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Q&A with Daniel Clemens, Founder and CEO of ShadowDragon, LLC. providing Digital Investigation Tools to help Cyber Investigators conduct Forensics, Collect and Monitor Open Source Information from Social Media Platforms from across the Open, Deep and Dark Web

Daniel Clemens
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Interview conducted by: Lynn Fosse, Senior Editor CEOCFO Magazine

# CEOCFO: Mr. Clemens, the tagline on the Shadow Dragon is "Digital Tools for Modern Investigators." Would you tell us what that entails?

Mr. Clemens: In 2007 our team was doing a lot of corporate counter-espionage work, figuring out who was behind some of the advanced attacks that some of our clients had been experiencing. We were able to figure out what happened, and we needed to take that next step of figuring out who might be behind it. In the process, we realized that we needed to have new tools to engage those bad guys and monitor and really extend those capabilities. So, we started to develop a set of digital investigation tools that would help in our investigative process. When we talk about how we want to provide digital tools for modern investigations, we have really been providing these tools to help cyber investigators and analysts collect and monitor open source information from social media platforms from across the open, deep and dark web and then help conduct forensics on the information that enables investigators to quickly move on to the next steps of their analysis process. Each of our tools were developed to fill a gap in the investigation process and to help support the investigator tracking bad guys. Each tool fits into a very specific niche across the board and we've continued to refine and innovate to add new tools and track new social media platforms as they come online as well as to listen to our customers and provide solutions to meet their needs. It has been a good ride and it gets more interesting every day.

## CEOCFO: Who is using your services?

**Mr. Clemens:** We have global clients all over the world so there is a marketplace for this in the commercial space as well as in the government space.

## CEOCFO: Are there many services or companies similar to yours?

**Mr. Clemens:** There are others out there that have similar components but not really anybody that has a suite of capabilities that fit together like ours. The other thing that is a real differentiator for the market is that we have the luxury of answering to clients rather than to a group of investors. We are highly profitable and have never taken any investment which has freed us to truly innovate solely based on client needs. With my background, I am running the ship tight and push for technical excellence. I encourage the team to push the limits of what they can do and what they think they can do, then go further by enhancing even that. When you look carefully at this market space, there are a lot of differences. It's not really an apples to apples comparison on a lot of different levels – from our capabilities to the suite of tools that we have, and most critically, the freedom to innovate.

## CEOCFO: How do you work with your customers and provide the in-depth service?

**Mr. Clemens:** Everything that we provide is typically a SaaS with purpose built interface options that allow easily use within the myriad of enterprise environments our clients find themselves. We provide interaction into some of the investigative tools that are widely used. We also have tie-ins to very specific platforms making it easy for clients to utilize some of our tools within those platforms. Clients can also use our feature-rich API. OEM customers can integrate our API to enhance the functionality of their products and meet the demands of analysts with advanced skills. Our goal is not to outdo other interfaces, and we understand clients must work within the technical limitations of their enterprise. This

customer centered approach is aimed to provide simple access to uniquely effective investigative tools not offered by other popular platforms.

## CEOCFO: Would you tell us about the range of products at Shadow Dragon?

Mr. Clemens: Our core tools suite includes five products that are currently in the marketplace and we will be releasing new products in 2019. Our flagship product is called SocialNet. The idea behind SocialNet is the ability of an investigator to cast a net into the social media universe and catch a few things coming back. SocialNet provides that social media forensic element that has grown to be more relevant now than when it was originally released ten years ago. When we started developing SocialNet we recognized the trend of how people were pouring information through social media platforms and the need to be able to quickly and reliably scan across this different systems and networks and identify useful information. It is also critical to stay current with new platforms that come online every day. We are always trying to connect into different places that people are congregating and allow some form of collection or identity resolution on small things that an investigator may be trying to go after.

"Each of our tools were developed to fill a gap in the investigation process and to help support the investigator tracking bad guys."- Daniel Clemens

## CEOCFO: Would you give us an example of what someone might be looking for?

Mr. Clemens: One high profile example would be the Boston bomber. Five minutes after his name was released, we found social media profiles that he had in Russia, and we knew all his friends that he was running with in those training camps that he went to. We were able to provide that with law enforcement and they were able to say with a pretty good accuracy where he got his training, who his primary colleagues were and classify some of those threats. I think if we would not have had that tool at the time; that information would have disappeared about ten days after. It was very helpful in a very tactical manner. An everyday example would be companies conducting background checks for their employees. Standard background checks are great for older data but they are not always great for everything that is current. Sometimes it might be helpful to know some of the life skills of some of the people that may be coming to work for you or who may be connected to who on a social media platform and some mergers and acquisitions. That level of actuarial science and looking into that kind of stuff is something that some of our customers are into. A recent example would be the shooting in Pittsburgh. By conducting an assessment of the media platforms that that shooter had been in has enabled some of our clients both corporate and law enforcement to gain better insights into what they need to look for on their platforms and their internal threat assessment. One of the last examples would be helping fight against human trafficking, so we have partnered up with a nonprofit called DeliverFund. Part of their methodology includes tracking bad guys and victims to see how the bad guys are networked and identify who are the primary bad guys and how they operate. This helps law enforcement in their efforts to target their investigations and speed arrests.

## CEOCFO: Do companies typically buy directly from you or from resellers?

**Mr. Clemens:** We engage in both those areas and there are direct sales and resellers. We have got that pretty segmented up with representation worldwide. I do not really have percentages. We have a three-tier reseller program that is awesome and automated.

## CEOCFO: Do the people that should be aware of ShadowDragon know of you?

**Mr. Clemens:** We have kept it quiet over the years. Part of that is personality; none of us came from an extraverted perspective on anything. My personal ethos being the leader is let's just lead with quiet confidence, which is ironic when we look at how things are out in the world nowadays, and a lot of people have been saying we need to have more of a voice. This year I have been encouraged by customers thanking us for our approach of quietly doing good work and letting it speak for itself. I know that whenever I am engaging with a new client and I show them what we have done and what we have built and where we are. A lot of times they are surprised because it is exactly what they have been looking for. It's great, because as a smaller company people can underestimate our capabilities and then we just over-deliver and totally shatter that preconception. We have enhanced our presence somewhat, but things have been going great without spending tons of money on advertising and social media.

## CEOCFO: You recently added a Director of Business Development and Sales. Why now?

**Mr. Clemens:** There is a bigger story behind that. Probably four years ago, I had our R&D guys get together and we created our CRM product, so we did not have to do paperwork. We could be efficient as a team and everybody could fulfill the responses of clients, so we did not have to have anybody in business development or official sales. That has been good, but the velocity has increased so much over the years that we had to have more people on the team to keep up with the pace. John Weathersby was a great addition to that because of his personality and his experience working within government and defense markets. He is a good fit into our team.

CEOCFO: Did you find it hard to give up some control and let other people do some of the things you handled?

Mr. Clemens: Not so much, but I do demand precision. I hand over the reins on a lot of stuff, so I do not necessarily have to be involved all the time other than listening to some of the problems sets that I get to hear. That is what I really like to do. I grew up with going to private school and if you got an 89% it was an F, so my level of what a passing grade is, is high up there. My philosophy is to get people up to the edge and I just push them in the deep end, like hey you are going to have to swim. If somebody is willing to take it by the horns, and they want to be held accountable, I have no problem giving up control. I want hungry, humble, smart people to take the reins. The hard part is to find the right people to add in to continue to grow the culture that we need because the culture is more important than any personality. My goal is to keep slowly stepping back because we have other companies that are in various stages. I am the front face of ShadowDragon, but there are a lot of other things going on.

## CEOCFO: What is next for ShadowDragon?

**Mr. Clemens:** We probably have three or four other tools that will come out. We are going to continue with everything that we already have. Outside of ShadowDragon, there is a lot of other stuff going on but ShadowDragon within the next year or two we are separating out the commercial business and the federal business. ShadowDragon is going to continue to make tools. What those tools are, a lot of that relies on what the market needs, as well as what our customers are asking for. I have a pretty good pulse on that. Some of those things are going to be straight ShadowDragon plays right away and a few other things that we have been fielding from other groups, is going into a research lab company that we have started up as well. Some things will be in ShadowDragon and some things will be incubated in the other entities.