

Data infrastructure startup Tobiko Data launches with \$21.8 million in funding

With thousands of open source users and a growing list of paying customers, the SQLMesh and SQLGlot creators also announce the release of their managed cloud service.

San Mateo, Calif., JUNE 5, 2024 — Data infrastructure startup [Tobiko Data](#) announced today that it has raised a \$4.5 million seed funding round from Unusual Ventures and a \$17.3 million Series A led by Theory Ventures with participation from 20Sales, Fivetran CEO George Fraser, Census CEO Boris Jabes, and MotherDuck CEO Jordan Tigani. Tomasz Tunguz, Founder of Theory Ventures, will join the Board as part of the investment. This brings the company's total funding raised to \$21.8 million.

Tobiko plans to use the funds to continue investing in its popular open source projects SQLMesh and SQLGlot, in addition to its managed cloud and enterprise version, available today. SQLMesh allows data scientists and analysts to build data pipelines in SQL (with less involvement from a data engineer), automating the manual toil that typically comes with wrangling data to build pipelines. SQLGlot, a key component of SQLMesh, is an open source SQL parser, transpiler, and translator that currently supports 24 different SQL dialects.

Tobiko's data transformation platform, built around SQLMesh, allows organizations to easily build efficient and scalable data pipelines. Data teams are shackled by the lack of scalability that comes with other transformation tools on the market, which still require too much manual work and compute inefficiently, making it expensive for teams to use their own data. Tobiko's approach ensures that companies don't waste unnecessary and costly compute cycles on the warehouse, which for "Internet scale" companies can take hours or even days. Tobiko's hosted and managed solution is rooted in a fundamental semantic understanding of SQL, meaning it only executes necessary downstream changes instead of completely rebuilding the warehouse. It also holds state, allowing for first-class incremental refreshes (because it knows where users left off), and powers virtual data environments so the system understands and remembers every version of every model, avoiding duplicative computation.

Tobiko was founded by brothers Tyson and Toby Mao, and Iaroslav Zeigerman, industry veterans who have led data initiatives at Airbnb, Netflix, and Apple. Toby was previously senior staff engineer at Airbnb, where he led XP and Minerva, Airbnb's metric platform; before that, he led the XP platform at Netflix, where he met Iaroslav, who was a senior software engineer on Netflix's data team. Most recently, Iaroslav led AI/ML data engineering at Apple.

"Data transformation as it exists today is fundamentally broken. Other transformation products today don't understand SQL; instead, they blindly execute scripts with no comprehension of the underlying changes," said Tyson Mao, CEO and co-founder. "Not to mention that a single change

in a query can affect billions of rows of data, and companies spend millions every year on unnecessary rebuilds of the warehouse when only a small precise change is needed. Tobiko eliminates redundant computations, which can become extremely costly.”

Leading cloud-based data integration platform Fivetran's analytics department has been running SQLMesh in an ongoing effort to improve their heavily-customized environment. "We've been using various tools to power our analytics and started building our own in-house features. When we came across SQLMesh, we realized it has the advanced features we need, but on steroids, and more. We love the product's innovative approach to virtual data environments and column-level lineage-based categorization. We've already begun to experience the benefits of SQLMesh's semantic understanding. Additionally, Tobiko's speed of innovation and execution is beyond impressive."

“More people are manipulating and modeling data than ever. Without the right tools, collaboration complexity and cost can balloon,” said Tomasz Tunguz, Founder of Theory Ventures. “Tobiko enables thousands to work together on their data infrastructure while reducing data warehousing costs.”

Data and engineering teams interested in learning more about Tobiko’s open source and cloud products can check them out at Snowflake Summit on June 6 and Databricks Data + AI Summit on June 10-13, or visit <https://tobikodata.com/> to schedule a demo.

About Tobiko Data

Tobiko Data is the creator of popular open source projects SQLGlot and SQLMesh, which reduce the manual work that comes with wrangling data and increase efficiency in warehouse cost by avoiding needless table rebuilds. Tobiko’s data transformation platform, built around SQLMesh, automates away the toil of building data pipelines, enabling professionals to spend more resources on the business and less on infrastructure. Tobiko has raised \$21.8 million from Unusual Ventures, Theory Ventures, Fivetran CEO George Fraser, Census CEO Boris Jabes, and MotherDuck CEO Jordan Tigani. For more information, visit <https://tobikodata.com/>.

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