

BERLIN

U.S. INSIGHTS

VR / AR





We were delighted to interview Charisse Bodisch, CEcD, Senior Vice President of Economic Development at the Austin Chamber of Commerce, about what sets Austin apart as a prime destination for AR/VR companies.

How has Austin evolved into a tech hotspot?

Austin, Texas is not only a tech hotspot but a world leader in the tech sector. This evolution has been a deliberate effort over decades. The region came together in 2004 to create Opportunity Austin to grow our regional economy and attract businesses from a variety of sectors to the region. We have many big tech firms with headquarters or locations here, but our efforts were also to attract other sub-sectors in technology. We have a specific emphasis on recruiting multiple different verticals in the technology sector including healthcare, insurance, defense, automotive, and clean technologies. GAF Energy is currently under construction on a 500,000 square foot facility that will be the largest solar roofing manufacturing facility in the world. It’s interesting to note that Austin has been home to many gaming companies through the years and the technology used for games naturally translates into VR/AR/XR.

The Austin Texas region is a magnet for tech talent. Within 200 miles of Austin, we have approximately 900,000 students enrolled in 2 and 4-year colleges. This offers tech companies a steady pipeline of talent to help them fill positions as

they grow. There is collaboration between universities, colleges, companies and community leaders to build curriculum that meets the evolving needs of the tech community.

Austin is an incredibly unique city, offering many routes of exciting work-life balance. As a current hotspot, Austin has a comparatively lower cost of living than traditional tech-heavy locations along the coast of the United States. This allows workers to improve their quality of life by relocating. Austin is an exciting place to live, offering world-class amenities and the intangibles of being a vibrant and diverse community.

Are there programs or initiatives that support AR/VR companies in Austin? Do any funding opportunities exist for tech startups in this area?

The first group to support these companies is the Austin Chamber/Opportunity Austin’s Global Tech & Innovation division. They support the entrepreneurial community and companies that are startups or looking to relocate internationally to Austin. More on this on our website: <https://www.austinchamber.com/innovation>

We have additional information on funding rounds and XR companies on our own ecosystem platform. This platform is to help startups and the community with data, including information on startups, funding rounds, venture capital, and more. The platform is located at: www.ecoystem.chamber.com and then you can use the specific VR filter: <https://ecosystem.austinchamber.com/lists/33076>

On our ecosystem, a user can also view a list of accelerators, innovation districts, coworking spaces, and events to support the startup community. SXSW is an annual conference that draws all size tech companies from around the world and has a section devoted to XR.

The State of Texas has compiled a list of XR companies in Texas, communities of XR professionals, and programs focused on this area at different universities in Texas. That can be viewed here: https://gov.texas.gov/film/page/xr_texas

What kind of resources or connections are there to help Berlin-based startups expand to Austin? Can you name any initial points of contact for startups considering Austin as a location?

There are a variety of places to start. Capital Factory is an excellent place to be-



gin. They offer services from desks to mentors for startups from all industries who have “new” technologies. Since 2010, they have a track record of helping entrepreneurs and startups accelerate their ideas and businesses. They offer unique programming as well that is geared toward the startup community.

Tech Ranch is a similar initiative but is specifically focused on being a tech accelerator. Tech Ranch equips innovation entrepreneurs, emerging small businesses, and early-stage startups with insights, proven techniques, tools and processes needed to expand their social impact.

More specifically for companies from Germany, the Texas-European Chamber of Commerce accelerates business, trade, investment and cultural exchange through transparent and ethical Business Diplomacy.

Additionally, there is the International Accelerator’s 12-month program. This is in Austin and offers foreign-born entrepreneurs the unique opportunity to live, work and develop their concepts in the United States. They offer free housing and office space to relocation and legal support.





We were delighted to talk to Matt Cook, Digital Scholarship Program Manager at Harvard Library, about the (future) trends in the XR (extended reality) sector in the U.S., as he is a true expert in the field.

How did your passion for all topics related to 3D technologies begin?

In grad school, I studied Philosophy of Mind, which was specifically related to the ways in which tools in our environment can help us think. Virtual reality is perhaps the most powerful example of a tool that can shape your environment and inform your thought processes. Later, I experienced the Oculus development kit in 2016. That was the next big development in combining those two ideas, thinking and tools with virtual reality as it became more accessible, which sparked my enthusiasm.

What is one area of focus that has shifted over the years in the XR sector?

One thing I’m optimistic about is a shift away from thinking about the technology as succeeding when it imitates the real world perfectly. For a long time, the goal of virtual reality was to make it look and feel just like real reality. But now, I think people are beginning to understand that you can actually do much more in a digital world, and I’d like to think of it as digital superpowers. Things like X-ray vision or multi-spectral visualization, or density sensing and movement controls over objects that would be impossible in the real world. Things like measure-

ments, including volumetric measurements of 3D objects that are usually not possible given access to a physical object.

How would you summarize the main current trend in the XR sector in a few sentences?

A major trend is the movement towards more augmented and mixed reality rather than virtual reality. You’ll see this with the release of the Apple devices, which will be more mixed and augmented reality. Instead of replacing everything the user sees with a virtual environment, you’ll just replace aspects of the real world with digital components. So there’ll be a mixture of digital and real world visualizations.

What trend in the XR sector are you most excited about?

I’m kind of nerdy about this topic of mixing different types of data into combined visualization. There are researchers that are using photogrammetry, which is 3D scanning, but also Lidar, a different type of 3D capture device. And they’re combining all of these different scans to show an object from its surface all the way through its interior. This applies to the human body for example, if you’re doing medical visualizations and you 3D scan a person, but then you put their CT scan data underneath that scan data.

I’m very excited to see how people begin to combine data sets from different scanning devices, but also analyze those data sets using new tools like measurement tools, x-ray vision type tools, all sorts of different density and measurement tools.

Do you see the U.S. as a pioneer when it comes to the future of XR?

I do think that the amount of R&D research and development money that’s been invested in the US is very impressive. And you can just see from the headlines how many billions Meta has invested. They have huge teams of engineers, researchers and scientists doing the basic underlying research to build future consumer devices. And that’s just the investment in basic research. Then there are the big headset manufacturers like Meta and Apple, but of course you also have others like HTC, a Taiwanese company. So there are other big firms outside of the US too but the R&D money I’ve seen has largely come from the US.

Is there anything in particular that companies and startups from Berlin could have in mind while looking at the U.S. XR sector?

I’m very optimistic about third party software that is more open-ended. A lot of what we see in the app stores is games now for virtual reality, some virtual meeting spaces, but there’s some productivity software that’s actually business oriented that’s available as well. If I was investing in the space, I would look at these sort of smaller companies that are doing more open-ended sandbox software, which is you can bring in your own data to visualize or analyze or create new objects within these tools rather than be limited to the sort of narrative or gaming applications that exist.

These are more creative tools, more sandboxes or open environments where people can meet and create things and look at data, whatever they want. They’re just blank canvases. So I’m very optimistic that this is going to be the most profitable step forward in terms of business place use rather than gaming.

Finally, what are the biggest obstacles that need to be overcome now to pave the way for the trends you have described?

I think we know it’s easy to criticize virtual meetings when you see how cartoonish it looks. So definitely this movement towards more realistic avatars and online meeting environments that’s just sort of a graphics issue and will happen in time naturally. Also a movement towards a less intrusive form factor for the devices themselves. So the Apple fashion statement accessory, etc., that’s going to be big. And then these sort of more reusable applications. Currently we only have a lot of one-off experiences that are quite costly to produce. You have to spend a lot of money to make a game or a virtual movie, let’s say. But if you have the sandboxes, then people can create their own experiences. So that is something that needs to become more common.

Matt Cook is Digital Scholarship Program Manager for Harvard Library. Matt’s personal research interests include 3D technologies (e.g. photogrammetry, VR, etc.) and embodied cognition. After studying philosophy at the undergraduate and graduate level, he began working full time in libraries and developing new tools and systems to augment research and instruction across disciplines.





We had the pleasure of talking to Thomas Johann Lorenz, Co-Founder & CEO of Journee, about the company’s roots in Berlin and their expansion plans to the US.

How did the vision to found Journee develop?

Thomas Johann Lorenz is a Berlin-based multi-preneur, continuously exploring opportunities and blue oceans to challenge the status-quo of what is. Together with his friend Christina Mio Loclair he manages Waltz Binaire, an internationally renowned creative hub for artificial intelligence and cutting-edge technologies.

Waltz Binaire founded „ Journee - The Metaverse Company“ in 2020, which is a world-leading technology to make metaverse experience accessible to all.

He is driven by the motivation to promote the innovation potential in Europe and thus to secure future competitiveness and to enable technological innovations under European ethical criteria, thus contributing to a sustainable society as an entrepreneur.

Can you explain the service Journee offers in a few sentences?

Journee operates a leading metaverse-as-a-service platform that connects people and brands in a revolutionary way in the digital space. Journee works with brands, agencies, Web3.0 partners and beyond to enable sensational Metaverse

cases of the highest possible quality, available to anyone, anywhere, right in their browser. Check more info at www.journee.live.

You started your business in Berlin, why did you choose Berlin as a business location?

Berlin is our home base. After my last startup (that was also founded in Berlin) got acquired in New York City in 2019, we again wanted to leverage the creative power, the access to global talent and the diverse ecosystems of the city to create something completely new.

Have you already expanded to other countries?

We are continuously expanding and have our team all over the world, from Berlin to Dubai and even set foot into Africa with a hub in Cape Town already. Nevertheless the biggest move for the company is expanding to the US with our hub opening in New York beginning of March 2023. It is a natural step, as we have been working for big US companies since 2021 and there is a massive demand for our solution in particular in the States.

What factors influence your location decisions in the U.S.? What opportunities do you see (in the XR industry) in the U.S.?

The Internet as we’ve known it for the last two decades is in the process of changing fundamentally. It is predicted that about 20% of the revenues that are made in the web currently will be made in an immersive version of the web in the next 5 years.

Global brands have a natural need to be at the forefront of this development.

The US is home to many of the world’s leading brands.

So for us, as a company enabling brands to move into the immersive web, having a strong presence in that market has been a no brainer.

What are your biggest hurdles in expanding to the U.S.?

We don’t see hurdles - we only see opportunities.

What are the main trends and (future) needs you see in XR? Do you see similar needs (for your service) in the U.S. as you see in Europe?

Over the next 2 years, many things you know on the Internet will turn immersive. You will see this for use cases ranging from e-commerce, recruiting to entertainment.

The demand to innovate with immersive brand experiences is even higher in the states than it is in Europe.

Can you recommend what type of partners are helpful in expanding to the U.S. or any other pertinent advice to Berlin companies exploring U.S. markets?

Be super fast and don’t lose time.



NUMBERS & FACTS



Founded: 2020 in Berlin
Employees: around 90
Locations: Berlin, New York City, Cape Town, Dubai, Stockholm and the Metaverse
Industry: Software Development, Immersive Digital Experience und Web3 Experience

Journee enables the future of the Internet by turning websites into advanced, stylised, and easy accessible #metaverse solutions that connect people within 3D virtual worlds in a revolutionary way. We collaborate with global brands, agencies, and creative studios to bring show-stopping and future-proof metaverse cases to the web.



We had the pleasure of talking to Stefan Marx, Co-Founder & CEO of ZAUBAR, and Anne-Sophie Panzer, Co-founder & Head of Creators at ZAUBAR, about the company’s roots in Berlin and their expansion plans to the US.

How did the vision to found ZAUBAR develop?

ZAUBAR saw the gap in the market for easy and fast situated experiences. Many creators and brands have digital strategies but what ZAUBAR offers is a location-dependent version of this. ZAUBAR situates itself in the middle of content creators, archive holders and hidden stories of a particular location. It is hard (and usually not so much fun) to dive into archives, find photos and try to situate them in real world locations. We found ourselves to be very well situated to solve this problem thanks to our backgrounds in a mix of entrepreneurship, immersive technologies, history, and journalism.

Can you explain the service ZAUBAR offers in a few sentences?

ZAUBAR offers a DIY augmented reality creator tools for passionate locals. We help creators and brands to transform their content into something more immersive and interactive. This way our clients can stand out in competition and target novel audiences.

You started your business in Berlin, why did you choose Berlin as a business location?

Berlin offers a collaborative, buzzing startup ecosystem. We have had numerous opportunities to connect with fellow founders and AR-enthusiasts. It is an inno-

vative city and it is fair to say that it is the first city to adopt AR and become an AR-hub both for startups and and content creators. We love working with creative people and high talent and Berlin is very rich in both.

Have you already expanded to other countries?

Yes, we did. We are working with a tour guide in San Francisco who uses the ZAU-BAR app to create an immersive city walking tour experience with the help of AR.

What are your plans when it comes to expanding in the U.S.? What opportunities do you see (in the AR industry) in the U.S.?

Expanding location-wise is crucial for us because of the geo-based nature of our business. We equip creators with tools to create location-based experiences - and Berlin is only the start. We are very much aware of the content creation culture in the US and how globally impactful US content is. US content creators effectively act as trendsetters and we can already foresee the impact of having US content creators migrate to our creator platform for immersive metaverse content creation, which is a much less saturated market.

What are the main trends and (future) needs you see in AR/VR? Do you see similar needs (for your service) in the U.S. as you see in Europe?

Technology usually develops in hype cycles - or bubbles so to speak. The term “metaverse“ got adopted by the general public relatively well. Augmented reality or extended reality (XR) did not have that success. The initial public interest really paid off and now everyone knows what we are talking about when we say we are “taking the metaverse to the streets”.

Of course, there are amazing developments in hardware space in the shape of AR glasses, something we are very much looking forward to. As well as WebAR that allows no-download AR experiences, which turned out to be a huge barrier in front of mainstream adoption.

Another trend we see is people becoming increasingly interested in local, authentic experiences. This has started with grocery shopping (e.g., tomatoes from local farms) but we see this expand into hospitality and location-based entertainment. Being called a tourist is becoming more degrading and people try to behave like a local, eat like a local and immerse themselves in the local culture. Passionate locals using ZAUBAR can create and distribute these local experiences that uncover what is beneath the surface.

Can you recommend what type of partners are helpful in expanding to the U.S. or any other pertinent advice to Berlin companies exploring U.S. markets?

We would suggest tackling the US market city by city and taking a geographical approach. Otherwise it is easy to get lost and miss business opportunities. Another crucial advice would be to work with US locals instead of trying to figure out everything by yourself or sending employees overseas hoping they will be able to make necessary connections.

Do you have any advice/tips for emerging businesses in Berlin? What shouldn’t they miss when they are about to start their startup journey?

Connect with like-minded founders via meetups, universities and publicly funded initiatives. If they are not super knowledgeable about the German tax & finance scene, they should get help, earlier rather than later. Being able to speak German is indeed an advantage, especially when it comes to sales calls.



NUMBERS & FACTS



Founded: 2019 in Berlin
Employees: 18
Locations: Nollendorfstr. 20, 10777 Berlin
Industry: Software-as-a-service, immersive AR/XR technologies

ZAUBAR is a B2B SaaS company offering a rich suite of tools for creators and brands to tell their compelling location-based augmented reality (AR) stories with the help of artificial intelligence (AI). Users can create content with AI or transfer their media assets into AR. Our software solution is very well suited for hospitality industry players, whose offerings require on-site customer engagement.

