lifts, the asset base lift, the customer relationships all build, and yet the market is only looking at one particular top line metric.

And I just think that is where the opportunity lies.

And that's, I think what's piqued, piqued a lot

of our interest, um, uh, here as well.

Um, so yes, that's all fascinating.

I'm gonna have to go to questions, uh, now,

because we are never gonna get through it otherwise.

Um, so I'm gonna, I'm, I've got a bunch of them here,

so I'm just gonna fire them off at you

and, uh, we'll treat it like a game show.

You've got, you've got a minute to answer each one.

Um, do I get a buzzer? Do I get a buzzer?

You get, you get a buzzer. Um, okay.

So first one from Michael is a good one.

One strategic initiative is

to deploy Alta on other people's hardware in order

to scale Lexy without additional sales, marketing,

or manufacturing resources.

The Playbook Neo partnership is one example.

How has that partnership progressed so far?

And what similar partnerships are you targeting next?

Uh, yeah, so thanks Michael.

Um, so yeah, look, play Neo is one of the examples that I,

I said of, of, of companies that we have done

that integration with.

Um, uh, so, uh, you know,

grass Valley is another Imagine is another,

and we are looking to do more of them.

Um, so these have been very early initial successes.

Nothing, nothing material in terms of revenue,

but certainly, um, successful, uh,

in terms of that integration.

Another great partner has been backbone, um, who delivered for us, um, uh, the first Lexi voice, uh, proof of concept in Worcester, Massachusetts, uh, about a month ago.

Um, and ultimately, uh, as Bill, my chief product officer, um, and who was the son of the founder who we bought the business from, um, you know, as he likes to describe it, he says, we are looking for partners who can pull their own sled.

Nice. Yeah. Right?

So, so, so where do, where do we not, so at the moment, we're we e every time we do a new customer integration, um, you know, in a new country in Europe, for example, um, we're doing Lithuania, right?

There's a different Lithuanian character set.

Well, that would all be handled by somebody who's getting the Lexy Direct API, right?

They will have their own.

So they will have to go and solve that problem.

And for that, they will get 30% of the revenue.

But the model is not to sell them, um, something at a fixed price.

The, the opportunity is to work with them to maximize the value, um, that we can ultimately get from the end customer.

And we know in the that pricing differential stat that I told you, right?

We are, we're up 10 x in terms of volume,

we're up 24 x in terms of dollars, right?

That in these different markets,

people will pay more than the US broadcasters pay.

And this is the opportunity for us to then figure out

who are the right partners in what region.

We've got the, we've got the financial

model, it's just 70 30.

Um, and then, you know, how do you create, uh, like that,

that partner channel business is something

that I'm very focused on in terms

of now building out the sales, um, organization.

Yep. And, and that, that win-win kind of, um, mindset is,

is obviously important with that there, it's, it,

this doesn't have to be a zero sum game.

Right. And of course, their success

Can be your success. It's,

it, it's not.

And, but, but actually getting people around this idea

that it's not a zero sum game.

Yeah. Um, it, it, it, it's actually been, um,

more challenging than I had thought.

Um, it's like, well, would you prefer a hundred percent

of \$10 or would you prefer 70% of \$30?

Yes. You tell me yes. Right? Yeah. No.

Oh, I don't know that we should be giving away 30%.

Well, how much are you giving away if you're selling it at

\$30 rather than at \$10?

Well, particularly when you layer that,

that land grab reality on top of it.

'cause it may be that maybe there would be an argument there
if, if this was a high, highly mature market
and et cetera, et cetera.

Absolutely. Absolutely. Yeah. Yeah, yeah. Yeah.

But the reality is the number of people who have
unplugged our devices in the last four years,

Yes.

Won. Okay.

And was that, that that was a,
a takeover was it was something
unique in that too, wasn't there?

No, no. It was, it was, it was the TV shopping network
and they had a bright engineer who designed their,
his own captioning program.

Oh, okay. Of course, it's not gonna deliver them voice.

Okay. I'm just saying that's the only time
someone's unplugged a device.

I'll take that as a win. Um, let me go to the next one.

Uh, this one from Travesty.

Um, I was very impressed to hear from Otto
and Brad at the recent Ag GM with their incredible cvs.

How did they come to be non-executive directors,
and what role slash influence do you see them having when it
comes to decisions on marketing
and connecting with government slash enterprise customers
and potential fu and potential future acquisitions?

Uh, yeah. Thanks. Thank you for that question.

Look, um, uh, Brad Bender

and Otto Burki, um, are absolutely fantastic.

Um, uh, executives, uh,

and non-executive directors, uh, Otto was one

of the two co-founders of the Xbox in 1999.

Oh, really? He worked for, yeah, he worked for Microsoft for 25 years.

He, he, he's also held, um, uh, positions at HBO.

Uh, he's on a couple of Nasdaq boards at the moment.

In fact, getting us onto the NASDAQ is certainly one option that we're really looking at in, you know,

'cause when we get to FY 29, if we deliver that 150 million, uh, in Aussie revenue,

that's a hundred million recurring in,

uh, US dollars as well.

And that's the kind of NASDAQ territory

that you can start looking at.

So that's certainly something that we're, um,

having a look at in terms, you know,

'cause 80% of our market is over here in the us.

You know, we are listed on the A SX for historical reasons.

How many US investors have we got? None. Why? Yeah.

'cause US investors can't invest outside of the US

and it's getting even more difficult with Trump, right?

Because now there's talking about this, you know,

remittance tax of two point a half percent,

and then there's all this compliance stuff that's going on

and, you know, let alone the political pressure.

So it does feel like, you know, kind of NASDAQ is somewhere,

you know, where we would want to end up.

And having US based directors is obviously very, very key to us building out that, uh, credibility in the US kind of listed market as well.

Uh, so, um, and now they both bring, and, and Brad, so, so that was Otto on the, on the, um, Microsoft side of it.

Brad was originally at Double click.

Double click got acquired by Google, and then he's worked at Google for 25 years in go to market.

So really, um, uh, uh, Brad has got, has got this real, um, go to market sort of, um, front of house, um, uh, product, uh, market fit kind of, um, focus.

And auto is very much, um, architecture, engineering and go to market.

But together, they co-chair our product and technology committee.

And the biggest, um, impact that they have had is on their ability to provide direction to bill my chief product officer and the son of the founder.

Right. Because he needs to now transition the organization from being a hardware company to being a software company.

Um, and that's a transition that both Brad and Auto, um, uh, have done very well.

And so in leading the product and technology committee, we've also got a product and technology committee working group, which bill chairs,

um, and that's management plus Otto
and Brad, plus my chairman John Martin.

Um, and that's where we set the budget
for the whole organization.

Hmm. Um, so the, the, the annual budget process begins, um,
straight after our annual conference in, uh,
in, in February.

Um, and then we build out basically the budget.

And this is what, um, uh, saw us increase, um,
our discretionary budget in r
and d by 60% off the back of the successes that we've had
with voice and the successes that we've had
with the encoders, um, to make sure
that we have enough in the tank so that we can grow
that revenue in 27, 28 and 29.

So 26 is not gonna shoot the lights out in any way,
but in terms of revenue or ebitda,
because as you say, we are investing
and we're expensing everything.

Yeah. And the reason why we're expensing everything is that
that's US gap.

And so when we go to the US
and we wanna list, list on nasdaq, we have
to have a clean balance sheet. Ah,

Nice. Okay. We
appreciate it anyway.

Even though you don't have to do it here.

It's, I think it's always something that, that, uh, we,

we certainly take notice of.

Um, oh man, there's so much to ask you that I'm,
I'm gonna keep moving on though just, just for the sake.
'cause I, I do wanna respect your time here
and I know it's the end of the day.

Um, the next question from Mike is
the a IM team has been very active in recent weeks show
showcasing Lexie voice at trade shows, the un et cetera.
How are customers responding
and are you closing contracts for voice?

Yeah, uh, they love it. Uh, they, yes.

I mean, that's that, you know, I, uh,
as I said in in Geneva, there wasn't a single person
that I met that didn't have a use for it.

Um, and again, um, this is about making sure
that you are distributing, um, on a one
to many basis the translation.

Yeah. Yeah. So, so, so every single person who's listening
to Lexi voice in French receives the same French.

Mm-hmm. Yeah.

If you're using your own AirPods,
you'll be whatever you you listen to. Yeah,
Yeah, yeah, Yeah. Right.

So if you're doing it on the direct to consumer end,
so not people are very interested,
but as I said, it's, it's a nine month sales cycle
that we started marketing this in, um, April,
we'll get the first sales in January.

It will be a slow burn,

but I'm very confident in product market fit.

Yeah. Nice. Well, actually, segues really nice to the next question, which, which actually starts off by saying, how long is the typical sales cycle looking for Lexi voice?

And then he goes on to ask, how do you, how, how long do clients typically want to trial it? How much time, effort do your services staff need to work with the client to sort of onboard them and set them up? And what's the typical cycle time from first interest to signing a significant contract?

Uh, nine months. Uh, quite a heavy investment.

Um, and it's about eight to 10 touch points before, uh, someone will purchase.

Yeah, gotcha. The first time.

Yep. So there's a lot of investment.

There's a lot of investment this year going into pipeline building.

Yeah. Right. So you're not gonna see it, you're not gonna see it in the revenue results for this year, but you will see it in the revenue results for next year and the years after.

'cause what we're building is a recurring revenue pipeline.

Yeah. No more of this sugar hit revenue that you Yeah.

You know, is up and down bouncy.

No, we just want a nice steady increase, as I said, from that 2 million mark.

Right. How quickly can we get to three and then further?

Yeah. Yeah. And it's not
so much about whatever happens over a particular orbit
around the sun either, is it?

I mean, it's that long-term lifetime values of revenues.

And again, I sometimes people can get caught
up in this kind of stuff.

You know, the analyst, that's,
that's the timeframes that they operate on.

And I think you can easily miss the forest for the trees,
uh, if, if you're a little bit myopic in your focus there.

Um, okay. Well

People try to pick the bottom as well, right?

Like Yeah. Everyone's like, oh, oh.

You know, like that, that, that example of
that fund manager I spoke about, you know?

Yeah. She was really clear that, you know,
it's gonna go down and then it's gonna come back up again.

And guess what? She made millions by doing that,
and she had the value of her money for three years,
but she's back in the stock now.

Yeah, yeah. Well, yes, yes.

But, and I'm not, not to throw shade at her at all.

Um, but I have seen, I've been in this game long enough
to know that you,

you can really shoot yourself in the foot when,
when there's a rocket on the launchpad

and you think I'll just wait to just,

I'll jump on just before exactly.

It takes off. Exactly. You know, it's sort of like

you could all Amazon at the peak of 2000 right?

And not care at all, and you Yeah, yeah. Correct.

No, no, no. I, look, I agree with you.

As I said, I look, you know, you know, where my, my,

I've put my money where my mouth is.

I've got, you know, uh, uh,

over 10 million more shares than I did at the IPO.

So, you know, like, um, I've certainly used the, um,

price drop as an opportunity to, uh, double down on,

you know, what I believe in.

But I think it's a bit of a, I mean,

what's the downside at the current price?

It's, I mean, you might not believe

that we're gonna hit 150 mil.

I mean, I do, but you might not, you don't have to believe

that in order to think that,

you know, you're not gonna lose money. Yep.

Yep. Nice. Um, next one.

How does, uh, AI media keep the teams across the world

connected and aligned to a shared mission?

I mean, that's an interesting point, isn't it?

Because it, it's one of the challenges of scaling

and with growth in particular when there are inorganic sort

of acquisitions and all this kind of stuff.

It's sort of like everyone pays lip service to culture,

you know, and we all get that it's important, but,

but the actual doing of that and, and,

and fostering of that is a, is a dark art.

How, how do you, how do you sort of think about all of that?

Well, well firstly, it's a very prescient question

because it absolutely is top of mind, right?

Right. Like, actually getting this right is

so, so, so important.

Um, and Andrew, I mentioned that, um, you know,

I can't live without our soon

to be released Lexie AI product.

That's what Lexie AI does. Yeah.

Um, so effectively it scales coherence

within an organization.

So every meeting that we have is transcribed.

We run the Lexi AI over it, not just what was said

and when was it said, what was the body language?

What was, as I said, did I pause

after letting you know something land

or did I rush to fill that space?

Which, you know, so this kind of coaching you get Yeah.

And at the end of it, every single meeting participant

has their action items, their deliverables

for the next week, and the culture now holds everyone

accountable for the, for these meetings.

In fact, we, we do the monthly, uh, sorry, we do our, um,

weekly, uh, global executive, uh, sales call, um,

at 7:00 AM on a Tuesday.

So we've just done it right in Sydney time. Right.

Um, and the biggest issue, quite frankly,

when you've got people across the world is time zones.

And so that seven

till 8:30 AM window in Sydney is really precious.

Yeah. Um, and as we like to call it,

it's an equally terrible time zone for everybody

around the planet, but, um, you know,

in the UK it's late at night, right.

Et cetera, et cetera. Yeah. But you've, you,

you've gotta find some time when everybody does that.

Yeah. And, uh, uh,

but you know, what we've actually done is we've done a lot

of work on sort of building up the values, um,

of the organization, and we've got three kind of key values

that we, that we work everyone to.

The first is truth. Mm-hmm. Tell the truth. Mm-hmm.

Even if it's unpleasant, tell the truth. Second precision.

Right. Gotta be precise.

Like, okay, Lexi Voice isn't working for that customer.

Okay. What's their setup? Are they using SDI?

Is it a 4, 9, 2, are we getting, you know, what,

what engine were they using?

You know, et cetera, et cetera, et cetera. Right. Yeah.

All this stuff. Yep.

Um, uh, uh, so precision and then finally, accountability.

People need to be held to account for their deliverables.

That's it. Right. So within those three, actually,

we've got truth, precision, and accountability and, um, uh,

and, uh, together with Lexi ai

and then, you know, have we delivered this, um,

I regularly ask the question, um, of Lexi ai,

whether anyone in the organization is out of alignment.

Mm-hmm. Um, and I get very quick responses back
and we take very quick action.

Okay. So I couldn't live without it.

So yeah, it's a, it's a real, like
that has helped immeasurably, um, uh, as well
as just being available at whatever time
of day it happens to be.

So, you know, if it's three o'clock in the morning
and there's a call with Fox, I'll be on it.

Yeah. Like, you just set your alarm
and, you know, you do a bit of shift work
and that get, that gets you a lot of the way there.

Meeting, meeting the customers on their own time zone

Yeah. Nice one.

Um, I mean,
definitely the enthusiasm is very noticeable and,
and, you know, you, you obvious just founders,
particularly those that have been at it for a couple decades
as you have, and this stuff can take its toll on you, right.

Like it really does. And so, um,
but yeah, it's more of a comment than a question.

I just like, it, it's obviously, it,
it's obviously not slowing you down or,
or it doesn't, doesn't appear
to be making you more weary in any way, which is great. Um,
No, I've been waiting, Andrew,
but I've been waiting for the time when we could actually
properly scale this business

and take the human out of the loop.

Yeah. Right. For like 20 plus years. Yeah.

You know, it's funny 'cause people will often would often have said, oh, what's gonna happen to your business when you pull the respeak out of the loop?

It's like, we're waiting for that. Yes. Right.

That's what we are gonna get full scale. Right? Yeah.

But that's not the way it was written in terms of the IPO documentation.

Yeah. Because at the time it was framed as that's our number one risk.

Yes. Right. And what I say to people is, well, you can assume that if it's our number one risk, we've taken mitigation action.

So, you know, we were well into the process of looking at EEG by the time we listed.

Yeah. Fascinating. Um, a question here is making the observation that it, it feels like there's been increased focus on investor relations and media in recent times.

Is is, um, is that because you feel is though the story is now ripe to tell, like it's it's more sort of tangible at this point?

Or Yes or Yeah. Is that the drive? Yes.

Yes, yes, yes. It was too complicated a story before we had to complete the, um, sunset of the legacy services business.

Yep. Um, uh, we had always set

December of this year

as the time when we would finally shut the gate on that legacy services business.

And so we've had a plan, uh, since that board renewal, um, process, which has now been going on for 18 months since, uh, uh, Deanne stepped down and then Allison stepped down.

We got, uh, Brent, um, on board as the, uh,

Brent Cubas is the new head of, um, audit and risk.

Cheryl Hayman as chair of, uh, reman Nom,

and then of course Otto

and Brad, um, leading the, uh,

product and technology committee.

Um, and John Martin, who's my chairman,

who is just fantastic.

Like we have, um, I mean, you know, Jo John,

John is across the detail, across the, uh, story,

across the key accounts.

Um, and I regularly share the, uh,

Lexi AI feedback, uh, directly with John.

Um, and so we've got in fact the entire board coming here,

uh, to New York in a couple of days.

And we've got our annual, uh, board retreat, uh, session.

And the objective there, um, is gonna be

to see if we can put some further meat on the bones in terms of how we're gonna get to those FY 29 targets.

Right. How much of it will be encoders?

How much will be Lexi text? How much will be Lexi voice?

How much will be Lexi ai?

How much will be professional services implementation fees?

Yeah. So that's the objective

in terms of getting, getting there.

And then part of that has been a really, um, strategic look at when we would be better whe when would be the best opportunity for us to ramp up our investor relations.

So we, uh, uh, looked at it and we were like, okay, well it's gonna be from, um, this year's full year results.

So we signed up to the investor hub platform all in advance, right?

Mm-hmm. Um, and so we, we, and we, and we know you've only got one shot in the locker to really relaunch something.

So we took that view and my, uh, and then the, I mean, we're doing a bit, a lot of work on IR since we listed like five years ago.

And what became abundantly clear to me was that, you know, the biggest problem that we had three years ago, two years ago and last year was liquidity.

Um, and so people aren't gonna get into a stock if they can't get out of, so they're just not gonna look at it if there's no liquidity.

I mean, three years ago we were doing 20,000 shares a day.

Yeah. Um, right.

Uh, we've, we've, we've just been doing a million in the last month, right?

So we 50 xd the liquidity,

but my objective from the start of results was

to five x the liquidity,

and we were at about 150,000 shares a day

before that, so we'd steadily increase it.

So, and that has given, you know, other investors now the,

the, the confidence to, to get in

and hopefully we see these volumes like sustain.

Um, and then people are happy to get in

because, you know, when I got the feedback in terms

of the ir, no one said they had a problem with the business.

Everyone just said they had a per a problem

with the perception that other investors have over the

business, which is no one can, no one can double click

beyond the top revenue line.

Yeah. So I was like, well, okay, well, we need, we need,

we need all this noise to stop before we can actually show.

And, and so the, the idea was, okay, we think this set

of results, we are clearly over 50%, um, uh, uh, tech,

it's 63%.

We've said that the services line is going to zero.

That only did 9.7 million in the second half,

23.7 for the full year.

It was 45,000,005 years ago. Okay.

I think people will get it now. Yeah. Yeah.

So that's kind of why now.

Yeah. Look, I, I, I, oh my God, I'm,

I'm not in furiously here

because there is a lot of reasons why we, I think have a,

a heavy bias towards small cap sort of, uh, investments is,

is because of exactly that,
because we aren't managing hundreds of millions of dollars,
uh, as individual lowly quote unquote retail investors.

But it's a wonderful thing
because you're able to sort of, you're able, you don't have
that limitation that others have,
and you're able to board the
train a lot earlier than others.

And if you've got the patience as the business executes
and the liquidity inevitably follows it just, well,
it's a, it's a thing of beauty.

So, um, Tony, I I wanna be respectful of your time.

The, the hour is up.

Uh, how, how, how urgently do you need to go?

I can keep going. I can keep going. Okay, cool.

Yeah. Yeah. I

Keep going. I don't wanna push

my life. No, no, I'm good. I,

You, I, I, I'll, I, I'll,

I'll keep going as long as you like.

No, don't say that. They're, they're not because you'll

Regret they're, they're not, they're not, they're not
firing up the machine again tonight.

So we're all good. Okay.

Well, I've got, I've got five more questions

that have come through, and I just,

I just want to get through those ones.

Um, sure. Uh, next one from Tweet.

Um, while, uh, AI media has the advantages of both text and audio description models already developed, integrating video search in Lexie AI and achieving product market fits, seems more complex than your other products.

Is AI media really the best environment to rapidly achieve this?

There's a lot in that question, and I wouldn't necessarily agree with the framing.

Um, so audio description, um, yeah.

For those who don't know, is a, is a product for the blind and, uh, low vision Yeah.

Which describes the visual elements of storytelling, um, that someone who's blind or low vision can't appreciate, and then it adds an additional audio track into that. Yep. Yeah.

Okay. So Tony is standing in a manufacturing plant with some capital equipment behind him.

Yeah. Wearing a black shirt and pink glasses, right.

That kind of thing, right? Yep, exactly right.

Um, and, uh, that used to take 30 human hours to produce one hour of content.

Oh, wow. We now, because you had to write that, you had to watch the video, you had to wait for pauses in the dialogue.

You had to script what I was wearing and where I was, you then had to do it again.

'cause you had to check it, then you had to get someone voice it over, then you had to dip the audio,

then you had to mix the audio, then you had
to upload a different track

And it offer a, a, you know, relatively small market.

Well, it was regulated. It is regulated, right.

So there are, so there are, there are places where you,
where you, where you have to do this.

Yeah. Um, we have launched a fully AI version of this.

Mm-hmm. Right. But the bit I don't agree
with in the question is the fact that that is
therefore unconnected to video search.

Right. Audio description is video search.

It describes what's in the video.

So it was that exact technology that we needed in order
to launch Lexi AI and the video search.

Interesting. Interesting. Okay. Excellent.

Um, next question.

LXi voice is focused on live,
but ignoring the transcription element, how far
behind YouTube auto dubbing is LXi voice on aspects like
voice quality and pronunciation?

Uh, good question.

Um, uh, but again, there was there, there's,
there's a nuance in there that's not quite right.

Yeah. Um, uh, uh, so again, we are not doing
anything that Google can't do themselves,
but Google can't UNM mix your mixed audio on YouTube.

Mm. You've got a, you, you, you want your, your, your,
your five-year-old's, um, birthday party up on YouTube,

there's gonna be a whole lot
of screaming, blah, blah, blah, blah, blah.

But if you want to hear the speech, you want
to actually get it straight from the mic
of the person who's speaking.

Yes. So that's what we do.

We do, we isolate the audio, we do it upstream.

We, it's a broadcast, right? Yeah.

We, we are doing this for broadcast.

This is not a service for someone at home.

Yep. Yep. Uh, excellent.

Um, aims knitting is B2B,
but there's plenty of well-funded B2C startups built on top
of LLMs and focused on video search.

Is there a scenario in which you would consider spinning
out Lexi ai?

No. It all tightly integrates together.

And we, uh, remember we are not talking about letting some,
um, you know, like fireflies style engine loose on
our customer's proprietary data. Yeah.

Gotcha. Yeah. Yep. Okay. Um,

Right. Like if, if,

like, if Disney want
to know what's in their archive, they do not wanna expose
that archive to the rest of the world. Of

Course. Of course. Right.

This is why we have these chats. Tony.

These are the insights we came, we can call no
Security. So the, so, so the

short answer

is security, the short answer.

Yeah. Well, I mean, it's a couple of things.

It's fidelity, right? It's upstream.

Have you got the right inputs?

Are you matching it with the right metadata? Right?

And then it's security, which, you know,

that is huge, right?

If you want, I mean,

how many people's organizations can't use chat GPT?

Because you know, the organization's afraid

of you uploading something to chat GPT

that it's just gonna forget tomorrow, by the way.

But anyway, that's a separate story. Yes,

Yes. There's

so many misconceptions in this space.

We could speak for hours on that. Um,

Well, the, the, the, the, the, the risk

of inaction is greater than the risk of action.

I know plenty of people who are too afraid to use chat, GPT

and I tell them, you should be afraid not to use it.

A hundred percent. Definitely. Yep. I couldn't agree more.

Um, and the best way to learn how to use it is

to just practice using it.

Right? Like, I, I know myself, I've just gotten better at,

it's not a perfect technology far from it,

but it's, gosh, I, the way I interact

and interface with it today is vastly improved from

where I was a year ago.

Not, well, the, the tech has improved,

but I think I have improved as a user and knowing Yeah.

What it's capable of

and what it's good at, what it's bad at, how I need

to interact with it, all of that kind of stuff. Um, yeah.

Yeah. Yeah.

And, and, and we're not talking about

agentic AI here, right?

Yeah. We are just talking about your ability to review

what the AI has come back with.

Totally. Yeah.

Right. We're not, we're not sending this off on some

flight of fancy and say, you know, um, go

and make me a three course meal

and then, you know, tell me how it tasted.

Sure, sure. Um, like, no, right. Like, you, you give me.

So, so, you know, Lexi AI is great

and on average it now takes me, uh, eight minutes

to review a one hour meeting

before I send those meeting notes out.

It used to take me an hour and a half,

but it was really good to train the engine

to understand what was important.

But now, you know, I might,

I might make three or four changes. Yeah. Yeah.

That's fantastic. Um, second last question.

Um, what are the key points to consider in an acquisition

and how would you fund it?

And I guess I'll just add to that.

I, I, it, it might not even be the case that,

that is on the radar, given

where you are in the product development cycle.

No acquisitions. No acquisitions. Yeah. No acquisitions.

We are not, we are not raising capital, uh,

we are not doing acquisitions.

Uh, we are building out a sales organization

and a sales ecosystem with the 70 30 partner split.

Nothing to add. That is fantastic.

Last question from David.

In 2020, Appen, I'm sure you're familiar with Appen, on,

on the ISX, they were confident in their market leading

position and the essential nature of its offering

with hyperscalers

and phone producers increasing AI translation services in

their product offerings.

How is a IM looking to maintain its market leader status

and continue to provide value to customers?

Now, you've kind of touched on this,

but I'll put the question to Well, you,

you've very much touched on it,

but I'll put the question to you as as stated.

Yeah. Look, uh, I mean, Athens's business model

was in 2020 effectively an, an an analogy

to our Respeak model.

Mm-hmm. So our,

but they did it recorded, we did it live, right?

Yeah. So we had over 800 re speakers
that had trained a speech recognition engine
to their unique voice print,
and then they listened to everything that was being said,
and then they repeated it into Yeah.

Dragon naturally speaking
that they'd trained to their voice.

So it always knew that, you know,
Andrew said the same thing the same way.

And so that was it. Yeah.

And it didn't matter if you had a really thick Scottish
brogue or you were from Calcutta.

Yeah. As long as you said the same word,
the same way you could be a respeak.

And we had 800 of these people around the world, right?

Yeah. At one point. Yeah.

Um, app and I believe had 10 million people at one point
doing, um, what was effectively human annotation.

Yeah. Yeah. So they were training the AI engines to get
to the point where those AI engines are today.

Yeah. I mentioned that Facebook conference, it was at
that Facebook conference that
they said they are getting now.

So this is now being April, 2018.

They are now getting 10 times the value of each piece
of labeling data that Apen gave them
than they were the year before.

And they expected it to 10 x again.

So what that meant is the world needed

10% of the data they previously needed
to get to the same outcome.

So that's not good if your job is providing that data.

And so what happened is a lot of
that business just fell away as the AI became
self-learning effectively as it is now.

And what we did is we cannibalized our own business
while it was going down and we jumped ship.

Yeah. Happened, we're just a little later to do that. Yeah.

I, I made the, that's, I I said
before, I mean, it's, it's an incredibly
difficult thing to do.

And there's a saying which I'm gonna butcher, which is,
you can never convince someone
of something whose livelihood depends on it not being true.

Something to that is a Lord Byron or something like that.

And it's, it's so true
because I think the closer you are to something,
the more dependent you are on it.

It's very, you know, it's like trying to,
people will hate me for this.

It's like trying to make a BA banker understand Bitcoin.

It's just hard. Right?

Like, it's gonna be a harder kind of sell.

So, um, Tony, that's all the questions. Yeah. But,

But what, what, what, what, you know,
and you used the analogy before, but,
but I did wanna just, just bring it up.

'cause I would often say this, um, at, at the board level,
and by the way, my new board is, is fully behind this.

It was, you know, um, but,

but you know, it's a, it's a little complex thing

and I was just like, we have a choice here.

We are either gonna be Blockbuster or Netflix GOs.

Yes. Great framing. Yes. Yeah.

GOs right? Not none

of them is gonna give you a great share

price in the next three years.

Yes. But one of them is gonna deliver

a business that can scale. Yes.

I just, I just love that.

And it's, it's so rare

and I mean, you, you can deal with reality

as you would like it to be or as it is, right?

Yeah. And, you know, uh, one,

one isn't gonna do you any favors, I suppose.

Um, mate, I ju I, I just, I, I, I, I come into,

particularly when we've got guests who are revisiting us,

I come into 'em often thinking, you know, I've got my head

around this, and then I just find an hour later,

my head is swimming with a whole bunch

of stuff I'm gonna be chewing over for the next few weeks.

And, and for that, I really do thank you.

It, it's, it's incredibly valuable for us.

Um, please remember us when you are a big,

super successful NASDAQ listed company.

Um, uh,

but other than that, all, all that's left

to say is love your work.

Keep up the great work,

and we'd love to touch base in another year or so.

Thanks, Andrew. You know, I invite me

back anytime, I'll say yes.

Awesome. It's been great chatting. Thanks mate. Awesome.

Thank you so much. Cheers. Cheers.