

David Solomon: Hello, everyone, and welcome to Talks at GS. I'm excited to be joined today by Sasan Goodarzi, the CEO of Intuit.

Sasan Goodarzi: Thank you for having me, David. Great to see you.

David Solomon: Great to see you. And let's start with congratulations. You've accomplished two years, including one in a pandemic, as the CEO. The company's financial performance has been quite impressive. Talk about how your journey's coming along. What are some of the biggest challenges you faced as you came into the job two years ago?

Sasan Goodarzi: Well, David, as I'm sure it is for you, it's been a ton of fun but it's been very intense. You know, none of us expected the pandemic, and it didn't come with instructions. And so it's been a very interesting time. You know, I took over an incredible foundation. And, you know, the foundation was a great company that primarily focused on serving consumers and small businesses but solving their tax problem and their accounting problem. So really what we've been up to the last couple of years is repositioning the company to a platform that can really power prosperity for all customers beyond taxes and accounting.

So it's been a fun journey. You know, we've refreshed our values, which is only the third time in its history. We refreshed our strategy to focus on being an AI-driven expert platform and declared five bets for the company that frankly has really boded well in this environment because of just some of the shifts we're seeing to a virtual world, to an online world, and money matters more than ever is core to the bets that we've declared.

So we feel good about our progress but, you know, it's also at the same time sad to see the hurt and the suffering of consumers and small businesses around the globe. And, you know, what gets our heartbeat going faster every day is to find ways to help them more than ever. But it's been a fun couple of years.

David Solomon: As you highlight, though, I mean, 2020 brought a whole new set of challenges for companies. And you talked a little bit about how you're responding. You know, what have you learned in responding to all of these challenges? And how is it shaping your perspective on business life post the pandemic?

Sasan Goodarzi: Yeah, you know, I would actually start with family. You know, one of the things that this pandemic has, you know, taught me and I know a lot of the customers that I interact with is it takes you back to the core of the things that matter most, which is just really cherishing every moment that you have with family and not taking it for granted, the time that you have with them.

I think I would say the second thing is empathy. It has really taught me empathy is more important than ever before, for our own employees that, you know, we've had to shift them to work from home. Some of the challenges that have come with the pandemic, the mental crisis and impact that's come with the pandemic. And so those are just two of I would say the human elements. They sound so obvious, but it's just taught me the importance of family and empathy.

From a business perspective, I would tell you that it has taught me that it's times like this where you have to double down on a reinvention and really double down on being aggressive. It's easy in an environment like this to sort of put things to the side and say, well, we'll get to that later, that's too big of a transformation in a pandemic. And it's taught me and my whole staff that doubling down on the things that we've declared are more important now than ever before. Leaning forward on our toes and playing offense is more critical than ever before. And so I would say those are probably the biggest lessons -- family, empathy, and reinvention in these very interesting times.

David Solomon: I want to talk about innovation a little bit because you guys, you've always had a great ability to innovate. In fact, I'd say very few software companies have reached the scale you have because of your ability to innovate. And I want you to talk a little bit about how over with 10,000 employees how you maintain that culture of innovation and entrepreneurship to keep up, you know, rapid growth. You're a \$9 billion revenue company, got 10,000 employees. How do you keep that innovation going?

Sasan Goodarzi: Yeah, you know, it's a very interesting question because we were born in the era of DOS. And we've had to, you know, lead through significant platform shifts over time. And, you know, first of all, I give a lot of credit to our founder Scott Cook and the many that, you know, preceded me in terms of the culture that we've created. And I would say, you know, as you know it's not a formula, but it comes down to a couple of things. One is expectation setting. And two, just

what we role model in our behaviors every day.

You know, one of the things we did when we refreshed our values last year was two elements we changed. One was about courage and the other around customer obsession. And so we talk a lot about our values and the expectations that we have of ourselves. And every new employee that comes in, we talk about the importance of living our values.

The other is our true north goals. We have a set of goals across four stakeholders -- employees, customers, community, and shareholders. And we really stay true to a very important customer goal that we have, which is around product recommendation scores and net promoter. And so we measure what new customers say about us, and are metrics up and to the right or are they decreasing and why? So one is about expectations.

I would say, too, David, is just what we try to role model, you know, every day. You know, personally, I'm in our voice of customer Slack channels. I listen to our customer success calls. I do virtual site visits, and a big part of it is engaging local customers. And I capture my notes, and we talk about it with all the leaders of the company. And what we try to do is just really balance where we're constructively dissatisfied because as you know any time you think you're doing well, all you've got to do is go read all the VOC commentary. And customers ground you very quickly on what's important. So we try to expose that as much as possible across the company. And I think it keeps us paranoid, and it keeps us grounded.

David Solomon: It's a good way to be and super important. You know, small businesses are getting a lot of attention, and you guys are a company that provides finance, payroll, accounting, payment solutions for a lot of small- and medium-sized businesses. Talk about your vision for how, you know, your products are going to evolve to meet these customer needs. And, you know, from your perspective, working with small businesses, what else should others be doing, the government be doing to help small businesses during this incredibly difficult time that they're facing?

Sasan Goodarzi: Yeah, sure. You know, let me take the first part of your question. You know, our history and when QuickBooks was founded, it was really founded on helping you be organized and make sure you can get your accounting right and make sure your books are right. And it's why we have such a tight relationship with accountants. I think the significant

shift we've made over time is we're focused on helping small businesses grow. We're focused on getting them paid. Giving them access to capital. Making sure that they can take care of their employees and ultimately ensure that their books are right. So really the evolution of our platform -- and we're an open platform. You know, we have -- I get asked a lot by investors, "Well, why do you have applications that are your competitors on your platform?" It's because we're an open platform, and I want customers to have access to what they need.

So on the QuickBooks platform, you know, you can use HuffSpot [sp?] to do CRM and get more customers. You can get paid through the payments capabilities that we have or others. You can take care of your employees. You can have access to capital. So I think more and more companies need to be in a mindset of, "How do I have a platform that's agnostic that helps a small business truly run their business, manage their cash flow, give them access to capital, to enable them to do what they do best, which is whatever business that they're in and the passion that they have?"

So that's really the evolution. That's where we've accelerated a lot of our innovation is to provide those, all the capabilities that a small business would need, whether it's created by us or one of our partners, you know, on the platform.

You know, to the second part of your question, David, and I think you've been an incredible advocate for small businesses. I think first and foremost, just safely but aggressively moving out with the vaccine. Fiscal stimulus. Recognizing that by industry it's different, by state it's different, but small businesses are struggling. I admire them for their passion to be scrappy, but at the same time customers are spending less with them. They have less employees. And in some cases, depending on what you do, your doors are closed if you're a hair salon or a restaurant depending the state that you're in. So I think just fiscal stimulus and moving aggressively to address this health crisis is what's going to help small businesses, especially in an era where, you know, they're 50% of our economy and they're the lifeblood of the economy around the world.

David Solomon: Shifting gears. I want to go back. You made a comment about, you know, a big push in investment in AI. Can you share a bit more about the specifics and how you hope to realize value as a company from AI?

Sasan Goodarzi: Yeah, you know, we have defined AI in three

components. It's machine learning, knowledge engineering, and natural language processing. From a machine learning perspective, it's leveraging all the data on the platform to really build decision engines and algorithms that automates the work and finds ways to put more money in our customers' pockets. And I'll come back to that in a moment.

Knowledge engineering is, you know, turning in essence rules and the relationship between data into code. So again, we can sort of automate everything.

And then natural language processing is the way you and I are interacting. How do we automate how humans interact with the product? So we have very specific areas that we're investing in, which are the three areas that I mentioned.

So to give you examples of the benefits, you know, one, TurboTax Live, you know, we use a lot of machine learning and knowledge engineering to automate the whole experience for the experts that are delivering the service for consumers. And so we ultimately use all the tax data that the consumer has to help the expert understand what deductions are the best for them. You know, there may be an expert in New York that's serving a consumer in California. We help them understand all the differences in the rules and where the customer can get their maximum deductions. That's all through machine learning and knowledge engineering. And we're leveraging a lot of the same technology to do things like instant deposits, same-day payroll, to be able to provide loans to small businesses where no other financial institution may be able to provide the loan because they don't have all the 360 data.

David Solomon: Sure.

Sasan Goodarzi: But we use the data and crunch all of the data with our machine learning capabilities to be able to provide, you know, loans at times that are very tough for customers. So those are examples of where we're putting a lot of our investments just to automate workflows and find ways to put more money in the pocket of our customers.

David Solomon: You recently closed the acquisition of Credit Karma, which is the largest deal ever I think for the company. So, first, congratulations. That's a big deal to close a deal like that.

Sasan Goodarzi: Thank you.

David Solomon: Talk about your vision for Intuit and Credit Karma coming together.

Sasan Goodarzi: Yeah, I tell you, we couldn't be more excited about Credit Karma just from a cultural perspective and what they bring. You know, David, our vision is we used to just be able to do your taxes. And our vision now is that in one place we want to help you make ends meet. We want to help you reduce debt. We want to help you save money. And so Credit Karma is really a data platform, and it really creates a network effect. The more consumers that use it, the more others want to participate whether it's financial institutions, insurance companies.

And our ultimate vision is that in one place you can get access because of your personalized data that we have with your permission, we can give you access to credit cards that are right for you or where you're preapproved. We can give you access to loans where you're preapproved and they're right for you. Help you save money on your car insurance and home insurance. So just give you access to financial products because we put the power of the data in your hand. And because of the data platform, we can make a perfect match where you're preapproved.

The second is around money. You know, we partner with financial institutions to give free access to checking and savings accounts, debit cards. We're going to be rolling out early access to your wages. So we want to make sure that you have the ability to make more money or to better deal with the money that you have.

And then third is just advice. You know, those that look for financial advice, for us to make expertise available to you. So really ultimately, I know this is an overused word, but it's a super app. You know, it's 110 million members. It's a big data platform. And it's to use the power of the consumers' data to help them access ways to reduce that and save money. And taxes then becomes one element of what we can do on the platform, not the only thing that we can do.

David Solomon: You know, on behalf of everybody, you know, here, I want to thank you for taking some time to be with us. And really appreciate the conversation.

Sasan Goodarzi: Awesome, David. Thank you. Thank you so

much for having me. Be safe, be well, and we'll talk to you soon.

This transcript should not be copied, distributed, published or reproduced, in whole or in part, or disclosed by any recipient to any other person. The information contained in this transcript does not constitute a recommendation from any Goldman Sachs entity to the recipient. Neither Goldman Sachs nor any of its affiliates makes any representation or warranty, express or implied, as to the accuracy or completeness of the statements or any information contained in this transcript and any liability therefore (including in respect of direct, indirect or consequential loss or damage) is expressly disclaimed. The views expressed in this transcript are not necessarily those of Goldman Sachs, and Goldman Sachs is not providing any financial, economic, legal, accounting or tax advice or recommendations in this transcript. In addition, the receipt of this transcript by any recipient is not to be taken as constituting the giving of investment advice by Goldman Sachs to that recipient, nor to constitute such person a client of any Goldman Sachs entity.

This transcript is provided in conjunction with the associated video/audio content for convenience. The content of this transcript may differ from the associated video/audio, please consult the original content as the definitive source. Goldman Sachs is not responsible for any errors in the transcript.