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In-Q-Tel: The CIA's Investment Firm

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In-Q-Tel (IQT) is a legally independent, investment capital nonprofit organisation that was conceptualised and chartered by the CIA, with which it still has contracts. IQT invests in startup companies worldwide that develop technology that is considered advantageous to the US intelligence community's mission. Since the advent of In-Q-Tel, other entities, like the U.S. Army, have followed suit and created investment companies that straddle the public-private sector divide.

Images Sourced From: [IQT](#)

1 Motto, Symbols, and History of IQT

1.1 Mission

The mission of In-Q-Tel is

“to be the premier partner trusted to identify, evaluate, and leverage emerging commercial technologies for the U.S. national security community and America's allies.”

[[source](#)]

1.2 Logo





Source: Wikipedia

1.3 History

The origins of the venture capitalist firm lie in the CIA's broad discretionary spending powers, as established by the Central Intelligence Agency Act of 1949, just two years after that Agency's founding.

The CIA established In-Q-Tel in 1999. Norman Augustine, former CEO of Lockheed Martin, served as In-Q-Tel's first leader. One of the reasons IQT was founded is that the CIA felt that it would keep up with emerging technologies more effectively if it outsourced some of its research and development. Although the organisation was originally US focused, it has expanded its scope of investment internationally. It focuses on connecting the intelligence and defense communities to the private sector where R&D is occurring naturally.

[[source](#), [source](#)]

1.4 Similar organizations

Since the advent of In-Q-Tel, different organizations have taken inspiration and begun their own investment firms. For example, The U.S. Army started its own venture initiative called OnPoint Technologies in 2002. NASA charted Red Planet Capital which also invests in up and coming technologies.

[[source](#), [source](#), [source](#), [source](#), [source](#)]

2 In-Q-Tel as an Organisation

2.1 Business Structure

Although In-Q-Tel is a legally independent company, it is directly funded by the CIA's budget for the Directorate of Science and Technology. IQT is given a yearly budget with which they can make equity investments in private sector firms. The IQT Interface Center (QIC) works to bridge the gap between the CIA and IQT. QIC communicates needs or problems to IQT, which then leverages its place in the private sector to try to find solutions.

IQT typically makes between twelve and fifteen yearly investments, ranging in value from half a million to three million US dollars. In-Q-Tel, like many investment firms, functions as a board observer in the companies in which it invests. This allows IQT to have direct access to information about the company and the products they are investing in. In-Q-Tel also retains the right to pull out of investments. As a nonprofit organization, any incidental gains are directed back into IQT operations.

In-Q-Tel has a presence in Singapore, London, Sydney, and Munich. These offices allow the organisation to invest in companies on the ground outside of the US, as well as collaborate with the intelligence communities of these countries. These offices benefit both U.S. interests and those of allied partners.

[[source](#), [source](#)]

2.2 Key Figures

Steve Bowsher: Became Chief Executive Officer (CEO) of In-Q-Tel in 2023. He is in charge of implementing IQT's mission. He previously served as the Executive Vice President and Managing General Partner

at IQT. Bowsher graduated from Harvard and received his masters degree from Stanford.

Matt Strottman: Serves as Chief Operating Officer (COO) and oversees investment and portfolio analysis.

[[source](#), [source](#)]

2.3 Recruitment

Methods

In-Q-Tel runs recruitment through its official website. Individuals can apply to its job postings to begin their hiring process.

[[source](#), [source](#)]

Requirements

In-Q-Tel is looking for individuals who fit with their core values: service, leadership, forward thinking, integrity, inclusivity, trust, and investment in people. IQT has special restrictions concerning independent contractors, individuals restricted from working on CIA contracts, and individuals who have worked in QIC within twelve months of their application date.

Depending on the job posting, American citizenship may be required.

[[source](#), [source](#)]

2.4 Connections to other important organisations

Many of In-Q-Tel's partners are governments and government entities. These include the FBI, U.S. Cyber Command, the UK's intelligence community, and Australia's intelligence community. The international nature of IQT's investment allows it to collaborate with American allies.

Some observers confuse In-Q-Tel with [The Intelligence Advanced](#)

[Research Projects Activity \(IARPA\)](#). IARPA is a research organisation under the US Office of the Director of National Intelligence that, like In-Q-Tel, works to service US intelligence community requirements, but from within the government framework.

[[source](#), [source](#), [source](#), [source](#), [source](#)]

2.5 Investments

IQT has a wide public investment portfolio, ranging from AI and cyber to hardware technology. Some notable recipients of In-Q-Tel investments include Acalvio, which focuses on protection against AI threats, Q-CTRL, which focuses on quantum energy infrastructure, and Lucidworks, which also works in the AI sector. IQT also invested in Keyhole, which later became Google Earth.

With each investment, IQT becomes a board observer and receives an equity stake. Due to this, IQT is in a uniquely informed position when it comes to startups and investing. In 2016, several of IQT's eleven trustees had demonstrated financial ties with certain startups, which has raised concerns of a conflict of interest within the company.

[[source](#), [source](#), [source](#), [source](#), [source](#)]

3 The Future

As long as there is a need for technological innovation within the intelligence community, In-Q-Tel will have a place in the CIA's budget. In-Q-Tel is a dynamic asset that allows the CIA to tap into new technology without the frame of government investment. This firm also acts as a non-profit, which makes it easier for it to invest in a variety of firms worldwide. It has a history of successful investments, which has helped to define its role within the investment, R&D, and intelligence

communities.

Despite In-Q-Tel's critical role, there are certain factors that may impact its work in the future. For example, different US administrations will have differing opinions about budget allocations. This could impact the amount of money that the CIA is able to bestow upon In-Q-Tel. John Ratcliffe, who was sworn in as the Director of the CIA in 2025, believes that AI and quantum are critical for national security. These are two areas that IQT is very involved with. Furthermore, In-Q-Tel boasts a strong asset pool, which most likely will allow it to survive small gaps in funding without a significant disruption to its work.

[[source](#), [source](#), [source](#)]

4 Conclusion

In-Q-Tel is an investment nonprofit meant to connect the private sector with the intelligence community of the United States. It invests in private firms that are competing for research and development in areas of interest to the United States. Although it receives funding from the CIA, it is technically an independent actor. In-Q-Tel invests internationally and its interests span a variety of fields. IQT's investments are not solely focused on investments in companies that can serve public sector interests or that only have products with intelligence applications; it recognizes the need to invest in companies and technology that will also be competitive in the private sphere in some way.

5 Frequently Asked Questions (FAQ)

What does In-Q-Tel stand for?

In-Q-Tel is named after the character "Q" in James Bond. Q is in charge of all of Bond's technological needs.

[\[source\]](#)

Does the CIA have a hedge fund?

No, the CIA does not have a hedge fund. In-Q-Tel is a legal nonprofit organization independent from the CIA, though it does receive financial backing from them. IQT is also not a hedge fund, rather it is an investment firm.

[\[source\]](#)

Is In-Q-Tel a government entity?

In-Q-Tel is a nonprofit organization. It is not a government entity and it also not a part of the CIA.

[\[source\]](#)

Who funds In-Q-Tel?

In-Q-Tel is funded by the CIA and, thus, is funded by US taxpayers.

[\[source\]](#)

How big is the In-Q-Tel fund?

The exact value of the In-Q-Tel fund varies from year to year based on the budget that the CIA is able to allocate and by any incidental profits made by the company throughout the year. That said, since 2011, IQT has received over \$1.2 billion for their operations. In 2024, In-Q-Tel's assets were valued at over \$1 billion.

[\[source\]](#), [source](#)