

THE HUNTING GROUND exposes how Silicon Valley Elite families order colleges to cover-up Frat House rapes.

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THE HUNTING GROUND exposes how Silicon Valley Elite families order colleges to cover-up Frat House rapes.

<http://www.thehuntinggroundfilm.com/>

THE HUNTING GROUND tackles sexual assault on college campuses, institutional cover-ups and the rise of a new student movement. Weaving together vérité footage and first-person testimonies, **THE HUNTING GROUND** follows survivors as they pursue their education while fighting for justice — despite harsh retaliation, endless harassment and pushback at every level.

THE HUNTING GROUND is written and directed by Kirby Dick and produced by Amy Ziering. It features the original song "Til It Happens To You" written by Diane Warren and Lady Gaga, performed by Lady Gaga.

Kleiner Perkins and the Rape Culture of Silicon Valley

Much has been written about Silicon Valley's "Rape Culture" but what does that term mean?

It refers to rich white men who were raised to believe that they had special social privileges because their parents, and fraternity houses, trained them to think that they existed in order to use others to meet their needs for pleasure, power and money.

This concept of "White Elitist Privilege" is a passed-on concept of land-owner and factory-owner control created in the feudal times of old Europe.

The people who owned the land, and resources, acquired by organized European murder fests called: "land wars"; created a mythos which sought to trick those who did not own those things into thinking that the rich owners had special powers, or special wisdom, due to some magic in their "blood-lines".

In fact, due to the rape of servants, cousins, townspeople and siblings, almost no "blood-lines" remained pure for long in the "nobility".

One might suggest that, ***"if the townspeople were stupid enough to believe that some guy named Smith had super-powers because he was named Smith, then they deserved all of the use-and-abuse that they were subjected to"***. This would be a Machiavellian, and harsh, assumption about people who were, essentially, brainwashed, from birth, to believe that the feudal Lord was better than them. As the CIA, and Google, have proven, it only takes a month of repetitive information iteration to brainwash the political, social or moral beliefs of any population.

In Silicon Valley the Joe Lonsdale rape case, the Ellen Pao Sex abuse case, The Ravi Kumar and Forrest Hayes Sex murder cases, The Stanford Frat house rape cover-ups, the Intern sex abuse scandals, The Stanford Professor's Sex scandals, The Silicon Valley Hooker parties, The Rosewood Hotel Thursday Night Sex Pick-up parties and hundreds of other twisted perversions, which involve a Silicon Valley VC, or Tech exec, abusing a lower income person are flowing like water down the tainted white water rapids of technology deviancy.

While being an intern, Stanford co-ed, or blonde divorcée, in Palo Alto, pretty much guarantees that you will face a gauntlet of high-tech date rape drugs, extortion, moral compromise and VC sexual exploitation, the rapes and social abuse do not end with the sex. All of the fraternity houses that the Silicon Valley VC's came from have now been charged with "rape factory" abuses. These men were raised as, and trained as, abusive animals, on every level.

BUT, Imagine having your brain raped!

The VC's buy the politicians, tax investigators, SEC officers and law enforcement agents that are supposed to stop them from doing their crimes.

These VC's have paid billions of dollars to Presidential, Senate, Gubernatorial, Attorney General and Mayoral campaigns, as bribes, in order to buy their way out of any law enforcement attention. The FBI should be stringing them up, but...for some special reason: they don't. This is the rape of America's political system. It is a rape of the public trust of over 300 million citizens. Their bribes, to allow over a trillion of their tax dollars to be hidden overseas, rapes our schools of our teachers and rapes our streets of pot-hole repair. Are your local services being cut? Thank John Doerr and Eric Schmidt.

The Silicon Valley VC's have also formed a Mafia-like Cartel. This dark and spooky men's club came from the Skull and Bones, Bohemian Club concept of Omerta secrecy rich boys who sought to control things by only doing business with each other in order to commercialize the commercialization of monopoly creation. They do everything you saw in the Francis Ford Coppola "Godfather" movies except they wear more khaki and drive Tesla's instead of Cadillacs.

There is no other region, in all of America, which holds the title of misogyny, prostitution and sexual extortion capital of the nation. This fact is proven by the tens of thousands of articles, and complaints published about Silicon Valley's abuses; and about no other city in The Nation.

Ever since HP created Sandhill road, the Cartel was just white boys. Because those white boys made their profits out of flying clever, cheap Indians over from India, getting their ideas, then shipping them back to India, before they could make any stock claims, a few Indian VC's created a sub-Cartel. While they tried to play off their cultural "robes and temples" crunchy granola marketing, few missed the reality that India is the organized rape capital of the world. The Indian VC's turned out to rape even more than the White Frat Boy VC's.

The brains of the Silicon Valley rapist VC's have one big problem...

They have had decades of programming and training to run spreadsheets out to the smallest decimal point but they can't invent a good, creative, idea to save their souls. They are financial experts and ideation idiots.

To get the things that their Cartel wants to exploit, they usually steal their ideas. They rape the brains of others, often without paying for it.

They invite the idea people in for a chat, under the guise and pretense of: ***"we are thinking about investing in your idea..."*** In most cases, this come-on line is total ***horsesh*t***.

They are inviting you in to get you to give them a free data dump, your "pitch meeting" at their offices is their fishing expedition to see what they want to steal from you.

The odds are small that you will be wearing the IZOD shirt, khaki pants, short greased haircut and have the perfectly symmetrical square jawed Aryan look that the VC's have. They will hate you the moment they see you. You have been excluded from their club the second you walked through their door. You don't have the look. You didn't pass the ivy league "one-of-us" sniff test.

But you still have some power, you have the idea and the technology...for the last few minutes before you open your mouth.

They will say: ***"...now; we are all friends here. Tell us everything. We don't sign non-disclosure agreements but we won't steal your idea..ha, ha.. if we stole ideas, how could we still be in business.. ha, ha.."***

You just bent over and spread your cheeks for them.

They will, then, listen carefully to your idea, take notes, argue a few points to try to get you to do more of their homework and then thank you and tell you they will **“discuss it internally”**, which means they will immediately start organizing a thieving party if your idea had any interest for them.

All of the VC's on Sandhill road, in Palo Alto, know each other and conspire and collude together, as proven in the "AngelGate", "No Poaching", "The Chieky Attack", "Sony Hack", "HSBC Hack" and other scandals.

One VC steals the idea and passes it to another to copy it, rename it and launch it via one of their friends. YouTube, Google, Facebook, Ebay and many other famous companies were created this way. That is why the VC's poured billions into trying to bribe Congress to overthrow the patent laws. The VC's live in fear of paying the creators they stole from.

When they see a great idea that they want to steal, they hire their buddies at Wired, Tech Crunch, Gawker Media or Hearst Publications to write a hatchet job article, or series of blog postings that defame and character assassinate you, while denigrating your technology and saying that it is impossible for your technology to work. They do this to prevent any possibility of non-Cartel VC's from their Silicon Valley Cartel or the NVCA (essentially the same thing) from funding you and competing with their theft scheme.

Ironically, their total clone copycat version of your technology, that they deliver, works fine. Even though they said, in their slam articles, that it was impossible for it to work.

So they raped you, thieved you, used you and shut you down. Isn't Silicon Valley lovely?

In the Kleiner Perkins sex abuse law suit, the Tom Perkins "Nazi Scandal", The Ray Lane tax evasion investigation, Kleiner's Vinohd Khosla beach lawsuit, the Steven Chu Cleantech Crash and Solyndra crimes, AngelGate, The Eric Schmidt Sex Penthouse and White House manipulation investigation, The In-Q-Tel funds and an army of other scandals; one thing is clear: Silicon Valley VC's have no respect for morality or the law.

Voters must demand that the state and federal government bring crushing investigations, and penalties, to these VC's and tech responsibility-dodgers because their crimes affect every single citizen.

The Stanford University Sex Scandals. Privilege has it's perverts!

- The Joe Lonsdale Venture Capital Rape Scandal
- The Sandhill Road VC intern sex for career status Scandals
- The Social Network Sorority "Bang Buses" that deliver coe-ed girls to frat houses like a pizza delivery
- The "Rape Factory" culture and cover-ups of Stanford's fraternity row
- Why do all the VC's come from Stanford and get divorces with "abuse" charges in the filings?
- Stanford alumni fly more hookers into Silicon Valley than any other city in America
- Multiple Stanford-ites murdered by hookers-per-hour-with
- Spinsters off-shoot turns out to be high-end prostitution operation
- Which business school had the most cheaters on Ashley Madison?: STANFORD!
- What really happens on a nooner at the Rosewood Hotel on Sandhill Road?
- The 30 square miles around Stanford University are rated as the most misogynistic region in the nation. Ellen Pao and Newsweek disclose how women are treated as "sex toys and baby ovens for rich frat boys".

This epic investigation of a typical Stanford scandal has the world glued to their screens:

Stanford Confidential: Sex, Lies and Loathing At The World's No. 1 Business School

<http://poetsandquants.com/2015/09/14/stanford-confidential-sex-lies-and-loathing-at-the-worlds-no-1-business-school/>

Stanford Confidential: Sex, Lies And Loathing At The World's No. 1 B-School

by Ethan Baron on September 14, 2015

Stanford Graduate School of Business Dean Garth Saloner on campus

"Knife, Penis, Town square, Got it."

Those six words don't yet mean anything to the 400 MBAs-to-be of storied Stanford Graduate School of Business's incoming class who rightly believe they have grasped a platinum ticket to the top. But that will change fast as they struggle to understand why Garth Saloner stepped down today as dean of what is widely regarded as the best business school in the world.

In a statement Saloner said: "As many of you know, the university and I have been vigorously defending a baseless and protracted lawsuit related to a contentious divorce between a current and former member of our faculty. I have become increasingly concerned that the ongoing litigation and growing media interest will distract all of you from the important work that you are doing and unfairly impact this stellar school's deserved reputation." He was referring to a wrongful termination suit filed by a fired B-school professor who is in the process of getting divorced from another B-school professor with whom Saloner has been having an affair.

Poets&Quants had asked Saloner on Wednesday of last week for an interview about the allegations, and followed up with a detailed list of questions to the university about the case on Thursday, Sept. 10. Saloner apparently made his decision to resign after declining a request for an interview and viewing the questions related to claims in the lawsuit. Stanford says Saloner will leave the deanship next summer, then resume teaching and research duties as a professor at the Graduate School of Business (GSB).

WHAT LIES BENEATH THE LOFTY IMAGE

Court records in the lawsuit, a letter from staffers to the university, and police investigations suggest that beneath the gilded image of America's top-ranked business school lies a troubled culture, possible discrimination against women and older employees and a staff revolt over Saloner's "increasingly brazen" behavior – all happening as Stanford has turned a blind eye.

Stanford GSB Dean Garth Saloner and professor Deborah Gruenfeld – Daily Mail photo

The professor with whom Saloner embarked on an affair, Deborah Gruenfeld, is a board member of LeanIn.org, the group started by Facebook COO Sheryl Sandberg to offer women "inspiration and support." In an email exchange revealed in the lawsuit, Saloner advises the professor not to approach her divorce "too much" as a woman.

The professor's husband, also a professor at the B-school when the affair began, has been fired and now teaches full-time at Apple University, the tech giant's internal training facility.

THE FALLOUT FOR THE WORLD'S NO. 1 BUSINESS SCHOOL

Details of the court dispute could be especially damaging to Stanford's business school since they include allegations of professional and financial retribution against Gruenfeld's husband, Jim Phills, contempt for school rules and policies, and claims that the Graduate School of Business (GSB) is a hostile workplace riven by "personal agendas, favoritism, and fear."

The lawsuit is only the latest in a series of scandals to besmirch the rise of what is now widely considered to be the world's top business school. This year, Stanford nudged aside Harvard Business School and Wharton for the undisputed No. 1 spot in the U.S. News rankings. And just last week, Forbes proclaimed Stanford No. 1 for the second consecutive time.

From the outside, the GSB appears an ideal and idyllic training ground for young capitalists. Palm fronds rustle in the gentle Silicon Valley breezes, three Nobel laureates sit on the faculty, and the exit routes are paved with gold: Forbes noted that Stanford grads five years out are pulling down total annual compensation of \$255,000 a year, higher than MBAs at any other school in the world, with nearly four in 10 boasting stock options with a median value of a quarter of a million dollars; GSB graduates founded 31 of the 100 most heavily funded MBA startups on the planet in the past five years. But here, at the most selective B-school in America for the past 10 years, where the leaders of today and tomorrow are equipped to run the world, a dark side is emerging and its taint is spreading through the school, the university, and the community.

The legal saga brings up serious questions about Stanford's oversight of the business school, about the role of Provost John Etchemendy in the university's response to the dean's affair, about the decision by the university to pay hundreds of thousands of dollars in legal expenses to keep emails and Facebook posts between the dean and his lover out of public view, and about Saloner's leadership and judgment. At stake are the reputation of the business school, its lucrative donation stream, and ultimately the value of the degrees it confers, whether already in a CV or to come.

SEX, BOOZE, VIOLENCE, AND DEATH ON A HIGHWAY

Problems go beyond the fact that the judgment and actions of the man in control of the B-school are being questioned inside Stanford's red-tiled buildings and in two different courts. Over the past two years, incidents involving students that left an innocent man dead and a woman battered have raised alarms about the culture underlying the GSB. Taken as a whole, troubling events in recent years at the business school can be seen as an all-too-familiar tale of spectacular success that has led to arrogance and overreach at best, contempt for laws, policies, and social mores at worst – much as in some of the corporate cases studied by MBAs in their classes. As one of the B-school's professors says, "We're at the right place at the right time. The students come here thinking that their ticket has already been punched. A lot of what has happened here is about overconfidence and hubris. A symptom of power is that you don't believe the rules apply to you."

GSB students drink beer from plastic flamingos on an airplane during the 2009 "Vegas FOAM" trip. – Facebook photo

Last academic year, a male GSB student was suspended from the MBA program and banned from the Stanford campus after he was accused of raping a fellow GSB first-year MBA student, his girlfriend at the time, in her campus dorm room last year, and attacking her on multiple occasions. After the March 2014 reported rape, the male student was arrested by university police and booked into Santa Clara County Jail, but the DA declined to charge him. Stanford's disciplinary office, which operates on a lower burden of proof than the California criminal justice system, noted evidence that the couple had in the past engaged in "consensual aggressive sex" and it dismissed the rape charge. However, it found the male student responsible for committing violence against the female student during the episode involving the rape claim, leaving her with small bruises, and broken capillaries on both sides of her neck. Determined to be unfounded were allegations by the woman that the man had committed violence against her on three other occasions, one of which she claimed had occurred during a student-organized GSB "FOAM" trip to Las Vegas after the female student paid a surgically enhanced escort for what she has said was a mutually planned "threesome" with the boyfriend in their suite at the Bellagio.

FOAM stands for "Friends of Arjay Miller," a former dean. It is the nickname given to alcohol-fueled outings by Stanford MBA students.

'SUSPENDED SUSPENSION' APPEALED TO REAL SUSPENSION

The male MBA candidate had argued during the Stanford investigation that the female candidate had made her allegations of rape and violence to get back at him for breaking up with her. The university's coordinator for Title IX federal sex-discrimination complaints banned the man from enrolling for two years at Stanford if the woman were enrolled. That ruling was made moot when the female candidate appealed an initial community-standards office one-school-year "suspended suspension" and Stanford upheld the male candidate's punishment to an actual school-year suspension. The female student has not returned to the GSB.

GSB MBA candidate Zachary Katz, in police mugshot

In an October 2013 incident, first-year GSB MBA student Zachary Katz – a 24-year-old prodigy who had landed at the school with a Summa Cum Laude undergraduate degree in biochemistry, history, and English literature from Harvard and a master's in bioscience enterprise from Cambridge – allegedly drove the wrong way southbound down the Route 101 freeway in South San Francisco and smashed his Infiniti sedan into an SUV taxi, killing a 62-year-old man from Puerto Rico and severely injuring another taxi passenger and the cab driver. Katz, hospitalized after the crash, was charged with drunk driving and vehicular manslaughter. He has pleaded not guilty, a jury trial is set for January 14 next year. His LinkedIn profile says he expects to finish his MBA in 2018.

The wreck took place just a month after high-profile GSB professor Jeffrey Pfeffer in a BusinessWeek essay slammed a shallow, hedonistic, partying culture of "booze, cars and houses" at top business schools.

THE 'FOAM' FACTOR VS. GETTING HIGH ON KILIMANJARO

"Business school has become way more about the parties than about the course work. What happened to the classes, to academic performance, to learning something? If and when business schools become more like many of their professional school brethren—where status comes primarily from academic/professional accomplishment, not from who can hold the most liquor or put on the best show . . . the culture will change for the better—from booze, cars, and houses to ideas," Pfeffer wrote, devoting nearly a quarter of the essay to the GSB FOAM trip tradition as the starting point for the corruption of student culture at the GSB. For the one-night-in-Vegas FOAM trips, students dress in '70s attire. Every Tuesday night, weekly FOAM drinking gatherings are held – "the reason I am exhausted and hungover in my Wednesday morning Leadership Lab session," according to an MBA Class of 2011 blogger. Friday evenings are for free drinks and food at "Liquidity Preference Functions" hosted in the school's Town Square by a different club each week.

A photo posted to Facebook from the 2012 GSB trip to Colombia

Another unsanctioned GSB party trip – taking place before students even start the MBA program – has become a tradition in recent years: a jaunt to Colombia that tends to attract more than half the incoming class for sightseeing, beach partying, clubbing till dawn, and getting familiar with new peers. This year's nine-day Colombia trip required eight months of planning and attracted some 260 pre-MBAs. Last year, after Bloomberg BusinessWeek ran a story on the event, FastCompany magazine co-founder Bill Taylor tweeted: "How do you spell Stanford MBA? Y*U*C*K. I'm sorry, this is gross. No wonder there's so little faith in business."

CELEBRATING NEW CHAPTER

However, one of the organizers of this year's Colombia trip calls it a major success. "Our objective was to bring as many people as possible together in a unique environment where we could celebrate this wonderful new chapter of our lives," says Omid Scheybani, a new business development manager at Google for two years before starting his MBA this month. Scheybani notes that he and about 20 classmates climbed Mt. Kilimanjaro in Tanzania together this summer. "The trip to Kil was all about challenging ourselves with one of the most difficult hikes in this world," Scheybani says. "What has been most surprising – and that includes our trip to Colombia – is that the social interactions thus far have rather been the opposite of the 'excessive partying culture.'"

He and his peers are aware of the need to balance " . . . our own academic goals and the desire to socially interact with all these great people around us. . . ." Scheybani says.

Before today, Scheybani and some of the smartest young people on the planet were starting their MBAs in the classrooms of the GSB unaware that they are walking into what dozens of current and former staff have described as an inequitable, retributive workplace and ignorant of lurid allegations about their new dean contained in thousands of pages of legal documents piling up in a state courthouse 20 miles south in San Jose and in state divorce court in Sunnyvale, two towns away.

AN ALIAS CALLED 'JENI GEE'

Within the eight volumes of Santa Clara County Superior Court files in San Jose, which form a stack more than a foot high, and within the three volumes in Sunnyvale Superior Court, details of the dean's affair include the revelation that Saloner used the alias "Jeni Gee" while telling Gruenfeld on Facebook that he hoped Phills, Gruenfeld's professor husband, would leave the school.

An excerpt of correspondence between GSB dean Garth Saloner and GSB professor Deborah Gruenfeld, from court records

At some point, and via a mode of communication not made clear in court documents, Saloner and Gruenfeld had an exchange that Phills' lawyers call "probative of whether he bore ill will towards Phills."

In the correspondence, Gruenfeld writes, "He deserves a starring role, but you need to rewrite: (sic) the ending." Saloner responds, "Knife. Penis. Town square. Got it."

Phills was fired April 3, 2014 from his full-time job teaching in the GSB MBA program, with the termination effective June 3 of this year. Phills' lawsuit was filed a day before he was fired, but court filings indicate the termination had been in process before the lawsuit was filed, suggesting coincidental timing.

A RECORD OF BRILLIANCE — AND A RECORD FUND-RAISER

Originally from South Africa, Saloner arrived at the business school as an economist with a quiver full of degrees, including a 1977 MBA from his native country's University of Witwatersrand and from Stanford, an undergraduate degree in economics, an MS in statistics and a PhD in economics, business, and public policy.

He had deep academic credentials: professor for eight years until 1990 at the MIT Sloan School of Management, national fellow at the Hoover Institute in 1986-87 and visiting associate professor at Harvard Business School in 1989-90.

Entering the GSB as a professor of strategic management and economics, he moved into administration in 1993 as senior associate dean for academic affairs, serving until 1996.

A Sloan Fellow and co-founder of the Stanford Computer Industry Project, Saloner also founded the Center for Electronic Business and Commerce and designed the Summer Institute for Entrepreneurship. He is one of only two GSB faculty members to twice win a Distinguished Teaching Award, an annual honor decided by student vote, in 1993 and 2008.

WRONGFUL TERMINATION CLAIM

In the wrongful termination suit, Phills accuses Saloner of railroading him out of the business school while sleeping with his wife. "Saloner and Plaintiff's wife Deborah Gruenfeld, who also happens to be Saloner's subordinate, carried out a clandestine intimate relationship while Saloner was making decisions about Phills' employment and home loans," Phills' lawyers claim in a May court filing. The dean and the university "acted maliciously, fraudulently, despicably, and oppressively," Phills' statement of complaint says.

Phills' lawsuit seeks unspecified general and punitive damages, plus attorneys' fees.

A REVOLT ON CAMPUS

An excerpt from a GSB staff letter to the Stanford Provost

While the GSB continues to ride a wave of success under Saloner's leadership, rancor and fear seethe beneath the surface, a letter by staff to Stanford Provost John Etchemendy suggests. An April 2014 letter to Etchemendy attached to the Phills lawsuit and purportedly signed by 27 current and 19 former GSB employees, attacks Saloner's leadership, refers to the affair with Gruenfeld and demands that the dean not be appointed for a second term. Although the letter was put into the court record without the signatures, Etchemendy has acknowledged in a deposition that he received the letter, and did not disagree with a lawyer's reference to 46 signatories. It appears nearly all signatories – now known in the school as the "Group of 46" – were administrators and other staff, including senior personnel.

"Under the leadership of the current dean, we have observed an increasingly disturbing pattern of inequitable treatment in the form of reprimands, censures, curtailing of responsibilities, demotions, retribution for expressing concerns or raising issues, offensive behavior and decisions that have led directly to tangible employment actions such as dismissals, undesirable reassignments, forced resignations, and inequitable access to promotion opportunities," the letter says.

"There have been numerous violations of the University's Code of Conduct as well as its HR policies. The numbers alone paint a striking picture . . . Of the 40 senior staff members who have left the GSB since 2010, the vast majority are women and over 40 (the remainder are almost all men over 40).

"The current GSB dean – and the leadership he has put in place – have . . . created a hostile work environment – especially to women and individuals over 40 – ruled by personal agendas, favoritism, and fear."

An excerpt from a GSB staff letter to the Stanford Provost

Breaches in the confidentiality of the annual employee survey have ratcheted up the climate of fear, the letter suggests.

The letter charges that Saloner "has repeatedly demonstrated a disregard for the rules, policies and guidelines put in place by the University . . . his actions have become increasingly brazen." The letter calls Saloner's affair an example of "poor judgment," saying that in entering into a relationship with a subordinate he opened himself up to sexual harassment charges, exposed the school to liability, set a bad example for students, and acted in a manner "stereotypical of the behavior of many discredited CEOs and other leaders."

Sources in the GSB say Phills was not involved in the letter's production and didn't sign it.

Phills, 55, and Gruenfeld, 54, married in 1999, and started at the GSB in 2000, both as organizational behavior professors, but only Gruenfeld was tenured. They separated in June 2012 by mutual accord, Phills says in court documents, and Gruenfeld moved out. They have two daughters, now 11 and 14. Phills' lawsuit complaint says that after the couple split, his daughters were living with him in the "family home," along with Phills' elderly mother, and that he and Gruenfeld were sharing equal custody. Phills filed for divorce from Gruenfeld on December 7, 2012.

In her "story" on the LeanIn.org website, Gruenfeld, 54, writes: ". . . I got married the same year I got tenure. I was pregnant with my first child when I arrived at Stanford. In 2005, my second child, a toddler, was diagnosed with cancer. As of this month, she is considered fully recovered. But now I am weathering a painful divorce."

Former GSB professor Jim Phills in his Harvard wrestling days – Harvard Crimson photo

Phills, an intercollegiate champion heavyweight wrestler in his undergraduate days at Harvard, describes himself of late in a court filing as "a largely sedentary and overweight academic."

He served as faculty director of the GSB's Center for Social Innovation from 2000 to 2009.

IN THE COMPANY OF GENIUS

Gruenfeld, before coming to Stanford, had been a professor at the Northwestern University Kellogg School of Management from 1993 to 2000. Two years after arriving at Stanford she was named a fellow of the Stanford-linked Center for Advanced Study in the Behavioral Sciences, putting her in the fellowship company of 22 Nobel laureates and 44 winners of MacArthur "Genius Grants."

Phills says in court filings he has no evidence his wife and the dean had a sexual relationship before October 2012. But he says in a divorce-case filing, "more than one person has indicated that there were overtures and invitations as early as of (sic) the end of June" – the month Gruenfeld moved out. And he says his wife once confessed to him that she and Saloner had an intimate conversation and embraced in her office in 2008 or 2009. "She was reluctant to tell me about this and clearly felt some sense of guilt," Phills says in a divorce filing.

Emails between Saloner and Gruenfeld from August 2012 show them planning a hike. An investigator hired by Stanford later reported that at the time of the outing in the grassy, oak-dappled hills above Stanford, "Gruenfeld did not think that there was anything romantic in the works between them, and she doesn't think Saloner did either."

A MAN AND A WOMAN WALK INTO A BAR . . .

In an exchange via their Stanford email accounts after the hike, Saloner says, "Thanks for this morning. It felt really good spending that time with you," and Gruenfeld responds, "Ditto, thanks for the invitation."

It was not until October 2012 that Gruenfeld began to think her relationship with Saloner might become "more personal," according to the report by investigator Marcia Pope, a lawyer with the San Francisco office of the Pillsbury law firm. Gruenfeld and Saloner had attempted to go for a drink in downtown Palo Alto but had walked into an establishment to find "the place was full of GSB colleagues," Pope reports. "The two felt awkward about the situation, so they ended up going back to Saloner's house, where they shared a glass of wine in the kitchen."

COURT BATTLES OVER 'EXTREMELY INTIMATE' PHOTOS, MESSAGES

In a May court ruling on the lawsuit parties' disputes over introduction of communications between Saloner and Gruenfeld, Santa Clara County Superior Court Judge Beth McGowan writes that Gruenfeld became romantically involved with Saloner "around the same time" as Phills and Gruenfeld separated in June 2012. Stanford, in a Sept. 14 press release says the relationship between Saloner and Gruenfeld started "several months" after Gruenfeld and Phills separated. Court records indicate the relationship between Saloner and Gruenfeld is ongoing.

Arguments over communications between Saloner and Gruenfeld – including messages and photos that lawyers for Saloner and Stanford call "extremely intimate" and "extremely private" – make up the vast majority of the filings in Phills' lawsuit. Phills is fighting for copies of all communications he considers relevant to his lawsuit, while Saloner and Stanford are battling to keep communications between Saloner and Gruenfeld out of the court case and away from public view. Lawyers for Phills argue that communications between Saloner and Gruenfeld reveal Saloner's "animus" toward Phills and Saloner's desire to push him off the campus. Lawyers for Saloner and Stanford claim Phills seeks to introduce the material in court to "embarrass and harass" his estranged wife and Saloner; the attorneys describe Phills' request for the photos as "voyeuristic."

STANFORD GOES TO DIVORCE COURT

Saloner and Stanford have even intervened in the ongoing divorce case between Phills and Gruenfeld, seeking to prevent public disclosure of the messages between the dean and Gruenfeld. The actual divorce proceedings, including division of family assets, have been delayed as Phills' lawyers seek records of communications between his wife and Saloner, and lawyers for Stanford and Saloner seek to block such access. Phills' lawyers argue the exchanges between Saloner and Gruenfeld show Gruenfeld's failure to abide by her fiduciary duty to her husband and are therefore relevant to the divorce dispute. Lawyers for Stanford and Saloner argue that the exchanges are confidential and irrelevant to the divorce.

by Ethan Baron on September 14, 2015

Stanford GSB professor Deborah Gruenfeld

Lawyers for Saloner and Stanford accuse Phills of illegally hacking into his wife's university email, private email, and social media accounts, and stealing her private communications. Phills does not deny accessing Gruenfeld's accounts before and after she moved out, and argues that he and Gruenfeld knew each other's passwords and shared access to the accounts. He also says Gruenfeld had regularly used his devices to access her email and Facebook accounts, so her passwords were saved and would autofill. "I was able to save or print screenshots of some Facebook messages before Dean Saloner and my wife deliberately purged them after I notified Stanford of my concerns about their clandestine relationship," Phills writes in a declaration to the court for his lawsuit. Phills says he didn't access Gruenfeld's Facebook or Stanford email accounts after Nov. 30, 2012. Saloner says in a deposition that he deleted his Facebook accounts after he suspected Phills had seen them. Gruenfeld says she never gave her husband permission to access her e-mail, other electronic accounts, or personal correspondence. But in court documents, Phills relates an incident he claims occurred in November 2012 when Phills and Gruenfeld were separated but not yet estranged. Phills says he and Gruenfeld and their daughters were at the dinner table when Gruenfeld complained that her cell phone was running slowly and crashing and asked him to look at it. Phills says he suspected the device may have been overloaded with messages, and when he checked the email application, found a Gmail dialog between his wife and the dean, he claims. He says he had already learned that his wife and Saloner were having an affair but still "... was surprised by the explicit sexual content. . ."

A JOB AT APPLE, BUT PRESSURE FROM THE UNIVERSITY

In any case, Phills's lawyers have introduced into court records, via the lawsuit and divorce case, enough of Saloner's correspondence with Gruenfeld and school administration to suggest that the dean wanted Phills out of the GSB and that he made crucial decisions concerning Phills after beginning the affair with Gruenfeld while purportedly recusing himself. Phills alleges Saloner attempted to damage him financially and emotionally while working to advance Gruenfeld's interests in her divorce proceedings. "(Saloner) and Gruenfeld actively sought to force (Phills) out of the house on campus for their own ends of discouraging (Phills) from remaining in his position at Stanford in the same department as Saloner and Gruenfeld," Phills' lawsuit complaint says. Phills claims the GSB, under Saloner's leadership, also removed him as director of executive education programs he had developed and taught for years on top of his MBA-program duties, replacing him with less-qualified faculty. "Subsequently, Professor Phills was not even invited to teach in the very programs that he had created, even though these programs used teaching materials and a textbook that he had authored," Phills's complaint says.

An email in a court filing, to Phills from senior associate dean Madhav Rajan, says faculty selection for executive education courses is done at a level below the dean's office.

PHILLS'S ALLEGATIONS "WITHOUT MERIT"

Phills accuses Stanford Provost Etchemendy of harassing and intimidating him and has argued in written negotiations with Etchemendy that he couldn't return from leave into a hostile workplace, under the supervision of the man dating his wife. Phills had gone on unpaid leave from his full-time position at the GSB in May 2012 to begin working at Apple but continued to teach several courses through June 2014, compensated for some but not for others.

Etchemendy, in a March 2014 letter demanding that Phills resign from Apple and return to full-time duties at the GSB, says the university investigated "every specific allegation" Phills made regarding claimed retaliation by Saloner and a hostile work environment and found them "without merit."

A lawyer for Saloner, Michael Lucey, a partner in the San Francisco office of Gordon & Rees, said in a Sept. 12 statement to Poets&Quants: "As the months passed after [Phills's] November 2012 deadline to return, Prof. Phills refused to return to Stanford, despite repeated requests from the Provost that he do so. Ultimately, after several extensions that extended his leave by several quarters, Prof. Phills was given the choice to either return to the faculty or face termination. He chose termination."

STANFORD LAWYERS PLAN LAWSUIT WITHIN THE LAWSUIT

Lawyers for Saloner and Stanford claim that the dean and university acted out of legitimate, business-related considerations; that any damage to Phills was done by himself; that Phills brought about his own termination from the GSB by refusing to return from leave; and that by hacking into his wife's communications, he violated university policy and state and federal laws. The lawyers for Saloner and Stanford have asked the court in the lawsuit case for permission to file a "cross complaint" – a lawsuit within a lawsuit – against Phills, alleging invasion of privacy.

The lawyers for Saloner and Stanford also claim Phills is trying to use his lawsuit "to torment his estranged wife and extract discovery that may be used against her in the divorce case."

CLAIMS OF FINANCIAL SABOTAGE

Beyond the claim that Saloner engineered his ouster, Phills's accusation that the dean attempted to sabotage him financially centers on loans that Phills and Gruenfeld took from the university. The \$250,000 in loans at issue in the case are the GSB-controlled portion of \$1 million the couple borrowed through university and GSB faculty home-loan programs to build a house on campus in 2005. Phills and Gruenfeld had received \$250,000 in "exceptional" loans beyond the \$750,000 limit of the Stanford housing program.

The loans had been granted to Gruenfeld, but both she and Phills had signed for them as borrowers, court filings show. Phills was told by GSB administration that because Gruenfeld had left the house, and the exceptions had been granted to her, he would have to pay them back.

Current value of the 3,000-square-foot, four-bedroom, three-bathroom home, on a half-acre, is estimated by real estate website Zillow to be \$3.9 million.

INCOMES REVEALED IN COURT FILINGS

Filings in the divorce case show Phills and Gruenfeld, in the three years before their separation, making a combined annual income between \$511,000 and \$593,000. In May 2012, Phills began working for Apple University, the tech giant's internal training facility; his income climbed to \$769,000 that year, grew to \$1.2 million in 2013, and hit \$1.7 million last year.

Gruenfeld's income, \$487,000 in 2012, dropped to \$462,000 in 2013, then jumped to \$504,000 last year. This year, according to court records, she expects a \$1.1 million one-time payment from a book deal. The book, *Acting With Power*, is to be published by Crown.

An email exchange from GSB Dean Garth Saloner to Stanford Provost John Etchemendy

Lawyers for Saloner and Stanford maintain that in an October 31, 2012 email to Etchemendy in which Saloner tells Etchemendy about his relationship with Gruenfeld, Saloner recuses himself from any decisions about Phills and Gruenfeld. The email appears to show the opposite: "I have seen Deb a few times socially," Saloner writes. "I am not sure where the line is for reporting such matters and suspect I am pretty far from it. . . (Phills) has been on partial leave. . . and we had set this quarter as the time to figure out our relationship going forward. . . . The negotiations over this will be handled by my SADs (senior associate deans) as they usually are. It is possible that I will be asked to weigh in at some point, and at a minimum will certainly be asked to ratify their recommendations. With apologies for burdening you with this I propose to ask you to approve our thinking on whatever we decide (and perhaps to weigh in more substantively, depending on what we recommend)."

'POLICIES ARE FOR OTHER PEOPLE'

Etchemendy's emailed response to Saloner appears to grant the dean authority to make decisions about Phills. "I am absolutely supportive of anything you decide wrt Jim," Etchemendy writes.

In a Facebook chat with Gruenfeld that divorce court filings indicate took place shortly after Saloner's correspondence with Etchemendy, Saloner discusses his and Gruenfeld's relationship – "Can't risk letting your kids walk in on us" and "I could meet you on your street for one late night hug, but I know better than to think we could limit ourselves" – then reports to Gruenfeld on his disclosure to Etchemendy. "He basically ignored what I said about the two of us and, not in these words, that he trusts me to make any decisions regarding Jim. . . . I think it is his way of saying 'you have done what the policy says you have to do, I appreciate it, but the policy wasn't written with you/this in mind and so I'm respecting your privacy and ignoring it.'"

THE 'DISCREET AND RESPECTFUL' PROVOST

Gruenfeld replies, "Love that. So discreet and respectful," and after the pair exchange a few more comments, Saloner declares, "I want to hold you," and Gruenfeld responds, "I want you to hold me."

Later, in what Phills' lawyers say is a reference to "Etchemendy's lack of concern about Saloner's ongoing role as Dean supervising both Gruenfeld and Phills," Saloner writes to Gruenfeld to say, "As predicted, Etch is totally cool," a court filing says.

Lawyers for Saloner and Stanford refer on multiple occasions to a recusal by Saloner, saying in two filings that it occurred at "the outset" of the relationship between the dean and Gruenfeld. In a March filing, the lawyers provide a more specific time-frame. "In October 2012, Dean Saloner timely and properly recused himself as to employment decisions concerning Phills and Gruenfeld," the lawyers state. "Phills alleges that Dean Saloner did not in fact recuse himself from involvement in decisions that affected the terms and conditions of Phills' employment, including those related to university housing. . . . At no time did Dean Saloner comment on or 'approve' any decision related to the repayment of the exceptional loans."

WHEN IS A RECUSAL NOT A RECUSAL?

Etchemendy also maintained that Saloner had fully recused himself from duties involving Phills. In a letter last year to Phills over Phills's employment status, Etchemendy says that "the dean recused himself from all supervisory duties in October 2012. Those duties have been handled by Senior Associate Dean Madhav Rajan in consultation with me or by me alone since that time."

On Nov. 8, 2012, about a week after Saloner's exchange with Etchemendy and his report to Gruenfeld, Saloner agreed with a decision to deny Phills the \$250,000 in exceptional loans that had been granted to Gruenfeld when the couple jointly signed for the loans, starting the process in which the GSB demanded repayment, court records show. Rajan had emailed Saloner to tell him that he and the other senior associate deans (SADs) unanimously opposed granting housing-loan exceptions to Phills. "I wanted to find out whether you wanted me to do anything different, and in particular if you felt that we should give Jim the housing exceptions," writes Rajan, who according to documents filed in the lawsuit had not at the time been informed of Saloner's affair with Gruenfeld. Saloner replies, "I agree with the view of the SADs on this."

The same day, Rajan informs Phills of the decision. "As for the housing exception, I'm afraid this is not going to be possible," Rajan writes in an email. "I have now spoken to the other SADs, to Claudia (associate dean Claudia Morgan) and to Garth. . . about the matter. The dean's office is not willing to petition the university for an exception to the standard Stanford housing program."

SALONER LAWYER ADMITS CLIENT'S INVOLVEMENT IN ONE DECISION

Phills's complaint also refers to an email from Rajan to Phills, about the school's demand for loan repayment. The message purportedly says all decisions Rajan communicated to Phills represented the "collective opinion of everyone in the dean's office." Phills's lawyers italicized "everyone" in their court filing.

Saloner lawyer Lucey concedes in his Sept. 12 statement to Poets&Quants that Saloner had been involved in the decision about Phills when the dean "agreed" with his SADs to deny Phills the loan exceptions, but Lucey says Saloner's was not the last word. "Dean Saloner forwarded that decision to the Provost, who made the final decision," Lucey says. "No non-tenured faculty at the GSB has ever received these special loans, so the decision was routine."

Phills argues in his complaint that under Stanford's faculty loan policy his position on the university's Academic Council makes him eligible for the extensions, so denying them violated the policy.

DEAN HANDED OVER AUTHORITY TO PROVOST: LAWYER

Lucey says in his statement that Saloner's recusal notice, which asks Etchemendy to "approve our thinking on whatever we decide" and "perhaps to weigh in more substantively," makes clear that final authority rested with Etchemendy. "Dean Saloner initially proposed that, while he might weigh in on decisions if asked, the Provost would make the final decision on any decisions affecting either Prof. Phills or Prof. Gruenfeld," Lucey says.

A month after the purported recusal, Phills contacted Etchemendy about Saloner's relationship with Gruenfeld, and "the Provost immediately took over all decision making affecting both Professors," Lucey says. "Dean Saloner was not involved in any other decisions affecting Prof. Phills. They were all made by the Provost."

Nine months after Saloner's claimed recusal, Phills received a letter informing him his salary would be \$227,686 for the 2013/14 academic year; the lead signature was Saloner's, and the letter said the amount of the salary was proposed by Saloner and his subordinates, according to Phills' complaint. Court records do not appear to contain Phills' salary figures for previous years.

STOP BEING SO MUCH A WOMAN

In a Facebook exchange that appears to have occurred in the latter third of November 2012, Gruenfeld refers to Phills – then on leave from the GSB and working for Apple – saying she would meet with Phills the next day to talk about his plans and their divorce. "Maybe he's staying at apple," she writes. Saloner as "Jeni Gee" responds, "Let's hope. We deserve something good tomorrow. We've earned it." He goes on to add, "The universe owes us. Big time."

In another Facebook chat, which appears to have occurred in early November 2012, Saloner expresses concern that Gruenfeld and her female lawyer and therapist are approaching Gruenfeld's divorce from Phills "too much as women. . . . You are being rational and generous. . . . Spewing the anger that you feel, even if it is unrelated to what you want, would make you a less predictable and rational adversary. It might make him think twice about asking for nice-to-haves that require a generosity of spirit on your part. . . . one of the reasons he doesn't settle is that he believes that by being sweet he can get inside you and weasel stuff out of you. Telling him what you really think of his behavior would put that to rest. He would pout, posture, and do the elephant seal thing. But it would push him back like a right to the jaw."

The male elephant seal is a colossal, blubbery ocean-going mammal weighing up to 8,800 pounds, with a pendulous, trunk-like snout.

STUDENTS IGNORANT OF SCHOOL'S DARK CURRENTS

Saloner informed his senior team in December 2012 about his relationship with Gruenfeld, court records show. However, until Saloner's resignation announcement, students remained ignorant of both the drama playing out in court and the one underway in the offices of the GSB. MBA candidates give rave reviews to their education and praise the school's operations and leadership.

First-year student Scheybani, after the trips to Colombia and Tanzania, an official GSB trip to South Korea to study consumerism, and one day of class, had "very positive" impressions of the MBA program.

"The school is super dedicated to the success of its students and the student body consists of a lot of great personalities that I can't wait to get to know better," Scheybani says. "The profs that I have interacted with thus far have been nothing short of great and looking at the overall quality of the faculty, there is a lot to look forward to."

FEAR AND LOATHING ON CAMPUS

Among senior staff whom Scheybani won't be interacting with are four formerly high-ranking women who left the school since Saloner became dean. Sharon Hoffman, MBA program director and associate dean for almost 11 years after nine years as senior associate director of MBA admissions, departed in June 2012. Blair Shane started as chief marketing officer and associate dean in 2011 and was gone within three years. Kriss Deiglmeier, executive director of the GSB Center for Social Innovation for a decade, left in February last year. Beth Benjamin, director of strategic initiatives and development for two years and previously the founding executive director for five years at the GSB Center for Leadership Development and Research, left in 2010. Three of the women did not provide comment to Poets&Quants. However, Shane, now a marketing partner and the CMO at Silicon Valley venture capital firm Sequoia Capital, described as "incredible" her three years at the school. "I left Stanford on very positive terms, to take advantage of a once-in-a-lifetime opportunity at Sequoia," Shane says.

Etchemendy, in his deposition, says the letter from current and former staff arrived after the decision was made in fall 2013 to reappoint Saloner as dean for another five years. "I had not communicated the decision, but the decision had been made," Etchemendy says, adding that such decisions are typically made in the fall of the last year of a dean's term because a world-wide search for a new dean is a lengthy process.

LAWYER TO PROVOST: STOP TALKING

Etchemendy says he had surveyed staff in November 2013 before deciding to give Saloner another term, and found only two faculty members beside Phills who expressed unfavorable views on Saloner. "One was pretty negative and, and one said it was time to move on," Etchemendy says in the deposition. After receiving the letter, Etchemendy met with representatives from the 46 signatories, he says. However, during Etchemendy's deposition, a lawyer for Saloner and Stanford prevented him from answering any questions about what Etchemendy had discussed with the signatories' representatives beyond Phills, and Etchemendy said they hadn't talked about Phills. Etchemendy says in his deposition that he shared the letter with Stanford president John Hennessy, but the lawyer stopped Etchemendy from answering when Etchemendy was asked if Hennessy gave any instructions or guidance in the matter.

COMPLAINTS AROSE DUE TO RESTRUCTURING, STANFORD SAYS

Stanford administration "took a number of steps" in response to the "Group of 46" letter, including inviting members of the group "to submit fuller details of their individual situations and experiences," says Stanford spokesman Brad Hayward. "The University then initiated an outside review of those cases. The review did not find age or gender discrimination." The issues raised in the letter "arose largely out of a restructuring of the GSB's centers," Hayward says. "The review did identify some areas where the school could make improvements, and those findings were communicated back to the school, which has been following up on them."

Asked whether he had followed up on allegations that Saloner exercised bad judgment, Etchemendy said, "This is an allegation of poor judgment because he has entered into a relationship with a faculty member who is separated from her husband, and I think that that's, that's their, their judgment. . . . What would there be to investigate?" Stanford President Hennessy announced June 11 that he'll step down in the summer of 2016. In his announcement, he also gave notice of Provost Etchemendy's departure. "To ensure a smooth transition to new leadership, the provost has graciously agreed to stay on for up to one year with my successor, but he will not be a candidate for the position of president," Hennessy said.

STANFORD CITES DEAN'S ACHIEVEMENTS

Gruenfeld and Phills declined interviews for this article. Saloner lawyer Michael Lucey said his client could be interviewed because of the litigation. Hayward says allegations in Phills' lawsuit "inaccurately and unfairly characterize the actions of people at Stanford and are without merit."

"Under the dean's leadership, the Graduate School of Business continues to perform at exceptionally high levels, drawing extraordinary faculty from around the globe, generating excellent support from its alumni, and providing an unparalleled academic experience for its students," Hayward says.

A press release from the university says: "Saloner has also focused on programs to expand diversity at the GSB. Women comprise 42% of the new MBA class entering this fall. Women make up 54% of the new faculty members hired in the past two years. Four of the five GSB volunteer boards are led by women and 30% or more of their members are women."

SALONER LED NEW CURRICULUM TEAM

Before he was named dean, Saloner had become instrumental to the ascendancy of the GSB led by his predecessor, Robert Joss. In 2006, Joss netted what was at the time the largest gift ever made to a business school, \$105 million from Nike founder and 1962 Stanford MBA Phil Knight. Almost the whole donation, \$100 million, went toward construction of a new \$350 million GSB campus, the Knight Management Center. Joss initiated the creation of a new MBA core curriculum, and Saloner led the faculty team tasked with developing it.

Launched in 2007, the new core included classes at multiple levels to account for students' differing backgrounds; increased leadership content; and imposition of a global-experience requirement. At the time, Pfeffer, the GSB professor and an outspoken critic of management education, called the new curriculum "a complete restructuring of the educational process" and "the most important thing that has happened at Stanford in my 27 years." After Saloner was named dean in 2009, Leo Linbeck, a '94 GSB MBA who served on the curriculum committee, described Saloner's work on the curriculum transformation as "a classic example of great organizational leadership."

However, by the time Saloner became dean, students were complaining that new curriculum's percentage of required courses, increased to add rigor, took away flexibility. The school cut the required courses from 65% of the curriculum to less than 45%. One faculty member, who did not want to be named, said, "Garth came in and really tried to change the culture and when the students pushed back, he caved."

Saloner has also been a rainmaker to be reckoned with: Under his leadership, the school in 2011 brought in a donation eclipsing Knight's when 1960 Stanford MBA Robert King and his wife Dorothy gave \$150 million for the Stanford Institute for Innovation in Developing Economies. Since Saloner became dean, the business school has raised more than \$500 million in "private support," according to the university. Over the past five years, Saloner has been reporting to faculty that the GSB wins 75% to 80% of candidates admitted there and at Harvard Business School.

That's an impressive statistic that speaks to Stanford's place in the B-school universe and, by extension, Silicon Valley, Wall Street and Corporate America. Whether the GSB's image will be permanently sullied by an unseemly affair and internal rancor remains to be seen, but perhaps there is a lesson here for the powerful-in-training.

In her GSB profile, Gruenfeld, a social psychologist whose research focuses on the psychology of power, suggests that "when power corrupts, it can be without conscious awareness." Power, she says, erodes concern for the social consequences of one's actions and strengthens the connection between "personal desires and the acts that satisfy them."

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The Stanford Undergraduate and the Mentor
By EMILY BAZELON
Photo

Credit Left, Elinor Carucci for The New York Times; Ian Allen for The New York Times

On a weekend in March almost three years ago, Ellie Clougherty flew from London to Rome with Joe Lonsdale. She was a 21-year-old junior at Stanford University, and it was her first trip to Italy. Lonsdale, then 29, was a Silicon Valley entrepreneur, and he booked a room for them for two nights in a luxury hotel — a converted Renaissance mansion in the shadow of the Pantheon — and arranged a special excursion, with a friend of his who is an architect, to an archaeological site amid the ruins of the Golden House on Palatine Hill, overlooking the Colosseum. Under a light gray sky, they stood on plexiglass bridges and looked down at the uncovered remains of what is thought to be a fabled rotating dining room that the Emperor Nero built for extravagant banquets. Lonsdale is a Roman-history buff, and he told Clougherty about the emperors, praising their civilization and engineering feats.

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The couple also went with Lonsdale's friend to the Vatican. Clougherty, who is Catholic, was wearing a short dress and a light cardigan. For modesty's sake, she draped Lonsdale's sport coat over her shoulders and tied her sweater around her waist. As she walked with reverence in St. Peter's Basilica, she recalls, she touched the foot of a bronze statue of St. Peter and, as many believers do, made a wish. "I asked if God would help me with whatever was happening between me and Joe," she said, in one of many conversations we had over the past seven months. "It was like, 'I don't quite understand what this is, but please help.'"

Photo

At Stanford, a complex relationship between a student and a Silicon Valley entrepreneur is under scrutiny. Credit Ian Allen for The New York Times

Clougherty and Lonsdale had been dating over the previous couple of weeks, while he was her assigned mentor for an undergraduate course at Stanford called Technology Entrepreneurship, Engineering 145. The limited-enrollment class offered a combination of academics, business skills and access to Silicon Valley that has made Stanford the most sought-after university in the country, with the most competitive undergraduate admissions and among the highest donations. More than any other school, Stanford is the gateway to the tech world, and computer science is the most popular major. Each year, new young multimillionaires are minted, some just months after graduation.

Lonsdale, who also went to Stanford, made much of his fortune by helping to start Palantir Technologies, a major data-mining company. He was among the "top entrepreneurs and venture capitalists," according to the course description, many of them alumni, who came to campus as mentors for E145. "Students will learn how to tell the difference between a good idea in the dorm and a great scalable business opportunity," the E145 handbook for mentors says. "Guide them and challenge them." Stanford students are well aware of how valuable these contacts are. Around the time Clougherty took E145, another student's project, a virtual-payment app, attracted an investment from a Google board member who was a guest speaker in the course. It became the start-up Clinkle, with initial financing of \$25 million

After sightseeing in Rome, Lonsdale and Clougherty were together in the hotel room they were sharing when she started dressing for evening Mass. Lonsdale came up behind her and kissed her, touching her neck and hair and telling her she was beautiful. She had told him she was a virgin. Both agree they had sex. But what actually went on between them that night, and throughout their yearlong relationship, would become highly contested. After the relationship ended, Clougherty accused Lonsdale of sexual assault. Stanford investigated whether he broke the university's rule against "consensual sexual and romantic relationships" between students and their mentors and, later, whether he raped her. The findings from the investigations have sparked a war of allegations and interpretations, culminating last month with dueling lawsuits, filled with damaging accusations. This case, which has been picked up by the media, does not fit neatly into the narratives that have fueled an ongoing national conversation about sexual assault of students on campus. But it exposes the risks of Stanford's open door to Silicon Valley and the pressure that universities are under to do more for students who say they've been raped. It also reveals the complexity of trying to determine the truth in a high-stakes case like this one.

Growing up in the suburbs of Fairfax County, Virginia, Clougherty thought at one point about becoming a nun. She set that idea aside by age 15 as she became interested in neuroscience. By then she was also a professional model. Clougherty is 5-foot-10, lithe and blond, with an open, "almost luminous" presence, as one of her professors put it. Traveling to catalog shoots for companies like Target and Kohl's, she missed a lot of school. Her closest relationship was with her mother, Anne, a former systems engineer who sold a software company in 2000 that she started with her brothers and then continued to work for part time. She accompanied her daughter when she modeled, while her husband, an anesthesiologist, stayed home with her three younger brothers.

Anne took care to protect her daughter from unwanted attention from men. When Clougherty was 10, her family says, a man accosted her in a restaurant on her way to the bathroom. As a teenager trying out for modeling jobs, she would put on heels and makeup for casting calls. "I looked so much older than I was," Clougherty said. "There were always just a lot of men, complete strangers, on the subways and in the streets, blocking me off or following me, touching my breasts, grabbing my arm. I'd have to walk through them."

Arriving at Stanford in 2009, Clougherty reveled in the spacious bounty of the California campus. "Everything was literally amazing," she said. Like a lot of her peers, she felt drawn to the powerful industry next door but also anxious about how to find a footing. To network, she frequently went to tech events and mixers, collecting business cards from alumni and others who came to mingle with students.

Men hold 60 to 70 percent of the jobs at major tech firms, and almost half of tech companies have no female executives at all. Even more than in older, button-down industries, sexual-power dynamics can affect who advances. Many women told me that because they are in the minority, they often find themselves in the role of supplicant when trying to get a job or funding and that men often see professional interactions as sexual opportunities. One Stanford student told me about a male friend who dropped out to start a company and expressed interest in her programming skills. She felt pleased and then realized he saw her only as a dateable girl. Another woman, who founded a start-up, described a similar situation. A male executive introduced her to another more powerful man, at a mostly male conference, which she appreciated until it slowly became clear that "he was trying to become friends with this very successful entrepreneur by delivering me," she said.

At the tech events that Clougherty went to, she was one of few women, and when men pursued her, she often felt overwhelmed and intimidated. She told her mother about it and could feel Anne's concern radiating through their daily texts and phone calls. In the winter of her sophomore year, Clougherty developed an eating disorder. "I wanted to be invisible," she told me. Alarmed, Anne flew from Virginia and spent two weeks on campus trying to get her daughter back on track.

But Clougherty was struggling, and she withdrew from her classes and went home for therapy for her eating disorder, including eight days of inpatient treatment. That spring, she took a trip with her mother to New York, where a photographer they had met through her modeling work introduced her to a friend of his from the tech world: Joe Lonsdale.

Lonsdale has blue eyes and a wide smile. He grew up in middle-class Fremont, Calif., surrounded by his father's large extended Irish-Catholic family. He was raised Jewish by his mother, who died when he was 25. At Lonsdale's elementary school, his father started a chess team that became one of the most successful in California, and the son memorized hundreds of the sequences of moves played by 19th-century masters on his way to becoming a Scholastic chess champion. He learned to code in junior high school and spent most of his time in front of the computer or hanging out in dens and basements with other boys.

As a Stanford student, he edited the conservative Stanford Review, where he encountered Peter Thiel, its co-founder. Lonsdale advanced in a group of male libertarians who saw the

valley as a meritocracy built on pure talent. When Lonsdale graduated in 2004 with a degree in computer science, he went to work for Thiel, who created PayPal. Helping the company fight hackers, Lonsdale learned about weaknesses in the government's surveillance systems and saw a business opportunity. "In the valley, people thought we were crazy, because you're not supposed to build a business based on deals with the government," he told me. "We had this very divergent big mission." Continue reading the main story With early funding from the C.I.A., Lonsdale helped Thiel and others start Palantir. Named for the "seeing stones" in "The Lord of the Rings," the company developed powerful data-mining software for surveillance and won contracts with hundreds of law-enforcement agencies, including the National Security Agency and the Defense Department. In 2009, Lonsdale went on to other ventures but retained a stake in Palantir, whose value would climb to more than \$9 billion. In 2011, with a small group of partners, some of whom had close ties to Asia, Lonsdale started the venture-capital fund Formation 8, named for a lucky number in China. Along with starting and financing companies, he has continued to embrace libertarian causes and recently joined the finance team for Senator Rand Paul's possible Republican presidential campaign. And he sometimes can't resist showing off his newfound wealth: For a viewing party of HBO's "Game of Thrones" last year, Lonsdale bought a \$30,000 replica of the show's iron throne, posing on it like the show's line of blustering and sadistic kings.

After meeting in New York, Clougherty and Lonsdale struck up an intermittent, bantering email correspondence. Lonsdale mentioned that he had a serious girlfriend. But when Clougherty went back to Stanford in the fall of 2011 for her junior year, he asked her to meet him at a Palo Alto bar for a drink. "I'd love to get together and learn more about your ambitions," he wrote. At the tech events, Clougherty was one of few women, and when men pursued her, she often felt overwhelmed and intimidated.

The following January, Clougherty started E145, which was part of her self-designed major in management science and neuroengineering. She imagined some day starting a company that would find a socially responsible application of neurological research. The E145 professor matched Clougherty's team of four students with two mentors. Then Clougherty got an email from Lonsdale. "Ellie — is this the class you're in/do you require mentorship? haha," he wrote, forwarding a general query the teacher had sent him about mentoring for the course, which Lonsdale had done previously. Later that day, Lonsdale was switched onto Clougherty's team. In the first weeks of the course, Clougherty and Lonsdale met with other students on the team, and also met alone.

Late at night on Feb. 7, 2012, Clougherty texted her mother:

"Joe really really really seriously likes me."

"Yikes," Anne wrote back. "How does this keep happening :)"

"I've stopped questioning it," Clougherty answered. "There's nothing I can do at this point; thought I could control it once but no, nope, can't, it's now officially inevitable." Emailing a few days later, Clougherty and Lonsdale discovered they were each going to Europe for spring break, and Lonsdale invited her to Rome. "You are darling," he wrote when she asked a question about how personalities can interfere with work in the tech field.

Clougherty's emails to Lonsdale welcomed his attention. "HAPPY VALENTINES DAY JOE LONSDALE!" she wrote. "I hope to spend more time with you in the near future! Your kindness, integrity, desire to make the world a better place and willingness/confidence to make it happen is severely unique and an incredible thing to witness." Lonsdale was smitten. He told me that toward the end of his two-year relationship with his previous girlfriend, who was closer to his age, he would feel like "I was in trouble all the time" for working obsessively. But Clougherty was "this amazing young woman, so energetic and positive. She made me feel like everything I was doing was special."

Anne was impressed by Lonsdale's professional accomplishments, but as we drove through Virginia in October, she said she initially wondered what he saw in her college-age daughter.

Anne is a tall, attractive and forceful presence, and she said that at the end of February, she flew to California for parents' weekend at Stanford, and Clougherty arranged a dinner with Lonsdale. At first, Anne found him awkward. He had a hard time making eye contact, and she noticed his facial tic. (He cuffs his chin with his fist and grimaces.) But her doubts melted, she says, when he promised to guard her daughter from the valley's wolfish atmosphere. Lonsdale says that the subject did not come up then, but that later he tried to shield Clougherty from other men. "She said guys were coming after her, and it got me angry," he told me. "She's very beautiful, and you want to protect her."

A week later, Lonsdale gave Clougherty a dozen roses and took her on a picnic with caviar, crème fraîche and sparkling wine in a basket packed by his assistant. Instead of studying at the campus library, Clougherty sat by his fireplace to write her business plan for class. On Lonsdale's bed, she found a gift of silk pajamas, which she reported to her mother with an "O," for open-mouthed. A couple of weeks later, he gave her a book about Julius Caesar, with the inscription "To Ellie — who helps me see the world with a new sense of wonder. Let's explore and conquer together." Because Clougherty already had plane tickets for her trip to Europe, her mother emailed with Lonsdale's assistant about rearranging her daughter's itinerary. Lonsdale and Clougherty planned to meet in London, and he bought her a ticket for his flight to Rome.

When Clougherty got back to campus in April, she had a newly glamorous life. Lonsdale sent cars to pick her up at her dorm so she could meet him in San Francisco. They saw each other regularly, carving out time between her classes and his fund-raising trips for Formation 8. One friend of Clougherty's told me that she occasionally went out with the couple to extravagant events: "It was a cool life to be living — I thought she was experiencing a lot." But Jane, another friend of Clougherty's, whom she had known since freshman year, was more skeptical. She said she thought that Lonsdale was too old for Clougherty and told her so. After the Rome trip, it took Clougherty a few weeks to tell Jane, who asked me to use her nickname, that she had lost her virginity. "Before that, she'd said that as a Catholic, she wanted to wait for marriage, so she didn't want to admit it," Jane said. "But when she did tell me, she made being with Joe sound romantic."

Late in April, Lonsdale and Clougherty flew to New York, where they met her mother. He got the three of them on the list for a posh event on the top of the Standard Hotel for the Tribeca Film Festival. Anne began to ask Lonsdale for his advice about business ventures, including one to rebrand Haitian products like coffee and chocolate. "If you could give me an introduction," she wrote in an email after seeing him in New York, "that would be great. Clougherty and Lonsdale started talking about a summer project she could do for Formation 8. They settled on a survey of "disruptive" technology, and Clougherty invited a friend from high school, Rachel, to come to California and work on it with her. Anne found them an apartment in Palo Alto. Lonsdale paid the rent. "It was a very weird summer," Rachel told me over Skype. Lonsdale flew her and Clougherty to New York in July for a swank networking event and put them up at the St. Regis. But the survey they were supposed to complete went unfunded and unfinished. Spending evenings with Lonsdale and Clougherty, Rachel felt like a third wheel. She also found Lonsdale condescending. When Lonsdale hosted dinners at his house with other executives, Rachel said, she and Clougherty were sometimes the only women, and Rachel felt they were belittled. Sometimes Clougherty would sit on his lap. "It was like she was the pretty wallpaper," Rachel said. He talked about marrying Clougherty and made jokes like, "I have no power with you — I'm a powerful man but I'm at your mercy," Rachel said. Clougherty told me that she wanted to believe she and Lonsdale could eventually be equals, using their joint influence for good. "I thought it would be so nice to have the chance to have an impact," she said. "There are respectable women married to respectable guys in the valley. I wanted to think, I could be happy like that, too."

In emails Clougherty wrote at the time, she told Lonsdale that she found him attractive. "Kiss kiss kiss, you are super handsome," she wrote in June, and later, "You are a sexy man" and "It was so nice sleeping with you." But around the same time, she also told Rachel that she never wanted to have sex with Lonsdale, beginning in Rome. "She said, 'I don't want to be having sex, but he's not listening to me,'" Rachel said.

Rachel said she thought Lonsdale was manipulating Clougherty into spending the night at his house. "I could see on her face that she didn't want to go, and then he'd start his trick. 'You don't want to spend time with me?' " Rachel talked about her concerns with Anne. Together they counseled Clougherty to explain to Lonsdale that she did not want to be spending nights with him. She said she did, but the nights together continued. "They had sex again, and she was upset about it, clearly," Rachel said. "I reacted strongly. I said, 'This is your decision.' Her mom was there too. Then I realized Ellie felt a little upset. She felt we were judging her."

Photo

Joe Lonsdale and Ellie Clougherty in Rome, March 2012. Credit Photograph from Joe Lonsdale

Around the same time, Anne was emailing with Lonsdale about his plans to buy a new house. During that summer, she came out to look at real estate with the couple and attended the wedding of Lonsdale's father. Lonsdale's younger brother and other relatives complained that Anne was inserting herself into every corner of his life, and worried that she and Clougherty were after his wealth. But he brushed them off. "They thought I was a naïve guy screwing up, but I was in love," he said.

In August, Lonsdale took Clougherty on a 10-day trip to raise money for Formation 8 in Hong Kong, Beijing and Seoul. Clougherty had no official role, but she was thrilled to be included in high-level meetings, with industry leaders like the chief executive of the Internet giant Baidu, and prided herself on helping Lonsdale. "I was on high alert to absorb everything I could, so I could be socially aware for him," she said. "Like if he wasn't fully listening to someone, I would say a few lines to cover." At the end of the trip, she expressed gratitude, writing to Lonsdale, "I love how much you trust me to bring me to all your meetings bc I literally couldn't imagine a more awesome thing I'd rather do!"

But the trip also had difficult patches. In an email Lonsdale wrote to Clougherty after they returned, he acknowledged that she complained about not eating regularly and that they argued about religion. After they got home, she found old copies of Playboy magazine in his bureau drawer and became furious. Lonsdale told her she was overreacting. "I am really scared by how you are super positive about me one day — too much so — and then super negative the next," he emailed. "This binary swinging between things is hurtful, and it's also very immature." She apologized in a long letter that described her struggle to recover from her eating disorder the previous year, including the inpatient treatment, which she had found terrifying. "Sometimes I think it would have been so much better had you met me a year from now, when I'm fully healed," she wrote. Lonsdale thanked her for being open. "I think you will be all healed soon, and I hope I can help," he wrote.

At the end of September, Lonsdale rented out the Hearst Castle, on the California coast, for a lavish 30th-birthday party with hundreds of guests. He was also celebrating the third anniversary of Addepar, a data-based platform for wealth management that he co-founded. The company's logo, lit from behind, loomed above an outdoor pool at the castle. Clougherty's parents flew out for the occasion, taking to the dance floor while their daughter circulated as hostess, wearing an embroidered cream-colored gown by Sue Wong that she and her mother shopped for. "It was like being a princess at a ball," she told me. "It seemed magical on the surface." At the end of the evening, Lonsdale broke the castle rules by jumping into one of the pools.

But over the autumn and winter, their relationship frayed. Lonsdale hit a crucial period of fund-raising for Formation 8, and Clougherty expressed resentment when he would ask her to come over late at night. He responded impatiently. "I don't know what analogy makes sense to you, and Odysseus is probably not the right one," he wrote in the fall. "But I am on a really big, difficult, critical mission the next several weeks." It would be hard for the relationship to work, he warned, "if my darling is actually just sort of annoyed at me and isn't in a position where of course she is eager to see me anytime I can."

In December 2012, Lonsdale wrote Clougherty a long email. "We are dealing with serious relationship dysfunction," he began, and laid out a list of examples in bullet points. The first read: "Sometimes I feel it's very clear you are eager to engage sexually, but other times you will talk about me taking advantage of you and forcing myself on you as if there is this dirty old man/young innocent student dynamic, and I should feel badly about it. We will do something and then just a bit later you'll talk as if 'how can I stop you from making me do that?' and yet earlier I honestly thought you wanted to."

Lonsdale spent Christmas with Clougherty at her family's home. They fought about a number of things, including the fact that he didn't bring her a Christmas present. When he got home, Lonsdale broke up with her over email. When she returned to Stanford in the beginning of January, they started seeing each other again for what they called a trial period. Jane told Clougherty that she thought it was a bad idea for them to get back together. She says Clougherty told her that Lonsdale wanted to have sex "all the time" and that during it, he would put his hand on her throat. She didn't think her friend was ready for the sexual relationship that Clougherty said Lonsdale wanted.

On Jan. 7, she texted Anne: "I'm scared for Ellie. I don't want her with Joe at all. In fact, I worry about her safety. The guy is a jackass. What's going on there? I feel like I may be the only one at school who can look out for her."

"I think you're the only one who looks out for her," Anne said.

"But what is she thinking?" Jane replied. "From what I've heard it sounds horrific and the guy is a psycho. I feel like I've failed her because she doesn't realize she doesn't have to put up with someone like that. There are so many other unbroken people out there. Anne, I hate to say this but this guy definitely seems like the type who would abuse her."

"Hmm," Anne responded. "I don't think he is that aggressive. More like a little clueless."

But in a mid-February phone call, Clougherty told her mother that she was having a hard time making it to class, was not eating and was spending hours in her dorm room alone. Anne was worried. "I was saying, 'Why can't you just not be with him, why can't you go to class, why can't you go to the cafeteria, why can't you be in control of your life?'" Anne said. "Over the phone, there were just these long silences. I thought, Something is dramatically wrong with her."

Clougherty's fragility reminded Anne of the state her daughter was in when she had to leave school more than a year earlier. She decided to go to California again. On the flight, she read a book suggested by a friend who had been in an abusive relationship called "Why Does He Do That?: Inside the Minds of Angry and Controlling Men," by a domestic-violence counselor, Lundy Bancroft. The book riveted Anne. She saw Lonsdale in the descriptions of an abuser and she saw Clougherty in the role of a victim in denial. Anne got to Stanford bent on an urgent rescue. "I was bringing my daughter home no matter what," she said.

Photo

The Center for Engineering Management, where Ellie Clougherty had Joe Lonsdale as a mentor. Credit Ian Allen for The New York Times.

Anne took her daughter to a hotel and gave her Bancroft's book. Clougherty stayed up late reading and writing, going back and forth between the book and her computer. The next morning, sitting up in bed, she typed furiously on her laptop: "If I said no, he would slowly convince me/make it look like he was going to die if I didn't climb on top of him. He would freak out when I mentioned I wanted to slow things down, even if it meant having sex only once each time I would see him. One time I cried hysterically because it freaked me out and he wouldn't listen to me but he would then immediately start crying way harder than me saying he felt like a creepy old man and didn't want to feel that way. I felt compelled to comfort him even though I was the one who felt violated."

Clougherty decided she wanted to "escape." She met Lonsdale in a Palo Alto park in late February, and they broke up while Anne and Jane waited for her in a nearby wine bar. When Anne went home a few days later, Jane tried to help Clougherty by deleting Lonsdale from her Facebook account and taking her out bowling and for ice cream.

"There has to be zero contact," Jane texted Anne.

On March 1, Clougherty went to Stanford's counseling center. She said that Lonsdale had forced her to have sex when she didn't want to and also talked about the man who accosted her in the restaurant bathroom when she was 10. The university psychologist noted in a report that she "seems to have symptoms of post-traumatic stress disorder from current and past

trauma." Clougherty went home to Virginia and spent days crying and rocking in a corner of her family's living room. Clougherty embarked on therapy twice a week with Keith Saylor, a clinical psychologist who treated her eating disorder. He used prolonged-exposure therapy, a treatment developed for combat-related disorders, in which a therapist prompts a patient to describe deeply traumatic events. Later, patients listen to tapes of their sessions at home every day in an attempt to drain the memories of their power.

With Clougherty's permission, I listened to tapes of their 90-minute sessions. As he typically does when conducting prolonged-exposure therapy, Saylor reflected back Clougherty's account, saying that she had experienced "multiple traumas over a prolonged period of time that did repeated damage." In one session, he told Clougherty, repeating her words, that Lonsdale "held you captive," continuing, "You were essentially brainwashed over a year."

On the tapes, Clougherty swallows sobs and speaks in a thin, small voice. She described particular sexual acts that she didn't want to take part in and how Lonsdale cajoled, begged and insisted until she gave in. She also said that during sex he slapped and shoved her and put his hands around her neck. "It was rape in a sadomasochist way nine times a day," she said. In a later session, Saylor again mirrored what she told him: "You didn't have personal agency, you didn't have personal choice, all of those things had been robbed from you." Initially, Clougherty told Saylor, as she had said to her friends, that she had sex for the first time with Lonsdale in Rome. Weeks into therapy, Clougherty said that early in the mentorship for E145, Lonsdale picked her up around 10 p.m. near campus for what she thought would be a quick dinner nearby so they could talk about the class project. Without asking, she said, he took the highway south to his house in the Los Altos hills. When they went inside for dinner, Clougherty said, he surprised her by yanking her into a bedroom located off the kitchen and throwing her down on a king-size bed covered with a fur spread. He raped her, she said. Lonsdale denies that he drove her to his house without inviting her first and says he never raped her.

Before she went into therapy, Clougherty told me, she didn't want to admit even to herself that she had been raped. She wanted to believe that the relationship was loving, and she also felt she had a lot to lose. "It was like I could call him a rapist, and I could get judged and get in big trouble and not know how to handle it or I could say, 'He's great, look at these emails, I want to date that person,'" she said. "Trauma therapy was the first time I felt allowed to talk about how I felt."

In the course of the therapy, Clougherty came to reject the term "relationship," or even "abusive relationship," to characterize her year with Lonsdale. She now calls it a "psychological kidnapping," a term she came up with after watching a video about domestic abuse on the Internet, and she says she was raped every time she and Lonsdale had sex. Saylor, who agreed to speak with me at Clougherty's request, said, "People in these kinds of dramatic circumstances sometimes don't tell anyone." He also said that prolonged-exposure therapy doesn't "encourage perspective-taking" and that Lonsdale might have an entirely different view of the relationship. "My role is not to question her veracity but to help her get well." Clougherty finished her coursework for Stanford online when she was at home. During that time she decided she wanted Stanford to intervene. In May 2013, she and her parents went back to campus to ask the university to investigate Lonsdale's conduct. Her friend Jane saw this as a setback for Clougherty. "I said, 'Oh, no, you should move on.'"

Meanwhile on campuses throughout the country, a movement was taking shape. A growing number of students were coming forward to criticize their universities for the handling of sexual-assault cases. They had support from the government. In 2011, the Office of Civil Rights in the Department of Education sent a letter to every college and university in the country that receives federal funding, as almost all do, clarifying that under Title IX, the federal law passed in 1972 to prevent sex discrimination in education, colleges and universities had an obligation to prevent and respond to sexual violence and harassment. "Once a school knows or reasonably should know of possible sexual violence, it must take immediate and appropriate action to investigate or otherwise determine what occurred," the letter from the Office of Civil Rights warned.

The government also instructed schools to adopt a new standard for determining the outcome of a sexual-harassment or violence case. At the time, many schools used the standard of "clear and convincing" evidence, meaning that the adjudicators (usually a panel of administrators or faculty) believed that it was substantially more likely than not, or roughly 75 percent likely, that the accused had committed the offense. The letter from the civil rights office demanded that schools switch to a lower standard of proof, a "preponderance" of evidence, meaning that it was more likely than not — above 50.01 percent — that the offense was committed. The office noted that preponderance is the standard that courts use to decide civil suits for sexual harassment. A few schools, including Princeton and Harvard, initially refused the new standard and then found themselves under investigation for suspected Title IX violations.

Stanford quickly followed the mandate by adopting the preponderance standard. The university also adopted a policy requiring full investigations when students reported sexual harassment and assault. In May 2013, Clougherty submitted to Stanford a written account of her sexual-assault and harassment allegations, including selected texts and emails. The university appears to have initially investigated only whether Lonsdale broke the rules against consensual relationships between mentors and mentees, which the university treats as "inherently unequal," like relationships between teachers and students. Stanford said it cannot comment on any sexual-assault case unless a student waives his or her privacy protections under federal law. But Lisa Lapin, a spokeswoman for the university, wrote in an email that in light of these constraints "when unhappy parties tell their version of the stories to the press, it's no wonder that in virtually every case, the university ends up being portrayed in a highly negative light."

A friend tried to help Clougherty by deleting Lonsdale from her Facebook account and taking her out bowling and for ice cream. Marcia Pope, an outside investigator hired by the university, from the law firm Pillsbury, interviewed Lonsdale without a lawyer. He said that he didn't know about the rule against consensual relationships between mentors and mentees, which is posted on the university's website but was not included in the mentor handbook for E145. In June, Stanford found that Lonsdale had violated this rule and said he could

Lonsdale was unhappy with the decision, but to Clougherty and her mother, the penalty seemed negligible. They were confused about why Stanford hadn't looked into her sexual-assault allegations. In November 2013, they attended a conference on gender-based violence at Harvard and heard a talk given by Diane Rosenfeld, a Harvard lecturer and lawyer. "Diane said, 'You have these rights in Title IX,' and that's when it clicked," Anne said. "I chased her into the bathroom and said: 'You have to meet my daughter. We need your help.'"

Rosenfeld agreed to represent Clougherty in negotiations with Stanford and Lonsdale over her allegations of sexual harassment and assault and gave her a refrigerator magnet with the slogan "You Are Pure Potential." The next month, Stanford, Clougherty, Lonsdale and their lawyers met for a daylong mediation. Before the meeting Clougherty texted Jane: "Totally joke take down scheme!" (Clougherty says "scheme" wasn't a good choice of words; she meant she was "taking down a rapist.") Clougherty settled with the university for an undisclosed amount. A few days later, Clougherty received a settlement proposal from Lonsdale. It contained a blanket nondisclosure provision that Clougherty did not want to sign and the deal fell through. Lonsdale vehemently denies making a settlement offer.

Around the same time, Jane texted Clougherty: "Dude just settle so you can move on. This is going to become your life." Shortly after that, Stanford opened a new investigation into Clougherty's sexual-harassment and assault allegations. Stanford had learned that Lonsdale had dated another student after he and Clougherty broke up. Pope, the outside investigator, started contacting witnesses. She talked to Clougherty's friend Rachel, who described the troubling sexual dynamic she felt she had seen between Lonsdale and Clougherty over the summer. Pope also spoke to the second Stanford student that Lonsdale dated. Clougherty knew her and was convinced that he had also been abused. But the woman told Pope that her relationship with Lonsdale was consensual and not abusive. When I got in touch with her, she declined to comment.

At the time Stanford was examining Clougherty's allegation, the school was also addressing fallout from another investigation. Three female students were privately confronting administrators after realizing that they all reported sexual violence, including choking, involving the same male student over three years. According to university documents, the man didn't deny the choking when Stanford questioned him in 2012 and was allowed to remain on campus. Then last June another case came to the surface. Public protests erupted after Leah Francis, a senior, spoke out when Stanford refused to expel a male student after the university found he had sexually assaulted her. (Since 1997, 25 sexual-harassment and sexual-assault cases have gone through Stanford's disciplinary process. Ten students have been found culpable; only one was expelled.)

Two weeks later, the university reached a new decision regarding Lonsdale. Stanford now found that he had engaged in sexual misconduct and harassment during his relationship with Clougherty and banned him from campus "for any purpose." After 10 years, he could apply to return; Stanford "strongly encouraged" him to seek counseling for sexual misconduct and relationship violence.

"When we ask someone to stay away from campus, it's because we have a concern about that person's impact on the community and certainly on students," a senior university counsel, Lauren Schoenthaler, told me. Yet since the ban was imposed last June, Lonsdale has been invited to campus for a private lunch, which he attended with the university's permission. (Stanford says it declined other requests from Lonsdale to come to campus.) He was also featured on Stanford's website as a mentor for StartX, a business accelerator that supports companies founded by students. When I asked Schoenthaler in December about Lonsdale's online university presence, she said StartX would move off Stanford's website. As of Feb. 6, it was still there.

In the last few months, Stanford and other schools have felt the ground shift beneath them once again. Some critics are now charging that universities are overcompensating for past mistreatment of victims. Even as they're attacked for giving victims short shrift, schools are also being denounced for inadequately protecting the rights of the accused. In October, 28 members of the Harvard law-school faculty wrote a letter, published in the Boston Globe, deploring the procedures the university adopted to follow the mandate from the Office of Civil Rights for lacking "the most basic elements of fairness and due process" and being "overwhelmingly stacked against the accused." Around the country, about three dozen men are suing universities over findings or punishments for sexual infractions. In a short span of time, a well-intentioned effort to right a seemingly obvious wrong has fed additional claims of injustice. Lonsdale says that he believes Stanford's treatment of him was influenced by student activism and the protests over Leah Francis's case. "Everyone believes the woman," he told me in December as we sat at a small conference table in New York for two hours with two lawyers and a public-relations strategist.

Lonsdale seemed nervous, well coached and eager to stress his commitment to gender equality. "It's important to me to be with a woman I respect," he said. Since Stanford's findings against him last June, he has promoted women's causes, judging a hackathon to fight the sexual exploitation of girls (alongside three women with excellent tech credentials) and writing an article in The Stanford Review with the headline "Economic Conservatives Should Champion Female Technologists."

Describing his relationship with Clougherty, Lonsdale played down his authority and played up hers. "Ellie is a forceful person," he said. "If I did anything she thought was wrong, she'd express it." Later, he stressed the point again, saying, "She is very vocal about what she wants and doesn't want." He dismissed his role as her E145 mentor as a "supercasual thing." He had older friends who also dated undergraduates, he said. "I didn't think it was any big deal."

Lonsdale and his lawyers told me that when Pope, the Stanford investigator, asked to interview Lonsdale for a second time in December 2013, he declined and submitted a statement in writing. In Lonsdale's description of the relationship, he says that he and Clougherty were in love and she never said no to sex or even expressed ambivalence in the moment. I asked about the email he sent shortly before he broke up with her in December 2012, complaining that she sometimes said he was "forcing" himself on her. Lonsdale said the problem wasn't Clougherty's lack of consent. It was that she sometimes felt bad after the fact. "There was a lot of stuff around the Catholic guilt," he said, "about how she didn't like being addicted to the body."

Continue reading the main story
Some critics are now charging that universities are overcompensating for past mistreatment of victims. Despite all the turns the case had taken, until I asked Lonsdale about it, he said he had never heard Clougherty's accusation that he raped her that night at his house. It seemed to startle him. "I didn't rape her," he said with emotion. "We didn't have sex until Rome. This is a whole new thing. She is scarred and broken, and she is making stories up." He looked around at his lawyers and then back at me. "It's like I'm some sort of crazy monster."

It's hard to tell whether Stanford sees Lonsdale as a real threat. In a letter to him and Clougherty in June 2014 after the second investigation, the university stated only that on several occasions Clougherty expressed that she didn't want "the sexual contact in question." The university didn't explain the meaning or limits of this vague phrase. There is no police investigation in this case, no indictment laying out charges and nothing from a judge or jury to specify what Lonsdale was found guilty or not guilty of. Instead of the transparency of open court, Stanford offered opacity.

Stanford's rules explicitly grant a right of appeal to students, faculty and staff but include conflicting statements about whether other members of the university community may appeal. Lonsdale's lawyers asked the university to reopen the case once more. In November, after I contacted Lonsdale, his lawyers submitted to Stanford hundreds of pages of his email correspondence with Clougherty and her mother that they hadn't previously provided. Stanford has not decided whether to consider this evidence, along with an eight-page sworn statement Lonsdale gave the university from an unexpected source: Clougherty's friend Jane.

In the months after Jane helped Clougherty break up with Lonsdale, she says that she watched with increasing unease as Clougherty's accusations mounted, from emotional abuse to rape. "In March 2014, she texted me that she considered herself a 'sex slave' during her relationship with Joe," Jane wrote in her statement. "This is far, far beyond anything that she ever said about the relationship when it was happening or for a long time afterward. It also made no sense in light of her clear enthusiasm about the relationship." Jane told me by phone that the breaking point in her friendship with Clougherty came when Stanford began the second investigation of Lonsdale. Jane says she thought the investigation was not warranted and told Clougherty that she would not talk to Pope. Clougherty sent her three texts in April 2014: "Hey, all the investigators need to know is that you witnessed my escape from Joe and saw him pounding on the steering wheel." "Did you really decline to speak with them?" "I don't understand, I thought you'd support me." On the night of the break up, Anne and Jane were sitting in the wine bar waiting for Clougherty. They saw Lonsdale drive up with Clougherty. In Anne's account, she and Jane could see Lonsdale pounding on the steering wheel. Jane jumped up and went outside to knock on the window of the car and make sure Clougherty was O.K.

Jane, though, told me that "the conversation in the car looked completely normal." She added: "I didn't go outside. She came in, and I thought, Great! She's fine, and it's over." She gave a short, bitter laugh. "They asked me to lie, and I said no. Ellie yelled at me over the phone." She gave another short laugh. "She hung up on me after five years of helping her through all her life issues and crises, all the calls from Anne, 'Will you look after Ellie?' All of that, only to be put to the side when I won't do what they want me to do." She paused. "In retrospect, I understand. I was used." Clougherty said she never asked Jane to lie: "I didn't know she was mad at me. We just wanted her to say she was a witness to me breaking up with him."

Jane, who works in tech, says she got in touch with Lonsdale late last summer. "I thought, He needs to know what I know," she said. I asked whether she considered that helping Lonsdale might benefit her professionally. "I don't want to sound like a hero, but I don't need Joe's help," she said. "My job is going great." In her sworn statement, Jane wrote, "If I sensed, even remotely, that the relationship was in any way abusive, I would have talked to Ellie's mom about it." I asked her about the texts she wrote to Anne two years ago, which conveyed just this sort of distrust of Lonsdale and fear for Clougherty, reading them to her over the phone.

At first, Jane said she didn't remember writing the messages. She later said she recalled them and the concern she felt then, but said that her fears, which were based on Clougherty's account, seem exaggerated now that she was older and more experienced herself. She and Clougherty haven't spoken since their phone call nine months ago.

Clougherty is currently a student at the University of Virginia, enrolled in a master's program in data science and living with her brother, also a student, in a Charlottesville apartment their mother found them. After Rolling Stone published its story of a lurid fraternity gang rape in November, Clougherty and Anne arranged a meeting with the university president, Teresa Sullivan. On the day before Thanksgiving, they spent a couple of hours sitting in front of a fire at Sullivan's home, drinking hot chocolate and talking about the effects of trauma. Clougherty gave Sullivan a beaded bracelet she had made and was thrilled when Sullivan mentioned the gift in a major speech on campus the following week, calling Clougherty the survivor of a "brutal assault inflicted on her at another university."

Rolling Stone soon apologized for its gang-rape story after key facts were discredited. Clougherty and her mother were rattled but undeterred about speaking out. "It's not an easy decision, but I just see it as a moral obligation," Clougherty said. "I really want to help other women." In January, Clougherty filed a civil suit against Lonsdale, accusing him of sexual abuse. She called his behavior "violent and deviant," saying he employed "psychological manipulation and coercion" including "isolation, sleep deprivation, food deprivation." She also accused him of "strangling her, slapping her, scratching her, yanking her by the hair so hard that he would lift her torso off the bed and slamming her body against the walls and bed boards." In addition, she sued Formation 8 for being negligent in its supervision during the summer she was doing the project with Rachel. The lawsuit states that she "wrote him numerous emails and love letters to let him know how much she cared about him in the hope that it would end the abuse." In response to Clougherty's lawsuit, Lonsdale mounted a swift counterattack, calling it "a vengeful, personal attack by a disturbed former girlfriend" in an email to friends and associates. He also said that Stanford's investigation was "a Kafka-esque nightmare." He linked to Clougherty's emails, posting them on a website his team created overnight, highlighting the most affectionate and admiring passages and arguing that she was unstable. Lonsdale also sued Clougherty for defamation. (In the wake of the lawsuits, Formation 8 has been criticized in the press for not disclosing that Lonsdale was banned from Stanford.) He blamed himself only for being naive.

As this battle is waged in court, Stanford and other universities may improve their handling of future sexual-assault and harassment cases. The policies they have put in place since the government's 2011 directive will surely turn out to be a draft that they rewrite over time. (Stanford has a task force working on the issue.) Universities are legally obligated to investigate and referee claims like Clougherty's, and the imbalance of power inherent in these entanglements is of real concern.

At the same time, the role the government has cast universities in is not a natural one. They are not the police. Yet they are asked to grapple with criminal accusations even when the events in question are receding into the past and are deeply difficult to deconstruct. And they are self-interested in a way that courts are not, with a different need: to protect their reputation.

Lonsdale and Clougherty are now moving beyond Stanford. He says he's relieved to finally confront her accusations in open court. She says going public is liberating. "Now I'm free to live my life, knowing I sent this up into the world and more people can respond to it other than just me." She has no plans to return to Silicon Valley and says she wants to advocate on behalf of abused women. She's also looking for a path involving brain research and tech that would include social activism. "My only fear now is that people will judge me, and then if I become a neuroscientist, they won't believe what I have to say," she said a few days after filing suit. "It's a risk, but I have to do this."

Correction: February 22, 2015

An article on Feb. 15 about a sexual-assault allegation misidentified the location in California of the home of Joe Lonsdale, the man who was accused and who has denied the accusation. He lived in the Los Altos hills, not the Los Gatos hills.

Emily Bazelon is a staff writer for the magazine and the Truman Capote Fellow at Yale Law School.

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What Silicon Valley Thinks of Women

By Nina Burleigh / January 28, 2015 5:41 PM EST

Newsweek

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On a spring afternoon last year at an outdoor café in San Francisco, two denizens of the tech community sketched out their strategy for a startup. Like most 28-year-olds in Silicon Valley, they had smarts and dreams. One was a passionate, fast-talking New Yorker, the other a shy computer whiz from Syracuse, New York, and together they formed the classic hacker-hustler team behind many of the valley's Next Big Things.

They had been emailing each other about the idea for months, with growing conviction of its awesome potential. It addressed a well-known problem, one that afflicts the tech industry but also banking, media, advertising and film. Corporations needed it. Individuals would love it. It might even be disruptive, as they say. That afternoon, over lunch in the California sun, they committed to an ambitious business plan. That summer, they would keep their day jobs at media and advertising companies, but devote many off-hours and weekends to the startup. The savvy talker, who had worked in communications at Citigroup and Thomson Reuters, joined professional clubs, sought out older advisers, arranged meetings and worked at creating buzz that just might pique investors.

The programmer toiled at the computer, coaxing an algorithm, often alone.

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Four months later, the hustler won the project's first investor, a woman who works at one of the world's biggest hedge funds. It was a small sum, but the entrepreneurs quit their jobs the next day, setting up camp in a donated corner of another startup's loft office above San Francisco's Union Square. The new digs mercifully provided free food.

In the ensuing months, the pair eschewed new clothes, walked instead of Ubered and assembled a small, mostly unpaid staff. They found pro bono lawyers with startup expertise, signed contracts, designed and revised their PowerPoint pitch a dozen times and met with more than 50 potential investors. The programmer tested the algorithm. They had 1,500 clients wait-listed for a beta launch. They attracted interest at five large technology companies, including Twitter. They told investors their project was the next Pinterest—the way screenwriters tell movie moguls their scripts are the next Titanic.

Nine months after that day at the café, they launched their startup last month.

In a community like Silicon Valley, where six- and seven-figure investments are routinely tossed at ideas that sometimes succeed but more often flash-bang and fizzle out like meteors, they were getting only paltry sums—about \$400,000 shy of the \$525,000 they were hoping for in "pre-seed," early investment money.

There is, though, one thing these two founders are missing, and it is almost the sine qua non of the fabled Silicon Valley startup. They don't have penises.

Dana Settle is pictured age 27 at a meeting at the Mayfield Fund in 2000. Settle worked at The Mayfield Fund, among the oldest VC firms in tech, before moving on to co-found a VC firm named Greycroft Partners. Bob Sacha/Corbis

Gang-Bang Interviews

The legendary names of Silicon Valley are well known, and for the most part, the men behind the names look like this: geeky, in jeans and T-shirt, maybe with a hoodie, maybe shaving, maybe a college dropout, coding since early pubescence in the upper-middle-class parental basement. They walk into a venture capital firm on Sand Hill Road in Menlo Park or in San Francisco's SoMa district, and they walk out with a million dollars. A few years later, if all goes well, an IPO makes a lot of people richer.

Computer programmer Lauren Mosenthal and her partner, Eileen Carey, came to California attracted by that kind of possibility. The only problem with their dream is that Silicon Valley has never produced a female Gates, Zuckerberg or Kalanick. There are a few high-profile female entrepreneurs in the Bay Area, but despite the very visible success of corporate titans Meg Whitman, Sheryl Sandberg and Marissa Mayer, who signed up with companies after they took off—their numbers are relatively minuscule.

Despite that discouraging fact, the two women spent their 20s deep inside the valley's bro community—a culture that has been described as savagely misogynistic. In inverse ratio to the forward-looking technology the community produces, it is stunningly backward when it comes to gender relations. Google "Silicon Valley" and "frat boy culture" and you'll find dozens of pages of articles and links to mainstream news articles, blogs, screeds, letters, videos and tweets about threats of violence, sexist jokes and casual misogyny, plus reports of gender-based hiring and firing, major-league sexual harassment lawsuits and a financing system that rewards young men and shortchanges women.

There was the young executive of a company valued at \$250 million who got up in front of an audience at a conference billed as diverse and joked about "gang-bang interviews" and how he got his start by sending elusive CEOs whose attention he needed "bikini shots" from a "nudie calendar" he'd made of college women. It's the sort of place where one of the valley's "most-eligible bachelors," Gurbaksh Chahal—an entrepreneur with companies valued at hundreds of millions of dollars—is shown on a home security video beating his girlfriend for half an hour. (He received no jail time, pleaded guilty to a misdemeanor and received 25 hours of community service and three years' probation.) It's a community in which the porn-inspired, "drading" college tweets of Evan Spiegel, the CEO of Snapchat, go public; where a CEO's history of domestic violence has no repercussions but female executives get fired for tweeting about sexist jokes they overhear. It's a place where companies routinely staff conference booths with scantily clad "code-babes" and where women are so routinely sexually harassed at conferences that codes of conduct have become de rigueur—and the subject of endless misogynistic jokes on Twitter.

It is still the kind of place where investors can tweak women who ask them for financing with barbs like "I don't like the way women think. They haven't mastered linear thinking." This was how one investor turned down Kathryn Tucker's pitch for RedRover, an app that helps parents find kid-friendly things to do, which has since launched in New York, San Francisco and Atlanta.

Three high-profile sexual harassment lawsuits have been filed against Tinder, the virtual town square of hookup culture, and two of the biggest venture capital firms—Kleiner Perkins Caufield & Byers and CMEA Capital. The complaints include a senior CMEA partner harassing a series of executive assistants like a character in Mad Men, replete with sexual nicknames, trapping them in his office and frequently referring to porn and public hair. At Kleiner Perkins, former partner Ellen Pao says partners countenanced harassment and retaliation from a fellow partner, and excluded women from client dinner parties because they "kill the buzz." At Tinder, a male co-founder (and ex-boyfriend) sent abusive texts and yanked co-founder Whitney Wolfe's title because, she alleged, he told her having a woman on a board "makes the company seem like a joke." Tinder and CMEA settled under confidential terms within months. That CMEA partner is no longer with the firm, and Tinder temporarily suspended the executive involved. The suit filed by Ellen Pao—who is now at Reddit—is headed to trial this spring. Kleiner Perkins has denied the allegations and stated that Pao "twisted facts and events in an attempt to create legal claims where none exist."

It wouldn't be an exaggeration to say that a front line, if not the trench of the global gender war, is in Silicon Valley. In that sense, Silicon Valley culture echoes the Wolf of Wall Street culture in the '80s and '90s. But while Wall Street today seems tamer—thanks to lawsuits and diversity consultants in every corner—in Silicon Valley the misogyny continues unabated. A combination of that very traditional Wall Street wolf-ism among Northern California's venture capital boys' club and the socially stunted boy-men that the money men like to finance has created a particularly toxic atmosphere for women in Silicon Valley.

This matters for tens of thousands of reasons, but on the broadest level, since digital technology is our era's Industrial Revolution, fortunes being made now and business models and corporate cultures forming today will be with us for a century to come—and women are for the most part sidelined. Zuckerberg, Gates, Thiel, Musk—these are our Carnegies and Morgans and Rockefellers, whose names will be on museum wings and university halls 100 years from now. And there's not a female among them.

Venture capitalists often blame the dearth of women graduating in computing and math and engineering, but that is only part of it. As Jodi Kantor wrote in a New York Times article tracing the fates of the Stanford class of 1994, many women with such degrees simply bailed out, while their male counterparts went on to make fortunes as the Internet exploded.

A recent report on women entrepreneurs by the Kauffman Foundation identified the chief challenges to female entrepreneurship. Researchers interviewed 350 female entrepreneurs, and most cited "lack of available advisers" at the top of their list. Female professional attrition is only one reason for the scarcity of mentors for younger women. Another is that women who stay in the game beyond their late 30s may be less subject to sexual harassment than their younger counterparts, but they are sidelined by virulent ageism in the industry that especially—but not solely—afflicts women.

Younger women, setting out on careers in tech, are furious. One group wrote a scathing "Open Letter to Tech" last year complaining about regular "rape-y emails" and professional exclusion.

Shanley Kane is a young tech industry observer and founder of Model View Culture, an acid-penned, widely read website on which she routinely exposes and excoriates the white programmer establishment. In an interview with MIT Technology Review in December, she said venture capitalists talk about the need to get 10-year-old girls into science in order to bring up the numbers of women they will fund, but don't fund the ones already in the industry. "We are not getting hired, and we are not getting promoted, and we are being systematically driven out of the industry," she said.

Asked what women should do, Kane wasn't encouraging: "I don't have a lot of advice. There's not a whole lot you can do to keep your career from being crushed by misogyny."

From left, Lauren Mosenthal and Eileen Carey are co-founders of Glassbreakers. Ashley Jones

Kicking Glass

Every successful startup pitch begins with a problem, followed by a solution and an estimation of how many people will pay for it. Carey and Mosenthal are well versed in the problems women in tech face, and that's how they came up with the idea for their startup, which they called Glassbreakers.

Glassbreakers is a peer-mentoring platform for companies that want to retain and promote women, and it's also for individuals because it matches women in the same profession with other women at relatively similar levels so they can share tips, contacts and skills. Based on a "software as a service" business model, it relies on an algorithm Mosenthal continues to refine to produce a product that's a bit like a dating site, matching people by location, career goals, background and needed skills. "Glassbreakers is a \$100 million-a-year opportunity for investors, given how many organizations lack the resources to build mentorship programs but are seeking a solution," Carey says.

But there is "added value," as she puts it in her pitch to investors: community-building for working women. "A more connected female workforce is a stronger one," she says.

Founders Jaclyn Baumgarten, left, and Ari Horie discuss a project during a meeting with entrepreneurs at the Women's Startup Lab in Menlo Park, Calif., May 27, 2014. Patrick Tehan/Bay Area News Group/MCT/Sipa USA

That's an added value close to Carey's heart. She hails from a family of East Coast feminists, and her aunt, Noreen Connell, was a member of the New York Radical Feminists, a National Organization for Women leader and Bella Abzug comrade-in-arms who co-wrote a 1974 sourcebook for rape victims. Carey is named after her mother: "I'm Eileen Junior." She admits she has only rarely experienced sexual harassment or even sexist behavior. "Women our age expect feminism," she says, sitting in a sunny, donated corner room in the loft offices of Prism Skylabs, a retail analytics company. "We expect to be treated equally. That shit would never fly around me."

But she knows bias and harassment are endemic in her profession. When she hears such stories, she encourages the women to report the men, but she understands why they don't. She has no such qualms herself. "I have seen people sexually harass people, and I have reported it to HR or their bosses," she says.

Glassbreakers's peer-mentorship model is different from the traditional mentorship model, Carey says. It aims to mitigate the effect of female professional attrition on younger generations of women coming up. "Traditional mentorship, established in male-dominated industry, is between very senior and very junior people. But the problem for women in the workforce is that there are many more mentees than mentors. Also, the tech industry is changing so fast that women even five or 10 years older may have very little of practical use to share with younger workers."

Around 1,500 women signed up for last month's launch, which was confined to the Bay Area. Customers who sign up provide information about their skills and professional goals, and thanks to Mosenenthal's algorithm, they will find three names in their inbox and the user decides whether to make the connection. The two plan to eventually tailor Glassbreakers platforms for women in other industries.

After their first investment, the women raised \$100,000, including their combined personal life savings of \$15,000 each. Carey says she met with around 50 potential investors, and if the launch goes well, and she can show both significant interest and that the product works without glitches, this month she will be heading out on her first "seed round"—startup lingo for pitch meetings with venture capitalists aimed at raising enough money—she wants \$1.5 million—to keep going for 18 months.

The road to launch wasn't easy. Investors did not pony up the pre-seed financing goal. The company made it to the interview stage of the coveted Y-Combinator tech incubator but no further. Carey says those setbacks were balanced out by promising signs, including the ardent support of older influential women, like the woman who ponied up their first investment. She also picked up some male investment interest, including funding from Ben Parr, founder of the DominateFund and formerly of Mashable, who invested \$20,000 in Glassbreakers just before the launch. "I've been talking to women about this problem for years," Parr says. "A lot of men would write this off. If they build the community, the possibilities and opportunities are enormous—especially for Glassbreakers within workplaces."

Conference attendees at TechCrunch Disrupt at Pier 48, Sept. 8, 2014 in San Francisco. Steve Jennings/Getty

Asking for it

"We are confident women!" It's a mantra Carey repeats, half-earnestly, half-smiling, as she prepares for a pitch meeting. CEO Carey does those alone; Chief Technology Officer Mosenenthal will come only when and if the investors want to talk technology. Carey says that having two of them in the room when she's asking for money "breaks the energy."

But asking for money didn't come naturally—and that's part of the problem for women in tech. It's not all sexism but also a culture in which women don't easily brag or bring the same swagger to fund-raising pitches that the boys do. She and Mosenenthal bootstrapped (startup talk for self-financing) for months. Even after she had her rap down for the pitch, she had to be coaxed across the line. In August, she met at a Starbucks with a woman affiliated with a major hedge fund. Over the course of an hour, Carey explained the Glassbreakers platform. The woman, who invested her own money and prefers to remain anonymous (she doesn't want her company involved), clearly "got" the problem. At some point in their conversation, the woman gently advised Carey that it was important to come out and ask for money.

"At the end of the meeting, she asked straight out, 'Are you going to ask me to invest in your company?'" Carey says. "And I said yes."

That investor ponied up less than \$10,000 but says she likes Glassbreakers as a business prospect because of various corporate initiatives, such as Intel's recently announced \$300 million, five-year commitment to women's leadership and diversity. "That's a trend that will be very favorable for a technology like Glassbreakers," the investor says.

The effect of that investment on Carey and Mosenenthal was exponentially greater than the relatively small dollar figure. "Next day," Carey says, "we quit our jobs."

Carey's unease about asking for money doesn't surprise Vivek Wadhwa, a Silicon Valley investor, diversity coach and author of *Innovating Women*. Wadhwa says shaky self-confidence is one of the chief things holding women back. It's not just about the money, though. Wadhwa says women not only are reluctant to overstate their accomplishments and goals; they habitually understate them. "Often I have to say to them, 'Why are you underselling?'" he says. "When I coach women, I tell them how wonderful they are. Women won't make the ridiculous projections about their companies that the guys will. They won't say the really stupid thing the nerds do. They are a lot more realistic and practical and humble."

Stanford engineering graduate student Serena Yeung, second from left, meets up with other male engineering students Arturo Escaip, left, Subodh Iyengar, right, and Rathul Sheth, second from right, on the Stanford University campus in Stanford, Calif., May 30, 2012. Paul Sakuma/AP

Gender-gating

No amount of confidence changes the fact that the valley's big venture capitalists are almost entirely male. The top five don't have any female senior partners, and VC partners are 96 percent male. Twenty years ago, the partners were 97 percent male.

A new generation of millennials starting their firms have hardly changed the system. Some of the wealthiest men in the New Billionaires club are Peter Thiel (who financed Zuckerberg) and David Sacks—two guys who spent their formative years at Stanford in the 1990s writing anti-feminist screeds for their school paper. According to Kantor in *The New York Times*, "In the pages of [Stanford's] *The Review*, they defined feminism in negative terms—alarmist, accusatory toward men, blind to inherent biological differences. Feminists 'see phallocentrism in everything longer than it is wide.' Mr. Sacks wrote: 'If you're male and heterosexual at Stanford, you have sex and then you get screwed.'"

Speaking to the *Times*, Sacks regretted his collegiate anti-gay screeds, but didn't seem too concerned about the juvenilia directed at women, nor the status of his female co-eds, the majority of whom dropped out of the business.

VCs are not funding women. According to a study by Babson College, only 2.7 percent of the 6,517 companies that received venture funding from 2011 to 2013 had women CEOs. Meanwhile, the Kauffman report found that female-run startups produce a 31 percent higher return on investment than startups run by men.

One problem with the male-dominated system is that top partners have almost never been exposed to women as professional peers. Their interaction with women is limited to their wives and daughters, and maybe executive assistants.

Male VCs who don't have female professional peers are especially difficult to pitch on products that serve a female market. "Dozens of times, women have come and told me, I pitched to a firm and what do I hear over and over, 'Oh, I will go home and ask my wife about it,'" says Trish Costello, an entrepreneur and founder of Portfolia, a venture capital investment platform designed for women. She is also CEO emeritus and co-founder of the Palo Alto-based Kauffman Fellows, a global training institute for venture capitalists.

A prominent venture capital investor from one of California's top firms, who asked not to be identified because he didn't want his firm "singled out," called the absence of female partners "embarrassing" but said it's directly related to the smaller percentages of women graduating from the engineering schools. "There is no question that diversity of opinion adds to the acumen of the group," he said. "One of the most passionate business reasons we have to expand the investment to include a handful of women is that they are often not represented in the partnership dynamic around the table on Monday when we are discussing investment ideas."

But the investor insisted that potential, not gender, was the key to which ideas, of the 10,000 that get pitched to his firm annually, end up being among the 12 that get financed. He added that of those pitches, 20 percent come from female entrepreneurs—which he said tracks with the percentage of women in engineering programs. The investor sits on the boards of two women-run firms that his company financed, and both female CEOs find the focus on their gender "patronizing."

This is such a touchy subject for the all-male partnerships that few investors want to discuss it—on the record or not. A spokeswoman at Andreessen Horowitz declined to comment, and Peter Thiel's firm, the Founders Fund, did not respond to messages.

To be fair, there are many reasons Glassbreakers might not appeal to a Founders Fund or Andreessen Horowitz, or any of the dozens of other all-male VC partnerships on Sand Hill Road in Menlo Park, reasons that have nothing to do with sexist bias. It's not likely to be a Facebook, or even a Houzz, the home-remodeling site launched by an Israeli husband and wife, financed by Sequoia and now valued at \$2.3 billion. Glassbreakers is by definition "gender-gated," thereby excluding 50 percent of potential users. It also presumes that many women do feel the need for female mentorship, when in fact there is quite possibly a significant cohort of working women who think they are getting along just fine without another woman's advice.

That said, if the Glassbreakers launch shows a market for the product, it will almost certainly have a longer life than Red Swoosh, a now-forgotten Travis Kalanick file-sharing enterprise that venture capitalists threw millions at, and which, when it sold for \$19 million, enabled the young founder to buy a San Francisco mansion and Uber.

Should the Glassbreakers team fail in the next 18 months, odds are much worse for them than for men that they will not get more funding. Wadhwa often talks about the importance of "pattern recognition" among VCs. The male bankers simply have an idea of what a successful startup founder looks like, and young women like Carey and Mosenenthal simply don't fit. "Women don't look like winners. So they can't fail, while boys in the club can," Wadhwa says.

To avoid this, Carey has vetted the venture capitalist firms she will approach, seeking those that have funded other female startups, and making sure that they have some women in senior, decision-making roles. "Of the VCs we have had the highest engagement with, three are women-led firms," Carey says.

The financing gap between male and female entrepreneurs is massive. VCs typically fund women at the lowest levels—\$100,000. The Kauffman study found the majority (nearly 80 percent) of female entrepreneurs didn't get venture capital but used personal savings as their top funding source. Carey found a network of women, some of whom are or have been venture capitalists or who have started companies. Among their bits of wisdom was one that is antithetical to the swaggering male startup CEO who is sure he's going to be the Next Zuck. "Talking to these women, we learned you have to ask," Carey says. "Don't pretend you know something. If you are honest about what you don't know, people are more responsive." But the advice that bothers her most, Carey says, has to do with how to deal with her own gender. "We are very fortunate and haven't faced discrimination in our lives," Carey said of herself and Mosenenthal. "I've never been told I would not be able to do something or that it would be harder to do because I was a woman. So it's been strange going through this experience and being told that because we are women it will be harder for us to fund-raise. The hardest part has been hearing that and digesting it and accepting that our gender would be a barrier for entry. I never thought it would be this real."

Sheryl Sandberg visits the Facebook France offices, April 14, 2014. Elodie Gregoire/REA/Redux

"This Really Happened"

Heading out on her first financing round, Carey is well aware of the worst things that can happen to a young woman seeking money for a startup. The stories are rampant—in fact, every woman entrepreneur who's been around Silicon Valley has one. For brevity's sake, we present one from entrepreneur and venture capitalist Heidi Roizen.

Early in her career, Roizen was working "on a company-defining deal"—involving, potentially, millions of dollars—with a major PC manufacturer. "The PC manufacturer's senior vice president who had been instrumental in crafting the deal suggested he and I sign over dinner in San Francisco to celebrate," Roizen has written. "When I arrived at the restaurant, I found it a bit awkward to be seated at a table for four yet to be in two seats right next to each other, but it was a French restaurant and that seemed to be the style, so down I sat. Wine was brought and toasts were made to our great future together. About halfway through the dinner, he told me he had also brought me a present, but it was under the table, and would I please give him my hand so he could give it to me. I gave him my hand, and he placed it in his unzipped pants.

"Yes," she said. "This really happened."

Every Silicon Valley entrepreneur who spoke with Newsweek has a story somewhat like this—varying only in degree of brazenness. One young woman had worked for a year on a startup with an older male financial mentor. When she was ready to head out for a round of funding, he took her to dinner—a meeting at which she expected to be introduced to VCs or told which ones he'd arranged for her to meet with. Instead, over wine, he confessed that he was having a midlife crisis and that he was in love with her. No finances would be forthcoming.

Roizen stayed in the business and is now one of the industry's legendary female entrepreneurs. Wadhwa says women must approach male VCs with caution and awareness: "Women don't get it. The young women don't seem to understand the reason why they get their calls returned so easily and get small amounts of funding is they are dealing with hungry men. These are disgusting perverts. Some of them used to be my friends—sexist jerks. And I know how they speak behind the scenes."

To head this off, Carey recently dyed her blond hair mousy brown and dresses down, not up. Now she meets with investors only after researching them or getting references from other women. "We are vetting them left, right and center. We don't take meetings over drinks. I do know a guy who raised a million dollars and got blackout drunk every night with the VC. That's not how we work."

Carey says the slightest sexist overtures dent her confidence. "When an investor kisses me on the cheek on the way out, I feel like shit for weeks afterward."

Google employees eat lunch in a cafeteria adorned by artwork created by Google employees, in Mountain View, Calif. Jan. 6, 2006. Eros Hoagland/Redux

Viagra but No Abortions

The Glassbreakers women are launching a product for women, designed to solve a problem women understand better than men, in an economic sector that has traditionally produced products shaped by the minds of young men for young men. It's inarguable that white, upper-middle-class young men have applied the new technologies to make things that reflect their desires and culture and foisted them on the world. Women who complain about sexist video games get death threats from legions of boyfans conditioned by formative years on the Xbox controller to believe it's their right to rescue—or maybe assault—wasp-waisted half-naked damsels in distress. And the anonymity of the Internet has proved relatively more menacing to women.

None of these ill effects are deliberate, but they are built into designs and products created almost solely by one gender. As recently as 2011, for example, Apple made a Siri who could find prostitutes and Viagra but not abortion providers.

Reviewing the movie *The Social Network*, the writer Zadie Smith wrote that everything about Facebook is "reduced to the size of its founder. Poking, because that's what shy boys do to girls they are scared to talk to." Ultimately, she wrote, *The Social Network* wasn't "a cruel portrait of any particular real-world person called 'Mark Zuckerberg.' It's a cruel portrait of us: 500 million sentient people entrapped in the recent careless thoughts of a Harvard sophomore."

Frustrated, women in Silicon Valley seem to be segregating themselves in women-only venture funds or starting gender-gated funds.

Costello says that the sexual harassment lawsuits and the public talk about endless ugly events is a sign that things are changing. "We are in a major time of shift. There is no other time when women have been better educated, earning a majority of undergraduate and graduate degrees and serving in equal numbers in nearly all professions. The control of personal wealth

is about equal, as baby boomer men are dying earlier and women are inheriting money from their parents and husbands and have their own assets from working. If we can access 2 percent of that money controlled by women, we don't need to be begging on Sand Hill Road."

Corrections: This article originally misspelled the last name of Ben Parr. This article has also been updated to reflect that three high-profile sexual harassment suits against Tinder, Kleiner Perkins Caufield & Byers and CMEA Capital were not all filed in 2014.

Silicon Valley's Sex Workers Are Being Priced Out of the City By Their Own Clients

An FBI crackdown and skyrocketing rents in San Francisco are forcing them to take side jobs—like driving for Uber—or leave.

It's a story built for headlines: Monied men in Silicon Valley create a demand for highly compensated sex work that can easily be coordinated using the same apps and services they create at their desk jobs. As a narrative, it contains the holy trifecta that has come to replace sex, drugs, and rock 'n' roll: sex, tech, and the hollow optimism of neoliberal capitalism. There's just one problem: It's not exactly true.

For the last two years, the media has been fixated on the idea of a mutually beneficial arrangement between Silicon Valley employees and sex workers. The reports follow a familiar pattern: Time-crunched Silicon Valley employees have a large amount of disposable income and the tech-savvy, Square-enabled sex workers who provide services for them are reaping the rewards, potentially earning upwards of a million dollars. Even after the FBI raided and shut down the escort advertising website MyRedbook.com last June, citing child trafficking as the rationale, tabloids and high-profile media outlets alike continued to promote the image of a "prostitution boom" driven by Silicon Valley's money. It's undeniable that the tech industry has had an economic impact on sex work in the Bay Area. But between scrutiny from law enforcement and the tech-driven gentrification of San Francisco, sex work in the Bay Area is currently caught between a rock and several hard places. News outlets showed up last year for the sexy headlines about an FBI raid, but the economic fallout of that raid has proven to be far less titillating. To learn more about the situation on the ground, I checked in with three current and former Silicon Valley sex workers who painted a much different picture of the state of their industry than the image the media circulated last year.

Siouxie Q is a journalist and sex worker who runs the popular Whorecast podcast and pens a column, called The Whore Next Door, for SF Weekly. In a phone interview, Siouxie Q tells The Daily Beast that the economy for sex work has been shifting since the MyRedbook shutdown:

"Can you imagine what would happen to small business if the FBI seized Yelp? That's essentially what happened with the sex industry here in the Bay Area. A very simple, free, accessible tool for many people in the industry was gone overnight."

Siouxie Q made the same comparison on CNN last summer following the arrest of Alix Tichelman. At the time, MyRedbook had already been offline for a few weeks. The overly optimistic headline accompanying her interview—"Tech's booming prostitution trade"—likely belied the precarity of sex work in the Valley given those recent events.

In our interview, Siouxie Q makes it clear that San Francisco continues to be a powerful force in the sex workers' rights movement—led by organizations like the Bay Area chapter of the Sex Workers Outreach Project (SWOP) and the St. James Infirmary—but she is also honest about the struggles that sex workers have faced since the closure of MyRedbook. The advertising website wasn't always a pleasant environment for sex workers because it allowed men to leave scathing and sometimes insulting reviews. One former escort who requested to remain anonymous told me that she was "basically date-raped" and then her client "went on to write an online review of my performance as if I wasn't even a human." But as flawed a tool as it was, MyRedbook nonetheless served as a central economic hub for Bay Area sex work and its absence has been felt palpably within the industry.

"It has been difficult," Siouxie Q says. "My community, the folks that I interact with, have really had to struggle to rebrand, reevaluate how they do their business, and how they advertise. The fall of MyRedbook definitely affected my business and the business of folks that I know in the Bay Area."

Sex worker and public-health educator Maxine Holloway adds that the elimination of MyRedbook has also had consequences for the safety of sex work in Silicon Valley. In an email interview, she writes that the shutdown "had a very negative effect on how we referenced, referred, and screened potential clients."

One former escort who requested to remain anonymous told me that she was "basically date-raped" and then her client "went on to write an online review of my performance as if I wasn't even a human."

But even setting the impact of MyRedbook's absence aside, the rapidly gentrifying Bay Area is becoming an increasingly inhospitable environment for sex workers. The median home price in San Francisco is estimated to be over \$1 million and Bay Area rents are continuing to climb year over year—they are now the highest in the entire country. As a result, cities like Oakland and San Jose have become points of temporary refuge across the bay for lower and middle-class San Francisco residents—a category that includes the vast majority of sex workers.

"What we really want to have a conversation about here is the economics of the Bay Area," Siouxie Q points out. "People want to talk about the sex industry because it's sexy but, at the end of the day, we're talking about the working class and that's a much harder conversation to have."

Siouxie Q does not deny that the tech industry has had an effect on the sex industry. "As an industry booms in a local economy, that industry is going to affect the other industries in that economy," she says. But she also raises the crucial point that the fate of sex workers is not always considered in conjunction with the effects of the gentrification of Silicon Valley. The tech industry may have brought plenty of overworked men with disposable income to the Bay Area, but not only is that new wealth failing to trickle down, it's also putting tremendous pressure on the working class—sex workers included—to either take on more work or move out.

As the anonymous former escort told me: "It feels like an exclusive society filled with spoiled children who up our rents."

Holloway adds that there is a painful irony to the way in which income inequality is transforming the historically diverse San Francisco from "the perfect location to create movements for social-justice issues such as queer, trans, and sex worker rights" into an economically homogenous space.

And Siouxie Q recalls: "In my career as a sex worker, the cost of living in San Francisco has gone up double or more. Have I doubled my prices? No."

In Siouxie Q's view, too, most sex workers in the area are continuing to work in the face of this economic pressure—she says she doesn't personally know anyone who has given up in the last eight months for financial reasons—but they are being forced to take on more work. Members of her community, for example, have "started webcamming once a week or started driving Uber, or many of the things that people do to survive in the Bay Area." The tech industry isn't exactly throwing Pretty Woman levels of cash at Silicon Valley sex workers but it is making San Francisco into a city-size version of Rodeo Drive. And at this point, the mythical figure of the sex worker-turned-Silicon Valley millionaire should probably be replaced with the much more realistic image of a sex worker driving a Uber during the day and sleeping with them at night, all to make ends meet.

It's not the case, however, that tech industry clients themselves are spectacularly awful compared with other clients. When asked about her clients in the tech industry, Siouxie Q responds: "Some of them are great and some of them are... [laughs] regular." She further notes that she has many clients who "see themselves as allies in the fight for sex workers' rights" even if they are "not able to be out about their allyship."

Holloway adds, "I have not found tech clients to be more or less respectful, or more or less entitled. It really depends on the person."

The anonymous former escort I spoke with did acknowledge that "they were still totally clueless about their economic and male privilege," recalling that a client once told her, much to her chagrin: "If I was a woman, this would just be my perfect job!" But when asked if they were generally good clients in terms of respect, payment, and behavior, she eagerly replied, "For the most part, yes!"

But they don't have to be particularly stingy clients on a personal level for their industry as a whole to make sex workers' lives more challenging on a systemic level. The disposable income that tech executives spend on sex work, after all, comes from the same corporations that are driving San Francisco's record levels of income disparity.

The criminalization of sex work, too, only compounds the economic difficulties that sex workers face in the Bay Area. It's hard enough for people with legal professions in the Bay Area to make even half as much as a Silicon Valley intern; imagine what it's like when one's very occupation is considered to be a misdemeanor.

For many members of the working class, too, moving across the bay to Oakland could bring financial relief but, for a sex worker, Oakland could mean eviction thanks to an update to a local ordinance passed late last year that can require landlords to evict tenants who are suspected of sex work in order to avoid citation from the city. As Oakland North reported at the time, this "nuisance" ordinance previously put pressure on landlords to evict tenants who participated in "violent activity" or who had "illegal weapons" in their possession, but its purview was expanded to cover "prostitution, pimping, pandering, and solicitation activity."

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Siouxie Q outlines how this updated ordinance could be implemented: "Say some new fancy tech industry folks move into West Oakland and they don't like the neighborhood and they may see something that, to them, looks like sex work or a 'nuisance.' They can call the city and put into motion ways to get those people evicted."

The Oakland ordinance is just one example of the legal obstacles that sex workers in Silicon Valley continue to face. MyRedbook.com was shut down as part of the FBI's Operation Cross Country, an anti-trafficking initiative that, in practice, reportedly targets more adult sex workers than trafficking victims. And the same tech that, according to the buoyant reporting of yesterday, is supposedly facilitating a sex work boom is now being used by law enforcement nationwide to target sex work and conduct sting operations over the Internet.

So forget what you may have heard about the simultaneous boom of startup culture and sex work. The economic reality of sex work in the Silicon Valley is far messier than a clean-cut symbiotic relationship between lonely tech men and eager call girls. Sex workers are among those hit hardest by the gentrification of a once diverse city. And tech is proving itself to be less of a tool in the hands of sex workers and more of a dangerous double-edged sword.

Sex worker trade booming in Silicon Valley

Jessica Guynn, USA TODAY 10:46 a.m. EDT July 11, 2014

(Photo: Shmuel Thaler, AP)

2165 CONNECT 358 TWEET 93 LINKEDIN 126 COMMENTEMAILMORE

Correction and clarification: A previous version of this story had the wrong name for Preferred411.com.

SAN FRANCISCO — For years, sex workers have been the entrepreneurs in Silicon Valley that no one talks about.

But with money flowing from the technology industry, the sex trade is booming.

"I continue to see an increase in the amount of technology clients I see here in the Bay Area," said Siouxie Q, a 28-year-old sex worker.

Silicon Valley is better known for its search engines and smartphones than it is for sex.

But the sex industry has been closely linked to boom times in the Bay Area going back to the Gold Rush, when men with pickaxes ventured here hoping to hit the mother lode.

"Anytime you have a lot of young men coming West to seek their fortunes, the sex worker industry responds," said Q, who is an activist for sex workers, writes a column for SF Weekly and has a podcast, The Whorecast.

The glare of the national spotlight is on Silicon Valley sex workers after news broke this week that an alleged prostitute is charged with leaving a Google executive to die on his yacht in Santa Cruz, Calif., after shooting him up with heroin.

Forrest Hayes, 51, was found dead last November aboard his 50-foot yacht, Escape. Alix Tichelman, who police say is a high-priced call girl who charged \$1,000 to perform sexual acts, is facing manslaughter charges for her role in his death. She is being held on \$1.5 million bail.

Police say Tichelman had an "ongoing prostitution relationship" with Hayes that began when she met him on SeekingArrangement.com, a service that says it connects "sugar daddies" with "sugar babies."

FEDS CRACK DOWN

The Internet is rife with anonymous websites that match sex workers with clients and help them avoid being arrested or assaulted.

The websites have both broadened the sex market and helped customers hire prostitutes more discreetly.

Preferred411.com, which bills itself as a "screen service for those who seek only the most discreet experiences in upscale adult companionship" and charges \$129 for an annual membership, offers "escort" services in all 50 states, Guam and Washington, D.C.

Scott Cunningham, an associate professor at Baylor University who studies the economics of prostitution, said the Internet has made the sex trade "extraordinarily efficient," taking it from the streets and red-light districts to home computers and smartphones.

Federal authorities have taken notice and started cracking down on Internet-enabled sex.

The FBI recently shut down a Bay Area website that had for a decade operated as a marketplace to connect customers and sex workers.

A grand jury last month indicted Eric Omuro of Mountain View, Calif., and Annmarie Lanoce of Rocklin, Calif., on charges of profiting from MyRedbook.com, which had reviews of escorts and strip clubs, explicit photos of prostitutes and "menus of sexual services."

The website used acronyms to refer to sex acts and sold VIP memberships so customers could access private forums and search reviews of services offered by sex workers.

Prosecutors are seeking to seize \$5.4 million they say Omuro earned from the enterprise.

But local police departments say websites advertising escort services are rampant on the Web, and still others will be created to fill the void left by MyRedbook.com. The law generally shields Internet companies from liability for illegal activity taken by people who use their services.

"Before the Internet, clients didn't know where to find the prostitutes and prostitutes did not know where to find the clients. If you think about it in an economic sense, the Internet has removed a lot of the friction from the market," Cunningham said. "And when you reduce search friction, you get a lot more searching and a lot more of that activity."

Unlike British actor Hugh Grant's infamous prostitution arrest, "this Google executive did not have to worry about getting caught," Cunningham said. "Had he not overdoled, no one would have ever known what happened."

Police have charged Alix Catherine Tichelman with manslaughter in the heroin overdose death of a Google executive on his yacht. VPC

SEX INDUSTRY HUB

For decades, Silicon Valley has been a magnet for sex workers looking to strike gold, too.

At the height of the dot-com boom in 1997, the San Jose Mercury News called the technology industry a "prime target for trafficking" because of all the "lonely single men with money to

burn."

Last year, a sex worker told CNN she had made "close to \$1 million" servicing rich young men. She said she wore T-shirts such as "Winter is coming" and "Geeks make better lovers" to attract them.

"Silicon Valley is like a military base: There are very few civilian women and lots of money," said one Silicon Valley entrepreneur who spoke on the condition of anonymity because of the sensitive nature of the topic.

Q says her clients range in age from 21 to 61. Some are start-up geniuses, others are technology executives. They are all looking for the same thing: a break from demanding jobs, long hours and high stress.

"So much of what my clients pay me for is that both of us turn off our cellphones and we have two to three hours of connecting with another human being that is not through the interface of a screen or phone and has nothing to do with whether someone's stock is going to drop or not," Q said.

TECHNOLOGY AND SEX MAKE GOOD BED PARTNERS

Not only do young tech workers buy sex, sex workers say they use technology to power their businesses.

One sex worker told CNN she uses credit-card payment processor Square to charge clients, a detail borrowed by the HBO series Silicon Valley, which showed a stripper swiping a credit card after dancing for a house full of geeky engineers.

Sgt. Kyle Oki of the San Jose Police Department Human Trafficking Task Force said prostitutes are gravitating to the Internet because they can charge clients they find there more money for the same sex acts.

Technology has also emboldened their clients. Men who might have shied away from buying sex now seek it out on the Internet.

"Now that everyone has a smartphone at their fingertips, men can go on the Internet and don't have to worry about being out in the open," Oki said.

That could be changing.

Q says MyRedbook.com was the most widely used website by sex workers and their clients on the West Coast because it offered free advertising, which helped even the most economically vulnerable sex workers screen potential clients and avoid putting themselves at risk.

Now sex workers have become more fearful of taking on new clients without any way to check their backgrounds. Some are even referring to it as the "Hooker-pocalypse."

"With MyRedbook's FBI shutdown, sex workers are definitely financially struggling," said Kitty Stryker, a former escort and media manager for TroubleFilms, a gay and lesbian porn company. "I think any possibility of the current tech boom trickling down to sex workers is limited, partially because clients are afraid of the FBI now, and partially because they can't find our ads. I personally have turned to porn as a more consistent option."

Contributing: Donna Leinwand Leger