Twitter Thread by Mark Suster



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1/ Just realized this morning that it was 5 years ago today that I invested in @densityio ... it has truly been such a great career experience for me. Some notes ...

2/ Density is a privacy-first way to monitor how people or objects move around spaces. Today mostly office spaces. Plus warehouses, schools, retail outlets, government buildings

3/ Density is a software company that gives insights to property owners or occupants. To deliver value it required team to also build hardware. That has been a journey. VCs are scared of HW. It's challenging but gives SW companies such great defensive moats.

4/ many of the great tech companies have used HW to great advantage. Apple, obvi. But Amazon (Fire, Kindle, Alexa/Echo, Ring). Google (Nest, cameras that built Streetview, Home, FitBit). Peloton. Roku. Just a few obvious ones. HW + SW is so powerful.

5/ Team pitched me on infrared devices. We weren't convinced on accuracy but bet on team: Andrew, Garrett, Rob, Brian & others who I figured would iterate on solution. Plus, I had huge trust in seed investors @jtriest @Jason who voiced for them & @AvidanRoss who didn't but liked

6/ Quickly they settled on laser and "depth sensing" which gave much more accurate ingress & egress (in / out) which was critical for physical security. Was purchased by who's who of Silicon Valley: DropBox, Stripe, Amazon, Salesforce, LinkedIn, Facebook & so many others. But ...

7/ HW was expensive and slow to build and inventory costs and Infosec requirements. Watching @GarrettBastable work the supply chain & leverage his experience from working at Apple was awesome. Drove high quality but stripped out costs. Let SW team focus on just SW innovation

8/ Team made important early decision to "Build in America" and put assembly in Syracuse, NY where company was founded & founders came from (HQ now SF but distributed team). We get great talent in Syracuse & don't churn employees. Plus, none of the move to Miami. Although ... :)

9/ We took off with security and space planning (US gov't, Marriott, Verizon, Delta, CBRE) but VCs still didn't "get it." What were we? Luckily @foundersfund believed in the team. With that raise we hired experienced GTM leadership @asewall @aleksstrub Leanna and ■■■

10/ @adambain & @dickc saw traction and made bet before growth investors. I love their model (and them). They don't take board seat - they act as coach. This was more valuable to us. Helped at critical time. And also helped validate for growth investors

11/ Then what happened next was insane. We launched a radar-based solution. Infrared was great for ingress / egress but radar is perfect for proximity. I think you know where this is heading ...

12/ With laser (counting people in/out) and radar (distance from each other) we thought we had a huge market opportunity. Then Covid happened. Over night all those people who didn't get it suddenly realized this needs to exist in every office, every warehouse, every university...

13/ Density's bookings grew > 450% in one quarter. We had more demand than we could serve and had to be selective who our most committed and promising customers were

14/ A ton of VCs kept saying "somebody is going to do this with low cost cameras" Of course companies will try. But we have not only a technically superior solution & lower processing costs but here's a very important thing that has been @andrewfarah's true north since day 1 ...

15/ Andrew lives the privacy mission. In a world that is increasingly intrusive we believe there's a critical role for non-cameras. We don't think employees & customers want Uighur-like tracking where your your every move if filmed without your consent or knowledge

16/ The company recently raised a huge growth round led by @ilyaf @kleinerperkins who bring a tremendous growth mentality. Plus DTA who brought @AROD ... who truly has amazing corporate relationships and works to help Andrew.

17/ With huge demand, enterprise-grade product, complete exec team, $50+ million in fresh financing - the next five years will be even more exciting. Here's the thing ...

18/ This story sounds linear. Up-and-to-the-right. It wasn't. It was years of struggle, execution challenges, VCs doubting - I had to bridge the company once. Exec team took pay cuts without being asked. Their unwavering belief & commitment got them over that hurdle

19/ VC isn't all fun & amazing as you might imagine on Twitter. It's hard work. Successes & failures & hard calls. But for those of us who enjoy watching products & markets get created out of nothing - it's journeys like working with Density that make this job so rewarding