

Today, we're unveiling Data Collective, a Big Data and IT infrastructure-focused seed and early stage venture fund run by entrepreneurs with years of technical experience and venture capitalists who have overall produced more than 40 exits for investors and entrepreneurs over two decades.

The team's prior investments include Square, Cotendo (acqd: AKAM), XenSource (acqd: CTXS), Ayasdi, Verisign (VRSN), Krux, Zynga (ZNGA), BranchOut, Fortinet (FTNT), Kenshoo, Akimbi Systems (acq: VMW), Metamarkets, Facebook (FB), Platfora, Virtuata (acqd: CSCO), AppFog, Flashsoft (acqd: SNDK), Tango.me, DataMirror (acqd: IBM), Apprenda, and Spool (acqd: FB).

In the last two years, more information was generated than all of preceding human history, and that volume will in turn double again in less than two years. Consequently, we believe that Big Data represents a fundamental economic shift, not a marketing term. The technologies that can handle storing, securing and analyzing petabytes of data—increasingly in real-time—are specific and novel. The technology providers and customers that understand and leverage Big Data will have lasting economic advantage.

We're augmenting the VC model with a new approach to early stage tech investing

We're reimagining the traditional VC model with an extended team of more than 35 "Equity Partners," who are notable technical founders and executives, data scientists and engineers with tenures at firms ranging from Akamai to Zynga. The Equity Partners all share directly in the financial upside of the fund. Together, we have the footprint and capabilities of a much larger fund.

Our model has enabled thoughtful investments in 46 great companies

With the combined efforts of our core team and Equity Partners, we have been able to make thoughtful and considered investments in 46 high quality teams. Our co-investors currently and historically include Accel, Andreessen-Horowitz, Battery Ventures, Khosla Ventures, Kleiner Perkins, Mayfield, and Start Fund.

We've done this for a long time and are highly technical

Our core team and Equity Partners have been actively involved in creating and/or investing in the foundations of what are now Big Data technologies for the last two decades. Investing in Big Data opportunities requires significant technical depth. The vast majority of our collective team reads code and/or has worked directly with cutting edge hardware, software, and/or analytics.

Market background and future

We believe that Big Data, like the PC revolution of the 80s, the emergence of the Internet in the 90s, and Web 2.0 in the 2000s, represents a several hundred billion dollar wealth creation opportunity. The companies that solve these problems, from infrastructure providers at the bottom to corporate customers at the top of the stack, will enjoy huge competitive advantage over the next ten years.

The ability to swiftly collect and process Big Data beyond customizing financial products or e-commerce pitches—to avoid shocks to supply chains, to manage water and energy supplies, to detect and combat disease—is worth billions of dollars to any sizeable company the world over and hundreds of billions of dollars each to many individual economies.

What to expect from Data Collective next

We have been making primarily seed investments out of our first fund, developing great relationships with teams that we intend to keep backing in their current or future endeavors. Our second fund will continue to make seed and early stage investments, but with fewer investments at larger check sizes.