CONVERSATIONS WITH MIKE MILKEN

Thomas Kurian

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Mike Milken: Thomas. thank you for joining us today.

Thomas Kurian: Thank you for having me, Mike.

Google is one of the five most valuable companies in the world, and Google Cloud now covers most of the planet. Why don't you start us out with, what is Google Cloud and what are its goals?

If somebody wanted to use computers, if they wanted to use software at a certain scale, they have to procure a data center. They have to install software on those machines and have people operate those machines and maintain it. And what Cloud provides is a way for a person to go to the internet and be able to access computational resources, to be able to get data-processing software as a utility, and to make it much easier and

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flexible for people to get access to technology. And so our mission at Google Cloud is to bring the technology capabilities of Alphabet and Google, whether that's large scale computational processing, analytic processing, machine learning tools, collaboration

technology, all different kinds of things, to companies around the world to help them digitize their business.

So I like to read a quote from you. "This is a very defining moment for all of us around the world," you said, "to have the hope, the optimism to re-imagine our business, as you recover from the pandemic, we at Googled take responsibility to support you in that mission." What did you mean by that statement?

The pandemic is causing organizations to go through three phases. The first phase was figure out how to get their employees working from home, change what they're doing on a day-to-day basis. The second phase is sort of recover from that big shock that hit them. And the third phase is, how do they reimagine the future? And the reimagining the future, to us, is going to be accelerating the process through which they can digitize their business, whether that is reaching customers online, delivering services in new ways to people, as well as reimagining the workforce environment. Many people talk about not going back one hundred percent to an in-office work environment, and our work as Google is to help organizations through this period of difficulty and to help them prepare for the model of doing business and working for the future.

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One of the things we've seen here is the COVID-19 pandemic has resulted in a substantial acceleration of technology, best demonstrated often, by looking at individual industries, not necessarily by size of the business, but by the industry. And I know there's been particularly six areas that we have spoken about, and maybe thinking of some anecdotal examples in those areas: healthcare, financial services, manufacturing, retail, media and entertainment, and the public sector. Why don't we start with healthcare?

Many people need healthcare during the pandemic, but they can't go to the hospital to get healthcare because hospitals are very busy, and they're also isolating people. So we're helping on three important elements. Number one, we're working with a number of life sciences companies to accelerate the way they can identify new cures, recruit people for clinical trials and speed up drug discovery. The second is delivering telemedicine, working with a number of organizations and national healthcare systems to provide them a platform to deliver telemedicine and patient care remotely. And the third is we do believe that using technology, we can help people identify new ways of diagnosis. For instance, we're working with hospitals to identify new ways to use radiographic imaging to detect

tumors, to detect rare diseases. So all these are examples of where the new digital technology can help improve healthcare for people around the world.

Let's talk about another group that's been really forced to change just to survive. And that would be retail. How have you interacted with the retail sector?

We have helped many retailers move their business online and also help them transition through this period. For instance, we're working with Tokopedia, one of the largest retailers in Indonesia, and giving them the ability to bring their merchants online, offer consumer services through what is the digital front door of e-commerce. As people shift to e-commerce online, there are enormous changes in inventory, supply-chain demand and forecasting that are required because in the past people in retail used to plan inventory in their stores. But if people are not going to the stores, you need to rethink the way that you stock and manage inventory, how you handle distribution and logistics, how you handle home delivery. And we work with a number of organizations to transform retail to a new way of satisfying customer needs.

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There's probably no more diverse area than Asia, from the Philippines and Indonesia with hundreds of islands, India with its large rural population versus other cities, small geographic areas like Japan and South Korea. How have you navigated this enormous diversity of Asia and maybe give us a few examples.

So we have work going on in every part of Asia. In Japan, we've helped people in e-commerce, in media and entertainment, in communications, change the way that they do logistics, fulfillment, etc. We work for example, with Uniqlo, which has been a close customer and partner of ours for many years, and have helped them really transform the retail business that they're in. We work with many companies in Singapore, in Indonesia, in Thailand and Malaysia to change manufacturing processes. You can automate quality inspection, reducing the need for people to stand next to one another in a very tightly controlled space, thereby helping them through the pandemic.

We've helped organizations in the Philippines and in Thailand deliver telemedicine to patients in the country or helping public sector institutions deliver care in a variety of ways to people in different parts of these countries, including unemployment benefits, small business loans and a variety of other things. So it's a very diverse geography, but our goal has been to make sure we provide the necessary support for people through this environment.

What are you hearing from your customers? What are they focused on? What's their top of mind as they look at a world heavily changed by this pandemic, and as they look hopefully at 2021 or 2022 with a return to more normal activities?

Number one, everyone is looking at how do they digitize their business? The process of digitization, whether that was e-commerce in retail or online gaming for media, online streaming in the media business, digital platforms for public sector, was already underway. But it enormously accelerated with the pandemic. Banks, for example, want to allow people to do all of their transactions online without ever having to visit a physical branch anymore.

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The second is how they let people work together; when you go to a bank branch, that was the work environment for the bank teller. When you went to the hospital, that was a work environment for the doctor. When you went to an insurance agent to get insurance, that was the work environment for the insurance person. And every one of these work environments will be in a hybrid world in the future. Some part of it will be online, some part of it will be physical. People are really looking at how do they prepare for that new normal, if you will, that will be different from the way it was. And it will be captured by new ways of working, new workplaces and then a much more digitized world.

Google has more people that got PhDs in AI than any other company in the world. How can we use this information that you can provide us to make better decisions, to accelerate efforts, whether they be in medical or financial or in the public sector?

We're providing a lot of the expertise that Google has in artificial intelligence and large-scale data processing and analytics through a set of platforms in our Cloud to organizations in a number of these industries. And we're applying the advances in data processing to specific domains. For example, in retail, a big part of our work is around demand forecasting, customer segmentation, inventory management; very important things for retailers in this digital world to deal with. How do you forecast demand and how do you identify their needs? How do you streamline manufacturing processes using information and quality processes that are coming off the equipment on the shop floor? In financial institutions, how do you detect fraud? How do you improve market simulation modeling? How do we improve liquidity and risk analysis using our tools?

We're taking these advanced capabilities that Google has, packaging it as platforms, and optimizing it for these industries through domain-specific solutions for each industry.

You've had to transform your own team at Google Cloud to work remotely. How do you help the companies throughout the world if we're going to fundamentally change in the future of how people work? And how is the cloud going to enable us to handle a more distributed workforce?

It's a great question. Increasingly we see that the digital medium that we're talking through, conferencing and a number of these technologies, will become much more widespread even after the pandemic. Can we expect a new normal where people work in a combination of sometimes from home and sometimes at the office? We're providing people tools to make the ability to work together much more flexible, much more intimate, much more productive, so that you don't have to be in a physical medium in order to be productive as a team. There are a number of countries, for example, where geographic distance requires a new form of working that's not all about having people in one city, in one place. And so we're providing tools to help people change the way they work with one another. They work between a company and its customers, for example, between a doctor and the patients in new ways. And we think that will significantly improve the future of work.

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Prior to coming and being in charge of Google Cloud, you worked for Oracle and other companies and had more than 30,000 people reporting to you. So when I think about leadership and how you've led these organizations, has the definition of leadership changed as technologies expand the workplace? And if it's changed during COVID, will it change in the future? If you think of yourself as a leader of growing teams with many responsibilities, how have you rethought leadership?

Our definition of leadership is leadership with purpose, and our fundamental purpose as an organization is to bring the technical capability and the expertise that Google has built around these new technologies to transform every organization that we work with. Leadership during this time of transition that we're all going through and experiencing, a time of difficulty in many cases, has been not just about the tactics and the strategy, but also the purpose and the mission. And that has helped us unify our entire organization

around this notion of supporting customers during this period of change for them, and we call that the notion of customer empathy.

Thomas, thank you for joining us today, and thank you for Google's commitment to bringing the world to us during this COVID-19 pandemic.

Thank you so much, Mike, for having me. It's a pleasure to speak with you.