

# COMPUTERS & TECHNOLOGY

## Breaking down the boys club

Networking women form their own power grid in tech world

By Mergie Wylie  
NEWSHOUSE NEWS

**O**N A WEEKNIGHT, 60 Silicon Valley types turn out to eat pizza and press the flesh. Perching paper plates on the antiques and marble mantelpieces of their 20-something host's Pacific Heights mansion, would-be Internet millionaires look for investors. CEOs scour the crowd for hires, and computer programmers entertain offers of even greener pastures. This isn't an unusual scene in the booming high-tech industry in San Francisco, but one thing makes this gathering unique: No men.

In the male-dominated technology industry, women are making inroads through networks of their own. At organized events such as this meeting put together by networking group GracoNet, or just informal coffee klatches, women are increasingly turning to other women to help crack the so-called "silicon ceiling" and cash in on the tech boom.

Silicon Valley may be the land of opportunity, but for many women, tapping its riches has been harder than for men.

Women in Silicon Valley say it's a cycle. Discouraged from studying math and sciences, few women enter technical fields. In the resulting male-dominated high-tech companies, few women rise to the top. Notable exceptions include Carleton "Carly" Fior-

[See NETWORK, B-16]



Cate Muther started the Women's Technology Cluster, which helps women launch tech firms and find investors.

EXAMINER/PENNY GLADSTONE



NEWSHOUSE NEWS / TED CHAFFIN

GracoNet founder Sylvia Paull says many women feel isolated in the male culture that still dominates high technology.

◆ NETWORK from B-5

## Breaking down the boys club

rina, newly named president and chief executive officer of Hewlett-Packard, and Meg Whitman, president and chief executive officer of eBay.

But few women have the experience — or contacts — to attract the millions of dollars in venture capital needed to start the next Oracle or Amazon.com. A new breed of high-tech women's networking groups is aiming to break the cycle.

"Even though our numbers are growing, the (high-tech) culture is still a man's culture, and women can feel isolated," says Sylvia Paull, founder of GraceNet and chief executive officer of Berkeley Ventures, a public relations firm in Berkeley.

GraceNet and similar groups aren't just tea-and-sympathy societies. "People come here looking to hire, to get jobs and to get investments," Paull says.

The new web of women's networks that have quietly spun out across Silicon Valley over the last three years is no longer just interested in fitting into the male power structure so much as co-opting and feminizing some of its power. They range from GraceNet, where students rub shoulders with company presidents, to several women's CEO-only dinner clubs to Babes in Boyland, a group of female venture capitalists who play poker, have baby showers and do deals.

Women start about a quarter of all information technology companies, according to Margarita Quihuis, director of the Women's Technology Cluster in San Francisco. Yet they have historically received very little of the money that makes up high-tech's lifeblood: Venture funding.

Between 1991 and 1996, women netted only 1.6 percent of the \$33.5 billion invested in technology companies, according to a study funded by Wells Fargo Bank and the National Foundation for

the National Foundation for Women Business Owners. Last year, that figure climbed, but it was still less than 2 percent, according to the U.S. Small Business Administration.

"The numbers seem shockingly low," Quihuis says, noting that nobody knows exactly how many women pursue venture money in the first place. "When it's in single digits, that's discouraging no matter how you cut it."

"During the last few generations, women have had access to education, they've had access to the professional world, but women's access to capital is still very low," says Cate Muther, founder of the Three Guineas Fund, which sponsors the Women's Technology Cluster. Muther started the cluster last year. It is the only women's business incubator that focuses on the high-growth technology market.

Today, it houses eight start-ups, but aims to have 20 to 30 under one roof. "In Silicon Valley, entrepreneurship is in the air," Quihuis says, "but there's no book to tell you how to do it. What we're trying to do is codify that."

Women miss out on venture funding because they aren't in the right, mostly male, networks, Quihuis says. Organizations like the Forum for Women Entrepreneurs and the Women's Technology Cluster teach women to break into those circles and to make circles of their own.

The number of female venture capitalists is growing, and many of them are hooked into the new women's networks. "When we started in 1983, there were only six or seven (female) venture capitalists" in Silicon Valley, says Denise Brosseau, executive director of the Forum for Women Entrepreneurs. "Now there are somewhere around 70."

"To get in, you have to have an in," says Carmen Chang, a lawyer who represents more than \$1.5 billion in venture funds for Wilson, Sonsini, Goodrich and Rosati, a

Palo Alto firm. "As women lawyers, we have a duty to at least help." Chang often directs women entrepreneurs to women venture capitalists, who are at least more open to the idea of hearing a female pitch, she says.

More women-only venture firms are popping up across the country. Viridian Capital in San Francisco invests only in women-owned or women-operated businesses, mostly in the high-tech and medical fields.

Women sometimes lack the skills to ask for funding. When they do ask, they often find they don't have the track record of running a successful company that venture capitalists want to see, Brosseau says.

The reason is that few women make it to the top of their companies before they quit. When they do, they are often frustrated, but, flush with cash from stock options, they try to start their own companies, Quihuis says.

According to Catalyst, a nonprofit women's research group in New York, Fortune 500 technology companies have only 7 percent female corporate officers, compared with the 11.2 percent for Fortune 500 companies overall.

The Forum for Women Entrepreneurs grooms women's businesses to court venture capital and offers them exposure they might not otherwise get. Once a month, it works with the Women's Technology Cluster to bring one venture capital firm together with a handful of women who have promising high-tech business ideas. In January, the two organizations will sponsor Springboard 2000, showcasing 30 women-owned firms for top venture capitalists.

Some women have found that beating men with their own new networks can be better than joining them.

The New Girls Network (a.k.a. Babes in Boyland) is an informal group of women venture capitalists. They decided to learn to play poker and golf so they could join the men at the table or on the links.

The first poker night, the women played for real stakes, then collected the pot and gave it to charity, says Susan Mason, a partner at Onset Ventures and one of the group's informal ringleaders. "The guys would never do that."

Afterward, some women joined a well-known men's poker game of venture capitalists, but they found "it wasn't nearly as much fun, so we have our own poker games now," Mason says. "It's not quite so serious. The men play for thousands of dollars, serious money. We play for toothpicks."

Now the New Girls Network just does its own thing, without fear of appearing too feminine: "We trade a lot of deals at baby showers, and we do a lot of baby showers now."

These new mothers are worried that their baby girls will fall behind, as most do, in math and technology in their early teens. That sets the stage for missing out on technical careers that can lead to top positions in high-tech companies, says Ilana DeBare, a Silicon Valley writer.

So DeBare and other women have founded two private schools for girls that emphasize math, science and technology — the Julia Morgan Middle School for Girls in Oakland and the Middle School for Girls in Mountain View.

The networking women of today's high-tech fields rely on each other, but they neither reject nor vilify men. "I firmly believe that it's not that men are trying to exclude women; it's just that women aren't there in front of them," says Susan Preston, an attorney who started the Seraph Capital Network, a group of independent women investors from the Seattle area. "So what we're doing is just changing the rules a little."

They're changing the culture too.

Mason turned to her New Girls Network for help in crafting maternity leave policies for her venture firm. High-tech venture firms are so overwhelmingly male that "most of them don't have maternity leave; they've never even thought of it," she says.