

DataTribe Launches To Back Entrepreneurs Leaving Government Roles

By: [Cat Zakrzewski](#) | July 26, 2016



DataTribe Co-founder Mike Janke, Onyara Co-founder Joe Witt and Synack Co-Founder Jay Kaplan speak at a gathering in Maryland. DataTribe helps scientists and engineers leaving government jobs build startups. PHOTO: YONALD CHERY

A venture capitalist, a SEAL Team Six veteran and a CIA alumnus are skipping Silicon Valley's garages and heading to government labs to groom a new wave of entrepreneurs.

Their studio DataTribe launches in Fulton, Md., on Tuesday to help engineers working in government agencies, labs or the intelligence community to launch their own cybersecurity and big data companies.

Mike Janke, co-founder of DataTribe, served on the elite SEAL Team Six before serving as Silent Circle chief executive. He said the government spends billions of dollars on research-and-development projects that are ahead of commercial business. However many of the scientists coming out of government don't have business backgrounds and face a steep learning curve when try out entrepreneurship.

"They're like, 'What is a term sheet?'" Mr. Janke said. "We actually bring them in and we teach them. Before we even give them a term sheet, we make sure they have an independent counsel, and they go through a class on what term sheets are."

Backed by Deloitte, [Yahoo Japan Corp.](#), Allegis Capital and other strategic investors, DataTribe will provide up to \$1.5 million in financing to each startup that participates in its 9-to-12-month program. Though

DataTribe participants may have developed engineering chops in government, the program will aim to teach them the ins and outs of running a commercial business.

Mr. Janke, Allegis Capital Managing Director Robert Ackerman and Steve Witt, a former CIA officer and entrepreneur, said they recognized a need to build an "ecosystem" for startups in the Washington area. Some Silicon Valley accelerators take a "spray and pray" approach to building companies, investing small checks in hundreds every year. But Mr. Janke said to build a lasting startup ecosystem on the East Coast, DataTribe borrowed from his military training and instead took a "sniper" approach to pick and choose its targets. The studio will only invest in three to four startups a year and provide them with more resources and funding than a traditional incubator.

DataTribe will provide these entrepreneurs with office space and access to its in-house product management, product development, marketing and sales staff until they're ready for traditional venture financing.

Although Mr. Janke said there is an excess of technical talent in the Washington area, entrepreneurs inside the Beltway have noted a lack of experienced enterprise sales professionals or marketing professionals. Mr. Janke thinks DataTribe can help companies fill that gap. By pairing them with DataTribe's experienced marketing and sales professionals early, they can train other employees to help the companies run like traditional Silicon Valley startups.

"You can't expect to draw all those tiers from [Silicon Valley]," Mr. Janke said. "So what we do is we actually build that ecosystem."

Mr. Janke said DataTribe won't limit itself to engineers leaving the U.S. government. They're also seeking entrepreneurs from similar backgrounds in other nations.

The studio launches as venture funding has flowed to cybersecurity startups in recent years, and with it, former government employees. Several startups that have raised significant funding rounds are led by former intelligence community professionals. Keith Alexander, a former chief of the National Security Agency, launched IronNet. Other companies led by entrepreneurs with military or government ties include Tenable Network Security Inc., Area 1 Security Inc., Endgame Inc., Synack Inc., and Qadium Inc.

Such links have been forged even as tensions have mounted between Washington and technology companies. Much of that stems from confrontations over governmental access to digital communications, but another source of friction is the competition for talent. On a recent trip to California, Homeland Security Secretary Jeh Johnson said that is the government's chief point of contention with Silicon Valley as people change jobs more frequently and technology companies offer much more competitive salaries.

But Mr. Janke says the DataTribe founders have drawn positive responses to the program from colleagues in government. He said government agencies have encouraged engineers to test their ideas with DataTribe before leaving their current jobs.

"They actually have asked to send entrepreneurs in residence to be in our office now," Mr. Janke said.

In forming DataTribe, the founders have taken notes from Team8 Labs Ltd., a foundry that builds cybersecurity companies with talent from Israel Defense Forces' Unit 8200, that country's equivalent of the National Security Agency. One of its companies, Illusive Networks Ltd., has raised \$30 million in funding.

The DataTribe team—which receives no government funding—has already tested their approach with Onyara Inc., which [Hortonworks](#) Inc. acquired in 2015. Mr. Witt served as chief executive of the company, which commercialized NSA-developed technology.

Now DataTribe is beginning to work with others. One is Dragos Security, an industrial control center cybersecurity company started by former NSA officers. Dragos CEO Robert Lee said it was important to him to find investors that also shared a government background and were mission-oriented.

"There's a lot of talent on the East Coast that's not getting a lot of attention," Mr. Lee said. "[DataTribe] was a perfect fit.

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