



Daniel Newman: Norma, Simen, welcome to the 2022 Six Five Summit. I'm so excited to have you here.

Simen Teigre: Thanks, Dan.

Norma Lovhaugen: Thank you.

Simen Teigre: Great to be here.

Daniel Newman: Yeah, it is great. You guys have been on an absolute tear throughout the pandemic, even prior, building some really exciting stuff. Of course, all of the companies in our collaboration track had a little bit of an unexpected jolt from the unfortunate circumstances. Of course, nobody wants to grow your business because of bad news, but in the event of keeping the world connected, keeping business going, collaboration companies became extraordinarily important. And you guys have seen a ton of success. So first of all, congratulations on that. It's been a lot of fun to watch new companies rising, new unicorns, quote unquote, being created. So I just want to take a second and say that.

I want to start off with you guys talking about a new world of work. There's been a lot of talk about what that is, what that means, but I'm just kind of curious in your view, and Simen, I'll direct this one to you. What are you sort of seeing in terms of current collaborative experiences in this back half, now that we're coming out of the pandemic, et cetera. What are you seeing? What does it look like?

Simen Teigre: Well, I think a lot of companies have experienced that not having to run to their next meeting and spend a lot of time on the logistics between meetings, makes them more productive. But at the same time, they also realized that that human connection and really collaborating in a good way, having rich communication, is so important. And of course you can keep it going based on our current plans for a little while, but I think companies really need to get together to think through this.

I think that we've hit a nerve here with what we do because I mean, we're all about connecting people. We're all about making sure that people can feel like they're together, even if they're not. And that's what we're helping our customers with, really making sure that they can remain on that path of working from home and from anywhere. But at the same time combining that with that in-person experience and the hybrid way of working. So I think that's really a lot of the stuff that we're trying to help our customers with.

Daniel Newman: Yeah. It's interesting because I'm watching, it feels like everybody's treading water a little bit in terms of making decisions on how much to move. It was a continuum. And we talked a little offline, we're like, when we first discovered remote work, companies were like ... And by the way, this isn't new. I mean, you guys have been around this a long time. I came up in collaboration, I was using video conferencing two decades ago. But it's funny how everyone suddenly discovered this and was like, "Oh my gosh, this is great. You mean we don't have to fly? We can have meetings and we can be really productive, and we're going to do this all the time. We're never going back to in-person. We're never going to have an office again."



And all of a sudden, I think after all being isolated in our home offices, working at our kitchen tables, everybody's kind of, "Eh, maybe we'll do a little bit of office time and let's do some ..." So we're really trying to find this continuum. But I think, as a whole, a lot of it's about design. A lot of it's going to come down to how we design these experiences, how we end up making the remote and the in-person and bringing all these people together.

So Norma, you lead product, that means you're ... And by the way, one of the things about Neat I think that's really been a focus, is design. It's about creating these collaboration experiences through design that don't look like what everyone else is doing, whether they're the integrated hardware units or the software units. Talk about that. I think you said something along the lines of the best way to predict the future is to design it. And it sounds kind of Apple esc, by the way. So talk a little bit about what that looks like at Neat.

Norma Lovhaugen: Yeah. When we work on our products, both from a hardware perspective and software perspective, and when we drive our roadmap, we focus it in mainly on what problems are we trying to solve. What is it that is current that we need to enhance and make better for our customers and users. And that could be anything from ... It could also be how we go to market with Neat as a service for instance.

But when it comes to our experiences, when we have a problem to solve, one of the benefits that we have is that we work cross-functionally. So when we have a challenge, we involve different engineering groups, design, audio, video, electronics. And we look at, okay, what technology do we have? And what opportunities do we have in terms of solving a challenge? Just like for instance, Neat Symmetry. It's enabled by new the type of cameras that we have, like the digital camera surface, that allows us to understand what's going on in the camera at all times. And we can crop out, and through our machine algorithms we learn what's happening. And then we can accommodate and provide the best view for firing from there.

That's one area. But there's others as well, where it's all about the dialogue and the magic that happens in that team when you have great engineers coming together, discussing the core of a problem, and then ideate around that. And there's some really amazing ideas that have come up through that. Also, when it comes to audio. Doing things a little bit different audio. Benefiting from working closely with video so that when the audio algorithms are made, having knowledge about what's happening in video, they can tune it and optimize it even more.

Simen Teigre: Yeah. And I think what Norma mentioned about experience is really important, because at Neat we start always with the experience. We try to understand what is that problem that the customer have? What is the real problem? And then we try to understand what experience we need to deliver with that. And then out of that comes technology and devices, depending on the space that you want to vid enable.

And I think that's so important, because one of the things we talk about here at Neat is we want things to be embarrassingly simple. And I love that term because I mean, if you're doing something that is so simple that you're almost embarrassed to talk about it, then we're on the right track. And Norma said the Symmetry experience, it is embarrassingly simple. It's all about



being able to see people, that's it. People ask us all sorts of questions like, "How many squares can you make? What does the technology do?" It's like, "Why do you care?" It really is about seeing people in that room. Something you've been used to during the pandemic, when everybody had their own square.

And I think that's really a core thing here at Neat. And we try to apply that to everything we do to really help our customers. We're not solving every problem for our customers. We're really trying to hone in on what are those important pieces, and then make that embarrassingly simple.

Daniel Newman: There's something to be said about when technology really starts to scale, people stop asking how it works. And what I mean is-

Simen Teigre: Yes.

Daniel Newman: ... you think about like your smartphone. It does amazing things. The technology and the intellectual property that allows it to do things like mapping or AR. Or even what was required by the streaming services to build infrastructure that could allow us to watch movies with low latency. And you know what I mean? But nobody thinks about it, we're just like, "Let's go to Netflix and watch a show," or like, "Let's throw a map in," or, "Let's get an Uber." But you don't think about it.

But it is interesting with video. A lot of times, we all think about what about the camera? What about the microphone? What about ... We're thinking about setting it up. And by the way, that's historic I think. That's historic to this industry. It's always been like, "We need someone to go in the room first, get it ready before we can have a video conference." And so you guys are trying to break through that.

And by the way, I love that you mentioned audio. I really do, because I think some people really forget about it. We all get caught up in how good is the video, but if you've ever had a meeting with really bad audio or someone's video comes through but you can't hear them or it's just choppy, I mean, talk about frustrating.

Norma Lovhaugen: Yeah. And I think it's spot-on what you're saying. We shouldn't worry about technology, just help us. You should go into the meeting and be focused on what you are in that meeting to do, and not about the technology.

And we're super proud of our audio, where we have our own unique echo canceling algorithms. And for instance, it enables a really good double-talk feature where we can chime in and then the flow of the conversation can just happen naturally.

Daniel Newman: Yeah. There's a lot of issues with that. Like right now with the both of you, and if I talk and you talk and we all talk and it doesn't work. Like in human ... In human. In real life, you can work through that because your brain processes that correctly. But when the algorithm and the DSP



tries to do too much it ends up canceling. And you're like, "What'd you say?" So it is a really important thing.

Another really important thing that I'd like to get your take on is what we're referring to as equity when it comes to in-person and office, back to office. We've talked a little about how that looks and how that's shifting. But the one thing that we do know is, even when we do go back to office, companies have discovered how much talent they can add by having remote workforces and maybe having people that aren't in destinations where you have a physical office. Which means you're going to have people on their mobile devices. You're going to have people on Neat devices. You're going to have people maybe dialing in on the phone.

And how do you set this up where it has the ... The equity of the meeting doesn't become diminished for certain participants because of where they're located. I think that's a big thing. How are you guys addressing that?

Simen Teigre:

I think it is a really big thing. And I think it's one of those things where it's about so much more than just the video piece. And we can help with some of the pieces here, but we are honest as well, we can't help with every little piece here. But I think it's one of those things where, if we can help with our piece of it, the meeting piece of it, and really make that just work in a great way and restore that symmetry and that equity, I think that can allow our customers to think about all the other things they need to think about.

Because I think a lot of innovation that needs to happen for companies in how they work together is about how they need to think about themselves as being virtual first in a way, even when they start going back to the office. And it's something that I've been reflecting on here at Neat, because when the pandemic hit us we were about 30, 35 people in all of Neat. And we've grown to now close to 300 people during a pandemic. And if you want to do that and you want to keep everybody on the same page and you want to make sure that ... And that's fast growth. We've done a lot of innovation, both on the go-to-market side and product side. So very proud of that.

But the only way you can do that is really to think about everything you do as virtual first. Every meeting needs to be a video meeting. You don't know where people are going to be at. Every communication needs to be virtual first, whether you do that as video all-hands or you use chat tools or Slack or that kind of thing, or you really need to think about it as not something you do in the office and then the other people will get a recording of it. You have to turn it upside down.

And I think that's important because it's not all about video. It's also about how you work and how you go about that. And I'm hoping that we can allow our customers to not worry about the video part. We take care of that. We make that so simple and it just works, so that they can also think about the other parts of how they communicate and how they collaborate.

Daniel Newman:

Absolutely. And Norma, what you suggested earlier about the audio and the algorithms too, it's probably worth a double-click there that we had ... There was a lot of discussion about fatigue, Zoom fatigue, remote meeting fatigue. I mean, people are on a lot of different platforms, which



by the way, is something I think Neat has been very thoughtful about, is the fact that people don't all use one platform. And we've discovered Google, Microsoft, Zoom, Cisco, I mean, and others. There are others that have come out.

And but whether it's being able to see well, hear well, I mean, part of that fatigue was that we were all straining a little bit at times. Not that these platforms didn't work well, but it wasn't, what did you call, embarrassingly simple, because people don't always have great cameras. They don't have great audio. They're trying to use their Apple headphones that came with their phone, plugged into their computer, making it work with a little dong. You know what I'm saying? It was just so many things.

And there was always a, "I can't quite hear. I don't see well. I can't get my information and my presentation and the video." So I'm straining to see a tiny little box of you because I got a presentation up on my little 13-inch screen. So there's a lot there. Equity's partially thinking about design, room, spaces, bringing in it ... Then it's partially just about how do you make sure everybody's system and setup is of equal quality and stature. So that's important.

One other thing I wanted to ask you guys about, because obviously there's been a race to software. This has all been a ... We have our hardware device, it's right here, we have that. That's our hardware device, or the laptop, that's it. That's all you'll ever need. You guys have thought differently about this. You're, say, basically there's a value in a system and an appliance that's dedicated for this. And the market's responded, clearly, they are buying it. But is that all these are for, is just having a meeting? I mean, is there other things? Do these systems have potential to be utilized and create other use cases beyond just being on your desk for when you're doing face-to-face?

Norma Lovhaugen: I think first of all, when we had designed Frame, it was to optimize and make that experience just super simple for anyone to set up in their home office. We heard about users that were struggling. They had the camera, it was supposed to be plugged in this way. And they had to change the setting on the laptop. And then there were different services, and so much complexity. So we wanted to make something that was super simple to set up and install for anyone, like with the Frame, but there where we also control the overall audio and video experience where they get the double-talk feature. They don't have to worry about their audio being suppressed. And we heard users that got the feeling that, "Oh, why aren't people listening to me?" They were trying to chime in, but since they were suppressed no one could hear them.

But with our algorithms in audio, everyone can chime in and they will be heard because there's no worry about the echo. And same thing with video, they get the camera at the right angle. But then we see working with Zoom and Teams as our partner, we see ... And particularly lately we've also seen how Teams is really driving new capabilities onto Frame and bringing Frame into their whole ecosystem, their whole workflow, with Office 365. It's mind-blowing to ... Your Word doc on the Frame, because you can scroll through and you have it in the portrait view. And at the same time you have chat there, so it kind of brings you into that whole workflow, which is-



Simen Teigre:

Yeah. And I thought it was interesting. I mean, we showed off the Neat Frame. Our portrait device, which was originally designed for personal office use. Something we saw in the pandemic that people really wanted something more than just the laptop. But it was interesting to see the customer reaction to it. And the number of use cases they come up with for it as they saw that latest software from Microsoft, showcasing what Teams could be on our device next to the laptop as a companion device.

And it really opened people's eyes for how this could be something different, not just a video device. They could, as Norma said, you could bring up your documents. That sounds kind of boring. But when you see it, how you can then review that PowerPoint presentation, you want to add something to it. You just click Open On Desktop on the Frame, it pops up on in your Teams slide. You can then work on it. You can respond to chats back and forth, you can go ... It just becomes a hub and a center for your Teams collaboration.

And I think there's obviously a lot of use cases that you can see for this type of device. We've had hotel customers say that they want this for their hotel rooms, where it can combine both video call ... I mean, who doesn't go to a hotel room, like yourself, and they want to do a video call. Why not have a dedicated device there? That could be a differentiator for the hotel chains. And why not integrate things like room service in that thing. Get your burger late at night on that touchscreen. We've seen elderly homes, hospitals, wanting a very simple device at high quality for people who are patients, connecting with their loved ones. And of course, vertical use cases for greeting people in a new space.

And so there's a lot of things that you can imagine you could use these devices for. Same in the meeting space. When you have a device with a touch display, speakers, camera, microphones, you can imagine a lot of other applications, local meeting applications. Whiteboarding is an obvious one. I'd like to get my Bloomberg up on my Frame or watch my sales guys' pipeline creation over the last week on that dashboard. So I think there's a lot of cool stuff we can see here that could be built off of our devices.

Daniel Newman:

Yeah. Anything that can make it simpler, which again, I love what you said, embarrassingly simple. I might use that.

Simen Teigre:

Yeah.

Daniel Newman:

I probably won't give you credit, but I will use it. But in serious, I do agree. There's a lot of opportunities to create more simplicity, to make video more ubiquitous, and to make meetings more equitable, which are all the things that you pointed out today. And that's obviously been well received by the market.

Of course, you're going to be challenged. And I challenge you as an analyst to continue to innovate, continue to push the market. Because like I said, I think work will look different, but I do think gravity will always pull us back to the way we did things. So we need to keep disrupting, making video something that's part of our lives, because it does make us more productive. It does add quality to the lives. That allows us to hire better talent from all over the world. And at



the same time, it's about finding that balance. And balance, I think, is going to be the big thing that companies are going to have to figure out. Every company, every industry, every organization's going to have to figure out what's best for them. But when you do have these meetings, we want them to be neat, they should be neat. They should be good.

And so I just want to thank you both, Simen and Norma, for joining us here at the Six Five Summit. I want to wish you a lot of continued success. Hope to have you back next year, or even sooner on one of our Six Five shows. So thanks a lot, and we'll see you soon.

Simen Teigre:

Awesome. Thanks a lot, Dan. Appreciate it.