



## FROM FIRST HIRE TO EXIT:

### HOW DATANYZE FOUND AN INVESTOR WHO HELPED THROUGH THE ENTIRE STARTUP LIFECYCLE

When Ilya Semin, founder and CEO of Datanyze, contacted Dyn, an internet infrastructure company, back in 2012, he was simply trying to upsell. He ended up with so much more — a trip to Philadelphia, an acquisition offer, and an adviser who would play a major role from hiring the first employee to growing Datanyze into a worldwide leader in technographics, that was acquired by ZoomInfo.

### BUT WE'RE GETTING AHEAD OF OURSELVES. LET'S HEAR MORE ABOUT ILYA'S EPIC SALES PITCH.

"I was pitching Datanyze to Dyn CEO Jeremy Hitchcock and he told me that they were having an event in Philadelphia and that I should attend on their dime," Ilya said. "I was like, 'Great, a free trip to Philly!' So I went. While there, I was introduced to Kyle York, Dyn's Chief Revenue Officer, and immediately, Kyle and Jeremy tried to buy Datanyze. I was flattered but told them, 'Sorry, I want to be an independent entrepreneur.' But it was a great experience because I met Kyle."

## SITUATION

Datanyze uses machine learning and proprietary methodologies to capture over 9,000 technologies. Customers of Datanyze then use that data to enhance their selling and marketing tactics based on the latest customer technology trends. Ilya had a cool technology, but he needed help running a business.

Shortly after that first encounter, Ilya called Kyle — now the CEO of York IE — and asked him to be an adviser. Kyle was hesitant at first, but after some convincing, he accepted. And when he did, he immersed himself into the role.

"Kyle wasn't an official Datanyze hire, but he was really the second person to join the company after me," Ilya said. "I wanted to work with him because, as a technical founder, I thought his skills were complementary to mine. And they were. He was instrumental in helping me hire Datanyze's first employee and in growing our revenue team."

For that first hire, Ilya said Kyle helped him structure the compensation package, negotiate equity and help convince the hire to join. Ilya also said Kyle played a major role in helping Datanyze grow its sales team and revenue.

AND GROW IT DID.

## CHALLENGE

But growth doesn't come without challenges, and startup CEOs often must make difficult decisions. It was during these times Ilya realized how valuable Kyle truly was.

"Kyle has always had my back," Ilya said. "Looking back, I know he disagreed with some of my decisions, but he was always supportive. He would push back, but when he saw that I was firm, he would always support me."

That support came often, and Kyle was not afraid to roll up his sleeves and get involved. Ilya described a situation in which there was conflict among Datanyze's executive team — not uncommon for startups — and how Kyle was very active in talking to everyone individually and finding ways to move forward.

"While Dyn was ultimately more successful than Datanyze, we were similar companies in the fact that we were bootstrapped by a technical founder who raised funding not because we needed to, but because we wanted to accelerate growth," Ilya said. "Kyle was always two steps ahead because of those similarities. He had seen it all and could say, 'This is what is going to happen next. This is where the pain is going to be.'"

After a certain amount of growth, a natural milestone in the startup lifecycle is an exit. When Datanyze reached this spot, Ilya first tried to raise money from private equity. It was during this time he once again saw Kyle step up.

"Kyle flew out with me and basically acted as a co-founder," Ilya said. "Nothing ultimately came of that meeting, but I really appreciated the gesture. It showed me that Kyle was more than just an investor and adviser. He was always willing to jump in and help."

Ultimately, Datanyze sold to ZoomInfo and while Kyle didn't help directly with that process, Ilya said he was once again a source of information, having been through his own acquisition by Oracle.

"During the final stages, when we were going through legal stuff, Kyle had just gone through an acquisition and he would say, 'Pay attention to this; pay attention to that; make sure they have ABCD; this is where you can get screwed,'" Ilya said. "It really helped me."

Having nurtured and grown Datanyze for seven years, Ilya is now taking a much-deserved break, though he's certainly not resting — he's training for his first Ironman triathlon. But when that ends, he's already got a few ideas he's thinking about.

**"WHEN IT IS TIME TO DO MY NEXT STARTUP, KYLE WILL DEFINITELY BE THE FIRST PERSON I CALL."**

ILYA SEMIN