# TEDCO Social Impact Builder Fund - Investment Screening Memo

**SUBJECT:** SIRSI Inc. Social Impact Builder Fund  
**AMOUNT:** $100,000  
**DATE:** August 14, 2025  
**TO:** Troy LeMaile-Stovall, CEO, TEDCO  
Tammi Thomas, CDMO, TEDCO  
Elizabeth Good Mazhari, IEEO, TEDCO

**FROM:** First Chair: Jean-Luc Park, Senior Director, Social Impact Funds  
Second Chair: Jason B. Harris, Investment Analyst

**PROGRAM:** TEDCO Social Impact Fund  
**SUB-PROGRAM:** Pre-Seed Builder Fund  
**STATUS:** Screening Memo

**INDUSTRY SECTOR:** AI-Powered Infrastructure Management

## COMPANY INFORMATION

**SIRSI Inc.**  
6701 Democracy Blvd, Ste 300  
Bethesda, MD 20817

## INVESTMENT TERMS

* **Round size:** $100,000
* **Type of Round:** Series Pre-Seed
* **Investment:** $100,000 in Convertible Note
* **Valuation:** $5,000,000 cap on Convertible Note
* **Interest:** 8%
* **Discount:** 20%
* **Maturity date:** 60 months
* **Raised to date:** $140k
* **Co-investors:** Benjeil Edghill, Howard Person, Eliot and Sally Battle, Ross Lefstin, Saleem Mohammed, Rahsan and Letena Lindsay ($75k total)
* **Non-Dilutive:** AWS Migration Acceleration Program (MAP) ($65k)
* **TEDCO prior investments:** None

## TEDCO BUILDER FUND INVESTMENT THESIS

### Overview

SIRSI (now SirsiNexus) has evolved from concept to production-ready platform, representing the world’s first **Generative AI Infrastructure Assistant**. The platform transforms cloud infrastructure management through conversational AI, where users simply describe their needs in plain English and Sirsi generates, deploys, and optimizes complete cloud environments. With functional AI integrations (OpenAI GPT-4, Anthropic Claude-3.5-Sonnet), proven architecture, and demonstrated cost reductions averaging 20% on cloud spend, SirsiNexus addresses the critical gap in the $140B cloud management market where infrastructure complexity creates massive inefficiencies.

### Investment Thesis/Vision

The convergence of three market forces creates an unprecedented opportunity: (1) explosive growth in cloud infrastructure complexity driving $140B in management spend, (2) maturity of generative AI enabling natural language infrastructure control, and (3) critical shortage of DevOps talent creating operational bottlenecks. SirsiNexus uniquely positions at this intersection, democratizing infrastructure expertise through conversational AI. Unlike traditional infrastructure-as-code tools requiring deep technical knowledge, Sirsi enables any business user to deploy enterprise-grade infrastructure through simple conversation, fundamentally transforming how organizations interact with cloud resources.

### Investment Opportunity

Pre-seed investment of $100K positions TEDCO before institutional rounds in a company with **production-ready technology** and clear path to revenue. SirsiNexus has completed Phase 6.5 (Production Readiness Validation - where all core services are operational, UI is fully functional, and system integration testing confirms enterprise-grade stability) with platform capabilities including:

- **Real AI Integration**: Production OpenAI GPT-4 + Anthropic Claude APIs (not mocks)

- **Complete Tech Stack**: Rust core engine + Python analytics + TypeScript UI

- **Enterprise Features**: JWT auth, 2FA, rate limiting, session management

- **Proven Architecture**: 41 functional UI pages, 5 core services, zero compilation errors

- **Market Validation**: AWS MAP partnership, NVIDIA Inception member

The lean deployment model projects $400K ARR Year 1 scaling to $160M by Year 5, with positive cash flow within 6 months.

### Technology

SirsiNexus simplifies cloud infrastructure management by allowing users to describe what they need in plain English rather than writing complex code. Our platform uses artificial intelligence to translate these conversations into actual infrastructure deployments, similar to how a skilled IT professional would interpret requirements and build systems.

**Core Innovation - NebuLang:** NebuLang is our proprietary machine-native language that enables AI agents to communicate directly in the format they process most efficiently—similar to how computers use binary rather than human language. Built on distributed ledger principles inspired by Hedera Hashgraph, NebuLang provides:

* **5X Faster Processing**: By eliminating translation overhead between human-readable formats and machine processing, agents communicate at native speeds
* **Enhanced Security**: Machine-native communication creates cryptographically verifiable message chains that prevent tampering or injection attacks
* **Trustworthy Operations**: Every agent interaction is recorded in an immutable ledger, providing complete audit trails and preventing unauthorized changes
* **Reduced Overhead**: Compact binary formats reduce network traffic by approximately 80% compared to JSON/XML-based systems
* **Consensus-Based Reliability**: Distributed ledger technology ensures all agents agree on system state before executing changes

**Platform Architecture:**

- **Central Management**: The Sirsi platform acts as a central control point for all cloud operations

- **Smart Translation**: Converts plain English requests into technical infrastructure commands

- **Multi-Cloud Support**: Works seamlessly with Amazon AWS, Microsoft Azure, Google Cloud, and others

- **Automated Operations**: Handles routine tasks automatically, reducing manual work

- **Enterprise Security**: Bank-level security with industry-standard authentication and encryption

**Proven Results:** - Infrastructure optimization recommendations with high accuracy validated through testing - 5X faster agent-to-agent communication compared to REST/JSON architectures - 20-30% typical cost reduction for customer cloud spending through resource optimization - 3X reduction in operational overhead through automation - Sub-second response times for most operations - Enterprise-grade availability targeting 99.9% uptime

## FUND REQUIREMENTS

### Builder Qualification(s)

**Economically Disadvantaged Founder:** Cylton Collymore has self-identified as an economically disadvantaged individual and has provided: 1. Financial information demonstrating economic disadvantage 2. Personal social disadvantage narrative documenting chronic discrimination and bias negatively impacting business advancement

**Ownership Structure:** | Name | Ownership % | |——|————| | Cylton Collymore | 100% | | **Total** | **100%** |

### NUMBER OF EMPLOYEES

**Current Status:** - Total Employees/Founders: 1 - Maryland Employees/Founders: 1 - At least one founder designated as full-time

### MANAGEMENT SUPPORT

Founder has agreed to receive executive support and mentorship as needed.

## BACKGROUND

### Company Description

SirsiNexus operates as the world’s first Generative AI Infrastructure Assistant, transforming how organizations build, manage, and optimize cloud infrastructure. Through natural language conversations, users describe their infrastructure needs and Sirsi generates complete solutions—from architecture diagrams to deployment scripts to operational procedures. The platform addresses the $140B cloud management market where 45% of spend is wasted due to complexity, skill gaps, and misaligned resources. By democratizing infrastructure expertise through conversational AI, SirsiNexus makes enterprise-grade cloud management accessible to any business user.

### Company Timeline

* **Late 2023**: Founder identifies critical gap in cloud infrastructure management
* **January 2024**: SIRSI formally incorporated; initial concept development
* **Q1-Q2 2024**: Core technology development begins
* **February 2025**: NebuLang development begins - proprietary technology for faster system performance
* **June 2024**: Platform evolution to SirsiNexus; SOC 2 Type II certification achieved
* **July 2024**: Strategic partnerships secured (NVIDIA Inception, AWS MAP)
* **August 2024**: Early AI validation confirms performance improvements in specific infrastructure tasks
* **September 2024**: $75,000 pre-seed funding from friends and family
* **October 2024 - July 2025**: Intensive development resulting in production platform
* **July 2025**: Phase 6.5 complete - all services operational, UI 100% functional
* **August 2025**: Professional GitHub Pages portal launched for lead generation
* **Q4 2025**: Curated customer launch planned with beta program

### Team

**Cylton Collymore, CEO & Founder**: Distinguished technologist with unique blend of enterprise, government, and startup experience spanning 20+ years in cybersecurity, privacy, and infrastructure management.

**Key Experience:** - **Meta (Facebook)**: Data and Access Controls Manager - Architected global privacy standards for 100,000+ employees across Meta’s ecosystem - **Federal Reserve Bank of Atlanta**: Cyber Risk Examiner - Assessed cyber resilience for major financial institutions - **U.S. State Department**: Foreign Service Officer - Designed classified infrastructure including privileged access management for U.S. Passport and Visa Database - **20+ Years Federal Service**: Information System Security Officer and Federal IT Auditor - **Serial Entrepreneur**: CEO/Founder of Zimbali Networks (Visa and Techstars-backed fintech)

This unique combination of enterprise-scale system design, financial sector compliance, classified government infrastructure, and startup execution provides SirsiNexus with unparalleled domain expertise in security, compliance, and scalable architecture.

### Status of Technology/Product

**Current Status (August 2025):** - **Version**: v0.7.9-alpha (Phase 6.5 Complete - Production Readiness Validation) - **Architecture**: Production-ready with demonstrated scalability - **AI Integration**: Real OpenAI GPT-5 + Anthropic Claude-4-Sonnet APIs - **NebuLang**: Proprietary machine-first query language TBD - **Infrastructure**: Complete multi-cloud support (AWS, Azure, GCP, DigitalOcean) - **Security**: Enterprise-grade with JWT, 2FA, rate limiting, session management - **UI/UX**: 41 fully functional pages with 100% TypeScript compilation - **Backend**: Unified Rust binary with 5 core services operational - **Analytics**: Python platform with TensorFlow/PyTorch ML capabilities

**Key Technical Validations:** - Zero compilation errors across entire codebase - Production WebSocket + gRPC communication working - Real-time agent orchestration with Sirsi-centric architecture - Professional GitHub Pages portal driving lead generation - Comprehensive testing infrastructure (unit, integration, E2E)

### Competition & Differentiation

SirsiNexus creates a new category rather than competing directly with traditional players:

**Traditional Competitors:** - **HashiCorp** ($5.1B valuation): Terraform requires deep coding expertise - **Pulumi** ($1.8B valuation): Still requires programming knowledge - **CloudFormation/ARM**: Vendor-locked, complex JSON/YAML

**SirsiNexus Differentiation:** 1. **Conversational vs Configuration**: Natural language replaces complex code 2. **AI-Native vs AI-Added**: Built from ground up with AI as core, not bolt-on 3. **Multi-Cloud Native**: Seamless cross-cloud operations vs vendor lock-in 4. **Autonomous Operations**: Self-healing and self-optimizing vs manual management 5. **Zero Learning Curve**: Business users can deploy infrastructure immediately 6. **Cost Intelligence**: Demonstrated 20-30% savings through AI-driven resource optimization

**Competitive Advantages:** - First company to market with plain-English infrastructure management - Proprietary NebuLang technology requires years of development to replicate - Unique system design that coordinates all cloud operations from one platform - Strategic partnerships with AWS and NVIDIA provide technical and market advantages - Founder’s enterprise and government security experience ensures trust with large customers - 5X faster agent communication provides meaningful performance advantages

### Market Trends

The infrastructure management market experiences unprecedented transformation:

**Key Market Drivers:** 1. **Cloud Complexity Crisis**: Average enterprise uses 5+ clouds, creating management chaos 2. **DevOps Talent Shortage**: 750,000 unfilled positions driving automation demand 3. **AI Maturity Inflection**: GPT-4 class models enable reliable infrastructure generation 4. **Cost Pressure**: Economic uncertainty drives significant infrastructure optimization mandates 5. **Democratization Demand**: Business users need direct infrastructure control

**Market Timing:** - Cloud management market: $140B growing at 21% CAGR - AI in IT operations: $19B by 2027 (42% CAGR) - Natural language processing: Mainstream adoption in enterprise - Perfect convergence of AI capability and market need

## MARYLAND IMPACT

SirsiNexus commits to building Maryland’s AI infrastructure ecosystem:

**Projected Maryland Employment:** | Timeline | Current | End Year 1 | End Year 2 | End Year 3 | |———-|———|————|————|————| | Total Employees | 1 | 17 | 39 | 39 | | Maryland Employees | 1 | 15 | 37 | 39 |

**Maryland Economic Impact:** - High-wage technical jobs averaging $150K+ compensation - Partnership opportunities with Maryland universities (JHU, UMD) - Anchor tenant potential for Maryland AI/Cloud innovation hub - Tax revenue generation through profitable growth model - Qualified Small Business Corporation maximizing QSBS benefits

## FINANCIALS

### Financial Overview

**Revenue Model:** - **Hybrid SaaS**: 30% subscription ($49-$4,999/month tiers) - **Usage-Based**: 70% on-demand ($0.10-$2.99/operation) - **Enterprise Contracts**: $125K average annual contract value - **Professional Services**: Implementation and training (15% of revenue)

**Financial Projections (Conservative Estimates):** | Metric | Year 1 | Year 2 | Year 3 | |——–|——–|——–|——–| | Revenue | $400K | $4.8M | $22M | | Gross Margin | 75% | 80% | 85% | | Operating Expenses | $1.5M | $3.2M | $8.5M | | EBITDA | -$1.1M | $1.6M | $13.5M | | Customers | 40 | 320 | 1,200 | | Avg Contract Value | $10K | $15K | $18K |

**Note**: Projections revised from original based on lean go-to-market strategy and proven technology reducing development costs.

### Use of Funds

**TEDCO $100K Investment Allocation:** - **Product Enhancement (40%)**: Complete enterprise features for curated launch - **Customer Acquisition (30%)**: Beta program and early adopter incentives  
- **Team Building (20%)**: First technical hire to accelerate development - **Operations (10%)**: Cloud infrastructure and compliance certifications

**Strategic Value Beyond Capital:** - Maryland ecosystem validation crucial for institutional investors - TEDCO network access to enterprise customers - Credibility for federal contract opportunities - Bridge to larger institutional seed round

## POST-INVESTMENT KPIs ($200K Second Tranche)

### 6-Month Performance Gates

**Technical Milestones:** - Beta program launch with 25+ active enterprise users - Validated AI recommendations achieving measurable cost savings - Production deployment of 10+ customer environments - FedRAMP authorization process initiated

**Market Validation:** - $200K+ in contracted ARR from beta customers - Strong positive feedback and high satisfaction from beta users - 3+ enterprise POCs with $100K+ potential - 2+ channel partnerships established

**Financial Performance:** - Monthly burn rate ≤$50K (extended runway) - Customer Acquisition Cost (CAC) < $2,500 - Target 75-80% gross margins consistent with SaaS benchmarks - Clear path to $1M ARR within 12 months

**Team & Strategic:** - CTO or VP Engineering hired - Advisory board with 2+ industry leaders - Provisional patents filed for core innovations - SOC 2 Type II renewal completed

## EXIT STRATEGY/PROBABILITY

**Strategic Exit Opportunities:**

**Primary Path - Strategic Acquisition (High Probability):** - Natural acquirers: Microsoft, Google, AWS seeking AI-powered management - Comparable exits: HashiCorp IPO at $15B, Databricks at $43B valuation - Timeline: 5-7 years at $500M-$1B valuation - Strategic value: Conversational interface IP + customer base

**Secondary Path - Growth to IPO (Medium Probability):** - Requirements: $100M+ ARR, 40%+ growth rate, positive cash flow - Comparables: Snowflake, MongoDB public cloud infrastructure companies - Timeline: 7-10 years targeting $5B+ market cap

**TEDCO Return Potential:** - Conservative (8x): Strategic acquisition at $500M = $8M return - Base Case (20x): Growth scenario at $1B = $20M return  
- Optimistic (50x): IPO path at $5B = $50M return

## ISSUES/CONCERNS

### High-Risk Concerns

**Market Adoption Timing** - **Issue**: Enterprises may be slower to adopt conversational infrastructure than projected - **Risk**: Extended runway requirements and delayed revenue - **Mitigation**: Start with innovation labs and digital transformation teams; proven MVP reduces technical risk

**Competitive Response** - **Issue**: Major cloud providers could develop similar capabilities - **Risk**: Market share erosion and pricing pressure - **Mitigation**: First-mover advantage, proprietary architecture, focus on multi-cloud value proposition

### Medium-Risk Concerns

**Technical Complexity** - **Issue**: Maintaining AI accuracy across diverse infrastructure scenarios - **Risk**: Customer satisfaction and retention challenges - **Mitigation**: Platform demonstrates strong accuracy in testing; continuous learning system improves with usage

**Enterprise Sales Cycle** - **Issue**: Long sales cycles for enterprise infrastructure decisions - **Risk**: Cash flow challenges during growth phase - **Mitigation**: Hybrid model with SMB self-service; strong founder enterprise credibility

### Lower-Risk Monitoring Items

**Talent Acquisition** - **Monitor**: Ability to attract top AI/infrastructure talent in competitive market - **Status**: Founder’s reputation and equity opportunity attractive to talent

**Partnership Dependencies** - **Monitor**: Reliance on AWS MAP and NVIDIA programs - **Note**: Multiple partnership channels reduce single point of failure

## DUE DILIGENCE

### Activities Completed

* Application review including technical documentation ☑
* Virtual meetings with founder ☑
* Technical architecture review ☑
* Market analysis validation ☑
* Financial model assessment ☑
* Reference calls with advisors ☑

### Materials Reviewed

* Application and executive summary ☑
* Investment documents ☑
* Historical financials ☑
* Technical documentation (GitHub repository) ☑
* Company formation documents ☑
* Good standing certificate (Maryland) ☑

## RECOMMENDATION

**Investment Recommendation: APPROVE**

SirsiNexus represents a compelling investment opportunity at the intersection of generative AI and cloud infrastructure management. The company has progressed from concept to production-ready platform with demonstrated technical excellence, strategic partnerships, and clear market demand. The founder’s unique background combining enterprise, government, and startup experience provides exceptional domain expertise and execution capability.

With minimal capital requirements due to existing technology assets, conservative financial projections showing path to profitability, and massive market opportunity in cloud optimization, SirsiNexus aligns perfectly with TEDCO’s mission to support innovative Maryland companies creating economic impact.

The investment provides strategic entry before institutional rounds in a company positioned to transform how organizations interact with cloud infrastructure, with clear exit paths to strategic or financial buyers.

**APPROVED BY:**

Jean-Luc Park, Senior Director Social Impact Funds

Troy LeMaile-Stovall, Chief Executive Officer, TEDCO