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Tanium Was Once Security's Hottest Startup. Now, It's Back Talking A Big Game.

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Tanium founders Orion and David Hindawi have handed the reins to U.S. Army and software veteran Dan Streetman.

When the inaugural Forbes Cloud 100 list launched in 2016, Tanium was flying high. Valued at $3.5 billion — enough to make its father-and-son founding duo billionaires — the newly-minted unicorn was arguably the world's hottest cybersecurity startup. Orion Hindawi, succeeding his father David as CEO, was making lofty claims to match. Tanium was too important to even call a cybersecurity startup, he told Forbes that fall. The company could go public as soon as 2017.

Tanium didn't go public that year, or the next. Instead, it suffered what looked like an exodus of talent: Nine senior executives quit in the span of eight months, jumping ship due to what Bloomberg reported in a devastating article was Orion's "bullying management style." (Hindawi continues to dispute that account, including the cause of departures.)

In 2021, when Hindawi announced a new chief financial officer, IPO hopes revived. Instead, it was younger security shop CrowdStrike that went public in 2019 and saw shares soar, reaching a market cap of $95 billion before a recent global outage slashed it by 40%. Cloud security upstart Wiz, meanwhile, raced to a $12 billion valuation in just four years of operation.

But at Tanium, there is no panic. Last year, the younger Hindawi, more press shy these days, stepped down in favor of Dan Streetman, a U.S. Army veteran and seasoned software executive who most recently guided private equity-owned TIBCO to a merger with Citrix. Now valued at $9 billion, Tanium's a much mature business these days: annual recurring revenue has passed $700 million with free cash flow margins north of 10%, making it profitable on an EBITDA basis; its newer cloud business (versus software hosted

on-premise) accounts for nearly half of that, $300 million in annual recurring revenue, growing 40% year over year. Seven of the 10 biggest U.S. retailers use Tanium's security software, and eight of the 10 biggest commercial banks. Recently signed customers include AstraZeneca, Barclays and the State of Arizona. Overall, Tanium's software currently helps secure 32 million employee devices.

On a Cloud 100 list of the best private cloud companies now crowded with artificial intelligence breakouts like OpenAI, Anthropic and Scale AI, that's still only enough to place Tanium at No. 20 on this year's ranking. But it's enough to have Hindawi talking again — even if now, it's Streetman calling the shots, and he's much more demure about an IPO.

Speaking in a rare interview, Hindawi told Forbes that he realized over the years that if anyone is to take Tanium to that milestone, it'd be best if it wasn't him. "I had a lot of friends who had just taken their companies public or that were considering it," he said of his last years in charge. "It's interesting: after one glass of wine, they'd tell you it was the best decision they ever made. After five more glasses, they'd be crying on the table, because it really is a very frustrating process."

A former U.S Army Rangers-certified paratrooper who has worked under software billionaires Tom Siebel and Marc Benioff, Streetman doesn't seem likely to sob into his glass. Even as some industry experts look to early 2025 for another tech IPO wave (one hopeful sign: last week, AI chipmaker Cerebras Systems announced it had confidentially filed), Streetman won't get caught making any promises, either.

"We feel very comfortable as a private company. We are able to control our destiny and look to when the right time would be," Tanium's CEO said. "It's not top of mind for us. Our top-of-mind right now is customers."

ounded in 2007, Tanium was the third startup launched by David Hindawi, who was born in Iraq and grew up in Israel before earning a Ph.D. at University of California at Berkeley. Tanium was his second venture with son Orion, who had dropped out of Berkeley as an undergraduate to work on his father's previous company, endpoint security company BigFix. That business had reached dotcom era traction before floundering in the crash. Investors removed the elder Hindawi from the top job in 2002, per reports at the time. (Orion Hindawi disputed that account, saying his father mutually agreed to step down and helped

select his replacement.) BigFix sold to IBM at a markup of $400 million eight years later in 2010.

The Hindawis were long gone by that time, working on a would-be BigFix killer: Tanium. The new company's focus was still on securing endpoints, the devices connecting to a company's data stored in its network. But this time, it did so using an emerging technology — the cloud. Cloud computing was faster and more scalable than on-premise servers, but carried new risks. "Most of our customers had no idea how many computers they had before we got there," Orion Hindawi told Forbes in a 2015 profile. "If they can't answer that basic question, how are they supposed to answer what's running or where their users are or where their data is?"

Their BigFix experience made the Hindawis initially distrustful of venture capital, but they took funding in a $90 million round led by a16z, the venture capital firm of Marc Andreessen and Ben Horowitz in 2013, after the firm connected them to a number of government leads. Tanium has since gone on to raise about $1.1 billion from investors, but this time, the Hindawis retained significant corporate control: Forbes estimates that each retains over 10% of the company today, with additional voting rights.

But despite Hindawi declaring in October 2016 that Tanium would go public "in the next 18 months" as revenue was on pace to reach $270 million in annual revenue for the following year, it didn't happen. The company did speak to bankers as promised, receiving at least six acquisition bids in subsequent years, along with some 30 offers to go public through a blank check vehicle amid the SPAC boom of 2020. Ultimately, complaints from public CEO peers, at least in part, gave him cold feet.

Then there was that 2017 story about Hindawi's management style. The younger Hindawi has previously denied the reporting on "Orion's List," a catalog of employees he allegedly ordered to be terminated shortly before their stock options were due to vest. Asked by Forbes about other allegations, among them claims that he alienated staff, Hindawi replied that as CEO of a fast-growing company like Tanium, "It was very difficult to be the calmest, most rational person 100% of the time."

"If you think about our mission statement, it's to protect huge companies from nation states that are attacking them and help them operate in these incredibly difficult to operate environments," he added. "This is not sharing pictures of cats. It's not a low-stress thing."

Tanium reviewed human resource processes but did not lose "a single employee" in the months following the report, Hindawi said. And while it led Hindawi to withdraw somewhat from marketing his business to the press, he also learned in the process. "Being in the public eye is a blessing and a curse, and I think it really got me to understand that."

When Streetman emerged from more than 150 interview candidates to serve as Tanium's first CEO outside the Hindawi family in February 2023, he inherited a business that had already regained its swagger.

A customer darling in its early years, Tanium had "fallen off the map a little bit" in the last years of the 2010s, said Forrester analyst Andrew Hewitt. While Microsoft's endpoint security product, a convenient add-on for big businesses working with the maker of the Office (now 365) work software suite, was gobbling up market share, a number of other startups specializing in one slice of cybersecurity — like CrowdStrike, which originally helped businesses spot data breaches in the cloud — were also taking off.

Tanium, meanwhile, offered a bundle of different features in a suite at a time when point solutions were en vogue. For corporations with data and risks siloed away from each other, getting everyone to adopt Tanium created extra work. "There's a cultural change that comes with deploying something like Tanium," said Hewitt. Among Cloud 100 security peers founded after Tanium, Okta went public in 2017; CrowdStrike and Cloudflare in 2019; and Darktrace in 2021. Others, like Auth0 and Cylance, were acquired.

Then the pandemic lockdown sent workers home in 2020. For many large corporations, moving operations online required a "digital transformation" that opened up more risk vectors; then there was the influx of employees working remotely on a variety of devices. Suddenly, Tanium's "single pane of glass" pitch as a one-stop security shop for IT departments sold itself.

In December 2020, Tanium announced it was moving its headquarters to the Seattle area (leadership remain in the Bay Area); the following year, Hindawi's CFO hire revived internal hopes of an IPO, although those had subsided by the fall as more employees left, according to a Business Insider report that Hindawi also disputes.

By 2022, Tanium was catching eyes down the road in Redmond, where Microsoft's large security and cloud teams tapped Tanium as a go-to market partner. One mutual customer that appreciated that pairing is real estate giant JLL, which first started working with Tanium that same year. By combining Microsoft's Defender endpoint solution with Tanium's security software, JLL was able to drop CrowdStrike, said Dane Thomas, head of global security engineering. Today, JLL uses some, but not all, of Tanium's features across its 65,000 endpoint devices, with its combined Tanium and Microsoft spend saving it $5 million in annual costs, Thomas added.

CrowdStrike — recently staggered by a July outage that hammered its stock and has led it to publicly feud with customers like Delta Airlines — had once hoped to come after Tanium on its own turf. That looks a taller order now.

Instead, it's Tanium that is pressing its market advantage today. Streetman, who disagreed that Tanium had ever needed to regain momentum — "this is not a dramatic turnaround story," he told Forbes — is now turning to artificial intelligence as the company's next boost.

Recently, Tanium launched AI-powered autonomous endpoint management software that can automatically resolve issues by patching and configuring software on behalf of customers. The software, part of the company's core platform, is intended to make Tanium's centralized view of a business's operations even more "converged," Streetman said, without humans fully handing over the keys. "No one wants to turn everything over to an autonomous system yet," Streetman said. "But we can give you operational impact and security benefit that no other system can."

Meeting with customers in his new role as executive chairman, Hindawi said AI is opening up new possibilities, and risks to address, that bring him closer to solving the customer problems that he and his father set out to solve two decades ago. "These are really fun problems to work on now," said Hindawi.

He hasn't given up on his IPO dreams — even if that's now Streetman's nut to crack. "I don't think it's going to happen in the next three months, but I think it's something that is on the radar, and that Dan is going to make the decision on," Hindawi said. "I think Tanium does deserve to be public."