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THE PAPER FUEL

BUSINESS MAGAZINE

CHANEL

the legend that keeps reinventing itself

CRISTINA JUNQUEIRA

and the Art of Building Trust at Scale

SELENA GOMEZ

A Global Star Became One of Modern Business Builder

ELON MUSK

The Architect of Impossible Bets

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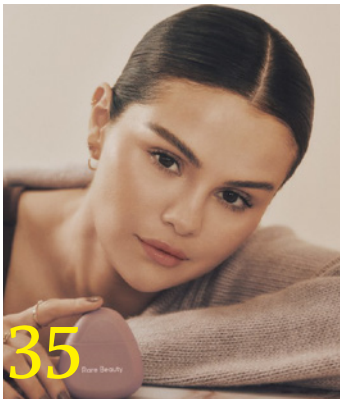

SELENA GOMEZ
How a Global Star Became One of Modern Business's Most Interesting Builders

THE PAPERFUEL LTD
96 RHODESIA ROAD
FAZAKERLEY
LIVERPOOL
UNITED KINGDOM - L 9 9BX

WWW.THEPAPERFUEL.COM

EDITOR'S NOTE

The entrepreneurial decade begins

As we close the chapter on 2025, one theme echoes across boardrooms, coworking spaces, and investment circles alike: we are standing at the dawn of an entrepreneurial decade. This year didn't simply revive the spirit of innovation—it redefined who gets to innovate.

With AI tools now democratizing capabilities once reserved for large enterprises, the classic founder profile has expanded. Entrepreneurs today are not only seasoned executives or well-funded visionaries; they are designers, educators, engineers, freelancers—even entire teams distributed across continents but united by an idea and a shared digital toolkit. The barriers to entry have fallen, and what once required deep capital now thrives on creativity, speed, and global collaboration.

In this December issue, we spotlight the bold builders who shaped 2025. These are the founders who embraced agility over caution, experimentation over predictability, and resilience over routine. They launched businesses from kitchens, garages, and studios, turning micro-ideas into macro-opportunities. Their stories reflect a new entrepreneurial playbook—one fueled not just by ambition, but by access.

We also explore the shifting dynamics of funding. Investors this year signaled a renewed appetite for early-stage ventures, yet with sharper discipline and clearer expectations. Venture capital, crowd-backed models, corporate accelerators, and community-driven funds together formed one of the most diverse financing landscapes in recent memory. For founders, this meant more choices—and more responsibility—to build sustainable, value-driven companies.

2025 also proved that innovation is no longer confined to traditional tech hubs. Emerging markets took center stage, unlocking new sectors from climate-tech and affordable AI to decentralized finance and creative commerce. For businesses everywhere, the message is clear: opportunity is no longer local. It is global, instantaneous, and limited only by imagination.

As we prepare to enter 2026, one question guides this issue: What does it take to build a breakout company in a world where anyone can start one?
We invite you to explore the insights, predictions, and founder journeys that attempt to answer it.

Thank you for joining us throughout a transformative year. Here's to the innovators, disruptors, and dreamers leading us into the next decade of opportunity.

sibin cyriac

SIBIN CYRIAC
CHIEF EDITOR
THE PAPER FUEL

CREATIVE TEAM

December 2025 Edition

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SIBIN CYRIAC

MANAGING EDITOR
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BENJITH BENNY

PHOTOGRAPHY:
PETER GRAY

TECH DIRECTOR
KEVIN TOM

TECH
TGI TECHNOLOGIES

magazine@thepaperfuel.com
www.thepaperfuel.com

The Paper Fuel Ltd
96 Rhodesia Road
Fazakerley
Liverpool
United Kingdom – L 9 9BX

ELON MUSK

The Architect of Impossible Bets

On a Tuesday evening in August 2025, a 400-foot rocket thundered off the Texas coast, carrying a dummy satellite and the weight of a failing test programme. SpaceX's Starship had suffered three consecutive failures earlier that year. Critics circled. NASA's moon landing timeline wobbled. But when Flight 10 splashed down precisely in the Indian Ocean, systems intact despite partial melting, Elon Musk had done what he'd done countless times before—turned a crisis into momentum.

By December 2025, Musk stands as the world's richest person with a net worth approaching half a trillion dollars. Yet the journey to this position reveals less about accumulation and more about a singular approach to business that defies conventional wisdom at nearly every turn.

The Making of a Risk Architect

Musk arrived in North America in 1989, a 17-year-old leaving apartheid-era South Africa armed mainly with ambition and a Canadian passport via his mother. He later studied physics and economics at the University of Pennsylvania, a pairing that shaped everything that followed. Physics taught him to reduce problems to fundamentals. Economics showed him how incentives and markets behave.

His first startup, Zip2, offered an early and painful lesson. When Compaq acquired the company for $307 million in 1999, Musk received $22 million but lost control. Professional managers and investors had sidelined him. The experience left a mark.

Next came X.com, Musk's attempt to build an online-only bank when most users distrusted digital payments. The company merged with Confinity to become PayPal. Again, Musk was pushed out as CEO. Yet when eBay acquired PayPal for $1.5 billion in 2002, his $165 million payout gave him capital rather than control over a single firm. That distinction mattered.

Later that year, at 31, Musk founded SpaceX. The space industry belonged to governments and aerospace incumbents, with launch costs nearing $10,000 per kilogram. Musk believed reusable rockets could slash costs by tenfold. Veterans called it a fantasy. He gave the company just a 10 per cent chance of survival.

Tesla followed in 2004, when Musk led its Series A funding and became chairman. Electric cars had failed repeatedly. Batteries were expensive, infrastructure was missing, and consumers were uninterested. Musk's bet was strategic patience: start high-end, prove performance, then drive costs down.

By 2008, both companies were near collapse. SpaceX had failed three launches. Tesla faced bankruptcy. Musk's PayPal fortune was gone. He borrowed money to cover rent and split his remaining capital between the two companies, knowing both could still fail.

SpaceX's fourth launch, in September 2008, finally succeeded. NASA soon awarded a $1.6 billion contract. Tesla raised emergency funding and shipped the Model S. Musk emerged with a defining skill: surviving while operating at the edge.

Operating at the Extremity

What separates Musk from other successful founders is not vision, but execution under constant pressure. Crisis is not exceptional in his companies. It is ambient.

First principles over industry logic.

When Tesla sourced batteries, suppliers quoted $600 per kilowatt-hour. Musk broke costs down to raw materials and found they totalled closer to $80. Tesla built gigafactories to manufacture at scale. SpaceX applies the same logic, producing roughly 80 per cent of Starship components in-house.

Extreme vertical integration.

Musk's firms build seats, write software, mine lithium, and operate charging networks. The capital intensity is brutal, but the defences are durable. By 2025, Tesla will run over 60,000 Supercharger stations worldwide. Starlink operates more than 7,000 satellites and serves over five million customers.

Manufacturing as leverage.

While Silicon Valley avoids factories, Musk obsesses over them. He sleeps on factory floors during production ramps, redesigning lines personally. Tesla now produces over 400,000 vehicles per quarter, remarkable for a company that shipped its first car in 2008.

Impossible deadlines as tools.

Musk's missed timelines attract ridicule, yet they force ambition. SpaceX completed 129 launches in the first ten months of 2025. Rocket reusability, once dismissed, is now routine. The gains were not incremental. They reshaped aerospace economics

Concentrated capital risk

From Neuralink to xAI to the $44 billion acquisition of Twitter, Musk repeatedly bets large on uncertain outcomes. Most executives diversify. Musk concentrates. X has lost value, but he treats it as long-term infrastructure.

The strategy remains volatile. Tesla deliveries fell 13 per cent year-on-year in Q1 2025. Chinese competitors like BYD undercut pricing. European market share slipped. Musk's $290 million support for Donald Trump alienated some customers. Yet by Q3 2025, Tesla rebounded. It delivered 497,000 vehicles, booked $28.1 billion in revenue, and posted record energy storage growth. Markets

responded by valuing Tesla near $1.46 trillion, roughly fifteen times revenue, on belief in what comes next.

The 2025 Inflexion Points

This year crystallised both Musk's influence and the contradictions it creates.

Starship's recovery.

After failures in January and March, Flight 10 achieved full mission objectives in August. The FAA approved up to 25 annual launches. Though only five occurred by mid-October, SpaceX regained momentum, positioning itself ahead of Blue Origin.

Government entanglement.

Musk briefly led the Department of Government Efficiency under Trump's second term, claiming $160 billion in savings. Critics disputed the figure and flagged conflicts of interest as Starlink and SpaceX benefited. Musk stepped back amid backlash.

Tesla's robotics pivot.

Declining vehicle revenue pushed Tesla into the spotlight robotaxis and humanoid robotics. Services expanded beyond Austin. Investor excitement around AI and automation offset car sales concerns.

Compensation battles.

Courts voided, then shareholders reapproved, Musk's pay package. The revised deal could yield up to $1 trillion if Tesla reaches extreme market-cap and robotics targets, underscoring the belief in Musk's irreplaceability.

What Should You Actually Learn

Strip away the celebrity, and Musk's career leaves behind a few sharp, uncomfortable lessons.

Survival comes first.

In 2008, Musk split his last money between two dying companies instead of saving one. During Tesla's Model 3 crisis, he didn't slow down or bring in consultants. He moved into the factory and fixed bottlenecks himself. The point isn't insane hours. It's total ownership when failure means extinction.

Vertical integration creates unfair edges if you can afford it.

Tesla's Superchargers and SpaceX's in-house manufacturing are massive moats, but they required burning billions before payoff. Most startups can't do this. The real takeaway is to control only the few dependencies that truly matter, or accept the limits of your scale.

Not all industry rules are fixed.

Musk won by spotting which norms were real constraints and which were lazy assumptions, from reusable rockets to direct car sales. Most "first-principles" plays fail because many norms exist for good reasons. Knowing the difference is the skill.

Patient capital changes everything.

Founder control and long-term money let Musk trade short-term pain for long-term dominance. It's rare, not replicable, but it explains why he protects control so aggressively.

Public failure speeds progress.

SpaceX explodes rockets on livestreams and moves on. Visible failure enabled faster iteration than perfect secrecy ever could.

Technical depth beats pure management.

Musk can rethink systems, not just run them. At scale, that edge matters.

Crisis navigation matters more than stability.

Musk doesn't avoid chaos. He survives it, again and again.

The Future Architecture

Musk's wider influence is clear. The 2020s favour founder-led companies willing to lose money for years while building moats. This model works only under rare conditions: massive capital, huge markets, technical solvability, and sustained control.

His companies have delivered real advances: electric vehicles at scale, routine private launches, reusable rockets, and global satellite internet. These were category shifts, not tweaks.

Still, the model is narrow, dependent on the concentration of capital, power, and risk tolerance. It is not broadly replicable.

What Musk demonstrates is less a playbook than a truth. Building world-changing technology demands commitments most rational people would avoid. His true advantage is not genius, but refusal to stop betting on what should not work until it does.

DEEPSEEK R1

When a low-cost AI shocked the global tech world

In January 2025, a little-known Chinese startup released an AI model that changed the conversation around artificial intelligence overnight. The model, called DeepSeek-R1, cost only about $294,000 to train. Within days, it was one of the most downloaded models in the world and had triggered serious questions about why AI development had become so expensive.

DeepSeek-R1 was not just another chatbot. It was a reasoning model, built to solve problems step by step instead of guessing answers quickly. More importantly, it delivered this capability at a fraction of the cost of comparable models from large US companies. For founders and investors, it sent a clear message: high-quality AI no longer needs billion-dollar budgets.

How DeepSeek-R1 came to life

DeepSeek's roots are unusual. It did not begin as a startup chasing hype. It grew out of a Chinese hedge fund called High-Flyer, where founder Liang Wenfeng had been using AI models to guide trading decisions. By 2021, most of the fund's trading was already powered by AI. When US export restrictions limited China's access to advanced chips, Liang and his team faced a hard constraint. They could not rely on the best hardware. Instead of scaling up, they decided to scale smarter. Their question was simple: how good can an AI model become if you redesign everything around efficiency? DeepSeek was officially launched in 2023 with a small, focused team. Early models attracted attention mainly within China. The global turning point came with DeepSeek-R1 in early 2025.

Two decisions defined the breakthrough

First, the model was designed to "think" before answering. It learned to reason by rewarding correct intermediate steps, not just correct final answers. This made it better at complex tasks like planning and analysis.

Second, the team used an architecture where only parts of the model activate for each task. This reduced computing costs drastically while maintaining strong performance.

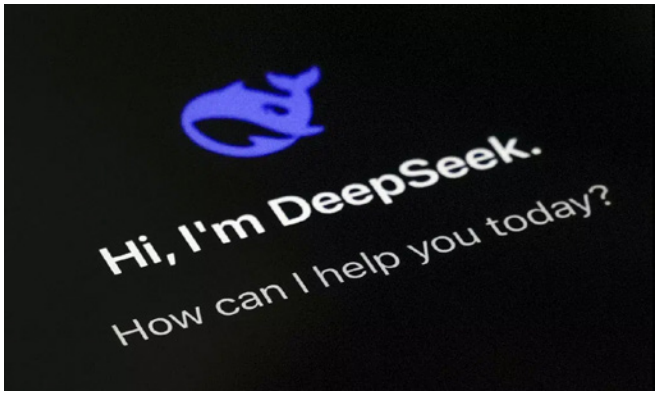
Then came the boldest move. DeepSeek open-sourced the model and priced its API far below competitors. Suddenly, developers everywhere could access a reasoning-grade AI without paying premium prices.

The reaction was massive. Downloads surged. Developers began adapting the model for new use cases. Investors started questioning whether current AI infrastructure costs were justified.

What should learn from DeepSeek-R1

How the model works, simply explained

Most AI language models predict the next word very fast. DeepSeek-R1 takes more time to think. It breaks problems into steps and processes only what is necessary for each task. This makes it well-suited for AI agents that plan, decide and act across workflows.



Where it is being used

Because the model is open and affordable, adoption has spread quickly:

- Startups are fine-tuning it for specific industries like finance, law and manufacturing.
- Smaller versions of the model can run on limited hardware, even on local servers.
- Governments and enterprises are studying their cost structure while planning national AI programmes.

Business opportunities it enables

Lower AI costs change what is possible:

- Products that were too expensive to run, like always-on AI assistants, now make financial sense.
- Regulated industries can deploy AI on their own servers instead of using external cloud providers.
- AI agent platforms become more viable when the "thinking cost" is low.

Competitive and regulatory realities

DeepSeek-R1 has increased pressure on closed AI providers to justify high prices. At the same time, some companies and governments remain cautious about adopting Chinese-origin models, especially in sensitive sectors. Founders will need to factor in trust, compliance and customer perception.

Challenges to keep in mind

Using open models still requires technical expertise. Safety testing, monitoring and deployment are not trivial. Policy risks also vary by geography.

Why this matters

DeepSeek-R1 proves that advanced AI is no longer limited to a few deep-pocketed players. Reasoning models can be efficient, open and affordable. This shifts the competitive advantage away from raw model size toward application design, domain knowledge and distribution. For founders, the lesson is clear. Treat powerful reasoning models as a baseline. Focus on what you build on top of them, how they fit into real workflows and how they create lasting value. The future of AI will be shaped less by who builds the biggest model and more by who uses intelligence wisely.

Liang Wenfeng

Founder & CEO, DeepSeek

- Born in 1985 in Wuchuan, Guangdong, Liang Wenfeng is based in Hangzhou. Liang leads DeepSeek as Founder and CEO, steering it as a research-first AI lab. He also co-founded High-Flyer, one of China's most powerful AI-native quantitative hedge funds.
- His estimated net worth is around US$11 billion as of 2025, largely from High-Flyer and his majority stake in DeepSeek.
- During the 2008 financial crisis, Liang began experimenting with machine learning, which led to High-Flyer in 2016. Profits from quant trading later funded long-term investments in GPUs and AI infrastructure, setting the stage for DeepSeek in 2023.
- Liang is intensely low-profile and research-led. He believes China's real AI edge will come from original thinking, not copying what already exists.

CRISTINA JUNQUEIRA

and the Art of Building Trust at Scale

Cristina Junqueira did not set out to build a unicorn. She set out to fix something that felt deeply unfair. In her early twenties, working in Brazil's financial sector, she kept running into the same wall: rigid banks, opaque fees, and customers treated like problems instead of people. Even with degrees from USP and Northwestern's Kellogg School of Management, she was once denied a bank account because she did not have enough credit history. That moment stayed with her. It quietly shaped the kind of company she would one day build.

From insider to insurgent

Junqueira began her career inside the system she would later disrupt. She worked at Itaú Unibanco and then at consultancy firm McKinsey, where s learned how large institutions think, move and protect themselves. She also saw how slow and impersonal they were. Meetings stretched for weeks. Decisions were filtered through layers. Customers were data points

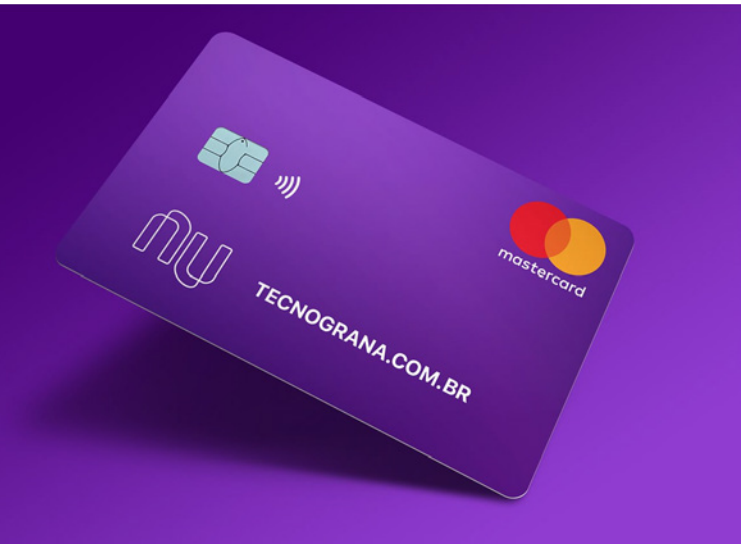
The turning point came when she met David Vélez, a Colombian entrepreneur frustrated by Brazil's banking oligopoly, and Edward Wible, an engineer. The idea was radical for Brazil in 2013: a digital-only credit card with no annual fee, managed entirely through a mobile app. No branches. No paperwork. No relationship managers. Just a product that worked.

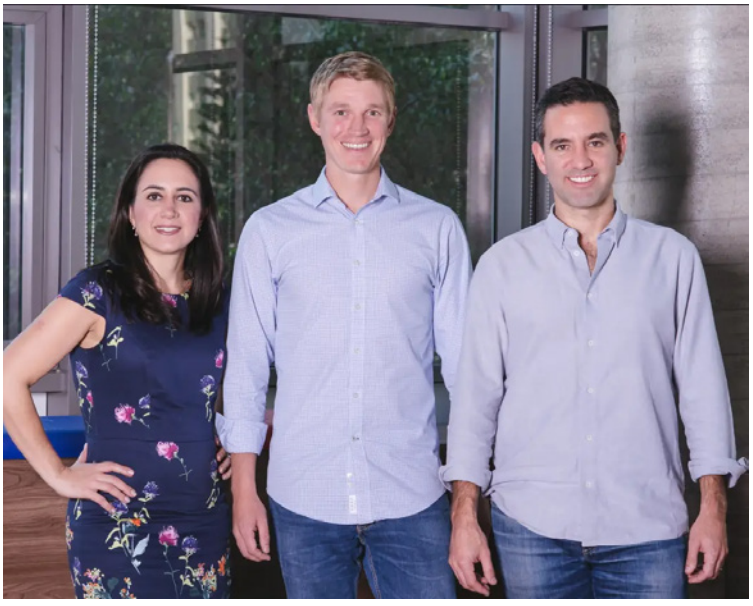
Junqueira took on a role that many first-time founders hesitate to own. She became the public face for product and customer experience, while Vélez focused on capital and strategy. In the early days of Nubank, she personally replied to customer emails, arguing that empathy was not a soft skill; it was infrastructure. When regulators pushed back and incumbents predicted failure, the founding team kept shipping.

Lessons can steal from her playbook

Start with emotional pain, not market size

Nubank did not begin with spreadsheets about TAM. It began with a clear emotional insight; people felt humiliated and excluded by banks. Every early product decision flowed from that. The no-fee credit card was not a pricing trick; it was a trust signal.





Product is culture made visible

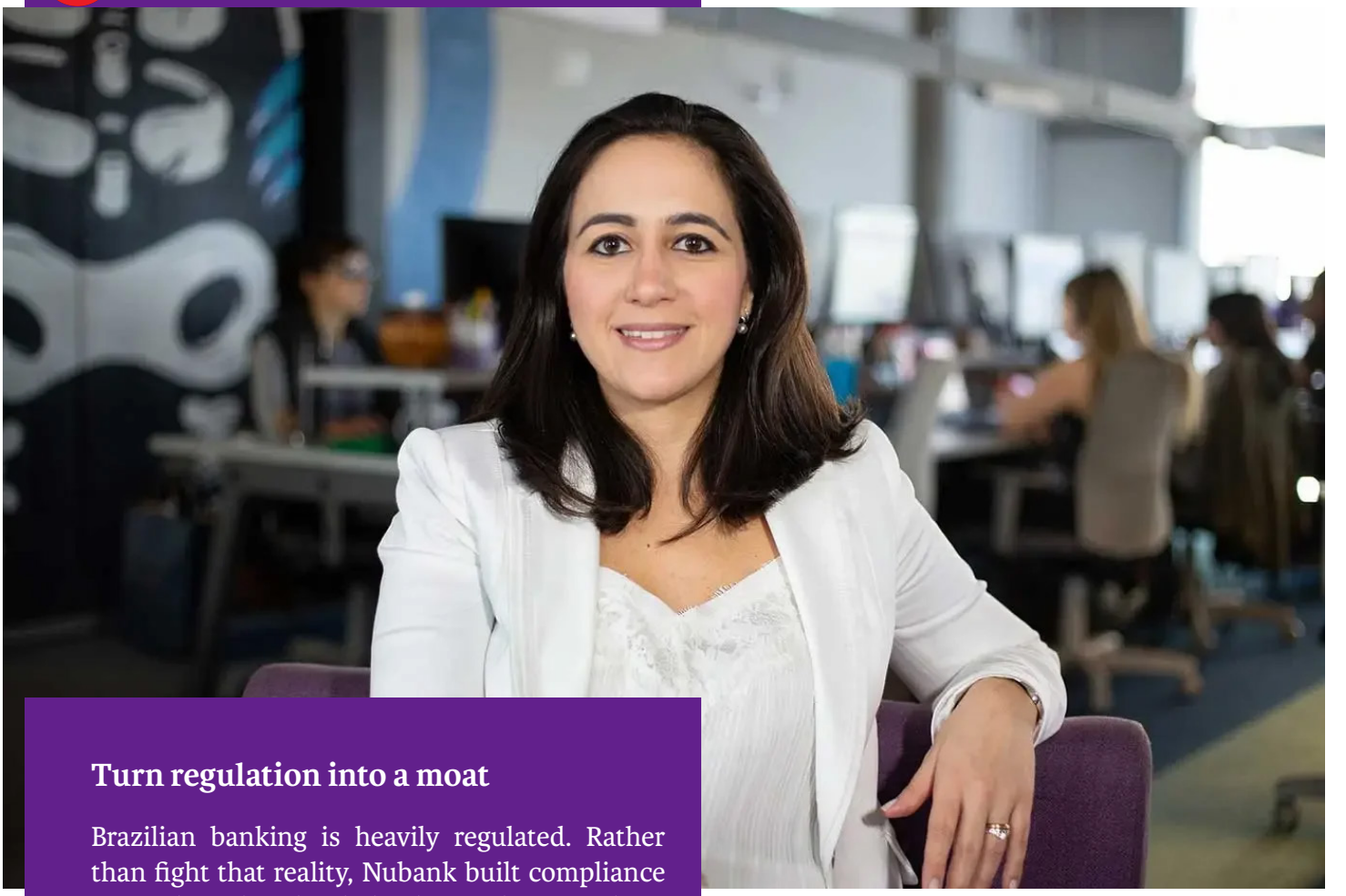
Junqueira pushed a simple rule internally: if a process confused a customer, it was broken, even if it looked efficient on paper. This mindset shaped Nubank's famously friendly tone, fast support, and clean app design. Culture was not posters on walls. It was embedded in default behaviours.

Raise capital, but protect conviction

Nubank raised early funding from Sequoia Capital, but Junqueira was careful about how investor pressure shaped growth. Instead of premature expansion, the company focused on nailing one product, then slowly layering savings accounts, loans, and insurance. The lesson here is patience with sequencing, especially in regulated markets.

Talent density over titles

Hiring at Nubank favoured problem-solvers who moved comfortably between tech, operations and customer experience. Junqueira avoided heavy hierarchies. Teams were small, ownership was clear, and decisions were pushed downward. For founders, this is a reminder that org charts should follow reality, not ego.



Turn regulation into a moat

Brazilian banking is heavily regulated. Rather than fight that reality, Nubank built compliance strength early. This helped it scale faster later and discouraged reckless copycats. In markets where rules are complex, competence can be a competitive advantage.

Expand like a product, not an empire

When Nubank moved into Mexico and Colombia, Junqueira resisted copy-paste expansion. Local teams studied how credit, trust and mobile usage worked on the ground. Features were adapted, not imposed. Growth stayed disciplined, even after the company crossed tens of millions of users.

Handle crises in public, with clarity

During periods of market volatility and tech sell-offs, Junqueira communicated directly with employees and customers. No spin. No vague optimism. She acknowledged uncertainty while reinforcing first principles. Calm leadership became a stabiliser.

The bigger signal

Cristina Junqueira represents a new kind of global entrepreneur. Technically sharp, emotionally intelligent, and comfortable operating at scale without losing product instinct. Nubank's rise shows that in today's business climate, trust compounds faster than hype, and simplicity can beat legacy complexity. Her journey also signals something deeper for founders. You do not need to be loud to be disruptive. You need to be precise. In a world of excess capital, fast clones and short attention spans, Junqueira's story is a reminder that durable companies are still built the same way, by staying obsessively close to a real human problem and being stubborn about solving it well.

AI SMART GLASSES GO MAINSTREAM

THE GADGET THAT QUIETLY RESET THE RULES

When Meta launched Ray-Ban smart glasses years ago, most people saw them as a niche experiment. In 2024, that same product line crossed a line from novelty to real tech shift. The updated Ray-Ban Meta AI glasses, powered by on-device and cloud-based AI, are now being used daily, not just tried once and forgotten. The breakthrough is not the hardware itself. It is the moment AI left the phone and slipped onto the face

This is one of the clearest signals of where global technology is heading next.

From Awkward Experiments to a Wearable AI Moment

The original problem was simple but hard. Smartphones made us constantly look down. Voice assistants lived in phones but felt clumsy. Smart glasses had failed before. Google Glass became a privacy nightmare. Snap Spectacles never became essential. Investors assumed face tech was socially dead.

Meta did not start with ambition. It started with restraint. The company partnered with Ray-Ban to hide technology inside something people already loved wearing. Early prototypes were basic: camera, speakers, mic. No screen, no flashy AR. Even inside Meta, teams debated whether this was too small a vision.

The turning point came with generative AI acceleration. Large language models suddenly made voice interactions natural. Computer vision could identify objects instantly. Meta's engineers realised glasses did not need screens if intelligence could sit quietly in the background. The first AI-enabled versions were rough. Voice lag, overheated hardware, battery limits. Engineers cut features instead of adding them. The breakthrough was architectural: pushing only lightweight tasks to the device and sending complex processing to the cloud.

The human motivation was clear. People wanted AI assistance without another screen. One engineer described it internally as "AI that waits, not interrupts".

Why This Gadget Matters

The real innovation is invisible

The glasses work because they do not look innovative. No screen. No sci-fi design. Entrepreneurs often overbuild. Meta learned that mass adoption comes from familiarity, not spectacle.

Gadget plus AI beats AI alone

Chatbots are everywhere. What changed the game was pairing AI with a physical interface that lives in daily life. Hardware gave AI context. AI gave hardware a purpose. This is the direction consumer tech is moving toward.

Underlying technology stack

The system blends on-device sensors, edge computing for latency-sensitive tasks, and cloud-scale AI models for reasoning. This hybrid approach reduces cost and improves performance, and it is highly replicable across industries.

Founders should note this pattern. Do not solve everything on-device or in the cloud. Split intelligence smartly.

Business Models Unlocked

AI glasses open multiple revenue paths.

- Premium hardware sales with brand partnerships.
- Subscription-based AI services
- Enterprise use cases like field support, logistics, and training.
- Data-powered insights without traditional screens.

This shifts monetisation beyond app stores. The platform owner controls interaction, commerce, and data flow.

Industries Set to Be Disrupted

Retail: Real-time product recognition and price comparison.
Manufacturing: Hands-free instructions and inspections.
Healthcare: Documentation and guidance without breaking workflow.
Media: First-person content creation becomes frictionless.

This is not AR hype. It is quite automated.

Challenges and Reality Checks

Adoption hurdles remain. Privacy concerns are real. Regulation around always-on cameras is coming. Battery life still limits heavy usage. Competition is heating up, with Apple and Chinese hardware players entering the same space.
Capital requirements are high. Consumer hardware needs patience, supply chains, brand trust and distribution muscle. Most startups should not copy Meta, but they can build on the ecosystem around it.

Why This Matters Now

AI is moving from tools we open to systems that follow us. Smart glasses show that the next computing platform will be ambient, voice-led, and embedded in daily behaviour. For founders and investors, the lesson is clear. The future is not another app. It is intelligence wrapped inside objects people already accept.

The companies that win next will not shout innovation. They will wear it quietly on a human face.

HUGGING FACE

WHO BUILT THE WORLD'S OPEN MACHINE LEARNING BACKBONE

The race to own AI isn't just about building models anymore. It's about who builds the ecosystem that developers can't live without. One startup quietly turned itself into the GitHub of machine learning, and now sits at the centre of a shifting AI world where capital is cautious, regulation is closing in, and builders want openness over walled gardens. .

Origin Story

From neuroscience to open models

Before it was a 4.5B valuation AI powerhouse, the idea began with a hoodie, a chat app and two founders experimenting late at night in New York.

Clément Delangue was a self-described tech generalist obsessed with community. His co-founder, Julien Chaumond came from neuroscience and machine learning, fascinated by how humans and machines learn differently, yet could be bridged through better tooling.

The first product wasn't AI infrastructure. It was a teen-friendly chatbot app called "Hugging Face," an attempt at building digital empathy for Gen-Z before it was cool. Users loved the vibe, but scaling consumer social felt like pushing a rock uphill. Meanwhile, developers kept messaging the team telling them the real magic was the model under the hood, not the chat wrapper. That was the moment the compass shifted.

When the founders pivoted to developer tools in 2019, constraints were real. They weren't OpenAI, they didn't have infinite compute or big enterprise

backing. What they did have was habit. The team shipped weekly, answered every GitHub issue personally, and open sourced aggressively. Instead of gatekeeping models, they invited the world to improve them. Internally, they built rituals around research sharing, fast prototyping, and no-meeting Wednesdays to protect deep work. They hired ML engineers who could write solid code, but also cared about community interaction.

The first breakthrough came when thousands of users started hosting and sharing models on their platform. What began as a repository quickly felt like a movement. In the middle of AI buzz and inflated valuations, they positioned themselves differently: “We don’t want to build the biggest model. We want to build where the models live.”

The Business Breakdown

AI climate, capital caution, open wins

In 2025, the global business climate around AI looks clear: capital is tightening, enterprises want control and transparency, regulators want audit trails, and developers want collaboration. Hugging Face sits at the overlap of all those needs.

Business model choices

The core business is clever in its simplicity: Free public model hosting and collaboration drives developer gravity. Monetisation kicks in through enterprise subscriptions, private model deployments, inference endpoints, AutoTrain (no-code model training), and Pro accounts for teams. Openness at the top of the funnel, monetisation at the bottom.
This inverted AI strategy works because unlike consumer AI features that rise and fall, developer infrastructure becomes habit. And habits become switching costs.

Product strategy and hardware-software blend

Hugging Face is navigating AI-adjacent disruption by blending model repositories (software) with compute-linked services (hardware dependency monetised via inference APIs).

They don’t own the chips, but they monetise the jobs that run on chips. That keeps the business asset-light compared to heavy hardware startups, yet deeply tied to the booming GPU economy built on companies like NVIDIA.

GTM: community-led, bottoms-up adoption

Their go-to-market has almost zero sales-led stiffness. It’s developer-first, community-first. Engineers and researchers share models publicly, ML papers turn into model cards, viral GitHub repos point back to HF, and founders from startups to unicorn labs treat their profile like a credibility badge. Instead of organising hackathons for marketing, they built the tool that makes hackathons possible.

Investor dynamics and fundraising

Investors like the founders too because the startup speaks their language back: distribution, ecosystem lock-in, and enterprise appetite. Notable backers such as Sequoia Capital and General Catalyst were convinced by the fact that Hugging Face was becoming unavoidable in the ML workflow, without burning cash on consumer ads or model arms races.

A key turning point in investor conversations was their responsible positioning amid AI regulation debates. Governments and enterprises feel safer working with a platform that encourages open reproducibility versus opaque model labs. In a world where regulated markets are growing cautious, openness is trust leverage.

Near-fail moment that shaped strategy

One of their near-fail turning points came early when model hosting costs threatened sustainability. Rather than shutting access, they built optimisation around compression, efficient hosting, and inference monetisation to subsidise free use. That moment taught the team a lesson that still shapes them: don't remove access, change the economics.

Competition and differentiation

While OpenAI, Anthropic and Google DeepMind compete on model superiority, Hugging Face competes on workflow ownership.
Their biggest competitors are closed ecosystems, but their unfair advantage is clear boundaries: they don't threaten to replace enterprise AI teams, they make them faster. They don't disrupt, they enable, and enablers win in platform wars.

Hiring philosophy

Their hiring is almost ideological with a practical edge. They look for builders who balance speed, research curiosity and user empathy. A team that can't interact with the community will never own a community-led business.

Key partnerships and expansion bets

Strategic partnerships with AWS and Qualcomm show their expansion thesis. Private model hosting on AWS meets enterprise compliance needs. Experimenting with AI on-device through Qualcomm opens a new frontier where hardware-software blending matters more than ever. This is HF stepping beyond model cards into models that can run on edge devices, preparing for the next wave where AI shifts from data centres into phones, cars and factories.

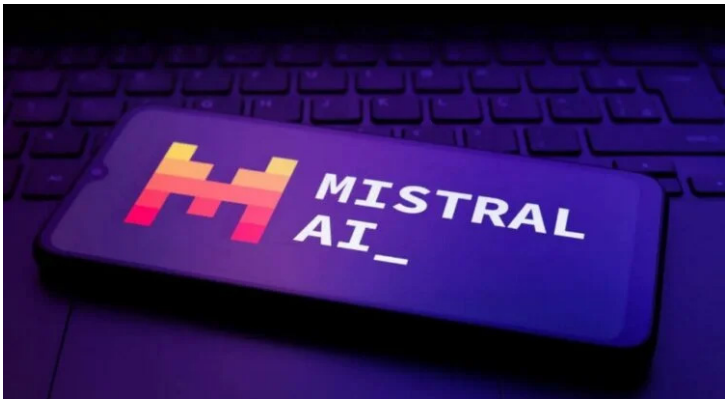
The road ahead

AI winners won't just be model builders. They'll be tool makers and ecosystem hubs that survive beyond hype cycles.
Hugging Face is betting its long-term position on remaining open, enterprise-trusted, and developer-loved, while pushing into edge AI where models meet real-world hardware. In a time of cautious capital and high builder demand, this startup matters because it turned openness into distribution, workflow into lock-in, and a strong community into a durable business moat. The mission now isn't just hosting models. It's defining the infrastructure that future AI companies will be built on.

MISTRAL AI:

Europe's fast-rising challenger that made the world take notice

In less than three years, a small Paris lab turned into a global vendor banks want on-prem, carmakers want in their stack, and venture capitalists value at north of €10 billion. That company is Mistral AI, and its rise tells founders a clear story about timing, product craft and playing the long game on trust.



Origin, people and the first spark

Mistral began in April 2023, when three French researchers, Arthur Mensch, Timothée Lacroix and Guillaume Lample, walked out of academia and research labs to build something practical and fast. They were sceptical of the slow pace of big incumbents and obsessed with making models that were both efficient and freely usable for developers. Early life was lean. The founding team worked from cramped offices, hiring a handful of engineers who shared one habit: relentless iteration on small models rather than chasing headline parameter counts.

Their first breakthrough was pragmatic. Instead of competing for the absolute biggest model, they focused on delivering a compact 7 billion-parameter model that punched above its weight in benchmarks and cost to run. Mistral 7B was released with an Apache 2.0 licence, a bold move that generated developer goodwill and rapid adoption because teams could experiment without vendor lock-in. That release, and the transparent engineering notes behind it, turned curiosity into real user traction. Within months, the startup had paying enterprise pilots and a short list of strategic partners.

What founders should study, and why it works

Focus on product leverage, not vanity metrics

Mistral's playbook is product-first. The decision to build a high-performance, cost-efficient model rather than pursue the largest parameter count let them address a practical pain point: inference cost. That made Mistral attractive to enterprises balancing performance and budgets. The lesson is clear: build something customers can deploy affordably at scale.

Open by default, then monetise where trust matters

Releasing models under permissive licences acted like a marketing flywheel. Developers experimented, forks appeared, and enterprise interest followed. Mistral then layered commercial tooling and cloud-friendly deployment options for revenue. This hybrid approach lowered adoption friction while preserving multiple monetisation paths. It also positioned them as a trustworthy European alternative in a market sensitive to data

Fundraising and investor dynamics

Mistral's funding rounds were fast and large, propelled by a mix of strategic and financial investors who wanted a Europe-based AI anchor. By 2025, the company was closing deep rounds that implied a multibillion euro valuation, enabling heavy R&D spending on both model architecture and enterprise tooling. That capital cushion allowed Mistral to pivot from open model releases to offering hardened, supported commercial models for regulated sectors. Founders should note how timing, credibility and a clear road to enterprise revenue attract both VC and strategic heavyweights.

GTM and enterprise sales: solve a regulated problem

Mistral's GTM moved from the developer community to regulated enterprises. Rather than pitching generic automation, they targeted concrete use cases where accuracy, privacy and traceability matter, for example, document analysis, code assistance and multilingual processing. Big banks and corporates began hosting Mistral models internally to avoid data leakage and regulatory risk. The recent multi-year deal with HSBC shows how that strategy pays off: enterprises will pay to self-host AI that meets governance rules.

Hiring, culture and near misses

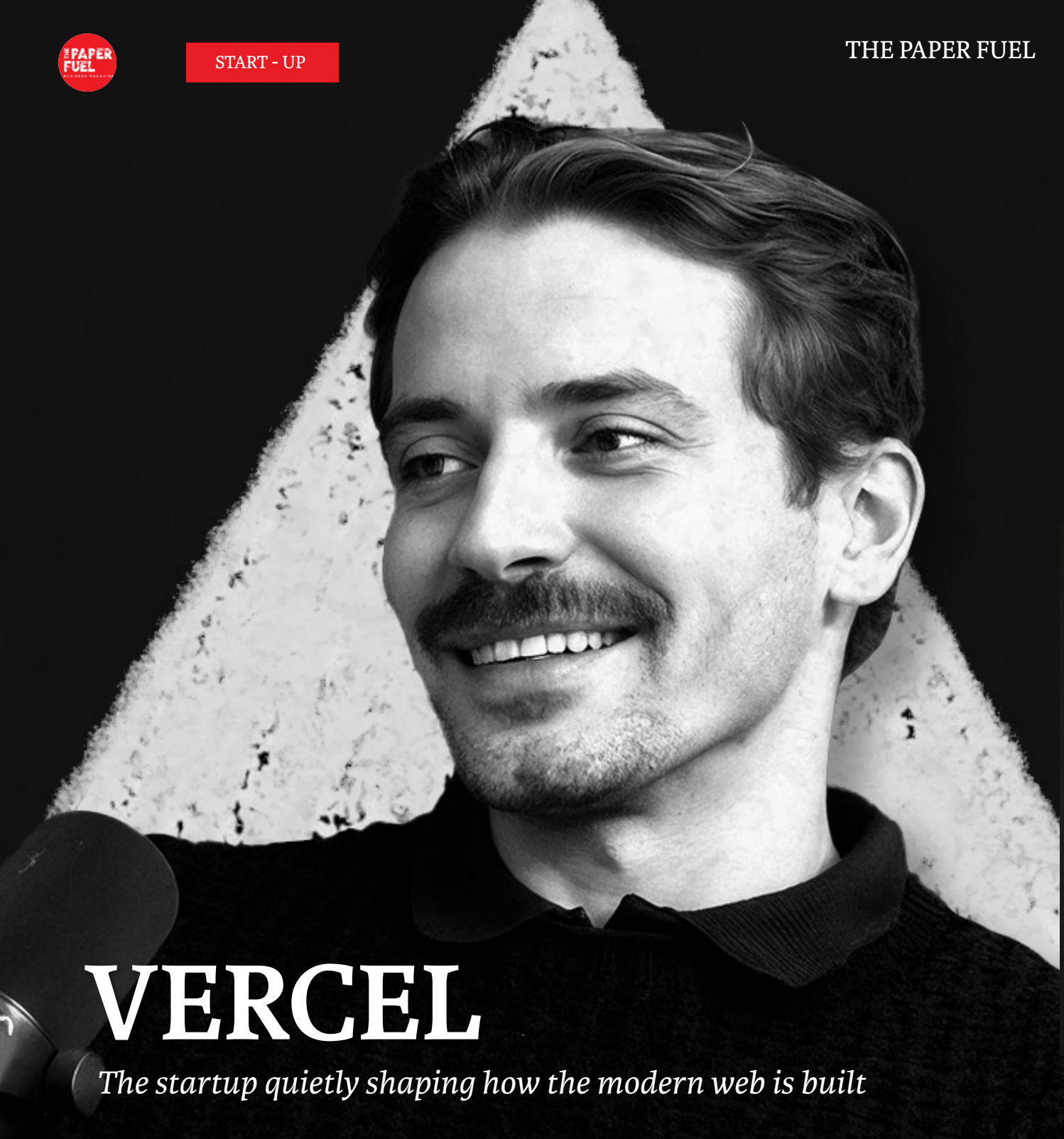
Early hires were research-first but product-minded. The founding team insisted on small cross-functional squads that could ship and instrument models rapidly. That culture reduced time to learn, but it also meant painful trade-offs — some early model releases had to be pulled back or re-tuned when safety issues surfaced. The turning point was investing in real-world evaluation pipelines and enterprise-grade deployment tooling.

Positioning for the long game

Mistral is betting on being the European backbone for generative AI, focusing on sovereign deployments and partnerships with infrastructure players. If they keep delivering models that are efficient, auditable and easy to deploy, they can capture a slice of enterprise spend that values trust and cost efficiency over novelty.

Close

For founders, the Mistral story is a compact playbook: pick a practical product dimension, win developers with openness, then convert trust into enterprise contracts. Watch how they balance open research with commercial rigour. That balance may define who builds the next generation of AI infrastructure, and how fast incumbents adapt.



VERCEL

The startup quietly shaping how the modern web is built

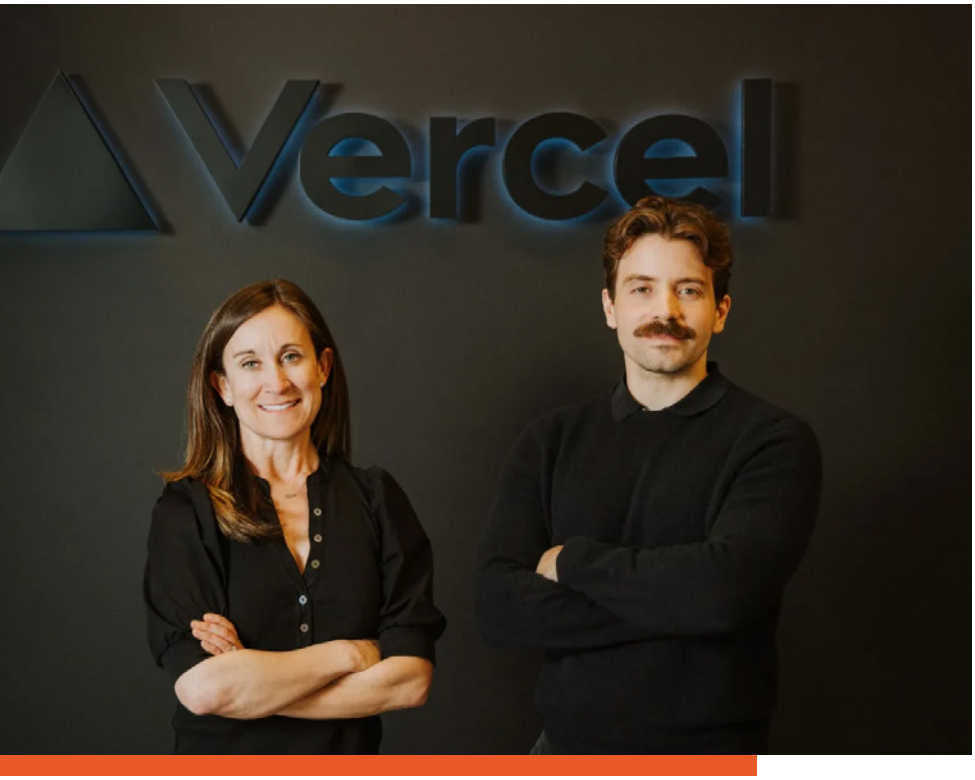
When Guillermo Rauch started building a small JavaScript project in 2015, he was not trying to create a venture-backed company. He was trying to fix a problem he faced every day as a developer. Building fast websites was hard. Deploying them was harder. The tools were messy, slow and frustrating.

That open-source project became Next.js. And Next.js became the foundation for Vercel, one of the most influential developer startups today.

From a side project to a real company

A founder driven by frustration, not funding

Guillermo Rauch grew up in Argentina and started coding at a young age. He did not follow a traditional startup path. He dropped out of college, worked as a freelancer and spent years contributing to open-source software. His motivation was simple. Make the web easier to build.



At the time, frontend developers were expected to handle complex backend setups just to launch a fast website. Rauch believed this was wrong. He started Next.js as a side project to solve a narrow problem: server-side rendering for modern web apps, without complicated configuration.

Developers loved it. Word spread organically. Big companies like Netflix and Uber began using Next.js, even though there was no company behind it yet.

The moment the idea became a business

In 2016, he co-founded a company called ZEIT, later renamed Vercel. The idea was clear. Keep Next.js open-source and free, but build a managed platform that makes deploying it effortless. Money was tight early on. The team funded itself partly through consulting. But they built habits that shaped the company. Listen closely to developers. Ship fast. Improve constantly. Build in public.

The turning point came when developers began associating Next.js and Vercel as one experience. That is when the company truly took off.

How Vercel built a strong business around developers

A clear business model

Vercel follows a bottom-up model. Developers start using the platform for free. When products go live and start scaling, teams pay for usage, performance and collaboration features.

This approach avoids long enterprise sales cycles early and lets product quality drive growth. Revenue grows as customers grow.

Product focus over expansion

Vercel does not try to do everything. It focuses on one promise: the best platform for frontend development and deployment.

Instead of competing with cloud providers or design tools, it integrates with them. GitHub, cloud platforms, AI APIs and design software all plug into Vercel's workflow. This focus keeps the product simple and strong.

Growth without heavy marketing

Vercel's go-to-market strategy is led by developers, not sales teams. Engineers bring Vercel into their companies because it makes their work easier. Sales come later, when teams already depend on the platform.

This approach helped Vercel grow efficiently, especially as investor attention shifted from growth at any cost to real revenue and unit economics.

Learning from mistakes and pressure

Growth was not smooth. As usage increased, outages and performance issues hurt trust. Instead of rushing new features, the team paused and focused on reliability and infrastructure. It was a difficult decision, but it strengthened the platform.

Rising cloud costs and tighter funding forced discipline. Vercel responded by improving efficiency and pricing transparency.

Riding the AI wave without losing focus

As AI-powered apps became popular, Vercel adapted quickly. It introduced edge functions and AI-related tools to support faster, more responsive applications.

The company's belief is simple. As AI products grow, frontend performance becomes more important, not less. Vercel wants to be the layer where AI meets real users.

Competition and long-term positioning

Vercel competes with companies like Netlify, Cloudflare and large cloud providers. Its edge is not price or scale. It is a developer experience.

The company hires engineers who care deeply about product quality and open source. Many are long-time contributors, not typical corporate hires.

Why Vercel matters going forward

Vercel's story shows that strong businesses can be built quietly. No hype. No shortcuts. Just clear thinking and deep focus on users.

As software becomes more complex, the winners will be the companies that hide that complexity best. Vercel is building exactly that layer. Calm, invisible and hard to replace.

CHRIS SACCA

FOUNDER, LOWERCASE CAPITAL

Background

- Former lawyer and telecom policy advisor
- Early employee at Google, joined when the company was still scaling
- Quit a safe corporate path to become a full-time angel investor
- Founded Lowercase Capital to back raw, early-stage ideas

Investment Firm

- Firm: Lowercase Capital
- Founded: 2010
- Focus: Seed and pre-seed investments
- Known for investing before traditional VCs step in

Net Worth

- Estimated net worth: USD 1.3 to 1.5 billion
- Majority of wealth comes from early exits and equity stakes in Uber and Airbnb

Notable Investments

- Uber
- Airbnb
- Twitter
- Instagram
- Stripe
- Kickstarter

Sectors of Interest

- Consumer internet
- Transportation and urban mobility
- Housing and travel
- Climate and sustainability
- Financial services and infrastructure

What Sets Him Apart

- Will invest in ideas others consider too risky or obvious
- Prioritises founder instincts and speed of execution
- Comfortable looking wrong in the short term
- Values long-term impact over fast exits

Business Philosophy

- "The best ideas usually sound bad at first"
- Believes early discomfort signals opportunity
- Focuses on solving real problems for normal people

Investment Style

Sacca invests before clarity shows up on pitch decks. He backs founders who understand real-world problems and move fast. Revenue, scale, and buzz come later. He believes the earliest signals of success live in user behaviour, not projections. Simplicity and usefulness matter more than complicated tech.

Current Status

In recent years, Sacca has stepped back from aggressive deal-making. He now invests selectively, mentors founders, and focuses on long-term issues such as climate and sustainability. While quieter, his influence in early-stage venture capital remains strong.

Why He Matters

Sacca represents a version of investing that feels increasingly rare. He trusted clarity over consensus and people over presentations. His success shows that backing ordinary problems with extraordinary belief can lead to outsized outcomes.

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CHANEL

the legend that keeps reinventing itself

Chanel is not just a luxury brand. It is a mood, a memory, a promise. It began with a small hat shop in Paris in 1910, built by a young woman who wanted to free other women from heavy, uncomfortable fashion. Gabrielle "Coco" Chanel believed clothes should let women breathe and move. That belief shaped everything she created, from the classic little black dress to clean silhouettes that still feel modern today.

Even now, more than a century later, that simple idea guides the house of Chanel.

A journey full of twists, risks, and reinvention

Chanel's story is not a straight line of success. After Coco's time, the brand lost its sparkle for a while. Tastes changed and competition grew. The real revival came in the 1980s when a bold German designer, Karl Lagerfeld, joined the house. He treated Chanel's heritage like a treasure chest and mixed it with a fresh, playful energy.

Under him, Chanel became global again. His fashion shows turned into full-scale events, from indoor beaches to supermarket sets. He made Chanel exciting for a new generation without losing its dignity.

The quiet power behind the brand

Many people know the designs, but fewer know the business story. Chanel is still owned by the Wertheimer family, whose ancestor partnered with Coco in the 1920s. Because the company is private, it does not chase quick profits or short-lived trends. It takes time, invests slowly, and protects its image carefully.

This steady approach helped Chanel grow its global business across fashion, beauty, and fragrance. But it also meant the company had to read the market on its own, without the pressure or guidance of public investors.

A changing luxury market

The last few years have not been smooth. In 2024, Chanel's revenue growth slowed as luxury spending softened in China and parts of Europe. Fragrance and beauty continued to do well, but fashion faced more mixed demand. For a brand built on exclusivity, the question became clear: how do you stay classic but still feel new?

Chanel has started thinking differently, exploring retail experiences, digital touchpoints, and more personalised customer journeys.

New leadership, new energy

After Lagerfeld's passing in 2019, his long-time colleague Virginie Viard took over. Her job was not easy. She had to protect Chanel's core style while bringing her own voice. Her exit recently showed how challenging it is to lead a brand with such a huge history.

On the business side, Chanel surprised the world by appointing Leena Nair, an Indian-born leader from Unilever, as its global CEO in 2021. She brought a people-first leadership style and took time to understand the brand from the ground up. Her presence signalled a new chapter, one that respects the past but understands the needs of a modern, global audience.

The heart of Chanel: history and theatre

Walk into 31 rue Cambon in Paris, and you feel Chanel's soul instantly. The staircase Coco used, the mirrors she watched shows from, the studio where designs were born, all still stand. The brand wears its history proudly.

At the same time, it loves drama. Lagerfeld's grand runways turned fashion into storytelling. Each show reminded the world that luxury is also about emotion, imagination, and spectacle.

Challenges of a new generation

The world of luxury is shifting. Young consumers care about purpose, values, and sustainability. They want transparency, not just logos. Counterfeit markets keep growing. Digital shopping is rising. Chanel must make its supply chain cleaner, embrace tech, and still protect the mystery that makes it special.

It is a tough balance, but the brand is taking small, steady steps, investing in craft and tech without losing its soul.

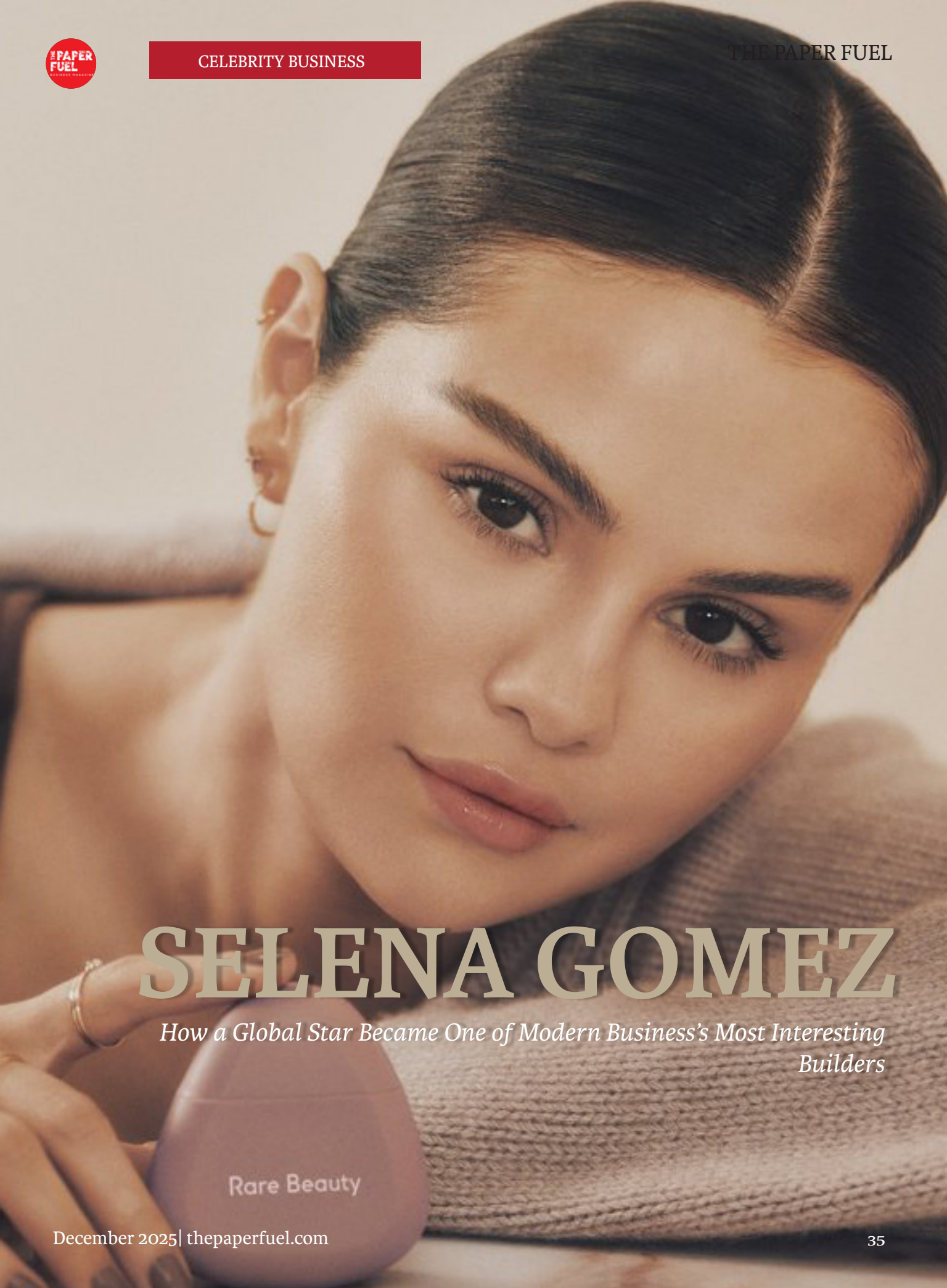
Why Chanel still matters

Chanel is more than a company. It is a cast of characters, each shaping its identity. Coco Chanel with her rebellious spirit. Karl Lagerfeld with his showmanship. The Wertheimer family with their patient business strategy. Leena Nair with her global, modern leadership.

Their stories make Chanel feel alive. They make the brand human, not just luxurious.

For business leaders in India and around the world, Chanel's journey is a lesson in staying true to your roots while learning to evolve. It shows how long-term thinking, strong storytelling, and deep respect for craft can build something that outlives trends.

Chanel's next big challenge is simple but powerful: stay rare, stay meaningful, and stay honest about who it is. If it gets that right, its legacy will shine brighter than ever.



SELENA GOMEZ

How a Global Star Became One of Modern Business's Most Interesting Builders

On a quiet afternoon in 2019, Selena Gomez was sitting in a small conference room in Los Angeles, staring at mood boards that looked nothing like the typical celebrity beauty brand. No hyper-glam, no airbrushed perfection. Instead, there were sketches of imperfect blush swatches and handwritten lines about self-worth. It was the moment she realised she didn't just want to attach her name to a product, she wanted to build a company that could stand without her. That clarity, born from years of public scrutiny and private battles, became the seed for Rare Beauty, now one of the most influential creator-led brands in the world.

Selena's path to business influence looks smooth from the outside, but the story is more layered, more human, and far more instructive for founders navigating noisy markets.

The Making of a Celebrity-Founder

Selena grew up in Texas, raised by a young single mother who was a theatre actor. Those early years shaped her curiosity and resilience. Money was tight, dreams were big, and setbacks were normal. When Selena started working in television as a child, she wasn't pushed into fame so much as invited into a world where creativity felt like oxygen.

Her big break came with Disney's Wizards of Waverly Place, a hit that made her globally recognisable by her mid-teens. Fame arrived fast, and so did the weight of it. Every mistake felt public. Every insecurity echoed back at her through tabloids and social media. These experiences, painful at times, sharpened her understanding of audiences, storytelling and emotional connection. They later became the backbone of her business instincts.

But before she became a founder, she hit several personal walls. Health issues, mental health struggles and public break-ups made her step back from the traditional celebrity track. Instead of doubling down on constant visibility, she did something counterintuitive. She slowed down. She rebuilt. She started paying attention to what people trusted her for: authenticity, vulnerability and honesty, not perfection.

Rare Beauty didn't begin as a branding exercise. It began as a personal thesis: what if a beauty brand didn't sell insecurity but acceptance? That idea resonated with her team and later with millions of consumers. When she launched Rare Beauty in 2020, critics expected another celebrity vanity play. Instead, Selena delivered a company rooted in community, mental health advocacy and everyday usability. Her celebrity status helped with visibility, but the brand grew because the product philosophy felt real.

Rare Beauty became profitable within its first full year, something almost unheard of for a new beauty label, and it cracked the code for how a celebrity can lead without overshadowing the product.

What You Can Learn From Selena Gomez's Business Journey

Selena's business arc is a masterclass in how to convert trust, storytelling and lived experience into a durable strategy. Her rise offers founders several sharp lessons.

Build from personal truth, not persona

Selena never tried to mimic the big luxury brands. She did the opposite. She doubled down on accessibility, soft textures, inclusive shades and price points that felt democratic. The brand's messaging leaned on vulnerability. In a market where consumers detect inauthenticity instantly, this differentiated Rare Beauty is without heavy spending.

Your real story is a moat. Lean into what only you can say.

Let the product stand independently

Rare Beauty could have survived as a hype-driven, influencer-heavy launch. Instead, Selena hired experienced operators from the beauty industry. She invested in R&D, rigorous shade testing, high-quality packaging and manufacturing. Her goal was simple: build something that gets repurchased without any celebrity reminder. That discipline made the brand sticky.

Star power can drive visibility, but only product quality drives retention.

Use celebrity influence as a strategic amplifier

Selena's public image helped the brand reach global audiences fast. But she used it with intent. She shared behind-the-scenes building moments, not promotional fluff. She tied the brand to the Rare Impact Fund, pledging to invest millions into mental health programmes. She turned fandom into a community, not a marketing channel.

Influence works best when used to deepen trust, not manipulate it.

Scale with clarity, not chaos

Many celebrity brands chase quick categories and shotgun expansions. Selena refused that path. Rare Beauty did not launch perfumes, haircare or dozens of limited collections within its first years. It focused. The company expanded internationally only when supply chains were stable, and product reviews were consistently strong.

Tempo matters. Scaling too fast can be more dangerous than scaling too slow.

Treat setbacks as signals

Selena faced heavy skepticism from analysts who assumed Rare Beauty would fade after the initial hype. She also battled personal health challenges that paused her participation at times. Instead of seeing these as threats, the team redesigned workflows. Operational leaders handled execution. Selena focused on brand strategy and cultural alignment.

Systems should allow the founder to step back without collapsing the company.

Champion culture and teams that challenge you

Selena surrounded herself with experts who understood beauty better than she did. She listened more than she spoke. She empowered product scientists, supply chain leads and marketing heads to experiment. This built internal stability and encouraged innovation without ego.

Founders who hire for competence over comfort create long-term advantage.

The Road Ahead

Selena Gomez has become one of the clearest examples of how celebrity and entrepreneurship can coexist without one cheapening the other. Rare Beauty's growth signals a shift in the market. Consumers no longer buy celebrities, they buy alignment, values and emotional truth. For business leaders, her journey shows what the next decade of celebrity-led enterprises might look like, rooted in community, authenticity and disciplined building.

If the first half of her career made her a star, the second half is shaping her into a brand architect with staying power. And for founders navigating uncertain markets, her path offers a grounded, human reminder, trust is the ultimate currency.

FIGURE 03

The Humanoid Robot That Wants to do Laundry

One of the most serious experiments in robotics today is not happening in a research lab. It is happening on factory floors and inside ordinary rooms built for people. The robot behind this shift is Figure 03, a humanoid robot developed by US startup Figure AI. Its goal is simple but bold: build a robot that can do everyday human work, safely, at scale and at a cost businesses can justify. This is not a flashy demo story. It is a test of whether robotics is ready to become a mainstream labour platform.

How the idea took shape

Figure AI was founded in 2022 by Brett Adcock, an entrepreneur already known for building and exciting companies. After working across recruitment tech and aviation, Adcock turned his attention to a harder problem. The world is running out of labour for repetitive, physical work, especially in factories, warehouses and logistics. Automation exists, but it is fragmented. Every robot does one narrow task. Human adaptability is still missing.

The early idea was risky. Instead of building task-specific machines, Figure decided to build a full humanoid robot, one that walks on two legs, uses hands, looks like a human and understands spoken language. Many robotics experts warned that this was too complex and too expensive.

The prototype, Figure 01, could walk and lift objects but struggled with balance, battery life and reliability. The hardware worked, but the intelligence was limited. Teaching robots new tasks took time and manual programming.

The real breakthrough came when the team shifted focus to software. Figure built its own AI model called Helix, designed to connect vision, language and physical action. With Helix, the robot could look at a scene, listen to a human instruction and figure out how to move its body to complete the task. It learned not just from code, but from watching human actions and simulated data.

Another key moment was taking the robot out of the lab. Figure partnered with BMW and placed pilots inside a live car manufacturing plant. The robots worked on repetitive tasks such as handling parts on the assembly line. Real-world deployment exposed failures quickly. Robots froze, made mistakes and needed constant tuning. But this pressure made the system better.

Those lessons fed into Figure 03. It is lighter, more energy efficient and built for mass production. Sensors in the hands improve grip. A softer outer shell improves safety around humans. Most importantly, the robot is designed to be manufactured at scale, not as a one-off machine.

What this humanoid means for builders and investors

At its core, Figure 03 combines three things. First is the humanoid body. The robot is shaped like a human because the world is built for humans. Doors, stairs, tools and workstations already exist. A human-shaped robot can operate without redesigning entire environments.

Second is the AI brain. Helix works like a foundation model for physical work. Instead of programming each task, users can give simple instructions. Over time, the robot improves by learning from experience across many deployments.
.
Third is the business system around it. Figure is building factories, data pipelines and partnerships so that each robot improves the network. This turns robotics from a hardware sale into a long-term platform.

The strongest near-term demand is in manufacturing and warehouses. These spaces face labour shortages and high turnover. Robots can work long shifts and handle repetitive or unsafe tasks. Instead of selling robots outright, companies can offer robots as a service, charging monthly or per hour. This lowers adoption risk for customers.

In the future, service industries could follow. Retail, hospitality and even home assistance are possible markets, though trust, safety and regulation will matter more there.

Competition is intense. Tesla is building its own humanoid robot. Other startups are focusing on logistics robots. Big tech companies are supplying core AI infrastructure. No single company has won yet.

There are serious challenges. Robots still struggle in unpredictable environments. Integrating them into workflows takes time. Labour rules, safety standards and data privacy laws are still evolving. The biggest lesson from Figure's journey is focus. The company chose a hard problem but tied it to clear economics. It tested early in real workplaces, not just demos. It partnered aggressively and designed for scale from the start. Figure 03 is not perfect. But it shows where robotics is going. The future of work may not be fully automated. It may be shared between humans and machines, working side by side. For builders and investors, that shift is already underway.

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