

# At Toronto tech show, second thoughts emerge over AI

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The tech world is convinced AI is here to stay -- the question is, what will it look like going forward?

Months after the spectacular launch of ChatGPT, the AI revolution is well underway but hints of caution are emerging, especially over letting

one or two companies reign supreme.

The release of the poem-churning app by San Francisco-based OpenAI came at an opportune time for tech, landing just when the US giants were laying off thousands of workers and startups faced a funding winter after the collapse of cryptocurrencies.

While generative AI's powers spooked many, even drawing calls for a freeze in its development, the tech world welcomed the respite from an otherwise miserable 2022 when a pandemic-era tech boom imploded.

But the crowds of startups and their backers meeting at the three-day Collision conference in Toronto heard second thoughts about artificial intelligence, even if convictions remained strong that it was here to stay.

"We're about three steps into a 10K race," said Adam Selipsky, the head of Amazon-owned AWS, the world's biggest cloud company that is set to see a huge windfall from the AI excitement.

"The question is: where are the runners going? What's the course like? Who's watching the race?" Selipsky told a packed conference hall near the shores of Lake Ontario.

AWS is the archrival of Microsoft, the Redmond, Washington-based company that took the world by surprise earlier this year by diving head first into the ChatGPT goldrush.

Microsoft's investment of billions of dollars into OpenAI launched an AI arms race, with Google following course by ramping up its release of AI-infused products, goading any company involved with technology to hurry out new capabilities.

"Like a lot of things, I think AI is overhyped in the short term and

underhyped in the long term," said Jordan Jacobs of Radical Ventures, a [venture capital firm](#) that has invested heavily in AI.

"But the difference with AI is that once you deploy it, it gets better and better and better," meaning there is a real downside to coming in second place.

He said this was not the case with the advent of the personal computer or the smartphone, when those who waited, like Apple, were the companies that won.

The benefit of coming out first seems to leave OpenAI and its powerful Microsoft backer in the driver's seat.

But AWS's Selipsky and others cautioned about going all-in with one big company, especially with a technology that voraciously feeds off data and computing power.

## **'Choice'**

Hundreds of companies and governments have gone as far to ban their employees from using ChatGPT, worried that [sensitive information](#) will be uploaded to strengthen OpenAI's large language model, becoming available to all.

One of the "most important things that we hear from customers around the world all the time is choice," Selipsky said.

"The world needs access to a whole bunch of models in a place that you trust and with the security you demand," he said.

At Collision, Booking.com, the online travel giant, announced a new product using OpenAI's ChatGPT that will provide a conversational

experience for users planning trips.

"This is just a start," Rob Francis, chief technology officer of Booking.com told AFP, all the while defending the company's turn to OpenAI.

Models from the likes of OpenAI or Google, "they're great for general purpose" like a chat about holiday plans, he said.

But for more sensitive uses, companies will "start to run their own more tailored models, in their own environment," he said.

As the world's biggest companies rushed out their AI products, the startup community was warned not to take too much solace from the hype sparked by ChatGPT.

Even if generative AI has caught the world's attention, "people are still approaching startup investment through a cautionary lens," Vincent Harrison of PitchBook, the business research [company](#), told AFP.

"Deal activity is down, fundraising is down, the IPO environment is probably the worst that it's been since the global financial crisis," Harrison said.

"I think ChatGPT blew the minds of a lot of people... but is AI enough to bring things where we saw them in 2021? I don't think so."

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