

MICHAEL COATES

Founding Partner
Seven Hill Ventures



Active Portfolio (since inception): 18

Distributions to Paid-In (DPI): 2.36

Total Value to Paid-In Capital (TVPI): 3.78

PROFILES IN Confidence

FROM THE FRONTLINES TO THE FOUNDER'S CHAIR

Michael Coates has spent his career leading from the front, a large milestone was serving as Twitter's inaugural Chief Information Security Officer. "It was fascinating," he says of his Twitter tenure. "Blazing the trail of what that means in a company, why they have me there, what the role needs to accomplish was really rewarding."

But Coates wasn't content with corporate comfort. "I left to start my own company. I co-founded Altitude Networks, focused on data security and cloud collaboration platforms like Microsoft 365 and Google Workspace. It was born out of a need I felt as a CISO and I found that nobody had built a solution yet."

Like many in the Bay Area, he leaned into entrepreneurship. "The natural thing to do in San Francisco is quit your job and form a company." Altitude's product gained traction across industries and eventually exited through acquisition, where Coates stayed on for three years, wearing multiple hats. "I worked as Chief Information Security Officer, VP of Engineering, COO. I've found that if there are problems, I charge towards them myself."

Parallel to building companies, Coates ran a side investment fund, backing early-stage cybersecurity organizations. "I wrote large checks for companies founded by people in my network," he says. "I had a great network and an eye for what cybersecurity products the market needs."

His track record speaks volumes. One early investment was acquired by Palo Alto Networks for \$300 million in just four years. "Of my small portfolio, I had a large number of markups."

Today, Coates is all in. He's launched Seven Hill Ventures, a full-time venture fund investing exclusively in early-stage cybersecurity companies in the U.S. and Israel. "To invest at the very beginning in cybersecurity, a highly technical field, you have to know it inside and out," he says. "You have to understand the technology, the buyer, the priorities, what a good founder is. And the number of people that have the background to do that are pretty small."

LEADING FROM THE TRENCHES

Leadership, for Michael, is rooted in visibility and trust. "The leaders I admired most were the ones who weren't afraid to be in the trenches," he said. "They understood what was really happening on the ground and weren't sitting in an ivory tower making decisions in a vacuum."

That ethos shapes how he builds teams and mentors others. Whether helping startups shape their first security strategy or advising enterprise CISOs, his guidance is laced with pragmatism, not panic.

BUILDING FOR TRUST

While many investors focus on market opportunity or disruptive technology, Michael zeroes in on something more foundational, trust. In cybersecurity, it's not a bonus. It's the barrier to entry.

"My role is to maximize return, fundamentally," Coates explains. "To do that, I help align founders to what helps their company grow. And at the earliest stages, the most important things are velocity on a problem that matters." That means finding real pain points and building solutions that directly serve the buyer's needs, not abstract use cases or theoretical advantages.

For security startups, those buyers are often other CISOs, some of the most discerning and skeptical customers in any

industry. “You’re not just selling to a business,” Michael says. “You’re selling to people whose job is literally to not trust you.”

That’s why Michael pushes founders to reduce friction wherever possible. “A lot of my early-stage guidance is about removing unnecessary barriers for customers. For example, I always recommend pursuing a SOC 2 certification early, not because it makes you secure overnight, but because it shows your buyer you take trust seriously.”

He adds that timing matters: “It’s a cheat code. If you do it when you’re four people, it’s a lot easier than when you’re 40. Building those practices early creates muscle memory. And when a buyer asks for your SOC 2 report, you don’t have to say, ‘We’re working on it.’ You have it.”

Beyond certifications, Michael stresses the importance of how startups present their products. “Buyers expect a certain baseline of security capabilities now, things like SAML integration, two-factor authentication, and role-based access controls. These aren’t ‘premium features’ anymore. If you charge extra for basic identity controls, you’re signaling to your buyer that you don’t understand them.”

Michael considers this part of a broader conversation around product-led security. “You don’t need to be a 100-person company to get this right. Even a seed-stage team can build thoughtful security into the product experience. That’s what builds trust, and trust is what closes deals.”

This mindset shapes how he evaluates founders, too. “I gravitate toward technical founders who’ve felt the pain firsthand. That’s the DNA you want. They’re not just chasing a market, they’re solving a real problem in a way that’s usable and scalable.”

In a space crowded with acronyms and buzzwords, Michael sees simplicity and transparency as differentiators. “Too many companies try to mask immaturity with language. But smart buyers see through that. Just be honest about what your product does, what it protects, and how you’ll grow.”

Ultimately, Michael believes that early-stage security decisions, when made intentionally, aren’t just technical. They’re strategic. “Security can be a lever for growth if you do it right. It’s not just about mitigating risk. It’s about creating confidence in your product, your team, and your future.”

THE SECURITY FOUNDER’S MINDSET

Co-founding Altitude Networks was a major inflection point. It wasn’t just about building a tool to solve a problem, it was about designing a solution that users could understand, deploy, and trust. “As a founder, you don’t just wear the

product hat. You’re wearing the marketing hat, the sales hat, the trust hat,” Michael explained. That multifaceted experience shapes how he advises other founders today.

He’s candid about the pressures that come with building in security, especially when selling to other CISOs. “Security buyers are inherently skeptical. If you don’t have your own house in order with secure coding practices, clear messaging, solid customer support, they’ll see right through you.”

MENTORSHIP, MOTIVATION, AND MAKING A DIFFERENCE

For Michael, cybersecurity is more than a job, it’s a mission. He’s especially passionate about mentoring the next generation of security professionals, encouraging them to stay curious and resist the urge to chase flashy titles. “If you focus on learning and growth, the opportunities will come,” he advises.

He also encourages others to embrace failure as part of the process. “I’ve had projects that didn’t work out. I’ve made decisions that, in hindsight, weren’t ideal. But each one taught me something. That’s how you grow.”

Michael’s blend of technical depth, business acumen, and people-first leadership continues to influence the industry. Whether guiding a startup or advising a Fortune 500, his approach remains the same: “Security isn’t about saying no. It’s about finding a way to say yes, safely.”