

Albert Chou:

This is IT Visionaries, your number one source for actionable insights and exclusive interviews with CIOs, CTOs, and CISOs, and many more. I'm your host, Albert Chou, a former CIO, former sales VP, and now podcast host. Welcome everyone to another episode of IT Visionaries. Today, we have a special guest. He is the CTO at a company called Avalara. What's interesting about this company is some people say it might be the largest tech company you've never actually heard of. Danny Fields, welcome to the show.

Danny Fields:

Hi, Albert. It's great to be here.

Albert Chou:

I know what Avalara does. I know you guys are in the finance and tax game, but for those who don't do that line of work, they probably don't know who you are, so why don't we start there? What is a Avalara and what does it do?

Danny Fields:

That's a great question. I believe Avalara is the largest company in technology that you probably have not heard of, but you said it in the introduction. We're solving a 5,000 year old problem. This problem has been around since the Egyptians, it's sales tax.

Albert Chou:

I want everyone to hear, we've been charging each other tax since the beginning of civilization.

Danny Fields:

That's exactly right.

Albert Chou:

We still haven't really solved it yet. Danny, how are you guys solving this?

Danny Fields:

That's right. You, Albert, and most of the people listening to this have probably used Avalara, we always say five times today, and you don't realize you use this. If you bought a cup of coffee, if you pumped gas at the gas station and paid for the gas, if you paid your phone bill, if you bought groceries, every time you buy something, you're paying sales tax. That's what Avalara does, we calculate sales tax. Those companies that are collecting sales tax, they have to remit it to the government, to the tax jurisdiction that they're in. Avalara helps those companies do that. We calculate sales tax and we remit sales tax.

Albert Chou:

I actually got my first introduction to Avalara working at a company that was in the supply chain. I remember the first thing that I was blown away by was I was told I had to maintain tax exemption certificates. I'm like, "What do you mean?" Well, they said if you buy goods... For those of you out there, let's imagine we are, and I always have one on my desk, we're a tumbler maker. We buy some goods to make the tumbler. Those goods that we buy from businesses are actually considered tax exempt. I have a tax exemption certificate I have to file, but then if I sell it off my dotcom to a state, I got to collect sales

tax and remit it to the state. For those of you guys that aren't familiar, you actually have to do this on a state by state basis. This used to be done without software.

Danny Fields:

Oh my god, Albert, you're a tax expert. You need to come work at Avalara with us. You know everything about tax.

Albert Chou:

Hey, listen, I'm not a tax expert. I've just done it a couple times, but it's quite challenging. Give us an idea of what it takes to make this a smooth process, because you mentioned before... We're talking about every state, but not only every state, but every transaction. Not only that, but it's not just external transactions, meaning business to customer, we just said it. Vendors, suppliers, we have to maintain our tax exemption certificates. It's quite complicated. How do you integrate, where does it integrate, how does this all begin to work? Because when we check out at a terminal, we don't really see software. I mean, of course, we see a payments terminal. Give us an idea of what it takes to bring this together.

Danny Fields:

Your right. Everything you just described about the tumbler, taxes are very, very complicated, and we want to make it easy for the person selling the goods, the person filing the tax return. We want to make it less taxing and what we say is more relaxing. Now, how do we do that? You asked a great question. First of all, Avalara aspires to be part of every transaction in the world. Think about what a transaction is. You could have a store on a marketplace, you could be selling through an eCommerce platform. You could be buying a cup of coffee and you're using a point of sale system. All these different systems, ERPs, all have to calculate tax when they're sending an invoice or a document from one system to another. What Avalara does is the very first thing we have to do is we have to understand all of the tax compliance content for where we do business.

Every day, we're going to tens of thousands of websites all around the world where this tax content is published and we're making sure we have the latest up to date in our system. We probably have one of the largest databases in the world of all of this tax compliance content. Then what we have to do is we have to be able to integrate or connect to all of these systems around the world that are actually processing the transaction. In the coffee shop, the point of sale system that you use. If you're on a marketplace and you're buying something, we need to connect to that marketplace. Avalara has over a thousand integrations to different third party systems all around the world that are processing these transactions. We have to have the content and we have a massive amount of tax content.

We have to have a large number of integrations and, as I said, we have over a thousand of them. Those integrations are connecting back to our tax calculation engine. When you swipe your credit card or you type in your credit card number and you're purchasing the item or the service, tax is getting calculated real time. What's happening is that information comes to Avalara. We see the contents of your shopping basket, we see your location, the street address where you're purchasing the item, because we need to understand the tax consequences that are required. Where are you buying the item? Who's selling it to you? Where is it getting sold from and where are we shipping the item to? Does tax need to be calculated on that transaction? We have to figure all of that out in the blink of an eye.

We actually calculate tax and we figure out if tax is required, if the calculation is exempt from tax. You mentioned tax exemption certificate. We do all of that in the blink of an eye in milliseconds, and we're processing thousands of tax calculations like that every second for customers all around the world.

That's sort of, at a very high level, what Avalara does. We've got to get the content, we've got to connect all these systems into Avalara's tax calculation engine, and then we've got to calculate the tax in a fraction of the second, and return the calculation back to the system so that when your receipt prints in the coffee shop, you can see on it what the tax amount was and we calculated the tax. Just to show you how complicated it is, when you buy a cup of coffee, you may also buy a bagel and there may be different tax rates. One is a beverage, another one is a food item. What if the bagel is toasted or what if the bagel is not toasted?

Albert Chou:

The service. Yeah.

Danny Fields:

If you're buying a bagel on its own, it's just a food item. But if they've toasted it, that means you're buying the food item and the service. The person in the coffee shop has done something extra and there may be a higher rate of tax. We have to understand, is that bagel toasted or not toasted? That's the level of detail we have to get into.

Albert Chou:

Yeah. It's bananas when you start thinking about it. For those who are listening, and maybe you don't know this, I'll just speak for example in North Carolina, but I know for a fact this is in other states as well, but in the state of North Carolina, they want to track every sale, has to know what county it's shipped to, and then that count... You have to define. For example, I live in Wake County, so how much sales did I make in Wake County? I have to remit this much Wake County tax. There might be a Durham County tax, Orange County tax. Now, I want to back things up just a little bit, maybe a little pre Avalara just to kind of frame this up, because I think it's really hard to imagine just how hard this had to have been. This has to be unbelievably hard.

When you meet businesses or new customers who maybe they're not using your system yet, maybe they're calculating this maybe in old ways or they just haven't built a system for it or they haven't invested in financial tools to do this, maybe they've been writing paper orders for quite a while. I know people hear that like, "There's no way businesses are like that." It's like, "Yes, they are." There are plenty of businesses still running on ledgers, like paper ledgers, where people are handwriting their transactions. Give us an idea of how much time your average past... How much time do you guys save right out the gate doing this?

Danny Fields:

I don't know the average amount of time we save, but it is massive because imagine if you have to go manually, somebody in the tax department has to go to a website and they have to collect all [inaudible 00:08:39] for the state of South Carolina, and they have to manually put that into their point of sales system. That's going to take many, many hours during the week.

Trick is you have to keep the tax content up to date. The content may change at different times during the year. Does the person in the tax office need to go back and check the state website every single day? It's too manual. Their content is going to become stale, it's going to become out of date. That's one of the things Avalara does. We can keep it up to date, but if you have to do it manually, it's a very, very manual process and it can take a long time to do.

Albert Chou:

For yourself, one of the things that I'm hearing is this new evolution of technology where the tax code is one of those things you already hit on it. It's basically guaranteed to change every year. Every state is going to change something, every country is going to change something.

Danny Fields:

Absolutely.

Albert Chou:

Have you gone a year where there was no changes?

Danny Fields:

In some locations? Yes, which you're right. The content will change probably once a year and sometimes multiple times during the year. During the pandemic, when the pandemic started, there were tax rate changes immediately in multiple locations in the United States and all around the world. Medical supplies, cleaning products, tax rates changed so that people were able to go buy these products in bulk. When kids are going back to school, in the preceding weeks before school starts, certain items that will be used in the school in certain tax jurisdictions, the tax rate might change for a period of time for items that are specific to schools. Lots and lots of times during the year, tax rates will change and we have to make sure we see those changes real time and bring them into our system immediately.

Albert Chou:

What does it take to do that? I'm going to show my lack of knowledge and you're going to correct this, but it sounds like you have some type of robot crawlers, very similar to Google, checking out all these tax codes. When you notice change, obviously that has to be implemented somehow and there's got to be some kind of a Q&A check, because the one thing I know the IRS does not like is mistakes. If they check it and there's a mistake, you will get dinged for it and you'll owe the balance.

Danny Fields:

You're right.

Albert Chou:

It's got to be accurate. There's got to be change, there's got to be some type of implementation time, there's got to be some type of quality check time. Give us an idea, what does it take and how have you made this process, I guess, even faster? Because all these little micro changes are happening. Any given single change might not be a big deal, maybe it's not a big deal. But we just talked about it. Avalara is handling transactions domestically within the state, within the counties of the state, internationally across different service lines, product lines. There's bound to be many, many changes concurrently at any given time and it's got to all be done accurately, because I guess, when that person clicks report taxes, it's got to be right.

Danny Fields:

That's exactly right. There are tax rates, tax rules, boundaries make or redrawn by cities, patients that we have to keep track of all of the tax boundaries we call them, or regions where tax is calculated, and the tax forms that have to be submitted to the jurisdictions, they may change as well. We have to collect

all of that information, as we said, in a real time way. We do it using technology. The company's nearly 20 years old. Over the years, our processes started off very, very manual. We had to manually go to thousands of websites and collect this information in a manual way. At one point, we had hundreds of people doing this following a very manual but methodical process. We thought, "Hm. Maybe we can solve this problem with automation and technology," and that's what we use today.

We have little bots that sit out on tens of thousands of websites watching for changes. When we see a change, we'll scrape the content and bring the content back into Avalara. The content may be published in different ways. It may be in a machine readable table, it may be in a piece of legislation so in a Word document, in a PDF document. It's published in many, many different ways. Sometimes it's not even published on a website. Sometimes it might be published in the media, it might be published through a notice that's sent to a particular distribution list. Sometimes we have to call a tax office when we hear there was a change and get the change verbally over the telephone. But in most cases, the information is published on the website. In the case of the websites, we're checking the websites every day with these bots.

When we see a change, we scrape the content, we bring it back into Avalara. Instead of humans looking at the content first, we have some really cool AI/ML tools that are analyzing the content, and they're looking to see is this a real change? Is the change something that's tax related or is it a non-tax related change? If it is a tax related change, we extract what the tool believes is the change in content. Maybe the rates changed or maybe some rule about the tax changed, and we highlight that. A human will look at the change and the human will verify what the tool has identified. The human, if the tool is correct, that human will mark the tool as, "Yes, correct. That's a real tax change." If not, the human will say the tool is wrong, and then the tool learns from the human.

As the human is double checking the tool, the tool is continuing to learn and continuing to get better. We actually have a very, very small number of humans that need to do this work because the tools are so highly automated, and so efficient, and so accurate that the tools are doing a really, really good job. We only need a small number of people every day to manually check what the tools are bringing in. When we bring the content in and we've identified real valid tax changes, then what we will do is we will take those changes and we publish them in a way that's understandable by our tax calculation engine. We have to take written words, in some cases, and numbers and then turn that into a logic that the machines will understand. We use a combination of humans, another set of humans, and machines to go do that.

What we're doing is we're continuing to automate this process and make it more efficient. Our goal is to be able to go from content that's published by humans in a piece of legislation on a website. We can take that, we can extract the content, we can understand what it means, and we can put it into our tax calculation engine without making a mistake in a fully automated way at real time. We're there, newly, newly there. We have a lot of the steps highly automated and we still use humans to double check and make sure everything is okay, because as you said, if we make a mistake with the content, it's not a good thing.

Albert Chou:

Yeah, no doubt about it. We've heard other guests on our show talk about going on, let's say, automation endeavors. Some of them have worked out, some of them have not worked out, some maybe took much longer than anticipated. Walk me back to when this all began, when Avalara, yourself, thought to yourselves, "Hey, we're going to automate this process of updating tax code into the software so that the user can get access to the most up to date rates, numbers, whatever the case may be, as soon as possible." Did you have a high confidence interval that this could potentially work? Were

you kind of skeptical and said, "Hey, let's find out what it takes"? Give us an idea where your mind was in automating this. Obviously, technology has changed quite a bit since that project started to where it is today to make it more accurate. Well, give us an idea of what you were thinking in that moment when... I don't know if this was your idea, if your CEO's idea. Whose idea was it that, "Hey, could we do this auto automatically?" Walk us back to that moment.

Danny Fields:

That is a fantastic question. It was the CEO's idea and the other co-founders. I wouldn't say it was an idea, it was more of a dream. It's a dream that they had since the founding of the company nearly 20 years ago. Probably for the first 17 years, we never cracked the code on fully automating the sourcing and storage and publishing of content. When I joined the company about four years ago, four and a half years ago, we still hadn't solved the problem. I have a background obviously in engineering, I've been doing this for nearly 30 years, and we've brought on a lot of engineers with fantastic technical backgrounds over the past few years. But a lot of us knew nothing about tax. Our background was in building great technical solutions and cloud-based solutions, but then we have to solve this tax problem.

We looked at this particular problem that different teams at Avalara had tried to solve over the years but we had never cracked the code. I didn't know if we could solve it or not, but I believed we could. I'm the kind of person that, "Hey, we can do anything. Tell me what the problem is. The bigger the problem, the harrier the problem, we will get it done. We will solve it." The first thing we had to do was bring the tax experts to people who did this manually every single day, who knew how these tax rules work, and where all this tax information is, and how to find it. They had all this expertise about taking that information and deconstructing it and plugging it into our tax calculation engine or our big tax calculator. We combined them with the engineers who knew nothing about tax. You had to teach the engineers what all this meant and how the tax experts sourced this content on a daily basis.

By putting the two groups together and understanding how the problem was being handled in a manual way for probably hundreds of years, but at Avalara for the past 17 years, we knew there were tools available on the market, open source tools, commercial tools, and we knew there were tools we could build ourselves to automate different steps of the process. That's what we started to do. There were people who believed, "You will always need humans to perform every single step." That's where some of the engineers came along and said, "Well, we have these great AI/ML tools that can actually assist the humans and take over, and do most of the manual work, and save saved humans a lot of time." It was a combination of the engineers having to learn. We had to bring the tax experts along for the ride and convince them that the automation was not replacing them, but the automation was there to assist them and make their lives easier. Who wants to go to 10,000 websites for each-

Albert Chou:

Nobody.

Danny Fields:

If we can take all of the boring manual work out of the system and use the humans for the really specialized tasks that made daily life easier for the people who were researching content. Putting the two groups of people together over the past, I would say, three years we've been on this journey to fully automate this process, we're well along on that journey today. A lot of what we do today in sourcing content is automated and we are solving the problem. The thing is we know where the content is. It's published in most cases on these websites. All we have to do is watch the websites and use our tools to detect the changes, where the difficulty is extracting the content from the documentation, and turning

that into something that makes sense. A calculation engine, that's where the secret source is, and that's where we're spending most of our time on automation today.

Albert Chou:

Yeah, because the last time I checked, every county, every state, every country, the policies basically are written by whoever wrote them. I think we can all agree that the writing is sometimes not very clear. I think that's fair enough. I think to just the U.S. tax forms for income tax. It's like, "Hey, multiply this by 1.3 and minus line 76, but flip over to page schedule A and grab that number divided by 6.2." It's like, "Yo, can we make this easier?"

Danny Fields:

We have to understand all of that. You mentioned an income tax form. For every tax form that a business needs to remit, we have to make sure we have the latest version of each of those forms, and we have to understand every field in the form. We have to understand those that you talked about so that the total amount that has to be remitted back to the tax jurisdiction. We're filing millions of tax forms like this on behalf of our customers, and we're working with our customers to remit billions of dollars in collected tax every year back to the jurisdictions. We have to make sure totals are correct and we're not making any mistakes. All those calculations for all those forms, for all those cities, and states, and countries, we understand.

Albert Chou:

I've been at a company that didn't intentionally do this, but misfiled or underreported some income. I don't know if the audience knows this, but the way it works is the delta of underpayment is not only penalized, but it's also they accrue interest. But the bigger challenges, if you're none the wiser, you're going to accrue interest until they inform you. You might have done everything with great intention, not saying you have no bad intention, but you're accruing interest and they inform you a year later that you underpaid taxes. If you're a business that's successful, this number can be quite large. The downside of not doing it right is quite significant.

Danny Fields:

You're absolutely right. In a situation like that, if we make a mistake, I'm involved, we considered that a disaster, we have to go correct it. We have to work with the customer to go sort out the problem. It happens very, very, very, very rarely. We have so many checks in place to make sure it doesn't happen. Our engineering process and the process we use to source the content and update our software, we're trying to make it as bulletproof as possible. Its software, sometimes mistakes happen, but we have processes in place to make sure that when we make a mistake, we learn from that mistake, and we improve our processes, and we improve our technology so it'll never happen again.

It's very similar to if there's a plane crash and the NTSB goes in to understand why the accident happened in the first place, and then they make changes to the technology and to the processes so that the problem can never happen again. We have similar processes in our engineering team so that if we make a mistake with our software, if we make a mistake with content, we eliminate that problem so it'll never happen again. That's always our goal. Our process continues to learn and continues to get better.

Albert Chou:

That is awesome. When we think about the modern day climate, economic climate around the world, there's a lot of economic uncertainty right now. We know that when companies, if I'm a company and I make investments, typically, companies are trying to either do some type of cost reduction or they're trying to implement some type of software or technology that can help multiply their output or productivity so they can generate more revenue. For yourselves, when you go meet with customers that aren't using the system, is it an easy pitch? Because what I'm thinking about is whatever manual things you're knowing in accounting... I mean, my wife's an accountant, I know what they get paid. They're not the most highly paid people, but they ain't cheap either. This is a really challenging thing. Is it an easy conversation to have with businesses to automate these elements of tax and sales tax remittance and stuff like that? Or is it still a challenging conversation because maybe the person who's in charge doesn't realize how much labor it takes to make it happen?

Danny Fields:

It's a great question and it's an easy conversation because it is crazy for any business to be calculating tax in the old way manually and to be filing tax returns for the business manually. It doesn't make sense. The whole thing can be automated. Using [inaudible 00:24:26] like Avalara, we just have to explain our process on what we do and how much more efficient it is. Why have to hire hundreds of people potentially for a big company to file tax returns? It's a manual process. It can take a long time. We can take on that burden for the customer, for the company, and do it in a fully automated way. It doesn't make sense. We believe that's where all tax filing activities will go in the future. Every company potentially out there that's filing taxes manually needs to eventually move to an automated system. It doesn't make sense to continue to do this manually.

Albert Chou:

Do you have any idea of how many companies, or maybe what percentage of businesses, have not automated this process yet or they're still doing it manually? Does your company have any idea of what's out there still?

Danny Fields:

In the United States, if we look at all of the tax returns that are filed in the United States across all the different states, we believe that we're, on behalf of companies, filing about 4% of those [inaudible 00:25:31] returns.

Albert Chou:

That's unbelievable.

Danny Fields:

If you look at Avalara, I mean the size of the company and the number of tax returns we're filing, we're filing millions of tax returns. We're processing billions and billions of tax calculations every year, and we're remitting billions of dollars to tax jurisdictions on behalf of our customers. We're doing it for about 4% of the entire United States.

Albert Chou:

That's crazy.

Danny Fields:

The biggest competitor, who are we going after? We're going after Inertia. We're going after all those companies that are doing this in a manual way themselves.

Albert Chou:

What, I guess, is stopping companies from adopting this? Is it fear? Is it uncertainty? What could it possibly be? Because this, like you said, we know it's labor intensive. We know that accountants generally are either, A, well paid, or B, you outsource it, which is expensive. There's a lot of companies that do that. They outsource it through people. I'm trying to understand, what is stopping someone from doing this? Is it some type of timing situation? My wife works at international accounting. She works at a company in [inaudible 00:26:38], I'll say it rhymes with Crisco. Okay. [inaudible 00:26:40] She doesn't work at Crisco. But point being is it does feel like, for them, they're always kind of busy. They have a year end close, month end closes. I don't know, do people have resistance like they don't know when they can implement? Give us what's stopping people, I guess.

Danny Fields:

I won't say I know all the answers to your question, but I'm guessing it's probably a little bit of fear. If you work in a large company and you've built your tax department, you understand how complex the problem is and you understand that taxes have to be filed on time, dates have to be met, you're moving large amounts of money. There can be no mistakes in the system. How could some SaaS vendors, some cloud solution just do this in an automatic way? It probably seems incomprehensible. Maybe some of it is fear. Some of it might be the concern about the effort of migrating to a system like this, to do it in an automated way. I think it's fear, there's uncertainty. Maybe new technologies scare people. I don't know.

Albert Chou:

That's crazy. Yeah. Because I think of myself, if you told me, "I understand what it takes to do taxes," and if you told me that there's a button I can push on a software and it's going to cost some money, but it's going to cost less, and then the time it would take all my people to do this and I could push it and just instantly be right, and have high confidence interval that it's accurate to the penny, that seems like a button I want to push. Do you tell me how I can get one? Because you know what I mean? That feels like something I want to do.

Danny Fields:

But it's very simple. If you look at some of these tax companies that are filing taxes on behalf of their customers, they're using software as well. When we say it's manual, it's not fully manual. They might be using third party software that they have installed to help them file the tax. In the case of Avalara, we're using software, except it's not something that an accounting office is using in their location. We have it in the cloud at Avalara. We're all using software. We've invested more in automating all the manual steps. [inaudible 00:28:49] effort into looking at what the humans do because if we're filing a tax return on behalf of a customer, in the past, there were human steps involved as well for us.

We're now in a situation where we can also file tax returns in a fully automated way. We've had to look at what our humans were doing to file tax returns and figure out how to automate those steps. I think it's probably education. Once a company understands what Avalara can do, and how we can save them money, and how we can make this entire process, which is boring, right? Taxes are boring.

Albert Chou:

Yeah.

Danny Fields:

Once they understand that we can do it and we can do it in a safe way, in a secure way, in a reliable way, and we can do it on time, and we can do it fast, there's no reason why they shouldn't move to a system like Avalara.

Albert Chou:

Yeah, taxes are a necessary. We can call it a pain, I think it's fair to say. I've been part of a couple small businesses. At no point do I ever wake up and say, "Can't wait to do the taxes today." Having some level of automation is great. For yourself, you mentioned before that for you, personally, you were working on infrastructure and software applications. You didn't know too much about tax. What brought you over? Because this is, I would've guessed you might've heard the first pitch, and I'm trying to imagine the CEOs like, "Hey, Danny. I got this company. I need help doing some things." You're like, "Oh, what category is it? Is it aerospace? Are you going to Mars? You making electric cars?" Like, "No, no. I'm just trying to simplify taxes, man."

Danny Fields:

That's exactly what happened.

Albert Chou:

What brought you over?

Danny Fields:

That's exactly what happened. The recruiter called me, and he gave me that pitch and I was like, "Yeah, click." I left back to work. The recruiter called me again and he said, "No, no, no, you need to come talk to the CEO. You need to come talk to the folks at Avalara, the engineering team, the executive team. Meet them, understand the problem." I live in California in the Bay Area, Avalara is headquartered in Seattle. I came up to Seattle, came into this fantastic work location that we have here in the city of Seattle. Met the CEO, met one of the other co-founders, met the executive team, met the engineering team, and I went, "Oh my God. I got to understand the scope of this problem. I got to understand that I had an opportunity to come in here and help build this compliance cloud," we're calling it, that is a planet scale piece of software that will basically be part of every transaction on the planet.

To have the opportunity to do something like that and take what had been built over the previous 17 years, and take it to the next level and go truly planet-scale with this thing, and to be able to scale the software, scale the team, solve these really complicated problems for our customers, that just got me so excited. Because other companies, when you... I'm not going to name them here, but when you think of all the big cloud companies, they're solving one or two or three problems at a planet-scale level. Think of a ride sharing app. It's solving one problem and then you scale that into multiple locations around the world or maybe a search engine. You want to be able to scale that across the planet. But in the world of compliance and the world of tax compliance, there are hundreds, if not thousands, of different problems that make up compliance.

Albert Chou:

That's right.

Danny Fields:

You might have to calculate tax. You might have to file a tax return. We have to solve all of those problems and do it at scale so that millions of customers can use these cloud services at scale in a fast, reliable way all over the planet. I don't think anything like this has ever been done before, and that was the opportunity that was put in front of me. It was such a massive challenge. The more complicated I heard the problem was, the more I was in, because I love big challenges and this one couldn't be any bigger. When it was fully described to me, and I fully understood how complicated this was, I was in. I'm here nearly five years later, and every single day, I love waking up and I love coming in to work with this team to solve all these problems. We're building something that has never been built before. We're building this amazing planet-scale cloud solution that is solving multiple compliance problems for all of our customers around the world.

Albert Chou:

For those listening, and maybe you didn't catch it at the top of the show, Danny talked about this. This problem has existed for over 5,000 years and it's not going away. As more nations develop, there's more... Take back all the bad news. There's bad news out there. If you focus on the bad news, you won't see it coming, but the world is modernizing. There are more countries coming online than ever before. As economies evolve, they're going to introduce ways to... It just is, they're just going to have new ways of tax. The tax code, I don't see, let's say, getting smaller in the next 20 years. I don't see it simplifying or getting smaller. Every year, there's going to be someone that pushes for a piece of legislation somewhere that's going to change the tax code. I think that's a guarantee. I think that the rates are going to change.

That's a guarantee. The services, there's services that haven't even been invented yet. When they come online, Danny, they're going to be taxed and you're going to help companies file that tax. If you're interested in hearing this and you like what Danny's talking about, I want you to know that Avalara has a ton of open positions or a bunch of open positions. Avalara is spelled A-V-A-L-A-R-A.com. Go check them out. They have a lot of positions around the world that they're hiring for. Danny, it's been awesome having you on the show. Thanks for making tax exciting, and I'm glad you're doing it because I don't want to do it, like I said. Yeah, I need you to win because I want to push a button, just get it done with. I don't want to deal with any of the headaches that are involved in doing taxes.

For anyone listening, the 96% of you who were filing paper, you're crazy. Get give Danny and his team a call. Figure out how you can automate this. This is bananas like you're doing it on paper. Danny, I want to say thanks for joining us today. But before you go is actually time for the lightning round. The lightning round's brought to us by Salesforce platform, the number one cloud platform for digital transformation of every experience. Danny, this is where we ask you questions outside of the world of work so our audience can get to know you a little better. You ready?

Danny Fields:

Oh my God. Okay, let's do it.

Albert Chou:

All right. Where did you grow up?

Danny Fields:

In Dublin, Ireland.

Albert Chou:

All right. When you were young, did you already know you were going to be in computers and technology or what were you interested back when you were a kid?

Danny Fields:

I was interested in building things. I had lots of Lego when I was a kid and I liked building things, and that's what I do today. I build things and I solve problems. I guess that was the start of me being an engineer.

Albert Chou:

At what age did you come to the United States and start working over here?

Danny Fields:

Oh, I think I came in my mid 20s. I came back in 1994.

Albert Chou:

Okay. Did people understand what you were saying?

Danny Fields:

They still don't. I have a funny Irish accent, so I've had to learn how to say the number three, because in Dublin, Ireland, when I say three, it sounds like tree. When I say bug, it sounds like boog. I've had to learn how to say in California water instead of water, butter instead of butter.

Albert Chou:

The only reason why I ask is because my mother-in-law is Scottish and I can say, when she drinks a little bit, the accent gets thicker and it's harder for me to understand so I got to ask you if you have it. If you're having a good time, does your Irish accent go back to the homeland or does it stay kind of where it's at right now?

Danny Fields:

Oh my God. It goes back to a very strong Irish accent, but I don't know what you would mean about having a good time. Yeah. Yeah. Yes. Yeah, I know what you mean.

Albert Chou:

No, that's awesome. For your spare time, do you build outside of work? Because you're an engineer at work, do you do things on at home? Do you create and build or what do you do, I guess, to cut loose or in your downtime?

Danny Fields:

That's a good question. To cut loose in my downtime, I've got four kids that I spend a lot of time with. I don't spend as much time doing this as I used to, but I need to start it again. I love training for triathlons.

I've completed a couple of Ironman Triathlons. That's my major hobby. In terms of building or creating things, I love photography. Photography has been my hobby since I was a kid, and I've spent a lot of time over the years learning how to take complex and professional type of photographs. I used to spend a lot of time walking around with a camera slung over my shoulder. Now I have a camera in my pocket with my iPhone, but photography is what I used to create outside of the office.

Albert Chou:

That is awesome. Now I got to ask, have you finished a full Ironman before?

Danny Fields:

I've completed two half Ironman. My very first one was the place in Kona in Hawaii. I went to Kona and I did my first half Ironman there. The half Ironman is 70.3 miles and it includes over a one mile open water, ocean swim. This goes back to me earlier on talking about the challenge I faced when I joined Avalara. When I decided to do my half Ironman, I didn't know how to swim. I could only swim [inaudible 00:38:02] I had to spend a year learning how to swim and learning how to swim a mile in the ocean. I swam my first practice mile in the ocean two weeks before I did the Ironman.

Albert Chou:

That's crazy.

Danny Fields:

Did it, I enjoyed it, and I did a second one in Dublin, Ireland. I've done two, one Kona, one of Dublin.

Albert Chou:

Yeah. That's pretty crazy. Considering you're off the coast of California, it sounds like, at the time.

Danny Fields:

That is correct.

Albert Chou:

In training, and that's very cold water. The fact that you're not in... I mean, the reality is you can't simulate currents. You just can't. You're either in a current or you're not in a current. That's pretty wild. That's pretty awesome.

Danny Fields:

Oh, I've never swam on the water in California. I've swam on the water in San Francisco in the bay, but there are sharks off the coast and I'm not getting into the water where there are sharks. I trained in a pool, so when I did the Ironman in Hawaii, there were sharks there, but there were 2000 people in the water with me, so we scared the sharks away. That's another fear I had to overcome, swimming in the water with sharks.

Albert Chou:

Hey, listen. I don't know, they tell you not to think about it, but...

Danny Fields:

Yeah.

Albert Chou:

Well, Danny, it's been awesome having you on the show, man. I think when I found out what the problem was and I found there was a solution for it, I immediately gravitated towards it. I mean, I'm really taken aback that there's only 4% market [inaudible 00:39:12] Dude, that's crazy to think about. It was awesome having you on the show and hearing how you guys are using automation to make those changes. I don't see how it can ever go back the other way. You know what I mean? What you just said, the days of people manually looking at these sites can never come back again. It just can't. It's too much.

Danny Fields:

That's it, Albert. I mean, for our customers, we're making taxes less taxing and more relaxing. That's what we tell our customers.

Albert Chou:

That's right.

Danny Fields:

Anybody out there listening to this, if you want to be part of a company that's building a massive planet-scale cloud that's never been built before, reach out to me on LinkedIn for hiring and come be part of a great engineering team.

Albert Chou:

There it is. Thank you for joining us today on IT Visionaries.

Danny Fields:

Thanks, Albert. Pleasure.