Note to Self: You're a Geripreneur

You know how certain generously spirited folks advise us that "there are no stupid questions?" Sorry, but that is not a law of nature. Pitching my edge data center platform to a venture accelerator put me in the path of a truly idiotic inquiry. One of the "judges" (that alone was a red flag) asked, "Why haven't you built this platform yet?"

Momentarily stumped by the absurdity of the question, I finally managed to mutter a polite version of, "Uh, that's why we're here? We need funding to build the platform," but it was clear at that moment that I wasn't going to win that particular startup beauty pageant. I should have rehearsed my baritone rendition of Shirley Temple singing "On the Good Ship Lollipop" for the talent section of the show, but, alas, I didn't even make it that far.

Vapid as it was, the question revealed a lot of what's wrong in the world of venture capital for very early-stage companies. Yes, you must think I'm a whiny loser, puckering up over sour grapes. But no, I get that accelerators are inundated with pitches. Not everyone gets funded. I'm just frustrated with a process that is starting to feel like a waste of everyone's time, not just mine.

Moreover, taking a hard look in the mirror, I should see that I may be the biggest source of my own trouble. I'm a geripreneur, one of two founders whose combined age is 125. While it's not fair to say we're suffering exclusively from ageism, I have a strong sense that it's part of the picture. A lot of venture accelerators say they want to work with under-represented communities. I must therefore ask: Who is more under-represented than founders with grey hair and decades of experience? (And, I don't even have that much hair left, which further underscores my point.)

If only I were a senior at Stanford. I would be seen as a plucky visionary, completely untainted by failure or any kind of life experience at all. I have plenty of both. Can I confess that not everything I've done in my 40-year career has gone well? Does that make me an unfundable pariah? I suppose it does to the "judges" in a contest where I have eight minutes to pitch our idea.

What's curious is that no one, so far, has told us that we are wrong about our read on the market or the need for a technology like the one we are proposing to create. Perhaps we're just the wrong team for the idea. I get that, but the funding process is showcasing some unappealing aspects of the accelerator/seed stage universe.

First, there's the idea of mentorship. Most accelerators pride themselves on their ability to mentor early-stage founders. I am open to the idea of being mentored by people younger than me if they have valuable experience. However, as the "why haven't you built this yet?" question shows, this group of prospective mentors shouldn't give up their tech industry training wheels yet.

Yes, daddy, I desperately need to be mentored by people who were in middle school when I was Social Software Evangelist at IBM or running public relations for a billion-dollar product at Microsoft. I've written business plans that raised $22 million from funds like Draper and Redpoint. I've been involved in venture integration on the buy side. As a content marketer, I've worked with Google, SAP, Microsoft, Intel, AMD, HPE, Palo Alto Networks and other global tech leaders. I even possess a paleozoic MBA from Harvard. It's not as cool as a 2022 BA from Stanford, but it's something, no? My partner has experience as an entrepreneur in space technology. He ran venture investing for a major family office, among other impressive experiences.

The “why haven’t you built it yet?” attitude also highlights what feels like a big shift in the wrong direction for early-stage investors. I had wanted to say, “If I’d already built this, I wouldn’t be begging you for $100,000 for 7% of my company.” Seed money used to be for concept stage ventures. Now, seed investors want proven products that are in market with paying customers. To my eye, that’s more a Series A stage of life, not seed.

No, I was told by a friend on the investor side that Series A is for companies with over a million dollars in revenue. But wait, I thought, if I had a million in revenue, I’d be looking for a cheaper source of capital. I am not making these rules, so bellyaching about them is counterproductive. Still, this “shifting right” of valuations is leaving a gap in funding for promising ideas that lack friends and family backing. If you need a million in funding to reach the seed stage, you may never get there, and that’s a loss for the tech sector.

Supportive friends tell me I need to appoint a CEO who has had a successful venture exit to my team. Then, we’ll get funded. I’m open to this idea, but it presents another catch-22. If I had that kind of CEO on the team, we wouldn’t be bowing and scraping for investors seeking an oversized chunk of equity for a pittance. Where’s a good Stanford senior when you need one?

Which brings me back to the humiliation one is expected to undergo in the accelerator application process. Treating founders with dignity would crash the strategy of making lower risk investments at high-risk valuations. The groveling is probably the point, all the better to get you to cave into their approach.

Meanwhile, I’ll keep at it. One advantage of being a geripreneur is that you have some perspective on the passage of time. What might feel like a slow process for a younger founder isn’t bothering me too much.

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