

## Giuseppe Liberati of Bridging ValueHAN

**Speaker1:** [00:00:04] This is the Investor Connect podcast program. I'm Hall 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. The Investor Connect is a 501 C three non-profit dedicated to the education of investors and startups for fundraising. Please consider donating \$100 to the program to help others in their investor and entrepreneur journey. You can find the Donate button on the Investor Connect org website. Hello, this is Hall Martin with Investor Connect They were here with Giuseppe Liberati , executive director at Bridging Value and board member of Houston Angel Network. Bridging Value LLC has successfully helped global startups, business units and small to large global organizations facilitate product, organizational and ecosystem activation and transformation since 2016. Giuseppe, thank you for joining us.

**Speaker2:** [00:01:02] Thank you all, thank you for having me, and you know, it's very interesting as as we've been exchanging ideas over the past few months that there's a lot of great topics to talk about. Thank you for having me over.

**Speaker1:** [00:01:15] Great. So tell us more about your background before investing in early stage companies.

**Speaker2:** [00:01:19] Yeah, that's a that's a very profound question. You know, I could say that that's the least. So I'm actually I'm, you know, I have two master's degrees in mechanical engineering and metallurgical engineering like one from the University of Pisa in Italy. So I'm Italian. I cannot hide it, by the way. And I will not hide it in. The second one is actually what the Colorado School of Mines. So that's something very, very interesting and very reputable organization, engineering and definitely it's an organization that is actually pushing technology and advancement and in lots of fields that I definitely recommend for young students anyway. So secondly, like, you know, with that background, you'd say, OK, this is a very technical kind of guy. And what's interesting is that in my career, I had a chance to jump from very technical to very commercial and all the way to being the head of innovation for a large corporations. And what's interesting in that journey is that I had to learn the lingo of the different stakeholders along the path. And so if you look at my curriculum, you can see that I have nine patents. I have

published papers on various advanced metallurgy and created the international brand. So I kind of like to challenge myself. And so that's how I got there. So one of the challenges I had in front of me was the moment I decided to create a bridging value, which is basically a company trying to bridge the value of like large corporations and startups, but not forgetting the small, medium sized companies. There are very pragmatic and also very agile in some of the solution to bring it. So at a certain point when we created the business ecosystem, as you mentioned at the beginning, we find that there's some gaps. And when those gaps are present, we scout for startups that we would like to introduce to our clients or into those ecosystems. And that's how I got involved into that.

**Speaker1:** [00:03:11] Great, so what excites you right now?

**Speaker2:** [00:03:14] Oh, worse, staged, so we're there's different things that are exciting me right now, so one of the things we're working on is the the energy matrix transformation. So it's a very broad concept, but one of the things we notice is that, you know, when you start changing energy or energy sources, energy distribution, energy storage and so on, you change the entire ecosystem around it. You just don't change one piece of the puzzle and the picture stays the same. That piece of the puzzle is not going to fit the same way as the previous one does. So you have to redesign the picture. So that's what we're working on. And two areas that we found extremely interesting are space and water. You would say, why those two? Well, first of all, because water and air are the two basic most basic elements that as human beings, we will always mean no matter where we are on this planet, any other planet. And we are pushing the boundaries on the access to fresh water. I don't know if you know if you knew, but Fortune described few years ago the fact that the global GDP actually follows more the trend of like access to freshwater than availability of energy. So which is very interesting. So we're trying to take water for granted, but I think water is an integral piece of our energy matrix and we should actually take that as with with a more integral look at it, and that's what we're doing. So we're looking at that. The second piece is it's space and space technologies.

So one of the things is it's interesting that we held a panel discussion with the Houston Angel Network, and one thing that came up one sentence was very interesting is that we do not live, so we learn to live. So let me say that when we learn to live in an open society in the sense, like we take something we use and then we throw it away, we don't think about the traction and

the degrees. If you're in space, you cannot do that. And so as Jack Fischer, a friend and astronaut and he said to tomorrow's coffee is today's coffee. Because water is fully recycled, every human debris is actually recycled on space, and so can we improve that? How much are the technologies that are being tested and developed in space can actually improve our life here? And how much can we from here keep improving space? And I don't know if that if any of or the people listening to the podcast have attended that panel discussion. But we have a potentiality of an economy like Brazil or Australia flying between us and in low Earth orbit, which is presently developing. So imagine in this big world crisis where we don't know what the economy is going, and now all of a sudden one of the top economies of the world appears out of the blue. What happens? Who's going to play in that economy? So those are the two things that keep me like, not let you make me look at the future in a very positive way.

**Speaker1:** [00:06:15] Great. So you see a lot of startups and a lot of investors out there. What's your advice for people investing in startups in space or water? What do you tell them to do before they write that check?

**Speaker2:** [00:06:26] No, that's that's well, it's it's interesting and a challenging question at the same time. The first thing I say be patient because space is not something that's going to you're going to you're not going to see returns right away. So you have to be patient and you have to be really willing to dig and be somehow involved. What I mean by that, you know, there's so especially when you talk about space, let's talk about space, which is actually like more enticing. Well, by the way, I don't know if you heard that thanks to Space X, Elon Musk is likely to be the first person worth more than a trillion dollars. So I'm like, you know, so SpaceX is actually an impact is going to have an impact on us, not only on his on his wallet. Let's put it this way, but if you're looking at that, there are so many different technologies that are completely out there. How can you not say, OK, this is going to be the winning one, so be patient. Look at the team, ask questions. Do not be worried about asking silly questions. Some of them may sound silly when you have big PhDs in front of you, but you know, maybe you help them also drive the analysis and the in-depth understanding of what they're what they're asking money for, you know, from a startup perspective. And again, the last but not least, the teams are the teams are the ones that make the success of a startup. So look at the people, look at the team, talk to them and keep in mind that you're \$1. Today might be, you know, maybe million dollar a few years ago for a few years. But from today, because the multipliers there are huge.

**Speaker1:** [00:08:02] Right. Then on the other side of that table, what's your advice for people running start ups? What do you tell them to do before they go out to raise funding?

**Speaker2:** [00:08:10] Yeah, that's that's that's some of my daily job when I mentor start ups and sitting on the board of some of them. First of all, you have to have a clear vision of what you want to do and you have to show the path to accomplish that vision. By doing that exercise, you will identify gaps constantly. Don't hide them under the carpet. Address them. They come. Hang on. You need to. You need a new team. You need a new member that helps you grow. Think about that as extremely important. I usually advise startups with three different. I always talk about the three resources. The cheapest one is money. Money seems like the big thing of every startup is looking for. The cheapest one is money. There's all this money available out there. And remember the money when it comes to you, it comes with the cost. So what is the cost of that check that you're getting from an investor? First of all, second point, the one is actually, I think is truly interesting is people, if you have a lot of money and you don't have the right people, you might not make the success of your company. But if you have the right people in very little money and people are committed and you have a great vision to share with people, then you can actually have major success because people are committed. The last one and the most voluble of all the resources this time, especially if you're racing to get to the market with new technology, new solution time is something that is not you cannot regenerate that you can not recycle. That time is gone. So think about the people, think about your time, look at your vision and then ask for money.

**Speaker1:** [00:09:39] Great. And so let's talk about the state of investing in startups. How do you see the industry evolving from here?

**Speaker2:** [00:09:47] I'd say the industry is actually has two positive sides and two negative sides, so the two positive side is that people are kind of like understanding that by now it's very well-established in the economy that entrepreneurs are going to be present and are going to be pushing technology and innovation no matter where in any angle of the world, any country around the world. So that's that's a pretty great possibility for people to invest. So you're going to have that possibility of investing there. So that's one thing, that's the positive thing. Second positive thing is that companies are going to start competing, be more and more and trying to

solve more complex challenges. So that's going to be a global advancement of human knowledge and human technology. So we're not now bound one or two companies that are going to be the one leading leading edge. On the flip side is that obviously when you have a lot of companies, how do you choose the right one? So you have to do a lot of due diligence. So it's a lot more work to find the right one. And the other flip side is that OK, I strongly ask people to really look carefully into your comfort zone. Don't overdo it. Don't put too much money onto companies if you're not feeling like it. Keep in mind, keep in mind that you know you're putting your resources that you earned. You put sweat on it and you're trusting and trusting those resources to somebody else. So that check that you're going to right is not just the money that you put in there. It's it's a building of trust. It's a bridge of trust. So remember that because every time the trust is broken, it's gone.

**Speaker1:** [00:11:23] That's a good point. So what do you think is the biggest change we'll see in, say, the next 12 to twenty four months and early stage funding?

**Speaker2:** [00:11:31] Well, one thing that definitely you will hear that on and on is actually the ESG piece, I think all those, all the companies are going to be looking and going to be scored that will be vetted on what impact they have into solving the environmental, social and governance issues. A larger, larger organizations that might push large organization to spin off some activities and make them float on their own so there might be other opportunities there. Ultimately, we had to start, and that's one of the things we do are bringing value is really building those ecosystems where people work together.

**Speaker1:** [00:12:06] It's great. So let's talk about your investment thesis and criteria. Where exactly is your thesis and what is your core criteria for pursuing a deal or not?

**Speaker2:** [00:12:17] Well, again, I'll go back to the things I've been saying before, I need to know the team. I want to get involved. I want to understand how much I can be as active as I can possible, and I want to be a burden. I don't want to be a pain in the neck. Obviously, I don't want to be the one of those noisy investors that want to always ask very little detail and make the entrepreneur whose time, which is another thing that might be part of the cost of getting the right investor. Well, one thing I definitely want to have companies that I can actually bring into other projects so they can actually help them expand globally and participate with us.

**Speaker1:** [00:12:50] Marie, can you mention one or two ups you've invested in as a portfolio and why are you invested?

**Speaker2:** [00:12:56] Sure. Obviously, we invested with one. Companies out of out of Boston was called Sierra II. They have a very interesting solution to turn any forklift into like a driverless forklift, enhancing like improving the safety of operations in warehousing. So warehousing is one of the big operations is going to grow more and more. And so having that solution is definitely relevant. For example, another one we worked on is like we invested is actually Xena's that it's a solution for facial analytics and our facial recognition. It's a very subtle difference, but it will get into very deep mathematics if you look at that.

**Speaker1:** [00:13:37] Great. Well, let's talk about the challenges you see out there for startups and investors in general. Let's start with this startup. What do you see as the primary challenge startups face in today's market?

**Speaker2:** [00:13:48] I think ultimately, I go back to what I was saying. Again, it's trust. You have to be to build a level of trust. You know, there's one, there's a lot of startups asking for money to every place, everywhere. You better have a very compelling story. You have to be able to build relationships that are trustworthy and long standing. You want people to come along with the journey with you and don't want to have somebody waiting for things to happen, just sitting on the side. You know what I mean? You want somebody that is really next to you. You want to partner more than just their money. So that's one thing. And that's for startups, I think build that trust.

**Speaker1:** [00:14:26] Great. Then for the investor, what's the challenge in today's market that you see there?

**Speaker2:** [00:14:32] I think there is one of the biggest challenges, there's a lot of noise, there's a lot of companies, you're going to have lots and lots of startups from every angle of the world. And you know, in our case, we work across multiple continents. I'm speaking to you today from from Madrid, Spain. So I'm like, you know, in the U.S., very often we have a relationship in South America and we have a relationship in Eastern Europe and so on. And there's so many things, so

many companies happening everywhere. So be. Be aware, ask questions, and it doesn't mean that, you know, maybe the best start up is on the other side of the world or out of a country that you never know. But it's not just because the country would like to talk to the people, ask them questions people need to build if the if the the founders are building their trust. And you ask the questions, people will be comfortable. And if you don't, if they don't answer your third question, don't put your money there.

**Speaker1:** [00:15:27] Good point. So we've already talked about some of the applications and sectors out there that you follow, like space and water. If you had to look at subsectors or specific applications in those too. What do you think are good opportunities for investors to pursue within safe space and water green space?

**Speaker2:** [00:15:44] One of the areas I'm looking at is actually orbital logistics. So if we imagine, like a country like Brazil or Australia, start floating up in our air, our heads for this plane and we'll you need to start moving products across different orbits. And so how do you move them? What's the best system to move them around? So that's one area that I'm very much looking at it. I have some ideas. There are a few companies looking at it, but that's one thing. And if you talk about water, let's say there's a lot of water has been taken into something like dissected into silos. So every industry has a water issue. You can go from pharmaceutical to oil and gas. You can go to the food industry to like landfills. Everybody has a water issue, but everybody is trying to solve it in silo. So one thing that's interesting look at the technologies that work across those silos and are able to address multiple issues across different, different sort of different silos. And another thing that I would say, if you look at technology, remember that technology is agnostic of the language you speak mathematics, physics, chemistry, they work everywhere. The rules are the same everywhere around the world. What makes it like specific is when you start talking about business. Business is a cultural thing. It's a cultural. It's it's a humanistic piece. Business is done by people. And so that's when you start building those bridges of relationships. And that's that's where it's important to start having a conversation. Do not invest if you don't talk with the founders. So that's when things will start all over the place.

**Speaker1:** [00:17:25] Great. And so in the last few minutes that we have here, what else should we cover that we haven't?

**Speaker2:** [00:17:30] Well, it's funny, like going back to your very first question, how did that, how did my journey started from like, you know, from being an engineer all the way to investing in early stage startups and becoming like part of the Houston Angel Network, which is one of the largest angel network in the country, at least the most active angel network in the country. We started by finding all of a sudden that I wasn't an innovator and I didn't know it. You know, I thought I really I was like a hardcore engineering and solving very engineering front. And so in 2018, I started writing a book that's called Next. It's subtitled How to Innovate From Within. So basically, it's sort of like my journey of identifying myself as an innovator, but ultimately turns out to like what it takes to each one of us to be an innovator. That means that each one of us has a role, and as we acknowledge that role and we take head on some of the obstacles that usually bound us and limit us into like impacting the ecosystems we belong to. Then we can actually make a change. Those changes are relevant. So what is your next move? Plan your next move or think about it. And that's that's the book is all about.

**Speaker1:** [00:18:49] Great, so how best for the audience to get a hold of the book, whereas where it can be found?

**Speaker2:** [00:18:55] Yeah, the book is on is on Amazon, it's on Barnes Noble's and other digital platforms, so you can actually find that there's some references on my link profile. Reach out to me if you don't, if you cannot find it, you can reach out to me either on LinkedIn or through my email. Is Giuseppe Giuseppe Bridge, and I'll be glad to share more about this because I've seen the book referenced in areas I never thought about it. So people like really sending me like, Thank you note this is one of the best books I've ever. I don't know. I didn't write it for people like redefining their complete career or stuff like that or talking into the family, I'm like, It's a little journey on my own. So I'm actually very glad if it can make a positive impact on the people and people's lives and their ecosystems.

**Speaker1:** [00:19:40] Great. We'll include your contact details in the show notes, we want to thank you for joining us today and hope to have you back for a follow up soon.

**Speaker2:** [00:19:46] Absolutely. Looking forward to that and then we have a lot more topic talking about international companies. You know what it takes to go beyond those frontiers. I'll be a great conversation to have there. Thanks so much. Thank you very much.

**Speaker1:** [00:20:04] Investor Connect helps investors interested in startup funding in this podcast series, experienced investors share their experience and advice. You can learn more at Investor Connect Canaccord. Paul T. Martin is the director of Investor Connect, which is a 501c3 nonprofit dedicated to the education of investors for early stage funding. All opinions expressed by host and podcast guests are solely their own opinions and do not reflect the opinion of Investor Connect. This podcast is for informational purposes only and should not be relied upon as a basis for investment decisions.