Palantir

Testimony from Dr. Alexander Karp
Co-Founder and CEO, Palantir Technologies
Senate Committee on Homeland Security and Governmental Affairs
Subcommittee on Federal Financial Management, Government Information, Federal Services, and International Security
August 3, 2010

Good afternoon. I would like to begin by thanking Chairman Carper for including Palantir in this hearing, and commending him on the outstanding work he has done in this field. I would also like to thank Ranking Member McCain and the Committee for the opportunity to discuss these critical issues that affect all of us. We are delighted to play a part in your efforts.

Likewise, we are honored to support Chairman Earl Devaney and the Recovery Accountability and Transparency Board in their mission to establish a new model of excellence in the fight against fraud, waste and abuse affecting government. Chairman Devaney's years of experience in the field and tenacity in implementing the most advanced and aggressive program to fight fraud, waste and abuse continue to benefit government. While our technology has supported this vision, the success that the RATB has enjoyed would not have been possible without Chairman Devaney's vision, expertise and guidance. Chairman Devaney formed this agency with extremely modest resources. Nevertheless, its impact has been transformational.

It is also a pleasure to join Daniel Werfel and the other distinguished members of this panel.

Palantir was founded in 2004 by key PayPal employees along with Stanford University computer scientists. I am a co-founder and Chief Executive Officer. We started Palantir with the goal of addressing the most complex information analysis, security and oversight challenges faced by the intelligence, military, law enforcement and regulatory communities. Our software is based on a simple idea: that the human mind is the most effective tool to discern meaning from information, while computers are the most effective tool to manage enormous amounts of data. By creating the optimal intersection of the irreplaceable human intellect and the computing powers of the most advanced analytical software platform in existence, Palantir revolutionizes an analyst's ability to perform data analysis at massive scale. Palantir empowers analysts to easily ask questions of large and disparate data sets, to understand micro and macro patterns in temporal and geospatial arrays, and to communicate relevant findings using secure enterprise collaboration tools.

Palantir is the first true enterprise-grade platform for the prevention, detection and investigation of financial malfeasance (as seen at the Recovery Board), fusing the four essential analytic requirements: data integration, intuitive search and discovery, knowledge management and secure collaboration. A productized, out-of-the-box solution, Palantir was designed from the ground up to enable real-time analysis

and collaboration across organizations while enforcing privacy and civil liberties restrictions. Our platform accomplishes this by seamlessly integrating everything from excel spreadsheets to news articles to emails while simultaneously tracking the lineage and pedigree of all information that enters the system. This unique capability allows users to perform sophisticated analysis of all their data in a unified environment, subject to fine-grained and highly configurable access controls.

While many assume that Palantir's beginnings were in the intelligence and defense industries, the truth is that the idea for our software was developed in the fight against consumer fraud at PayPal. Under constant attack from organized crime, PayPal was forced to confront the task of policing an entirely electronic transactional environment without alienating legitimate customers. Sparse demographic data, limited transaction histories, and the high cost of false attribution were just a few of the challenges to effective regulation. Because existing statistical and algorithmic tools had failed, PayPal ultimately turned to human analysts, developing technology around their most meaningful discoveries, rather than the raw data. The intuitive analytical tools that eventually became the Palantir platform were a direct outgrowth of this effort. In this sense, Palantir has been focused on financial regulation and oversight even longer than the intelligence and defense applications.

Like many of the distinguished members the Subcommittee, we are not only passionate about upholding civil liberties, but also recognize that such protections do not compromise, but in fact strengthen, our national security. At first glance, this may appear to be a contradiction in terms, but as I will explain shortly, the mechanisms by which we enforce both security and civil liberties are not only complementary, but also highly interdependent.

Palantir's technical approach to civil liberties derives from the principle that different data inherently carry different privacy and access requirements. Hence, civil liberties protection and secure information sharing are in fact the same challenge viewed from different angles. Palantir answers this challenge by enabling fine-grained control of the means by which information is ingested, modified, and disseminated with respect to all appropriate restrictions. These restrictions may concern personally identifiable information, medical and financial records, data collected by law enforcement agencies, and other sensitive items.

Palantir enables this protective schema through its Object Model and Revisioning Database. The Object Model dictates how data are transformed into graphical objects and their components (including properties, notation, media, and links). The Revisioning Database, in turn, tracks and attributes all manipulations of objects and their underlying data sources, providing a tamper-free audit trail of analyst activity. Because all access permissions, including civil liberties protections, are assigned at the data source level, rather than the graphical level, analysts can only interact with data in the manner prescribed. This highly configurable control framework means that Palantir treats civil liberties compliance as a firm prerequisite, not an enhancement that can be discarded for convenience.

As our software is adopted more broadly, our responsibility to the common good grows. At Palantir, this means creating technology that reflects our commitment to protecting privacy and civil liberties. This

pledge has remained a guiding principle since the company's inception, and is reflected in our leadership, our technologists, and our advisory board. Putting our values to work, we voluntarily developed, from the ground up, a rigorous new technical framework to: protect privacy and civil liberties; empower policymakers and administrators to enforce legal, regulatory, and policy requirements; and, equally important, ensure that the implementation of all requirements is fulfilled.

As the Co-founder and CEO of Palantir Technologies, I am proud that our company works with a sense of excitement and purpose, believing that we have created a product that will help analysts take quantum leaps in their ability to achieve mission success and do their best for our country.

Thank you again for the opportunity to join you all here today, and for the opportunity to contribute to this vitally important mission.