



The AI Business Model

- **STEP 1:** acquire data about people
- **STEP 2:** train a **Model** that does something useful
- **STEP 3:** sell the Use of that **Model** (The App)



Problems

- **Privacy** - people lose control of their data
 - **Risks:** Theft, Resale, Embarrassment, and Persuasion (\$\$\$)
- **Lost Natural Income** - data is a natural resource
- **Sensitive Product Problem** - some services are creepy
- **Aggregated Power** - very large companies have data, small startups not so much.



How Does DL Work?

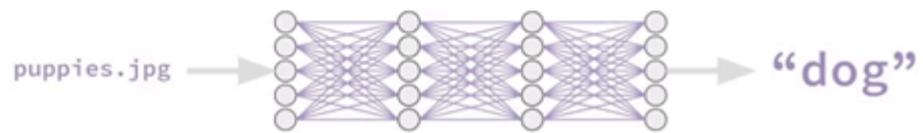
Predict



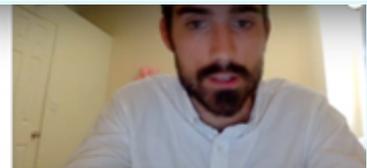
Compare

“cat” != “dog”

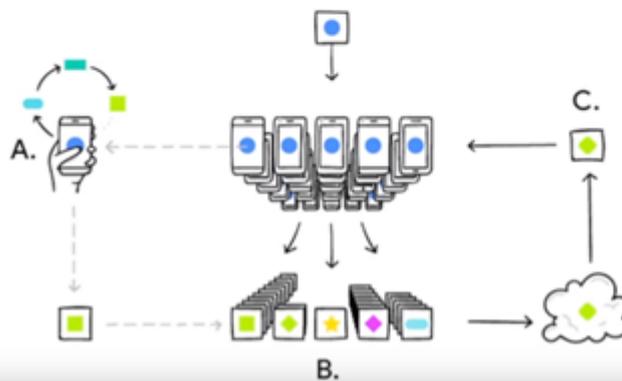
Learn



What is FL?



- Definition: machine learning over a distributed dataset



What is Homomorphic Encryption

