The Coming AI Divide:
Leaders, Laggards, and Legacy

Much of the recent reporting has centered on the hyperscalers pouring billions into AI—and whether those investments will ever pay off.

The comparisons to the internet in 1999 are obvious: industries poised for disruption, companies that will vanish, and others that will emerge as giants.

But the analogy falls short. AI's influence will be broader, deeper, and faster— dramatically changing how industries operate and determining which companies endure.

The speed and scale of change will defy human comprehension. Understanding its foundations is imperative - positioning now could create generational wealth, while those who wait risk being left behind.

INDUSTRIES AT RISK:

- **Customer service** — human agents are rapidly being replaced by AI-driven virtual assistants capable of handling scale, nuance, and personalization.

- **Repetitive, rules-based roles** such as data clerks, telemarketers, paralegals, and even segments of factory labor, where automation will deliver lower cost and higher accuracy.

- **Software Developers** whose "secret sauce" or proprietary code can be replicated—and often improved—by AI in minutes, undermining years of moat-building.

- **Logistics and supply chains** — routing, inventory, and traffic optimization become fully automated through AI-powered systems.

- **Basic financial services**, including entry-level analysis, tax prep, and back-office processing, where AI can already outperform human speed and accuracy at lower cost.

- **Education delivery** — rote instruction and test prep are being redefined by AI tutors offering personalized, adaptive learning at scale.

- **Insurance and Banking** — AI automates underwriting, claims, and fraud detection - putting legacy players at risk of widening efficiency gaps and displacement.

INDUSTRIES POISED TO PROSPER:

- **Semiconductors & Hardware** — the backbone of AI itself, where demand for chips, accelerators, and optical interconnects is surging with no slowdown in sight.

- **Energy & Infrastructure** — smarter grid management, predictive maintenance, and optimized energy consumption will reshape how power is generated, stored, and distributed.

- **Natural Resources & Materials** — surging power consumption from data centers is driving higher demand for nuclear, copper, rare earths, and specialty materials critical to interconnects, cooling, and advanced manufacturing.

- **Construction & Engineering Services** — the global buildout of AI-ready infrastructure will require massive investment in data centers, grid expansion, and high-capacity

transmission—driving sustained demand for construction, engineering, and industrial suppliers.

- **Industrial Automation & Robotics** — factories, warehouses, and construction sites will see AI-driven efficiency gains, lowering labor costs and increasing output.

- **Healthcare & Biotech** — AI-driven drug discovery, precision diagnostics, and robotic surgery are accelerating timelines and reducing costs in ways that could add trillions in value.

- **Cybersecurity** — as threats multiply with AI, demand for AI-powered defense platforms will grow exponentially, creating new leaders in digital protection.

- **Travel & Transportation** — autonomous vehicles, predictive routing, and personalized travel experiences will upend logistics, airlines, and mobility services.

- **Agriculture** — weather prediction and yield forecasting along with real-time monitoring of crop health, soil quality, and pest activity, allowing precise decisions on irrigation, fertilization, and resource use.

- **Entertainment** —automating video editing, special effects, and audience analytics, helping creators tailor content to specific demographics with personalized storytelling and immersive experiences that transform how audiences engage with media.

- **Education & Training** — while rote teaching is at risk, adaptive AI tutors, personalized learning platforms, and workforce reskilling tools will see massive adoption.

LEADING AI PLATFORMS: Strengths are summarized below, though capabilities are advancing at a pace so blinding that the landscape can shift overnight.

- **ChatGPT (OpenAI)** — The most versatile and broadly adopted platform, with enormous market share among younger users. Excels at reasoning, deep research, and context retention with memory features. Offers strong voice mode and generous message limits. Already deeply integrated into enterprise workflows.

- **Gemini (Google)** — Early releases stumbled, but recent upgrades have closed the gap with remarkable speed. Its edge lies in advanced multi-modal capabilities—seamlessly processing text, images, audio, and video, with standout features such as nanosecond-level reasoning ("Nano"), real-time conversational audio, and live video understanding. Combined with Google's ecosystem integration (Search, Docs, YouTube), vast compute backbone, and deep talent pool, Gemini is now widely forecast by experts and betting markets to win the race to Artificial General Intelligence ("AGI").

- **Claude (Anthropic)** — Distinguished by social intelligence, empathy, and creative writing. Trusted by professionals who value safety and reliability. Limitations include smaller context windows in some versions and stricter usage caps relative to peers.

- **Microsoft Copilot (via OpenAI partnership)** — Embedded across Microsoft's Office suite and enterprise stack. Value lies less in raw model performance and more in seamless integration where corporate users already spend their time.

- **Perplexity** — An AI-native search engine. Strength is real-time access to online sources with citations, making it highly useful for fact-finding. Less effective than leading LLMs for reasoning or creative tasks.

- **Grok (X/Elon Musk)** — Integrated directly into X (formerly Twitter). Marketed as witty, conversational, and culturally relevant, with the advantage of real-time social data. Not yet on par with leaders in reasoning depth, but distribution potential is significant.

- **DeepSeek (China)** — Made headlines for efficiency breakthroughs in training and inference, some quickly adopted by U.S. firms. Since then, momentum has slowed—likely constrained by limited access to Nvidia's latest GPUs. Currently trails leaders in speed of advancement and enterprise adoption.

- **Meta AI (LLaMA models)** — An open-sourced family of models that has become a global developer standard. While monetization is limited, Meta's scale and newly recruited research talent make LLaMA one of the most influential forces shaping the open AI ecosystem.

- **Mistral (Europe)** — A fast-rising open-source contender producing small, efficient models. Quickly adopted by developers for cost-effective deployment. Positioned as a credible challenger in lightweight, enterprise-friendly AI.

AI is not a distant possibility; it is unfolding now with a speed that leaves little room for hesitation. The divide between winners and losers will be measured not in decades but in quarters. Those who act decisively to understand, position, and participate in this transformation will capture opportunities that may define wealth for generations. Those who hesitate risk missing the defining wealth transformation of all time.

Bradford Stanley, CFA
Chief Investment Officer
stanleylaman.com