Before You Launch:
Protocol for Aspiring Entrepreneurs
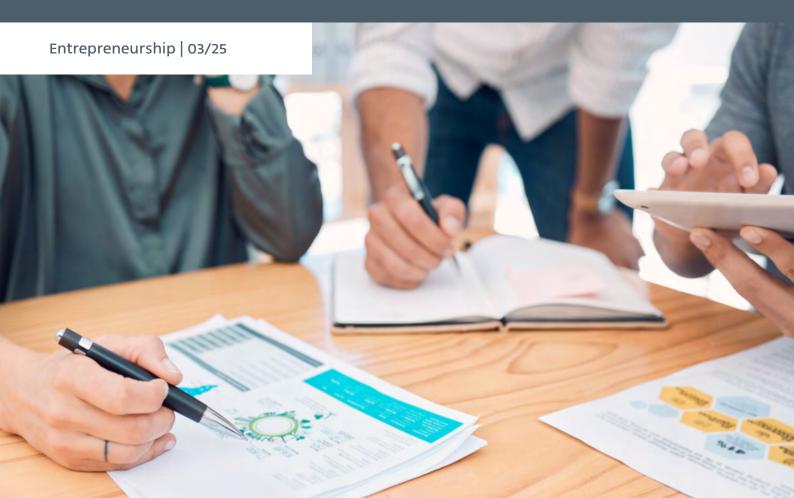
Part II. Case Study
Darwin AI: An Interview with Co-Founder Noam Maital

Shlomo Maital
Eliezer Shein

SAMUEL Neaman Institute
FOR NATIONAL POLICY RESEARCH
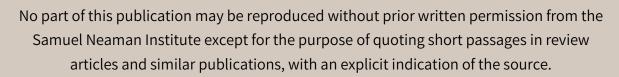
Before You Launch:

A Protocol for Aspiring Entrepreneurs

Part II. Case Study

Darwin AI: An Interview With Co-Founder Noam Maital

Shlomo Maital

Eliezer Shein

March 2025

Abstract

In Part I, we presented a lengthy before-you-launch protocol for entrepreneurs, comprising key issues and questions that demand forethought and early planning.

In Part II, we provide an interview with the CEO of an Israeli startup, Darwin AI, whose mantra is "The AI Hub for Government". CEO Noam Maital responds to the protocol questions, for a startup that has raised an initial round of funding, has several clients who helped design the product and are currently using it. Earlier, as CEO of Waycare, he helped build a startup that integrated traffic data for police and medical teams, acquired by Rekor.

About Darwin AI

"Darwin, a leader in AI security and governance for the public sector, is emerging from stealth with $5 million in seed funding co-led by UpWest and Resolute Ventures to help state and local agencies securely scale AI while maintaining oversight and compliance. With AI adoption rapidly increasing—often through unapproved platforms—Darwin provides the infrastructure for agencies to manage risks, enforce policies, and ensure responsible AI use, already partnering with cities like Corona, CA, and Aurora, IL. As federal priorities shift and concerns over AI security grow, Darwin aims to empower governments with the tools to harness AI's potential while safeguarding privacy, security, and public trust.

How does your strategic vision align with market trends and future opportunities? What was your strategic vision?

The vision was that when I looked at the state and local and government space, AI has immense opportunity for disruption similar to other verticals, but unlike other verticals, the uniqueness of it is the importance of the AI guardrails or AI security -- this is primary to the adoption, meaning first security, then adoption, where for non-government enterprises it's more like free markets where you have first adoption, *then* security.

Our vision there was really to be either the first or among the first to build out the guardrails, security guardrails in the AI space and through that to be the catalyst for adoption by government. That was the vision and it fit within the market because that is how governments operate. And it looks to be the right timing. Time will tell because AI is a very big topic of conversation for a lot of these local agencies now.

How do you and your team stay updated on emerging market insights and competitive shifts?

There are two aspects to it. The technology aspect, I try to read a lot but also have discussions with other startups and friends that are founders in this space and learn what they're doing. So for example, a lot of my friends are working on the agentic AI space, building agents, and that gives me the qualitative data and then the more research base is information that I hear both from the industry, the customers, and learn from articles, things like that that I read from specific journals that focus on it. So there's the industry and then there's the technological side that I try and keep up with.

How do your leaders communicate market insights to the team and investors? How do you communicate with your team and to your investors? They're separate.

For my investors, I have a monthly newsletter and usually in that newsletter I add one or two articles that I think are interesting and relevant. And then also of course, board meetings and investor meetings. I try and share not just what we're doing but how this fits into the market and with the team, we have team meetings every three weeks where we don't only discuss what's happening in the company, but also what's happening in the market, from my perspective and maybe others share what they're doing. So we combine a bit of the R&D together with the business side, then go to market, so that everyone on the team knows what's going on.

What is your company culture? How does it support continuous learning about customers and competitors?

Two separate questions. My company culture is not something as defined by a PowerPoint, It's more leading by example. So especially when we're small, it's about myself and my co-founder exemplifying the values that we want to have. So ego is left outside the door; determination, honesty, humbleness, in terms of a flat type of organization.

About competitors: So interestingly, maybe it's because I'm in the govtech (government technology) space, but my general philosophy on startups and competitiveness is that unless you're doing a mega round and planning to go all or nothing from day one with a hundred million dollars raise, competitive is not that big of a deal initially. If you're solving a real problem, if you have a real problem in hand and real customers, your focus should be more on *execution.* Competitiveness comes much later when you have money to throw at marketing and product differentiation; in early stages, just make a really good product that

works and find out how you can best sell it. The competitive nature will come in much later, and I think too many founders focus too much on that aspect.

How do you build trust with your customers and stakeholders?

Part of it shows that you know what you're talking about, and that usually comes in the form of not just speaking about your product, but actually about the market itself. So if you're able to talk intelligently and add a perspective on the market at large, not just what your company is doing, then it makes it sound like you're just selling yourself. The second piece I think is just having a unique perspective on it, and so it's easy to just read a report and have the same opinion and then you're regurgitating. People want to get a unique perspective that gives them new insight. Those are basic fundamentals for building trust with the customer that then allows them to say about you, okay, this person knows what he's talking about, therefore his product must be worthwhile listening to and listening what they're selling.

What key skills does your team possess to analyze and respond to the market? What are your key skills?

"It's a broad question. R&D of course possesses the technical skills to know how to leverage the technology of today, primarily ai. So how to build with AI as a companion to scale very fast. And then our business apparatus, if you will, our team is focused on bringing expertise of working in the govtech space, which is quite unique. And so knowing how to build that trust relationships, approaching it, it's a very different sales motion. And so those two expertise I think public sector experience or working with public sector and then the AI security domain expertise combined is what gives us credibility.

How agile is your team in responding to rapid changes in the landscape (the general business environment in which you are operating) ?

"It's less about the landscape, if I'm honest. I think it's more about, big shifts within the product or within the sales that happen on the dime of a customer, not necessarily a larger market trend. So a customer may say, I can't do this, which was a core tenet of your product's feature, and all of a sudden you have to figure out another solution. So for a lot of the changes, you have to be nimble in your team to do those kind of quick pivots on those customer demands early on -- when we're focused on making sure they're happy.

How strong are your relationships within your industry ecosystem?

"Ambiguous question, but I would say strong. I mean it's key to maintain them. Again, this is very domain specific, time is not the only metric, but it's the most important one. Just like a marriage, when you've been married for 10, 15, 20 years, there's a value to that time in terms of your knowledge of your spouse. It's the same in the industry -- when you've known someone for a year versus five years, there's a different level of trust that comes with that.

Now we're going to talk about your product and product fit for the next questions. How does your vision ensure long-term product market alignment, aligning your product with what the market needs?

This goes back to the first question. The vision that we have around AI security and the govtech space[1], building the guardrails, is that in order for AI to be adopted at scale, the first step is going to be those agencies, state and local have to have full control of their guardrails and only then will they allow adoption. So the needs of the market are to adapt AI within the govtech space to get the efficiencies and value that can be unlocked with AI. And the way to do that is by first making sure they have guardrails. And so our vision aligns as a key to unlocking the needs of the market in the long term.

How does your team acquire and incorporate customer feedback in the product?

By very early on selling your product to customers and then having them use it and making sure at least weekly you touch base with them, where they're providing that input, making sure you're transcribing those meetings and then incorporating those into your product meeting product discussions internally as well.

How effectively does leadership articulate the products' unique value? How does Darwin AI do this?

I think it really depends on the customer. So I try and find out what is the motivator for the person that I'm speaking to, and so articulating the value proposition in the right way is less about, am I saying it correctly? It's more, am I adapting it appropriately to the person in front of me? Everyone has a different story. Everyone has different things that make him/her tick. It's about, are you able to adapt your story to what they want to hear? That means you have

---

[1] Govtech is short for government technology --   digital tools used to optimize public services, making them more efficient, transparent, and accessible.

to be a good listener and basically articulating begins by listening rather than talking. However, listening is a tricky thing because often they will tell you, just let them talk, but people don't just start talking on their own. So it's more about, are you able to cajole or instigate the other side with the right question, probing questions to get them to talk.

How does your company's culture reinforce what's called a customer centric innovation? Innovation based on the user, not based on the push technology.

I'm not sure. This one is interesting because I don't think in other industries this would apply, but in government you often have to take an approach where you first put your positioning on the market and the solution and government kind of wants you to tell them what to do. And so often, coming to government with "tell us what you want" is actually the wrong approach. You have to tell them what they want and then they'll correct you on the edges and say, well, this is good, but I wish you would change this feature. I'm not sure that's entirely the case in other markets, aside from Govtech, but in Govtech for whatever reason, that is usually the right approach.

How does your brand reputation enhance customer trust and your value proposition? Darwin is not a brand. How do you deal with that? How do you build a brand?

You build a brand by building -- this goes back to earlier comments in government and other places too. You have to be a domain expert around what you do, not just in your product. And so people need to believe and know that you are thinking about AI security, you have interesting insights into it. And so blogs, podcasts, articles, things like that that are not necessarily about Darwin, but rather enhancing the credibility of the people working at Darwin -- that then makes Darwin a brand that is reputable. Establishing thought leadership, as it is known.

What key skills enable your team to refine and adapt the product market fit to make your product fit what your customers want?

"Listening. I think ultimately, again, you come with a thesis and then you build something from it. There are two elements to listening, the first one is how successful are you in your aggressive sales to get a customer to start using your product before you really have anything substantial? How early can you do it? The earlier you do it, the earlier you're going to get accurate feedback on your product market fit.

But also, I would say, we're not yet at product market fit. One of the biggest mistakes I've seen is founders thinking they have product market fit before they really do. And so feedback from two customers is not product market fit. We're not yet at PMF, product-market fit, we still have probably a year to ago before we're there.

How do you create and leverage external networks to improve your value proposition? What are your external networks?

External networks are defined as anyone that I'm connected to that is connected to someone relevant in my industry or otherwise, so I leverage it all the time. It's just about being comfortable asking people to help you. If it's investors, then asking them to connect to investors, if it's customers or government folks, asking them to connect you to their friends. Ultimately in any business, trust again comes back to, do you know someone? How long have you known them? So if you're able to be connected through someone that knows someone, it's going to be a much stronger connection.

Now we're going to talk about the people and the team, and the organizational structure. What is your strategic vision, and how does your team know your strategic vision? How do you communicate it?

We talk about it in the team meetings, but I would say, probably I don't actually spend enough time on it, so that's a good point. More should be discussed in team meetings and articulated, so everyone's on the same page.

How do you foster a learning culture that enhances your team's capabilities?

Just give people space and encourage them to be curious. I think it's less about -- later on when you get bigger, you can put all kinds of structural things around learning and courses and even fund some of it earlier on. Early on, it's just allowing people to have space to experiment and try new tools.

How do leadership and communication styles impact team cohesion? How do you build team cohesion?

Cohesion comes from the work environment, I think initially, where everyone feels that there's a true collaboration and, again, ego is left at the door -- where management is part of the team and not separate from it. Those are the most important things.

How do you attract and retain top talent? How do you hire?

You attract top talent with vision and opportunity. You keep them by putting one hundred percent trust in them from day one and making sure everything in the environment of the company supports that. So, when they come to work it is their choice, they have the choice and freedom and agency over themselves from day one, which is kind of the reverse of what I think most of the workforce does today, where you have to earn your trust and only then you get the reward of having agency over your time. Treat people with respect in the same way, regardless of position. And rather than wait for them to build trust, you give everyone trust. And if someone abuses it, then you deal with it.

How do you develop crucial competencies in the team? How to you ensure talent development?

When you develop a technology-based product, you need to have core competences around known areas. It changes slightly, but you need to have core competence around front end and backend DevOps, GoTo market and business development, maybe some operations skill. Those are the key things. And then within those, it's really more about people that are hungry to learn and then become experts within their domain.

How do you engage with external talent networks for recruitment and mentorship?

I don't engage with it in an active way. I mainly try and help as a second timer with new entrepreneurs or things like that. So I may try and make myself accessible just because it's the right thing to do and I enjoy it, but there is no other reason for personal gain.

How does your strategic vision ensure a continuous focus on innovation? How do you stress continuous innovation?

I don't think a startup needs to think about innovation. This is inherent in a startup. If you're not innovative in a startup, you're not going to succeed because you're not doing something new. That's the only reason someone would buy you compared to an existing company that already has a product.

So I think a lot of these things, when you try and make them formulaic early on, are actually at your detriment -- because they occur naturally when you're talking to a customer and he's telling you about the existing solution he has or what he doesn't have, and you just need to answer it. And by answering it with a product, you're giving the innovative solution.

I like to hire people who are outside the industry to be part of us, and combine them with people with specific expertise.

How does your vision ensure long-term business model viability?

So I'm going to address this question of long-term. I think it's silly to think about long-term when you're building a company early on.

Long-term should be the vision and the CEO generally should be the one talking to investors about vision and long-term. Everything else is short-term. How do you get through next year? How do you make sure your customer is happy? How do you get to your first million dollars in revenue? How do you make your first product really good?

The longer-term stuff becomes much more relevant later on. So even with business models, oftentimes you need to figure that out on the go. And having a set mindset long-term may be the wrong thing because usually if you're innovating, you're building a new category, new market, and the business model may be new as well.

How does your company learn from past successes and failures? Emphasis on failures.

I try and focus on that from my experience with my past company and look at what I did right, mainly what I did wrong, a lot of those mistakes have helped guide some of my decisions. Same for my co-founder as well. So, I think we lean on that to learn on the things that we build and implement. And I have many examples around that as well.

How do you communicate your business model to the investors and stakeholders?

In the venture capital community, I think the business model is important, but more important, is there a big market early on, I'm talking about early stage, a) is there a big market? b) Is the vision big enough for it and c) is it the right team?

The business model can sometimes be a differentiator if you have some sort of genius angle, but most of the time it's those three. The business model is just figuring out what your way of taking money from the market is. But you can do that on the go as you start selling to the customer if your product is good enough and there's enough of a need. So I guess the way I communicate to invest in my business model right now is how I currently perceive it. But I also tell them openly that we're still figuring out our business model in terms of pricing and

things like that. Maybe not in terms of our go to the market. So, it's a very dynamic process on our part.

How does your culture support scaling while maintaining core values?

That's a lesson learned actually from my last company where we only took care of scale later on. And when we did that, we had technical deficit because we failed to start early. So, I would say in today's age, if you're building a technology product, AI is a big help. I would take the time from day zero to build for scale on the infrastructure as if you're already a scaled company because it will save you a lot of pain and hassle later on when you are at scale.

How does your brand reputation impact investor and customer confidence in scaling?

I would say -- investors want to know that the brand is trustworthy. And so, when you talk about government moving from a small project, for example, to a big contract, a lot of that will depend on how trustworthy your brand is. That will come into play in government.

What financial and operational competencies are required for successful scaling for success in general

Financial competencies: So you need to be able to budget properly and make sure you're staying close to that budget, have a hand on its pulse. Cash is king in startup and you need to make sure cash is your hour glass so you know how much time you have left to live and manage that closely.

And then the second part is use very basic, not complex metrics to measure your financial viability in terms of your product. So, things like customer acquisition costs (CAC), LTV, lifetime value, overall margins, things like that. That will give you an indication over time what the likelihood you have of being a profitable, successful company.

How do your internal systems ensure efficient scaling?

It depends on stage, but I would say at this stage, early stage, you don't have systems, you have a team working on all cylinders, each in their own domain.

How does your strategic vision guide long-term financial planning?

This gets back to the cash conversation. So when you raise a round of finance, that's the time for you to really think carefully about your budget, both short term and in your short-term burn. And then long term. The most expensive non- reversible thing, generally non-reversible, is hiring. So when you hire someone, you should think about whether you need their role -- whether there's a chance you won't need it. And what will happen if you don't need it because it's much harder to fire someone than it is to hire, or to move to a smaller office.

How does your company enhance or encourage financial literacy and decision-making? Do your people think about the money part?

No, not particularly, but we're not against it. I mean, the one thing I am trying to do is give everyone literacy about venture capital and how it operates.

How do you communicate financial performance transparently?

Mainly people care about running rate,2 so I talk about our goals upfront, make sure they're clear, and then I also share not the nitty gritty, details of the runway, but I generally try and let people know where we are in terms of timing for the next round of finance. People want to know financial performance that so I try and be transparent about it.

How does your company culture promote financial discipline and responsibility?

We are focused on selling a product that actually people will buy -- versus a go-to market approach where you're spending so much money and you don't even know at the end of the day, who will pay for what you're building.

---

[2] The run rate refers to the financial performance of a company based on using current financial information as a predictor of future performance. In short, the rate at which the company's cash is being spent in contrast with the time needed to generate significant revenues.

Do you have a brand reputation and if so, how does it impact investor trust and your ability to raise money?

Two different things. A brand reputation in the sector we're in is about trust. And so, it happens over time and depends on our ability to bring forward thought leadership with investors. It's doing that well.

And then marketing yourself well, so that's where marketing really comes into play more.

How do internal processes ensure sound financial decision making and compliance? What are your internal processes?

Mainly -- just having a cadence on specific reports that I track, like cashflow. I do quarterly Profit and Loss for the Board, budgeting appropriately for the year, and seeing regularly that we're not way over budget, so we're not surprised. Usually the P&L is less important, and cash is much more important because cash is your lifeline for the first few years when you're bleeding cash and not making more money than what you're spending.

How does your strategic vision incorporate risk mitigation strategies? How do you manage risk and mitigate risk?

First of all, honesty. So I think if you're honest about what you do (and there's a thin line between promising things that you're going to build and then completely lying or making things up), then you can usually stand behind and explain it and mitigate risks that are associated with customers and customer success.

On the R&D side, you make sure that you're aware of the components that you build, while you're building them. You're challenging yourself with what are the exposures and risks that you have on each one of those components as you build them.

Has your company had crises and how did you manage them if you did?

We haven't had big crises yet. In the last startup I ran, I had endless crises. I think again it goes back to leadership style and preferences. For me, it was very trying to remove the emotions, the ego, from a situation. Usually, crises involve that. You look at the facts, not at what happened and what the cost of the past is, but essentially thinking of it from a game theory perspective, a lot of times I go back to that.

If I were to make a decision, what opportunities would it open, or close, what doors open, and where do I actually make a decision where it gives me the most doors, open doors or closed them.

What are the most important operational skills that help your company manage risks effectively? How do you incorporate risk management in your, your operations?

On the technical side, I think the main thing is that Quality Assurance (QA) has moved away from an external function to internal. When I say external – we used to have a QA person, most companies now do self-review. So, the developer must be in charge of the completeness of their code that they write, and the components. Whether it's front end or backend DevOps, they have additional responsibility once they've done their work to then go back and check it again. And that includes risk exposure as well.

How do you leverage external partnerships to strengthen your operations?

 Mainly you try and focus on where things are not at your core or not essential and you outsource them. So in the beginning, you do the planning and the strategy, but you don't have to actually do the P&L bookkeeping, same for legal. So, all those non-core functions, if you can, you should outsource them.

How does your strategy ensure go to market execution? What is your go-to market strategy?

It really depends what stage you're asking about. So, for Darwin, go-to market execution in the early days is based on an initial thesis and conversations, over 50 conversations I've had with knowledgeable people, and then you develop hypotheses on your go-to market.

These conversations were with city leaders -- for us they would be potential customers. And then through that you understand what's the buying motivation, who is the decision maker, the stakeholder, how do you reach them?

For us, we knew that a go-to market had to be directed initially to those people, in order to first make sure we build the product in the way that it should be. Because it's a new category. And once we do that, there's a whole other category of distributors and system integrator that we can go through as well, which probably will be a secondary go-to-making method.

How does your company leverage market data? What data did you build on?

Two sides. For the investors, you can rely on them heavily for the external verification of things, market size, and identifying budgets.

On the internal side, I think there's complimentary data too, you can either buy off the shelf or use components that are ready made. What I'm talking about is databases, things like that for us around applications. We have one place that we can access all of our data, for our internal purposes.

Explain your customer first approach where you used your customers as part of your design process.

Especially in government, but this is true I think anywhere, it's very hard to build a product, while knowing exactly what the customer wants and how they operate. And so having a customer that has a problem that you can identify, you identify it and then clearly can articulate at least an approach to the solution that enables you, if you gain their trust, to build it with them.

And so, two things happen. One, you build with direct input loop on what to build correctly. But the second thing is also -- you get a lot of corrections along the way. So, when things don't work, your feedback loop is much faster on the mistakes -- which is equally important. Versus, if you launched an MVP in the shadows and then came out with it, customers would then respond to the whole product rather than to the components as they're being built.

Talk about the sales strategy norm and the difference between sales and marketing. How does Darwin do sales and how do you do marketing?

Marketing is what I'd call 'top of funnel'. It's what helps you build a pipeline of potential clients that comes to you. Marketing is expensive because you have to hire a lot of people, you have to reach a lot of people for them to know you -- then from that to have a 2% or 3% or 4% conversion rate (ratio of paying clients to potential clients), that is an expensive ratio. Sales is much more nuanced, more qualitative, than quantitative approach, even though there's a very quantitative metric, measured approach to it. At the end of the day, when you're talking directly to make sales, it is a lot more interpersonal, adapted to the person in front of you or the customer in front of you. And so, marketing is a kind of wide net approach. And sales is much more at the bottom of the funnel, direct, more adapted to the person in front of you. Marketing and sales ideally should go together actually, because if you want to scale, you need to have the marketing push in new top of the funnel inbound, so that then sales can grab onto it at the lower side of the funnel and bring it all home and close the deal.

Every startup I've seen has worked well, in its early days, and the founder does what I call hero selling, this is a key component. The founders have to act like heroes in a way and be the one selling the product. And it's pretty simply because -- either there isn't a product yet or your product's not great yet and you need to work around it or simply you have to be able

to listen to the customer. So you're not just a sales role, you're a product role, R&D role all together, that usually doesn't work well when it's just a salesperson that's trying to do it in the early, early days.

Can you just briefly talk about running a high tech company that's technology intensive, but as CEO you come with a business management background rather than a tech background?

The role of the CEO in almost every company, unless you're really talking deep tech, is to sell. And when I say sell, I mean this broadly. So I have to sell the investors the vision. I must sell our product to customers, and I have to sell to my team and employees the vision and excitement about what's to come.

So usually those qualities come more from the business side, where it is about storytelling, engaging, communication, less from the technical side. Now there is a caveat -- if you can't speak to the technical side eloquently and with knowledge, then you come off as unauthentic.

So you have to be able to marry the two. But of course, you need to back that up with a really strong partner on the technical side that brings the other side of the house and ability to think about scale and all the technical components. because otherwise you're not going to have a good product if you're talking about a technology solution.

Would it have been helpful to you to have a protocol when you first launched your company? And did you have one? Do you think it helpful to have an orderly, organized, exhaustive protocol?

For a first-time entrepreneur -- a hundred percent, having some sort of playbook that is practical, that really is down to earth, that I can walk with as I'm building the company, would be very valuable. For a second time entrepreneur, some components would be helpful, but there's certain things that I can shortcut and others that I actually focus on more and take more time on.

And I think it's probably just because I know where my weaknesses are, I know where my strengths are, so that I can maybe jump a few steps forward. So for example, I was able to do a lot of market validation by my main network from my last company. So that whole access point for validation of my hypothesis, I was able to drive forward pretty quickly.

But then the whole technical component on the architecture of the product was somewhat behind schedule. So, we had to really sit much deeper on that.

How do you manage work-life balance with a wife and three small children, with a 7-10-hour time difference with the US, and a two continent business model?

Being a founder is hard, there's no question. But oftentimes I feel like it's overly rated as hard. What I mean by that is -- the hard part is the uncertainty, the rollercoaster, the tenacity, the determination.

You work really hard, but the flip side of it as a founder is, you have complete agency over your time. So if I decide I don't want to do anything today, I can do nothing today, it will hurt the company. But it's, it's my choice.

And that's something that 99% of the workforce doesn't have. I didn't have it when I was a consultant and I worked one-hundred-hour weeks, uh. For example, once I was sitting in a hotel on my birthday making a presentation for some executive in a big company.

So I probably feel like my work-life balance there was worse than what it is now -- it's not that I have a lot of time, I choose to work a lot, but I get to choose putting family first in terms of the slots of time I block and make sure I don't have calls around it. And I got to choose that right as the CEO of the company.

I think the way we framework life balance should be different. It's not about work-life balance, but rather the agency that you have over your time that makes it so that you can do this and still have a family and be part of your kids' life and be successful in whatever you do.

neaman.org.il

Samuel Neaman Institute for National Policy Research
Technion City, Haifa | +972-4-8292329 | info@neaman.org.il