

# Learning Adventure

Eric Young '84 on his new online learning venture

Eric Young '84 left his 11-year career in banking to co-found Cerego in 2000. He talks to The Ambassador about his company's new venture, the learning website <www.Smart.fm>.

## You began your career in the finance sector.

### How did you arrive at founding Cerego?

I graduated from college in 1988 and immediately joined a Wall Street firm, Bankers Trust, in NYC. I was sent to Tokyo in 1990. At the time there were many friends from ASIJ at Bankers and the environment was very friendly. My job was trading currencies and bonds. In 1992, I had the opportunity to invest in a company called The Princeton Review in Japan, which was focused on improving students' scores on college and graduate entrance tests such as the SAT and GMAT. The core business value was teaching test-taking strategies to achieve higher scores, even without the need for students to boost their knowledge of the underlying subject matter.

It certainly worked, but I always wondered how much better it would be for our students' test performance, or in life in general, if they could also master the underlying facts and concepts. In other words, what if we could help them build a solid foundation of the underlying knowledge?

In 1992, I met a gentleman who had dedicated his adult life to the study of neuroscience. He revealed that human beings are wired the same when it comes to the formation of memory at the biological level. He posited that if we presented information the way humans are already neurologically wired to process that information, then the effect would be faster knowledge acquisition and longer memory retention. The problem was that this gentleman didn't have any

idea about how to build a business around this concept, and this is where my partner and I stepped in. We put together a plan, provided the initial capital required to fund our operation, and named the company Cerego. "Cere" in Latin denotes the brain and "go" means "to proceed." Cerego's main product is a social learning platform called Smart.fm. We have over 600,000 users on our site <www.Smart.fm>, mostly in Japan right now, and are expanding to Western markets this November.

### What influenced you to choose this field?

I have always had a passion for education. Over time, that passion has grown as I've seen the advent of great technology and great advances in science. What I haven't seen up until now is someone focused on combining all of this in an intelligent way—in other words using the advances to help improve people's lives through more effective learning. I firmly believe that:

- Advances in the science of learning combined with technology will radically improve learning;
- Borderless, collaborative learning will fundamentally change education;
- Learning should be open and accessible to everyone.

In Cerego, we created the opportunity to integrate these beliefs into a comprehensive technology offering and deliver it to the world. Think about the fundamental problem that most students face. They struggle daily to learn and retain information, resigned that biology conspires against them, as information they struggle to learn today will be forgotten tomorrow. Meanwhile, teachers face the challenge of addressing the needs of large numbers of students with widely divergent levels of aptitude, prior education and motivation.

This is where we came in with what I believe is the best overall solution out there. Cerego developed a series of learning algorithms embedded within a web-centered social platform called Smart.fm. This platform uses science-based algorithms to accelerate the process of memory formation and retention. Specifically, we enable any individual to convert almost any information into personal knowledge, a process generally referred to as learning. Simultaneously, the platform enables teachers and administrators to track, measure and verify the level of learning on an individual and group basis, item by item. As the platform is content-neutral, students, teachers and partners can learn and create user generated content for an unlimited variety of subjects in a collaborative social environment. Our mission is to empower anyone, anywhere to learn and remember anything. And in so doing, our vision is to become the world's leading platform for learning information and managing personal knowledge.

### What is the biggest challenge you face in this area?

Given that Smart.fm is pioneering the field of science-based learning for the masses, there is really no one to follow. The result is that as a corporation we seldom can draw upon tried-and-true methods; consequently, sometimes we have to do things the hard way. On the other hand, I can't really complain, as it is a great challenge and a lot of fun to be the leader.

### Where do you see this business/area heading in the next 5–10 years?

Starting in Japan less than two years ago, we now have approximately 500,000 Japanese and 100,000 English speaking registered users studying on our site. Despite our

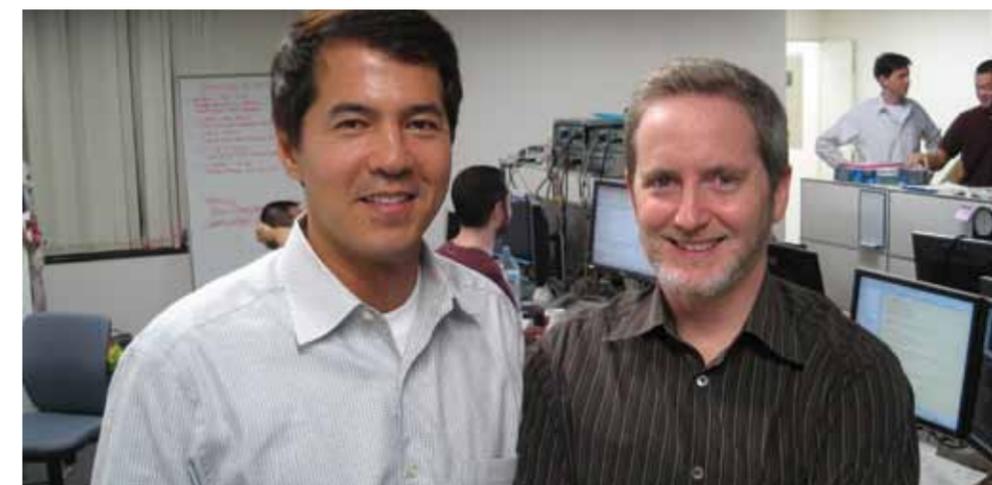
current focus on the consumer market, we have also allowed a few businesses to offer our learning platform to their employees and clients. We plan to launch into the United States in November 2009 with a completely revamped website. As more and more people use our platform, we will generate revenues from a combination of individual premium services, advertising revenue, corporate utilization fees, and revenue sharing. As I mentioned, we want to be the learning platform for anyone and everyone. We see an opportunity to have a site with millions of users, engaging in learning, creating content, and motivating each other to help achieve their goals. While we have a long road ahead of us, the journey has begun and I'm confident we will get there in the next few years.

### How has the field changed since you began working?

With the general acceptance of major social networks such as Facebook, as well as Wikipedia, YouTube, etc, into mainstream life, the world is increasingly more collaborative and connected. Since learning typically involves a high degree of social interaction, the impact on education has been profound. In the past people typically lamented that nothing will change education, especially given its entrenched constituents. Now people are beginning to say these new social and technological forces will change everything. There has been a fundamental shift in mindset towards a more open and collaborative educational dynamic.

### Were there any teachers at ASIJ that especially influenced you?

There were many like John O'Leary (current faculty, physics), art teacher Ki Nimori (FF 1960-2002), math teacher Norm Trott (FF 1966-89) and many more. But I would say special mention goes to Richard Gallagher (FF 1971-96), who taught history. He pushed me, as well as many of my senior classmates in his Japan Seminar class, to think critically and seriously, but also to maintain a sense of humor.



### What inspires you?

I'm inspired to enable the world to convert information they deem relevant into personal knowledge, in a manner that addresses their unique learning needs and lifestyle. If I one day succeed in helping to facilitate knowledge acquisition by anyone in the world, I will feel I have achieved something.

### What piece of advice would you give current students:

The friendships you make now at ASIJ, with just a little effort, will remain for a lifetime. Whatever differences you may think exist between you and somebody else right now will dissipate in favor of all the similarities and shared experiences that are unique to you and your classmates. Take it from me. It has been over 25 years since I graduated from ASIJ, and I would say this is still the largest group of close friends I have. ◦