

## James O Mulford of acQyr eXchange

**Hall T Martin:** [00:00:04] This is the Investor Connect Podcast Program, I'm Hall T Martin. I'm the host of the show in which we interview angel investors, venture capital, family offices, private equity, and many other investors for early-stage and growth companies. I hope you enjoy this episode.

**Hall T Martin:** [00:00:23] Well hello, this is Hall Martin with Investor Connect. Today I'm here with James Mulford, President and CEO of acQyr eXchange. acQyr eXchange is the first public exchange to track and manage the digital assets gamers acquire online, which they can then be redeemed for cash. The platform is initially available for mobile and online gaming. James, thank you for joining us.

**James O Mulford:** [00:00:43] Thank you Hall. I look forward to the conversation.

**Hall T Martin:** [00:00:45] Great. So, tell us more about your background. What did you do before this?

**James O Mulford:** [00:00:50] Well, so I grew up in South Dakota and I received \_\_\_\_\_ to the Air Force Academy, which was a real blessing for me. Went there with visions of being a fighter pilot, and I was pilot-qualified for 3+ years and then my senior year turned out that I was disqualified for \_\_\_\_\_ so I had to make some sudden career changes. Fortunately, I had gotten a bachelor's in Computer Science. The Air Force had an opportunity to send me off to UCLA to get my master's. And so, I spent the next seven years working with the Air Force on expanding computer technology its use within the Air Force and with a specialty on focusing on how to improve the overall efficiency of computing systems. When I left there, I joined a small company, we got acquired, I continued to provide technology leadership and eventually took on some business management roles. And then in the mid-80s, two partners and myself did a crazy thing, at least my wife thought it was crazy, we took our life savings, about \$10,000 each, and we started our own business. It was focused on computer technology, the integration of complex systems. We had no contracts, but we had a vision and we took off and we built that over 10 years to several hundred employees. We ultimately had 14 offices, we had several Fortune 500 companies, large government organizations, and then we sold that business. And, I spent a couple more years there,

and then went on into another venture providing more efficient outsource recruiting, went through the whole dot-com crash, and learned how to be an entrepreneur in a tough period of time. We survived, we were able to sell that business eventually to what became part of IBM's recruitment business. And then I've invested in various other companies and now I'm invested in my last venture and very excited about that, I think it's a great opportunity.

**Hall T Martin:** [00:02:48] So, tell us more about your work in acQyr eXchange and what you do there.

**James O Mulford:** [00:02:53] So, right now we're focusing on bringing technology-enabled solutions to the loyalty-rewards space. This is a \$250 billion opportunity. There's over \$250 billion of unused reward value that exists across four primary markets: consumer retail, travel and leisure - which we all know a lot about - consumer online services, and then mobile and video gaming. So, we've done our research and our initial launch of acQyr eXchange - as you pointed out - is going to be in the mobile and video-gaming market. It's a huge market, it's got double-digit growth. It's interesting, today, there's over 2.7 billion gamers worldwide and there's over \$150 billion in annual revenue just in mobile gaming alone. So, with our solution, gameplayers will now be able to track, exchange, and actually monetize their in-game rewards across multiple games by using just a single mobile app.

**Hall T Martin:** [00:03:54] Well, great. So, let's talk about the rise of the tech segment in respect to online and mobile gaming. What can you tell us about that?

**James O Mulford:** [00:04:02] Well, it's really been a blessing to me to see the evolution of technology and how it's really been applied throughout multiple business areas. When I first started working with computer technology, it was really a tool that made existing business functions more efficient. You know, it was expensive, and we all laugh when we look at our computer phone and see this order of magnitude more capable than the computers that we worked with back in the '70s and '80s. So, technology has really become a necessity for all of us in all levels of business solutions and within our lives itself; it touches our lives everywhere. The cars we drive, our home, our entertainment, which is, of course, the area we're focusing on, and work environment. What would we have done without technology in this pandemic? Our education

systems, our medicine, our business meetings? And, what we're focusing on with acQyr eXchange is really closing the loop of how rewards are issued, now, what do you do with them? Well, let's make it easier to redeem them, and that's what we're doing with acQyr eXchange.

**Hall T Martin:** [00:05:14] So, what's the primary trend in the gaming segment?

**James O Mulford:** [00:05:17] Well, like everything in the technology sector, it's all about making it faster, easier, and cheaper. I think we've all seen the impact of cloud computing, artificial intelligence, connectivity everywhere. Used to be that a game was something that maybe you downloaded on your computer or you had a Sony PlayStation that was sort of a standalone environment, but now it's all about connectivity. E-sports is a big thing, right? I mean, you look at what's going on in terms of connectivity, Twitch big streaming, there will be hundreds of thousands of people watching major E-sporting events today. So, it's really become a dominant place in the marketplace. The technologies that we're using in the loyalty industry are just phenomenal. I mean, customers used to have to wait. You think about when you'd get some loyalty rewards at the grocery store - or wherever you were getting loyalty rewards - eventually, you'd build up enough points to go get some cents off at the pump, or be able to make a purchase, but now there's the move for instant gratification. How can I take my reward value and move it into spendable cash immediately? And that's what we're doing with acQyr eXchange. I mean, think about the payment process. You know you used to, if you owed somebody some money, you might write a check, it might get processed a few days later. Now, you go out to a restaurant with somebody - socially-distanced of course - and you want to pay someone, you can pull up your Venmo or Zelle and do instant payment. So, I think the trends are all about moving everything to a much easier, much faster, much more responsive environment.

**Hall T Martin:** [00:07:00] So, what makes for a successful company in this segment? What seems to be working the best?

**James O Mulford:** [00:07:06] Well, I think first and foremost, those of us that have been in technology for many years, that we have to focus on the business problem and not the technology itself. I mean, you look at the amount of technology that we have today, it is just amazing. Artificial intelligence, I mean the ability to connect, the Internet of

things connecting everything and anything. But, if we focus on all that intellectual property and fail to address the user's problem, then it's not going to really succeed. Solutions have to provide a path to faster response times, they have to be lower in cost, and a very intuitive user interface. The other thing I would say - and this is sort of my background and I've seen it work over and over again - is that we can't invent everything ourselves, right? We have to integrate with other value-added services from business partners, that's been my experience. When we were doing some of the earlier piloting for this solution, we partnered with MasterCard. We provided a loyalty-reward solution in the marketplace where a customer, instead of having to carry all sorts of coupons and loyalty reward cards, a single MasterCard-branded loyalty rewards card could be swiped at the point of sale. We had to partner with MasterCard, we had to partner with various other customers and partners in order to make that happen.

**Hall T Martin:** [00:08:27] And so what else should we know about this segment that's the same or different than other tech segments?

**James O Mulford:** [00:08:32] Well, I think in terms of what's the same, it's all about providing an \_\_\_\_\_ solution. In our space, the reason that we're coming out with acQyr eXchange is because there are lots of solutions out there today and actually very capable solutions to be able to issue reward value to customers. Those loyalty rewards programs sometimes exist independently, sometimes they're built-in like in the gaming world, you may get rewarded for ad engagement, or for time of play, length of play. In the E-sports world, you get rewarded because you were better than your competitor. So, all of that reward value sits there, and now what? How do you track it? How do you redeem it? And so, that's part of an \_\_\_\_\_ solution. We're not trying to come up with the next greatest loyalty rewards program, what we're trying to do is be a part of total \_\_\_\_\_ functionality that really addresses the needs of the consumer and ultimately the game publisher also, because they get value out of this also.

**Hall T Martin:** [00:09:36] And so, what changes do you see coming up in the coming 12 months?

**James O Mulford:** [00:09:40] Well, as you know, technology is just evolving at an ever-rapidly, more rapid pace. I think we're going to continue to see the application of technology to build things faster, cheaper, and more intuitive. In the gaming space

specifically, what we're seeing is a huge cultural evolution where now hundreds and thousands and tens of thousands of gamers could be interconnected to major E-sporting events, that's a major cultural shift. And why is that occurring? Well, we've seen advances in artificial intelligence, we've seen advances in connectivity, Internet of things, and, of course, cloud computing. We have major cloud-computing resources from Microsoft, from Amazon, from IBM, and many other sources, so that allows for this. It's no longer just me and my mobile app, but it's that connectivity that I have into the total industry. But of course, that drives what we're trying to do, which is allow all this E-sport activity to now provide some real value back to the people that are participating.

**Hall T Martin:** [00:10:49] Well, great. Well in the last few minutes that we have here, what else should we cover that we haven't?

**James O Mulford:** [00:10:54] Well, I think it's, first of all, it's been a pleasure talking with you and I really appreciate the time. I think what we have to say to the younger visionaries out there is that they need to continue to apply technology to their visions and deliver better solutions, whether it be in the space that I'm currently operating, or in any of the spaces. There are a lot of business problems that have yet to be solved, we're seeing that in this pandemic. I really find it amazing. Most people didn't know what Zoom was a year ago, and now it's rare that you run into somebody that hasn't been on a Zoom session, whether it's business or whether it's for connecting with your friends and family. So, I see a lot of continuing activity going on. There's lots of new problems to solve, the underlying technology is continuing to evolve, we're able to build upon top of that with much cleaner user interfaces, so it's not hard for consumers to actually use that technology, it just becomes second nature to them.

**Hall T Martin:** [00:12:01] Well, that's great. Well, how best for listeners to get back in touch with you?

**James O Mulford:** [00:12:05] So, I'd be happy to talk with anyone. I would recommend they can go to my LinkedIn account and just type in Jim Mulford, that'll connect in with me. If they want to reach me directly, they can go to [jomulford@acqyexchange.com](mailto:jomulford@acqyexchange.com), and the acQyr is acQyr, eXchange.

**Hall T Martin:** [00:12:26] Well, we'll put those in the show notes. I want to thank you for joining us today and hope to have you back for a follow-up soon.

**James O Mulford:** [00:12:32] Well, I appreciate it very much Hall and it's a pleasure talking to you.

**Hall T Martin:** [00:12:36] Investor Connect helps investors interested in startup funding. In this podcast series, experienced investors share their experience and advice. You can learn more at [Investorconnect.org](http://Investorconnect.org).

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