



Stanford eCorner

Real Data Makes Things Happen

John Fenwick, *Skybox Imaging*

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Video URL: <http://ecorner.stanford.edu/videos/3100/Real-Data-Makes-Things-Happen>

Co-Founder John Fenwick tells the amusing story of how the Skybox Imaging founding team learned real data and prototypes were necessities to win over early investors and to collect feedback from prospective customers - even if it meant drilling a hole in jet.



Transcript

Right after we incorporated, got our email address as Dan described, the first thing we did, we put on our ties and we flew right to Wall Street and we went open the door to a hedge fund and said, guess what we're doing? We're going to do near real time overhead monitoring from above, everywhere. It's going to be awesome. And then we slid the paper across the desk and just said, just sign here, we're going to go, we're going to be partners right and as you might surmise, there was no deal to be had. Those guys looked us and said yeah, that's cute and all, but come back to us when you're real. Come back to us when you have real data. Well, it turns out, that's a real challenge. We're going to get real data from a satellite that was still years away from being reality. So we looked at ourselves and looked each other and said what we do, how do we provide interim proof points in a business where the real milestone is putting things in space at large cost. It turns out Skybox is a lot more like medical device company or a semiconductor chip fab and that you put a gazillion dollars in before you get \$1 out and before you have that alpha product. I mean, we're four years in, we still don't have a product and we're working towards it.

So we put our heads together and came up with okay, we're engineers, so we busted out our laptops and started to write in MATLAB, made ourselves some simulated imagery, help that up the customers. It didn't do much. So then we said okay, we buy up all the satellite imagery that we can find today and hold that up to customers. And so it will - just imagine, close your eyes, that instead of six months old, this is one hour old. Instead of a still picture it's video and instead of being two grand it's going to be 20 bucks. It got a little bit of the juices flowing in the customers, but still wasn't enough. So finally we said screw it, and we went and bought a Learjet and drilled a hole in the bottom and put a camera to be able to fully replicate what we're going to see from space. Well that helped actually quite a bit. And it was pretty fun in the process. And so in doing so, as we finally got out and engage with a bunch of customers we realized that the people that were going to work with us initially weren't those hedge funds, it was a bridge too far.

It turns out that the folks that were most interested had the most pain today that we could help solve where international organizations and governments that didn't really want to go through the hassle of putting up, designing and flying space craft themselves, they just wanted to borrow time on our first or second space craft as it flew over their territory. And that was for us, it was a big shock. We didn't appreciate that fully until having gone through the process of identifying and creating that proxy product.