

# Transcript of Joy Schoffler

**Hall T. Martin:** [00:00:00] Well, hello, this is Hall Martin with InvestorConnect. Joining us today is Joy Shoffler of Distinctive Edge Partners, a communications, marketing, and event management company across the aerospace and defense industry. Joy, thank you for joining us.

**Joy Schoffler:** Thank you so much for having me, Hall.

It's an honor to be here.

**Hall T. Martin:** Great. Well, tell us more about Distinctive Edge Partners. Yeah.

**Joy Schoffler:** So we are, [00:00:20] as you mentioned, where, um, we focus primarily across aerospace and defense, uh, working with communications, marketing, event management. Um, and one of the things that we've seen happen here, um, in the last couple of years is a lot of technology firms have started to explore working with the [00:00:40] federal government.

As a new customer base, so we work with a lot of more traditional technology companies that are looking to break into this space. And so I'm just so excited to meet with you today and just share some of the opportunities and share some stuff about working with the government that people may not [00:01:00] know, um, as well as some opportunities.

**Hall T. Martin:** Well, let's explore the aerospace and defense industry. And, uh, can you tell us about what you see coming up in that

**Joy Schoffler:** sector? Yeah, no, great question. So one of the things that's happening is, there's more money going into modernization for our infrastructure, our systems, just. [00:01:20] Modernization in general, anybody who's been to a government website knows that, you know, a lot of times it doesn't feel like it works as efficient as efficiently as a lot of the other, you know, even banking or other areas that fintech has revolutionized.

And so, So much of what's happening now across the federal [00:01:40] government is, uh, they're looking for new solutions from the private sector to help them, um, just improve systems. And that's good for all, you know, all of the US citizens who live here to have a more modern and effective government. So it's. A really exciting time, [00:02:00] um, not only for people who are more

traditional government contractors, but for, you know, technology companies to be able to diversify customer bases and look for new, look at some, some pretty cool opportunities.

**Hall T. Martin:** When was the last time they modernized systems? It seems like it's been some time.

**Joy Schoffler:** So there is, um, you know, I think there's always been [00:02:20] modernization going on slowly. Um, but over the last couple of years, we've really seen a lot of investment go into, you know, different ways to modernize infrastructure to, you know, protect us, make sure the lights are kept on, in the event of, you know, cyber attacks or different things happening.

And then, you know, just all the [00:02:40] processes that are made more efficient in the private sector through modernization, the government is, making a lot of large investments in there as well.

**Hall T. Martin:** And how big is this modernization effort? What's the size or scale

**Joy Schoffler:** of it? So, there's more money going into, um, modernization of the U.

S. government now, um, than [00:03:00] any time, uh, So it's, it's on that scale, um, it's a huge opportunity for companies.

**Hall T. Martin:** Great. And so what is the opportunity for companies to be a part of that? Where do you see the opportunities alive in, in the short term? Yeah.

**Joy Schoffler:** So one of the, um, one of the things that we're doing to connect [00:03:20] entrepreneurs and, you know, this is great for, um, investors as well, who have portfolio companies.

That are maybe looking to diversify customer bases. one of the opportunities is, uh, we're doing a demo competition. And instead of, you know, spending a ton of time and energy going through. The traditional bid process, what we're [00:03:40] doing is allowing people to record a five minute video that kind of talks through the story arc of how their technology could impact, different areas of the government.

So we've got categories across AI, quantum, energy and storage, cyber and sensors, space, and then we have a wildcard [00:04:00] category. If your company does not necessarily fit in, the judges of that competition are mainly coming from across all the different branches from Air Force, Army, Navy, we don't have any Marines yet, but I'm sure we'll, we'll add 1 or 2 in there as [00:04:20] well as people who are experts across the SBIR field, Department of Energy, other, other organizations.

So. What we're doing is really giving a chance for companies, both established primes, who have new technology innovations that they want to share all the way through innovative, cool startups that [00:04:40] are looking to be able to just share how their technology applies. and then, The two finalists who will be down selected will compete live on stage at a, um, private event held in Austin during South by southwest.

**Hall T. Martin:** Great, and so what are some of the applications we will see come out of this

**Joy Schoffler:** effort? [00:05:00] Yeah, so one really great one that, um, has applied is a company called Hypergiant, which is an Austin favorite. And Hypergiant started out, um, All commercial and, was successful in the commercial sphere, but ended up going and applying for an S.

P. I. R. through the Air Force to bring [00:05:20] their, data decision making platform, to the federal government. They got an S. P. I. R., which is a non dilutive capital grant that essentially enables companies to, Get paid to build a technology, a prototype for the government, implement it, test it.

And then that went so well that the Air [00:05:40] Force expanded that into a 61 million contract, which was a huge growth opportunity for Hypergiant. So that's just one success story. We've heard so many different success stories along the way. And there's so many opportunities from, you know, not only demo competitions like ours, [00:06:00] but, you know, at South by Southwest this year, army futures command has just signed on to be the title sponsor at South by, um, for the official South by event.

There are tons of people from all the different branches who are coming into town. There's something called the Office of Strategic Capital, through the [00:06:20] Pentagon. And what that is, is it basically is if you've got a technology that could help the government and you're VC backed, they will do a matching non dilutive capital, uh, grant for companies, up to a million dollars.

Of non dilutive capital that can be, used for companies [00:06:40] who are, who are contracted and working with the government. So the amount of opportunities for, um, for technology companies, you know. It is immense and I, it's just something one, this is our country. We all live here, so it's great to be able to contribute to it, but there's also so many ways [00:07:00] to, you know, commercialize and, um, really grow your company as well.

**Hall T. Martin:** So for those developers out there, startups that are used to dealing with the private industry, what should they expect when they go into the government space and the aerospace industry? How is it the same or different?

**Joy Schoffler:** Yeah, great question. So, you know, [00:07:20] there is, um, as we all know, there's more red tape to go through the process, and a lot of it is about building relationships.

So I know, the Investor Connect audience is global and you've got listeners from everywhere, but being in Austin, There is a huge presence of the federal community [00:07:40] here. And so Capital Factory is kind of the center of gravity for the aerospace and defense industry here in Austin. It is become almost like a separate, it's a big tech innovation hub for the federal community.

And so we have representatives from, Naval X is opening up [00:08:00] an office here, Army Futures Command is here, AFWERX is here, during South by DARPA we'll have a large presence, the Office of Secretary of Defense, so there is so many people who want to meet startups and help them get plugged in the right places, DIU is one example of that, so the defense innovation [00:08:20] unit and their whole mission is to be able to be that bridge from the, you know, traditional technology community looking for solutions for, uh, all the different branches of the government.

So there's just so many different opportunities and people who are really willing to, um, help, [00:08:40] uh, Kevin Lantrop here in Austin is, uh. fantastic resource. He's got a, company that, consults on, um, SBIRs and how to get companies kind of through that pipeline. Capital Factory does stuff all the time.

So there's just lots of different ways for companies to plug in and be told where to go and [00:09:00] how to get there.

**Hall T. Martin:** Well, I noticed in the government, they, they use both grants as well as contracts. What are the differences between the two?

Yeah,

**Joy Schoffler:** so a grant is a grant. it's basically the government paying you to, um, customize your technology to their needs.

So there's, um, something called an [00:09:20] SBIR, which enables smaller companies to be able to start working with the government. So there's There's programs just specifically for companies that haven't worked with the government yet. And when I say smaller companies, you could be, you know, under, you could be a 20 million a year company and you [00:09:40] can still qualify for these SBIRs.

So, you know, depending upon the particular requirements. So, um, the definition of small, you know, definitely varies from what you think of as a, a startup entrepreneur. but there's opportunities for startup entrepreneurs there too. I, I know a gentleman who, they had a data [00:10:00] analytics platform and it was two entrepreneurs and they received a 75, 000 SBIR, um, just to work with the government to see, is this a, could they help solve a problem the government has?

So there's really immense opportunities for, companies that are looking to develop [00:10:20] relationships.

**Hall T. Martin:** Well, great. Well, you mentioned several technologies a moment ago, AI being one of the hotter ones. AI is still very new, but where do you think the early wins might come for AI in this space?

**Joy Schoffler:** Yeah. So, you know, at the end of the day, AI only works with data.

you have to have data [00:10:40] to feed, to build the models. everything comes back to data. So regardless of, you know, how one thinks about the government and AI. At the end of the day, if we don't implement solutions to really streamline data collection and processing to glean the insights, [00:11:00] we're never going to get anywhere with AI without the data piece being in place and being built 1st.

And so. Uh, you know, hyper giant, for example, there are huge data decision, making technology company, uh, those kind of, firms will do really well. And that's data from everything from [00:11:20] data visualization tools to, autonomized here in town. They've got a great, data, AI data solution for the healthcare industry.

we're just seeing so many phenomenal, AI driven companies in, our demo application for the space and defense, showcase and, [00:11:40] reception that we're doing lots of great AI

**Hall T. Martin:** companies. Well, the government's always been on the cutting edge of great new technologies, and I guess one of the upcoming ones is quantum.

We've been hearing about that quite a bit. What can you tell us about quantum and where that might fit

**Joy Schoffler:** in? Yeah, so we have a quantum sciences category, as well for the space and defense, [00:12:00] um, showcase and ignite awards. So that's another one where a lot of different, government agencies, especially DARPA is looking for.

new innovations and technologies to be able to, um, you know, advance computing power and make it, you know, make things flow better. So that's another category of the [00:12:20] competition as well.

**Hall T. Martin:** Well, that's great. Well, tell us more about Distinctive Edge Partners. What exactly are you guys doing here in the aerospace and defense space?

What's coming up for you guys?

**Joy Schoffler:** Yeah, so we are, um, communications, marketing and events management strictly for the aerospace and defense community, um, including technology companies who are looking to [00:12:40] break into that space and being able to kind of speak to the government in their own words. our team comes from, brings expertise from Lockheed Martin, L3Harris. lots of different branches. I am the, um, you know, I'm a former army officer in the reserves. So, you know, get to bring kind of a little bit of my passion, although most of [00:13:00] my career was spent in the investment and fund management, sector is, you know, hall. So it's, uh, we really built a team of, um.

Experts within the aerospace and defense industry to be able to help people frame and kind of communicate properly to the government. And then [00:13:20] from an events management perspective, so much of building relationships as in any industry is, you know, getting to know the right people, making sure that you're connected with and talking to the people who matter for.

What you're doing. So, um, we run a lot of events including the Space [00:13:40] and Defense, uh, innovation Showcase and Ignite Awards. we also are running a space event during South by for L three Harris. you know, we're, we're doing, uh, quite a bit and have done quite a bit across the cybersecurity sphere, especially as it relates.

to defense. so our mission [00:14:00] is to really kind of connect people and to make sure that the right people are in the room together, to be able to create new relationships and opportunities, which is why we're so excited about this demo competition. , applications are running through January 10th. And so it's just a quick five minute [00:14:20] video really telling your story of innovation.

Production quality is not taken into account, so you can break out your iPhone, you know, do a zoom recording where you're showing how your technology could help record yourself, do a little screen share to demo the tech, but at the end of the day. You know, it's really [00:14:40] about speaking to the government customers and showcasing, like, how can you make an impact?

, and it's really your, marketers and the business, executives opportunity to tell that to a wide base of potential government buyers and people who are in charge of innovation. And what's the best

**Hall T. Martin:** source for startups to [00:15:00] look up to learn more about the government needs and their concerns and care about?

Is there a particular website or resource that stands out? Yeah,

**Joy Schoffler:** there's so many great ones. there's organizations like army X tech that have competitions going on all the time. If you're local in Austin, go to the capital factory, 100%. [00:15:20] look at their events. They have so many fantastic ones to connect the.

Entrepreneurial community. , there's just a lot of support, especially in Austin for these, um, these communities, but there's a lot of resources online as well, where you can just learn. You know, there's so many [00:15:40] people who are willing to help and teach people here. If AI company. There's a, a website called Tradewinds Marketplace and Tradewinds, you just upload a five minute video as well, , following their script prompt, and that will go into a [00:16:00] solutions marketplace that basically is, , available to the entire federal government.

That showcases how these different technologies, can be applicable. So it's kind of like, they'll do queries there to see, okay, what sort of technologies and solutions could fit this particular problem set. [00:16:20] And, um, it's a tremendous, tremendous free resource.

**Hall T. Martin:** That's great. So how best for listeners to get back in touch with you?

Yeah,

**Joy Schoffler:** so, um, to apply to demo go to SDI reception dot com There's applications open through January 10th. So [00:16:40] please do go on apply It only takes five minutes to submit a video. There's no application fee So it costs you nothing to, um, but, you know, five minutes of your time and a really short application to be able to apply to see if this is something, you know, if there's a way to, [00:17:00] um, bring your technology to that community.

And like I said, this isn't just for emerging startups. We've got, um, an SME enterprise category as well. So. If you have, if you're a more established company and are looking for, you know, new markets for your tech, please, you know, do a little [00:17:20] quick demo video. We'd love to see your technology. Um, we're going to be promoting these companies throughout the month and would just love to have your listeners apply.

**Hall T. Martin:** Great. Well, I want to thank you for joining us today and hope to have you back for a follow up soon. We'll include your contact details in the show notes. Appreciate your taking

**Joy Schoffler:** time. [00:17:40] Thank you, Hal. Appreciate being here.