

# Fairwater Labs

# Whitepaper

2023  
Proprietary

Fairwater Labs LLC



Fairwater Labs is a venture studio partnering with founders to build the next generation of national security tech companies.

We stay on top of acquisition trends and end-user needs to put the best possible technology in warfighters' hands. Our deep focus on critical investment themes guides everything we do.

We've built an engine for developing the future of defense technology. Our company creation platform paves the path for new founders by developing and vetting ideas together, supporting them with the necessary education and connections, and helping their business on the path to incorporation.

## **background**

# about us

## What we do

Fairwater Labs is a company creation platform enabling entrepreneurs to build faster. We rapidly screen, evaluate, and build business plans executed by a seasoned team for emerging technologies and for national security and dual use. Our strategic goal is to contribute to national security while succeeding economically with US-founded companies backed by clean capital and comprised of vetted, capable, domestic teams.

## Who we are

We are mission-driven to solve national defense problems with leading-edge technology. Backed by experienced veteran leadership and Silicon Valley tech expertise, our team is leading the charge to get the best technology into warfighters' hands.

# why we care

Our country is at a critical inflection point as risks of minor and major conflicts rise. The United States and its adversaries are investing in the same technologies, foundational to future innovation and national security: artificial intelligence, autonomy, augmented/virtual reality, data ingestion/integration/analytics, manufacturing, and human/machine optimization. The rapidity at which dual-use technologies are developed in the commercial sector has significant impact on the nature of warfare; mastering them ahead of competitors will ensure that we will be able win the wars of the future. In the past, strategic competition with our adversaries has seemed like a long-term threat rather than a short-term crisis. Current events have proven that preserving our technological superiority and economic capacity are important issues for national focus today, not tomorrow.

This effort requires innovation and agile execution by America's military, business, and technology leaders. An ecosystem of early ventures has emerged, as it did at the last great inflection point our country faced- the Cold War. DARPA gave us the internet; digital mapping / GPS laid the groundwork for Uber. Enabling entrepreneurs to build serve America's military will undoubtedly lead to doing good for America's economy. The War in Ukraine and potential conflict over Taiwan proves that now is the time to prepare, and to support our military and our allies around the world.

# how we build

Despite the DOD spending nearly \$50 billion to research, develop, and field new technologies, it isn't easy for innovative young companies to access the defense acquisition community's programs and capital. In our vision, founders need three things to succeed:

- A team that has been there before
- A focus that guides development
- Capabilities that help build and sell products

At Fairwater, we provide founding teams with all of these to help jumpstart their company formation.

## our team

Our team is comprised of veterans, venture capitalists, and technology experts. Our network extends to innovation centers, government stakeholders, and combat veterans who understood current challenges. We scout deep technology, implement our proprietary screening criteria, and have the capability to prototype new products. We fund projects via our own capital, government contracts and our defense and technology investor network. We combine end user perspectives with financial and technological expertise.



### Scott Bolick

#### Advisor

Mckinsey and Co.  
Uptake/SAP  
West Point / HBS



### Neil Sequeira

#### Board Chairman

Partner, Defy VC  
Venture Capital



### Garrett Smith

#### Advisor

Combat: Afghanistan



### Kyle Olson

#### Managing Director

SOF Experience  
Combat: Iraq



### Joe Kigin

#### Head of Government

Big Tech / Startups



### Parker Clark

#### Tech Advisor

Computer Vision Engineering



### Sam Stowers

#### DOD Contracting Advisor

Combat: Afghanistan, Syria

### Cyber

Most manual processes and physical items will be integrated into IoT eventually. How to keep this secure.

### Artificial Intelligence and Machine Learning

AI investment focused on leveraging technology to close the kill chain faster, more effectively.

### Open Source Intelligence

Connecting humint, space datasets, social media, and robotics information to provide an overlay on battlefields, corporate performance, and economic GDP.

### Systems Interoperability

Providing the capability to coordinate machines as an integrated ecosystem (includes AR / VR and HMI as subsets).

### The Great Reshoring

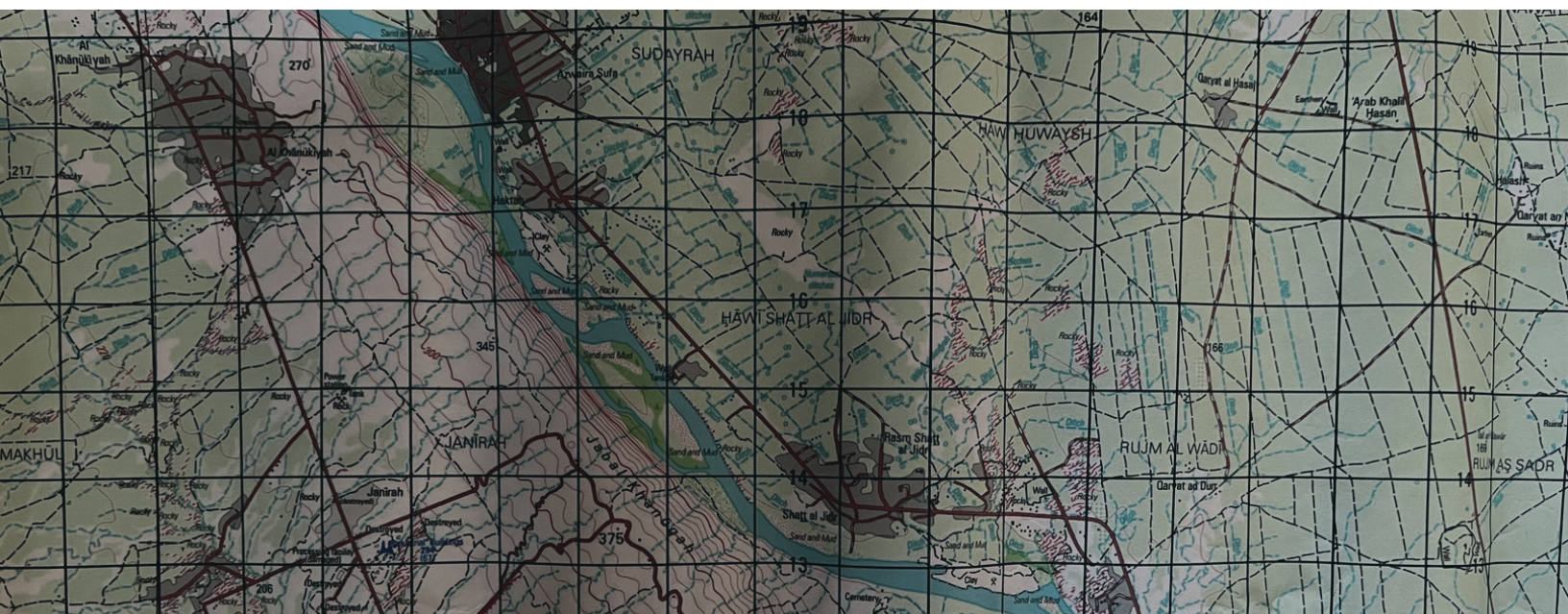
Promote the rewiring for industry value chains to create resiliency in the face of increasing global challenges - great power conflict, climate change, and pandemics.

### Human Systems

Solutions targeted at attracting, training, and health of our nation's soldiers, sailors, and airmen.

# focus areas

The Fairwater team has established core focus areas that guide our activities. These focus areas or 'themes' are based on how we are reading the market, what the government says it is planning to procure, geopolitical events, and technology trends. We become experts on these themes, and share them with the community, our network, and government entities. We then further refine the focus areas into opportunities for founders to launch companies that fill these gaps in the market.





# our role

We help founders turn ideas into independent companies that are ready to run on day one of incorporation. The teams we support are able to speed around potential roadblocks which lowers the risk of unnecessary mistakes and enables founders to focus their time on launching their company.

We've identified the biggest barriers to entry in each step and pave the path to market with the following five core functions:

## **Developing the Business Case:**

Idea generation and evaluation, product definition, go-to-market strategy, and business plan development.

## **Operational Standup:**

Helping companies plan the initial systems and processes.

## **Prototyping and Design:**

Working with founders with initial testing of product ideas.

## **Building Teams:**

Building and maintaining our pipeline of investors, potential founders and employees, and relevant ecosystem partners.

## **Winning Revenue:**

We're knowledgeable on the DOD contracting process, and helping companies understand and navigate the commercial & government market.

**Prospect**

We start with **prospects**, which are market openings for new technology based on our focus areas. Market assessments, identify trends and themes, founder recruiting and matching.

**Hatch**

Once we start working with a prospective founding team, we translate prospects into **hatches**, which we help develop a Product Concept, Business Case, and Go To Market roadmap.

**Company**

Once both sides develop conviction on the opportunity, a **company** is born & continues as an independent entity.

## **hatch process**

Our systematic hatch process is designed to identify the best launch opportunities.

Throughout all of the steps, we have built a streamlined process to rapidly iterate, provide feedback, faster access to capital, and confidence in the next steps.

# case study: DFL

## OPPORTUNITY

Intelligence collection in the field is disorganized, slow, risky, and cumbersome. Once data is collected, it requires significant resources to process, often resulting in lost valuable data and unnecessary risk to individuals. The technology reduces time as a risk, decreases cognitive load, and reduces HHQ decision cycles.

## SOLUTION

The founders built DFL Technology to revolutionize warfighter intelligence collection. Our platform leverages the sensor and processor power of Android tactical mobile devices. The app has a sleek, easy-to-use interface for capturing annotated imagery, site digital twins, and biometric baseball card profiles including face scans, voice recordings, and demographic data.

## TRACTION

DFL has won multiple contracts with SOCOM and SOFWERX.



# case study: Swell

## OPPORTUNITY

Mental healthcare is difficult to access even for the motivated, and people shouldn't have to wait until they're desperate to seek help in the first place. Military bases are particularly underserved by mental health professionals due to their locations.

## SOLUTION

We assembled a team to build a mental healthcare platform, Swell. The platform lets any member of the community access video care, with a trusted therapist familiar with the community and conditions, through their mobile phone, without driving to a behavioral health office on base.

## COMPETITIVE EDGE

- Focused on decreasing demand. Self-guided programs will help us scale the parts of therapy that we know work to more people, circumventing the supply constraint.
- Provide better therapy. Our app-assisted Therapy increases skill adoption outside of the session, making treatment more effective. Swell leverage its program data to test and create new personality-tailored evidence-based programs to improve behavioral therapy for our clients and the industry.
- Tailored to the military community. Their communities are tight knit, their careers and time spent with the same insurance provider are long, & they're also well-resourced and primed to believe in investments in resilience. While Swell is building a business that doesn't depend on military contracts, it's worth mentioning the contract opportunities that exist for military-specific resilience programs.