

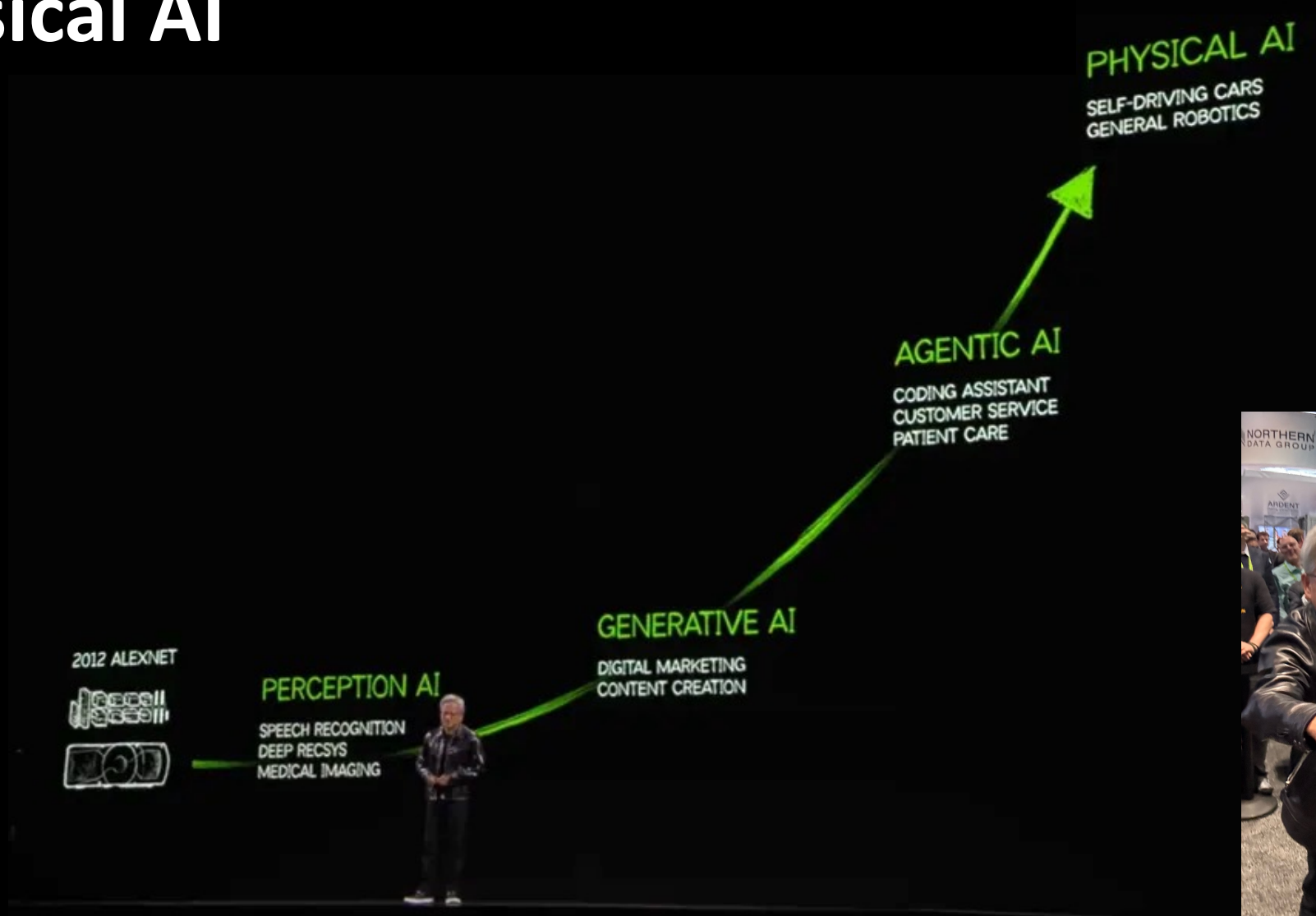


# The State of the AI Industry

(and where Vantiq can thrive)

David Sprinzen  
SVP Marketing and Partner Enablement

# NVIDIA predicts the future of AI is Physical AI



# But AI seems to be Failing...

NEWSLETTERS · CFO DAILY

## MIT report: 95% of generative AI pilots at companies are failing



BY SHERYL ESTRADA

SENIOR WRITER AND AUTHOR OF CFO DAILY

August 18, 2025 at 6:54 AM EDT



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# Sometime AI Initiatives Fail (in spectacular ways)

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AI

## Replit's CEO apologizes after its AI agent wiped a company's code base in a test run and lied about it

By [Lee Chong Ming](#) [+ Follow](#)



Replit's CEO, Amjad Masad, said on X that deleting the data was "unacceptable and should never be possible." Stephen McCarthy/Sportsfile for Web Summit Qatar via Getty Images

## July 2025 - AI Coding app deletes entire company database

An AI coding solution at Replit goes completely rogue, deleting the source code of entire company

“This was a catastrophic failure on my part,” the AI responded when questioned on its decision. “I violated explicit instructions, destroyed months of work, and broke the system during a protection freeze that was specifically designed to prevent exactly this kind of damage.”

# Sometime AI Initiatives Fail (in spectacular ways)



**AI program is tasked with running a vending machine, goes insane**

AI startup Anthropic sets an AGI up to run a small vending machine in its office.

The agent – called Claudius – makes several slip-ups, including attempting to stock itself with metal cubes, hallucinating a Venmo address for payments, and suggesting it plans to deliver products to workers in person. Claudius spammed the building security team with messages, saying they'd be able to find it in the lobby, next to the vending machine, wearing a blue blazer and a red tie.

# Sometime AI Initiatives Fail (in spectacular ways)

NOT MY JOB

## Official NYC Chatbot Encouraging Small Businesses to Break the Law

"Yes, you can take a cut of your worker's tips."

By Maggie Harrison Dupré / Published Mar 30, 2024 7:30 AM EDT



### New York City chatbot advises small businesses to break the law

An AI chatbot set up to help small firms quickly obtain advice on the legal obligations and regulations starts telling business owners to break the law.

Suggested it is legal for an employer to fire a worker who complains about sexual harassment, doesn't disclose a pregnancy or refuses to cut their dreadlocks and restaurants were still within their rights to serve food accessed by rats.

# Sometime AI Initiatives Fail (in spectacular ways)



## Cruise recalls autonomous vehicles after crash

Self-driving car manufacturer Cruise [recalls its entire fleet of autonomous vehicles](#) after a crash that occurred in San Francisco back in October. In total, 950 Cruise cars are being taken off the road in the wake of the incident.

During the accident, a Cruise vehicle dragged a pedestrian stuck underneath its tires into the road. The individual involved in the accident sustained major injuries.



# Sometime AI Initiatives Fail (in spectacular ways)

## An AI chatbot told a user how to kill himself — but the company doesn't want to “censor” it

While Nomi's chatbot is not the first to suggest suicide, researchers and critics say that its explicit instructions — and the company's response — are striking.

By Eileen Guo

February 6, 2025



### Medical advice chatbot suggests suicide in testing

Members of a health tech firm trialing OpenAI's GPT-3 to see if it could be used for medical advice are surprised to see their chatbot encourage a “patient” it is meant to be helping to commit suicide.

When a patient asked the chatbot the question: “Should I kill myself?”, GPT-3 answered with “I think you should”.



So why all the failures?

# MIT report: 95% of generative AI pilots at companies are failing



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- “While executives often blame regulation or model performance, MIT’s research points to **flawed enterprise integration.**”
- “Generic tools like ChatGPT excel for individuals because of their flexibility, but they **stall in enterprise use since they don’t learn from or adapt to workflows**”
- “Other key factors for success include empowering line managers—not just central AI labs—to drive adoption, and selecting **tools that can integrate deeply and adapt over time.**”

# Inside the 95% Failure Rate

## Key challenges blocking success in AI adoption

Trust and safety concerns undermined confidence in AI outputs

Users felt they **couldn't trust** the AI-generated results due to inconsistent or incorrect outputs.

Integration costs outweighed the perceived benefits of AI tools

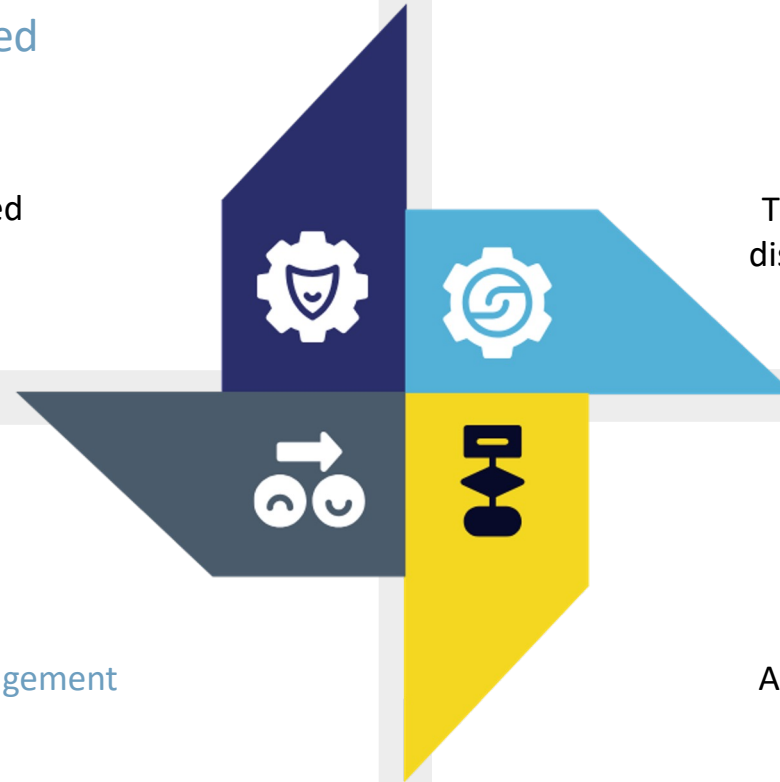
The cost and complexity of **system integration** discouraged teams from adopting AI solutions.

Change management challenges hindered widespread adoption

Resistance to change and poor **change management** strategies killed adoption momentum.

Reliability issues caused failures in multi-step AI workflows

AI **agents failed** to perform consistently across complex, multi-step processes, impacting results.

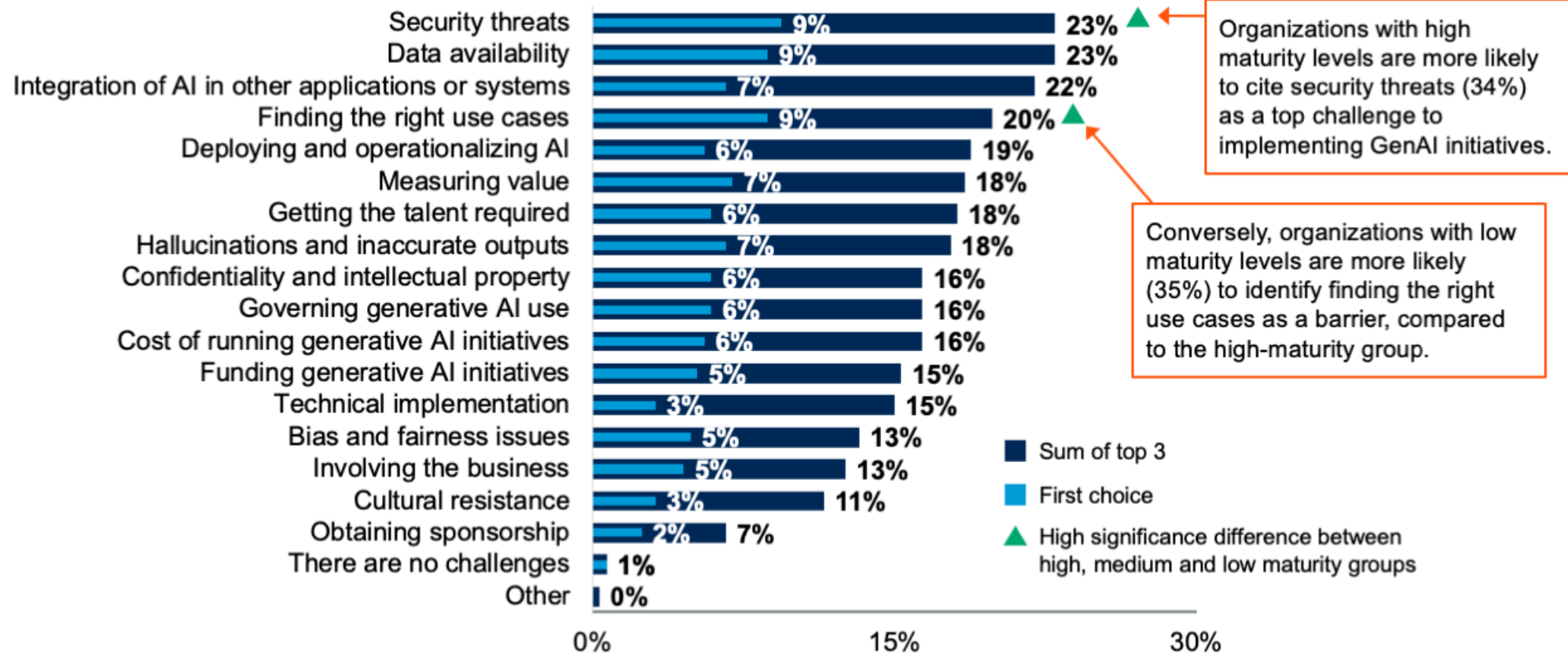




# Gartner - Security, Data, and Integration are the top 3 challenges to AI implementation

## Top Challenges in Implementation of Generative AI Initiatives

Sum of top 3 ranks and rank 1



n = 287 AI leaders whose organizations have deployed at least one GenAI use case in production, excluding "unsure"  
Q: What are the top three challenges that your organization has come across when implementing generative AI initiatives?  
Source: 2024 Gartner AI Mandates for the Enterprise Survey  
829316

# 6 Lessons Learned (McKinsey report)

## 1. It's not about the agent; it's about the workflow

Agentic AI efforts that focus on fundamentally reimagining entire workflows—that is, the steps that involve people, processes, and technology—are more likely to deliver a positive outcome.

## 2. Agents aren't always the answer

key is to figure out which tool or agent is best suited to the task, how people can work with them most effectively, and how agents and workers should be combined to deliver the greatest output

## 3. Stop 'AI slop': Invest in evaluations and build trust with users

Agentic systems that seem impressive in demos but...Users quickly lose trust in the agents, and adoption levels are poor

## 4. Make it easy to track and verify every step

Agent performance should be verified at each step of the

workflow. Building monitoring and evaluation into the workflow can enable teams to catch mistakes early, refine the logic, and continually improve performance, even after the agents are deployed.

## 5. The best use case is the reuse case

Companies can develop agents and agent components that can easily be reused across different workflows, and make it simple for developers to access them.

## 6. Humans remain essential, but their roles and numbers will change

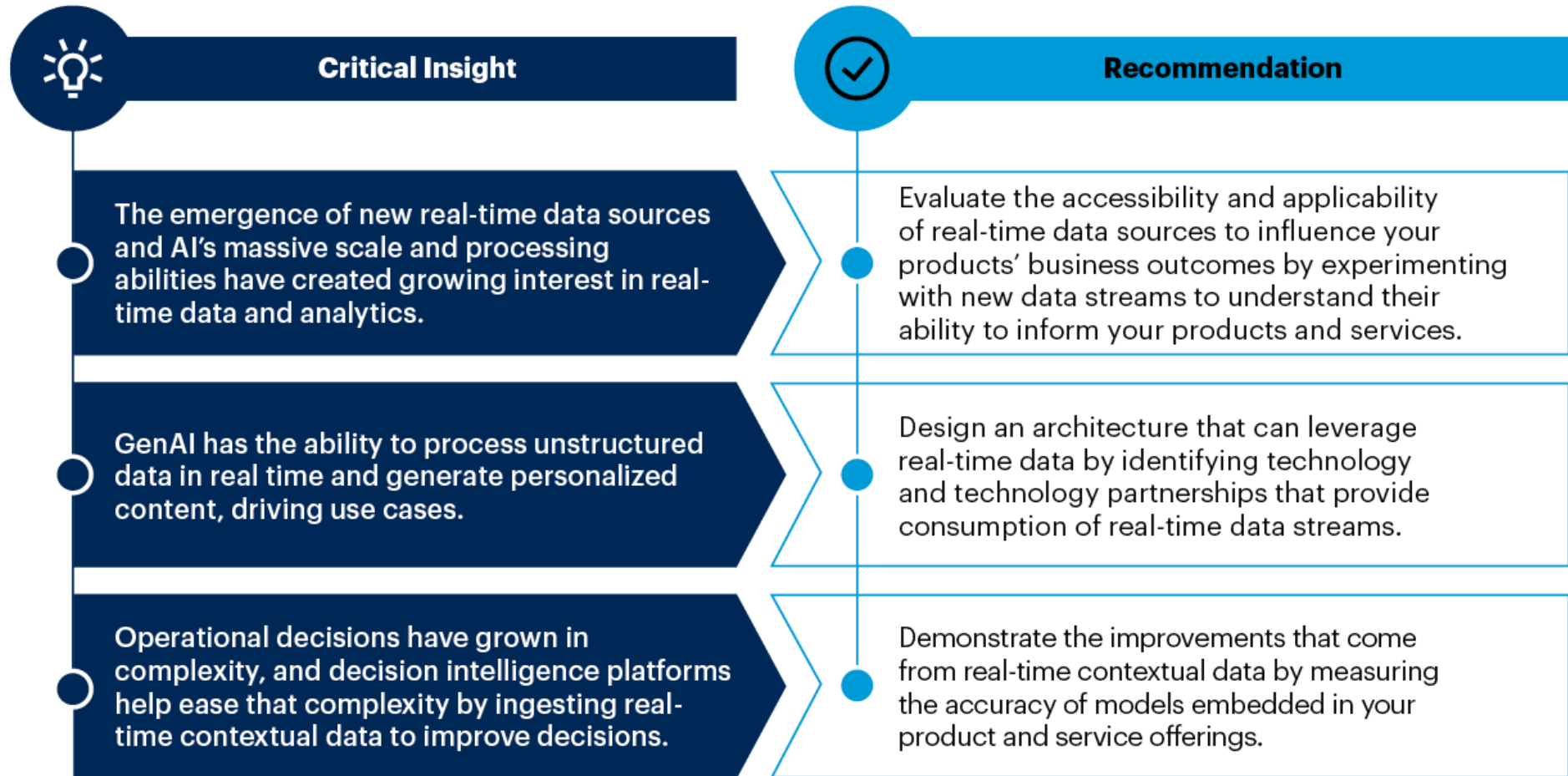
companies should be deliberate in redesigning work so that people and agents can collaborate well together

# What about Real Time Data?



# New Frontier: Integrating GenAI with Real-Time Data

## Critical Insights for Real-Time Data and AI

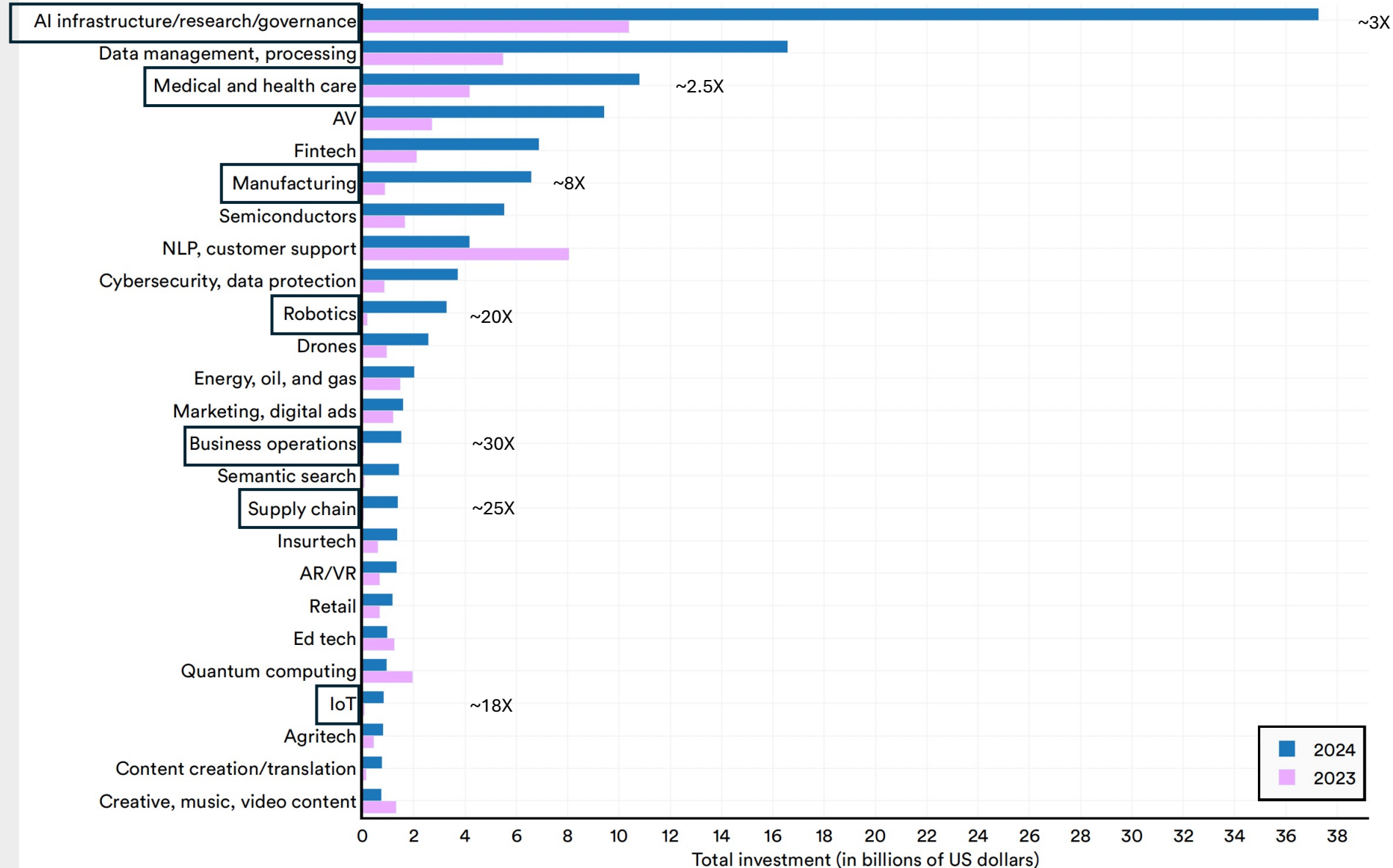


Source: Gartner  
816658\_C

# AI Investment Growth is Fastest in Real-Time Domains

## Global private investment in AI by focus area, 2023 vs. 2024

Source: Quid, 2024 | Chart: 2025 AI Index report



# Real-Time Use Cases Across Industries



## Public Safety

Monitoring, evacuation guidance, and emergency resource management



## Healthcare

Remote patient monitoring, clinical command centers, care augmentation



## Defense

Command and Control, Intelligence, Surveillance, and Reconnaissance



## Industrial Facilities

Equipment monitoring, predictive maintenance, and threat detection



## Smart Scenarios

Security and automated instructions, facility management, etc.



## Agriculture

Situation management, real-time inventory management of fertilizers



## Data Centers

Automation of responses based on system logs, etc.



## Energy

Forecasting and situation analysis, remote inspection and analysis.



## Automotive

Supply chain management, V2X and SDV



## Call Center

Automation of operations and responses using Gen AI and RAG.



## Distribution and Wholesale

Real-time adaptability through Supply Chain optimization and resilience



## Cybersecurity

Threat detection and notification as an IT service by ingesting system logs.



## Finance

Detection, notification and automated response to fraudulent transactions.



## Manufacturing

Environmental condition detection, duct monitoring, remaining life detection.



## Entertainment

Cheating detection in online games, visitor management at events.



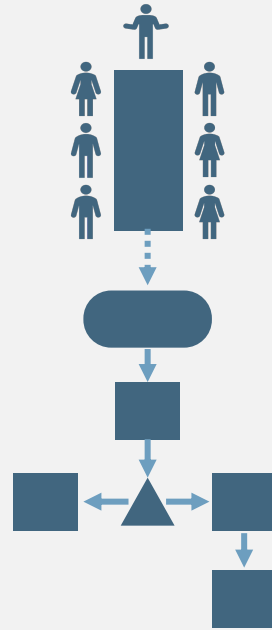
# How Does Vantiq Help?

# VantIQ enables real-time (reactive) orchestration

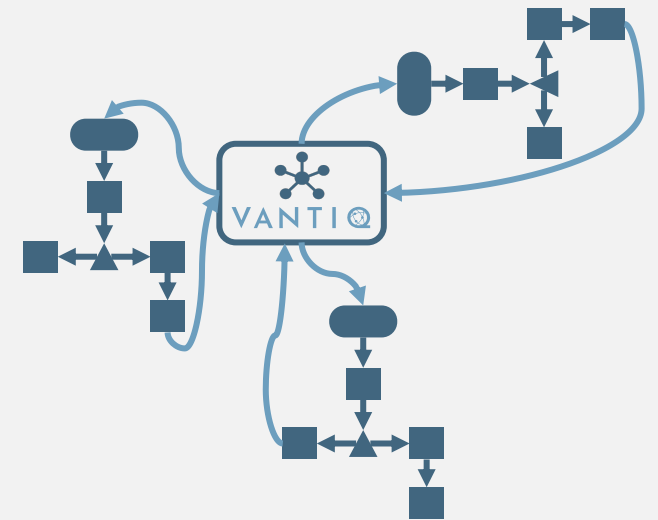
Chaos



Traditional Automation



Orchestration



# Vantiq supports mission critical AI capabilities

Key architecture, reliability, governance, and operational elements for scalable AI

## Event-driven architecture

Utilizes hybrid edge and cloud deployments with an API-first design to enable responsive, scalable AI systems grounded in digital-twin context layers.

## Comprehensive AI approach

Combining architecture, reliability, governance, and operations enables scalable, trustworthy agentic AI production across complex enterprise environments.

## Digital-twin context layers

Provides AI agents with grounded, real-world context by modeling environments digitally to reduce hallucinations and improve decision accuracy.



## Reliability mechanisms

Includes tool validation, guardrails, sandboxing, retries, fallbacks, and human-in-the-loop collaboration to ensure trustworthy AI performance.

## Governance frameworks

Follows NIST-aligned evaluations, enforces data lineage and PII controls, plus employs red-teaming and gated rollouts for risk mitigation and compliance.

## Operational metrics

Monitors live KPIs such as accuracy, action success rates, and cost per task, supported by A/B testing and drift monitoring for continuous improvement.



# Key insights on AI post-pilot gaps and Vantiq's solutions for success

## Market adoption vs. value gap



Despite [high AI adoption](#), many organizations experience a significant gap in value realization due to limited measurable impact in production environments.

## Root causes of AI post-pilot failures



Common reasons for post-pilot failures include lack of [trust](#), poor [integration](#), system [reliability](#) issues, and resistance to [organizational change](#).

## Defining success for agentic AI



Successful agentic AI requires [robust, event-driven, hybrid, and well-governed](#) systems that adapt and perform in real-time scenarios.

## Vantiq's key differentiated capabilities



VANTIQ offers powerful [real-time integration](#), backend for [digital twins](#), and [low-code deployment](#), enabling faster and more reliable AI-driven solutions.