YEARS
OF EXPERIENCE...

COMPLETELY
OBSOLETE.

PLENTY OF TALENT...

OVER THE HILL IN SILICON VALLEY.

BY NOAM SCHEIBER

PHOTOGRAPHS BY FREDRIK BRODÉN

THE NEW REPUBLIC **APRIL 7, 2014**

"I HAVE MORE BOTOX IN ME THAN ANY TEN PEOPLE," DR. SETH MATARASSO TOLD ME IN AN EXAM ROOM THIS FEBRUARY.

He is a reality-show producer's idea of a cosmetic surgeon—his demeanor brash, his bone structure preposterous. Over the course of our hour-long conversation, he would periodically fire questions at me, apropos of nothing, in the manner of my young daughter. "What gym do you go to?" "What's your back look like?" "Who did your nose?" In lieu of bidding me goodbye, he called out, "Love me, mean it," as he walked away.

Twenty years ago, when Matarasso first opened shop in San Francisco, he found that he was mostly helping patients in late middle age: former homecoming queens, spouses who'd been cheated on, spouses looking to cheat. Today, his practice is far larger and more lucrative than he could have ever imagined. He sees clients across a range of ages. He says he's the world's second-biggest dispenser of Botox. But this growth has nothing to do with his endearingly nebbishy mien. It is, rather, the result of a cultural revolution that has taken place all around him in the Bay Area.

Silicon Valley has become one of the most ageist places in America. Tech luminaries who otherwise pride themselves on their dedication to meritocracy don't think twice about deriding the not-actually-old. "Young people are just smarter," Facebook CEO Mark Zuckerberg told an audience at Stanford back in 2007. As I write, the website of ServiceNow, a large Santa Clara–based I.T. services company, features the following advisory in large letters atop its "careers" page: "We Want People Who Have Their Best Work Ahead of Them, Not Behind Them."

And that's just what gets said in public. An engineer in his forties recently told me about meeting a tech CEO who was trying to acquire his company. "You must be the token graybeard," said the CEO, who was in his late twenties or early thirties. "I looked at him and said, 'No, I'm the token grown-up.'"

In talking to dozens of people around Silicon Valley over the past eight months—engineers, entrepreneurs, moneymen, uncomfortably inquisitive cosmetic surgeons—I got the distinct sense that it's better to be perceived as naïve and immature than to have voted in the 1980s. And so it has fallen to Matarasso to make older workers look like they still belong at the office. "It's really morphed into, 'Hey, I'm forty years old and I have to get in front of a board of fresh-faced kids. I can't look like I have a wife and two-point-five kids and a mortgage,'" he told me.

Unsurprisingly, Matarasso has drawn several conclusions from this sociological experiment in miniature. First, the age at which people seek him out is dropping—Matarasso routinely turns away tech workers in their twenties. A few months ago, a 26-year-old came in seeking hair transplants to ward off his looming baldness. "I told him I wouldn't let him. His hair pattern isn't even established," Matarasso said. The techies also place a premium on subtlety. "They're not walking into their office in front of thirteen-year-old co-workers looking swollen and deformed. They'd rather go slow, do it gradually," he told me. This helps explain why Fridays are his busiest days for tech-industry patients: They can recover over the weekend and show up Monday morning looking like an ever-so-slightly more youthful version of themselves, as though they'd resorted to nothing more invasive than a Napa getaway.

And then there are the gender differences. As men have become a larger portion of his practice, Matarasso has noticed that they are both more sheepish—"They'll say, 'I'm here to have a mole taken a look at. By the way, while I'm here, what do you think of this?'"—and more loyal. "They say, 'Let's just do it.' They're not going to shop around," he explained.

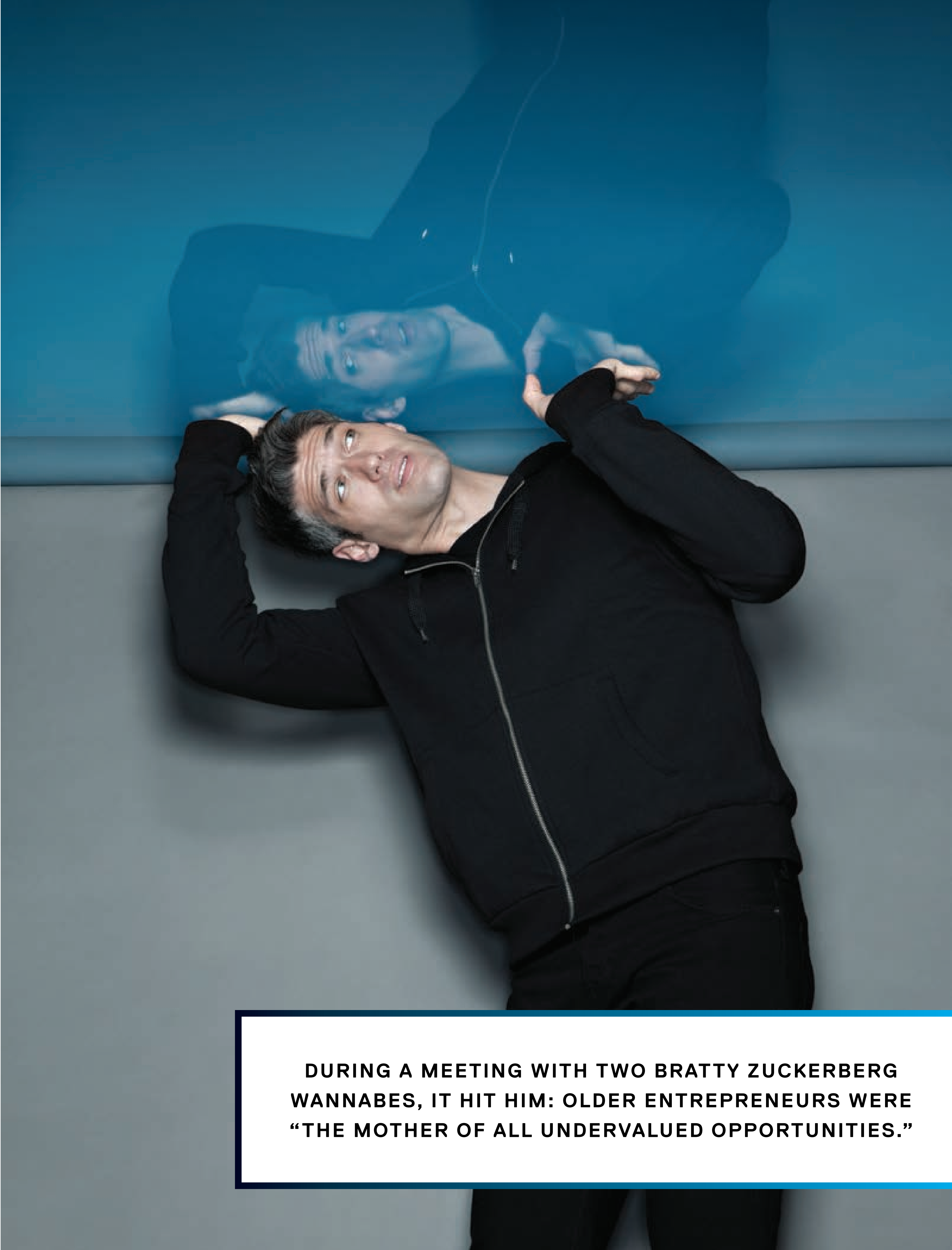
Matarasso told me that, in ascending order of popularity, the male techies favor laser treatments to clear up broken blood vessels and skin splotches. Next is a treatment called ultherapy—essentially an ultrasound that tightens the skin. "I've had it done of course. I was back at work the next day. There's zero downtime." But, as yet, there is no technology that trumps good old-fashioned toxins, the most common treatment for the men of tech. They will go in for a little Botox between the eyes and around the mouth. Like most overachievers, they are preoccupied with the jugular. "Men *really* like the neck," Matarasso said, pointing out the spot in my own platysma muscle where he would inject some toxin to firm things up.

Showing up at Matarasso's office may be an extreme measure for middle-aged workers crazed about their places in the tech sector. But, if so, it is only a matter of degree. One thirtysomething told me about a friend at Facebook who half-seriously claims to avoid sun exposure for fear of premature wrinkling. Robert Withers, a counselor who helps Silicon Valley workers over 40 with their job searches, told me he recommends that older applicants have a professional snap the photo they post on their LinkedIn page to ensure that it exudes energy and vigor, not fatigue. He also advises them to spend time in the parking lot of a company where they will be interviewing so they can scope out how people dress.

The darkness of this irony is not hard to see. In the one corner of the American economy defined by its relentless optimism, where the spirit of invention and reinvention reigns supreme, we now have a large and growing class of highly trained, objectively talented, surpassingly ambitious workers who are shunted to the margins, doomed to haunt corporate parking lots and medical waiting rooms, for reasons no one can rationally explain. The consequences are downright depressing.

MIDWAY THROUGH MY first encounter with Dan Scheinman, he warned me that he was weird. He wasn't wrong. Once, while he was fielding a pitch from two entrepreneurs, I watched him tear apart a bagel with his teeth like a flesh-eating predator. Later, I noticed him absently fingering poppy seeds from a napkin into his mouth.

Though he had ascended to head of acquisitions at Cisco during



DURING A MEETING WITH TWO BRATTY ZUCKERBERG WANNABES, IT HIT HIM: OLDER ENTREPRENEURS WERE "THE MOTHER OF ALL UNDERVALUED OPPORTUNITIES."

his 18-year run there, he always felt as if his quirkiness kept him from rising higher. His ideas were unconventional. His rhetorical skills were far from slick. "I'm a crappy presenter," he told me. "There are people in a room whose talent is to win the first minute. Mine is to win the thirtieth or the sixtieth." Back in the early 2000s, he proposed that Cisco buy a software company called VMware. It did not go over well. "Cisco is a hardware company," the suits informed him. Why mess around with software?

Not that this shook his confidence. Scheinman simply concluded that he would have better luck if he made investments without clearing them through a bureaucracy. VMware, after all, became a $50-billion success. And yet, when Scheinman left Cisco in 2011 to become a venture capitalist (V.C.), he attracted not the slightest bit of interest from the established firms on Sand Hill Road.

This, too, did not faze him. Most Silicon Valley investors, he came to believe, were just like the suits at Cisco: highly susceptible to "presentation bias" and, as a result, prone to shallow conventional thinking. "Paul Graham"—the founder of Y Combinator, the world's best-known start-up incubator—"says the most successful [investor] makes his decisions in twenty-four hours," Scheinman told me dismissively. It was time to set off on his own.

The only question was what to invest in. "I could see the reality was I had two choices," Scheinman told me. "One, I could do what everyone else was doing, which is a losing strategy unless you have the most capital." The alternative was to try to identify a niche that was somehow perceived as less desirable and was therefore less competitive. Finally, during a meeting with two bratty Zuckerberg wannabes, it hit him: Older entrepreneurs were "the mother of all undervalued opportunities." Indeed, of all the ways that V.C.s could be misled, the allure of youth ranked highest. "The cutoff in investors' heads is 32," Graham told *The New York Times* in 2013. "After 32, they start to be a little skeptical."

The economics of the V.C. industry help explain why. Investing in new companies is fantastically risky, and even the best V.C.s fail a large majority of the time. That makes it essential for the returns on successes to be enormous. Whereas a 500 percent return on a $2 million investment (or "5x," as it's known) would be considered remarkable in any other line of work, the investments that sustain a large V.C. fund are the "unicorns" and "super-unicorns" that return 100x or 1,000x—the Googles and the Facebooks.

And this is where finance meets what might charitably be called sociology but is really just Silicon Valley mysticism. Finding themselves in the position of chasing 100x or 1,000x returns, V.C.s invariably tell themselves a story about youngsters. "One of the reasons they collectively prefer youth is because youth has the potential for the black swan," one V.C. told me of his competitors. "It hasn't been marked down to reality yet. If I was at Google for five years, what's the chance I would be a black swan? A lot lower than if you never heard of me. That's the collective mentality."

Naturally, Scheinman decided to lurch in the opposite direction. He became an angel investor, meaning he typically provides the cash the founders tap once they've exhausted their family members and credit cards. If the angel's bet is sound and the company continues to grow, it will frequently need an "A round" of funding from a V.C. later on, usually between $2 and $10 million. Scheinman's hypothesis was that, with enough money to pay their bills for a year or two, the older entrepreneurs could rig up a product that was sufficiently impressive to overcome the V.C.s' prejudice. He could force them to wonder if maybe, just maybe, they were staring at a billion-dollar business.

That was the theory, in any case. In late 2012, Scheinman's wife, who has an MBA from Berkeley, began to worry about the large sums of money that would periodically vanish from their checking account with little explanation. "She's like, 'What the hell are you doing?'" So Scheinman did what any loving husband would: He made her a PowerPoint presentation. After monkeying around with it for the better part of a day, he sat her down at their kitchen island and walked her through his slides. There were precisely two, and the first, titled "strategy," prompted questions. "Why doesn't anyone else think this way?" she asked. "Why are you the only one?"

Her anxiety dissipated when Scheinman turned to slide two: "results." He had invested in nine companies. Three had already raised millions of dollars, including a messaging company called Tango hatched by a former Israeli tank commander pushing 50. "I was told at the time by very famous, very important V.C.s that he had no chance," Scheinman says. "'The guy doesn't look like he should be running companies,' they said. To be honest, I think he's good looking." Today, Tango has more than 160 million users and has raised nearly $90 million in several installments from V.C.s. "OK, keep going,'" Scheinman's wife told him.

The most impressive entrepreneur in Scheinman's portfolio who hadn't caught on was a fortysomething Boston-based engineer named Nick Stamos. In the early 2000s, Stamos had been the chief technology officer at one start-up that eventually hit a market value of $1 billion. He later co-founded another that earned tens of millions of dollars in annual revenue. Everyone Stamos had ever worked with raved about his technical chops, his relentless salesmanship, his flare for innovation. "The picture was remarkable," Scheinman says.

THE ENTREPRENEUR
Nick Stamos

A few months after he left the second company, Stamos started nCrypted Cloud, which promised to secure the insecurable: private information in cloud storage folders like Dropbox and Google Drive. Scheinman considered the breakthrough revolutionary. He rallied friends from Cisco and Microsoft, who collectively pitched in more than $1 million, and started talking Stamos up across the Valley. He figured it was only a matter of time before nCrypted Cloud made them both very, very rich. The only thing they were up against was 50 years of accumulated bias.

COMPUTERS WEREN'T ALWAYS a symbol of forward thinking. Up until the 1960s, they were the chief accessory of the organization

BOSTON HERALD/ANGELA ROWLINGS; MIKE KEPKA/*SAN FRANCISCO CHRONICLE*; REUTERS/STEPHEN LAM man. Social critics like Lewis Mumford wrote book-length denunciations of them as instruments by which faceless bureaucrats stamped out initiative and imposed conformity.

The truest representation of this was IBM's headquarters in Armonk, New York, where men in starched white shirts swarmed around mastodon-sized mainframes, which they sold to corporate types whose interests ranged from accounting to human resources. Armonk thrived on discipline. The punch cards were never out of place. God help the engineer who wandered into one of the facility's many roped-off areas.

It was all the way across the country, in Northern California, where computers finally became hip. A visitor to the research labs that set out to develop personal computers in the 1960s and '70s would have noticed long-haired twentysomethings lounging barefoot in beanbag chairs, surrounded by a haze of illicit vapors. The young engineers hung posters denouncing Richard Nixon and the Vietnam war. In a departure from IBM protocol, they often brought their pets to work.

The two animating impulses of the local tech scene were a deep suspicion of authority and a belief that the young were agents of salvation. There was, for instance, the People's Computer Company (PCC), which rented out a storefront in Menlo Park and made a terminal available to anyone who wanted to program or play games. As John Markoff writes in *What the Dormouse Said*, his book about the tech industry's hippie roots, the proprietor of the PCC was a former engineer and sometime teacher who believed kids took to computers fearlessly while adults "had all kinds of hang-ups." His organization's motto was "Fail young."

THE COSMETIC SURGEON
Seth Matarasso

THE ANGEL INVESTOR
Dan Scheinman

In 1975, a PCC alumnus decided the time had come for all the computer enthusiasts in the Bay Area to get together and trade ideas. The group, dubbed the Homebrew Computer Club, met in a garage and was fundamentally subversive. At each gathering, the Homebrewers exchanged not just tech-world gossip but pirated microchips and software. Age and status were meaningless. "It was not unusual to see a seventeen-year-old conversing as an equal with a prosperous, middle-aged veteran engineer," writes Steven Levy in *Hackers*. One of the regular attendees was a young, shaggy-haired Steve Wozniak, who held court in the back of the room among a crew of worshipful teenagers. Wozniak used the Homebrew club to field test the Apple II he'd obsessively tinker with late into the night. Sometimes, he'd bring a high school friend named Steve, and they eventually built a company together.

Fast-forward to the present and it's hard not to detect the PCC/Homebrew influence on the local patois. In 2011, famed V.C. Vinod Khosla told a conference that "people over forty-five basically die in terms of new ideas." Michael Moritz, of Sequoia Capital, one of the most pedigreed firms in the tech world, once touted himself as "an incredibly enthusiastic fan of very talented twentysomethings starting companies." His logic was simple: "They have great passion. They don't have distractions like families and children and other things that get in the way." But, of course, whereas the Homebrewers mostly wanted to unleash the power of computers from IBM and share it with the common man, the V.C.s want to harness youthful energy in the service of a trillion-dollar industry.

Whatever the case, the veneration of youth in Silicon Valley now seems way out of proportion to its usefulness. Take Dropbox, which an MIT alumnus named Drew Houston co-founded in 2007, after he got tired of losing access to his files whenever he forgot a thumb drive. Dropbox quickly caught on among users and began to vacuum up piles of venture capital. But the company has never quite outgrown its dorm-room vibe, even now that it houses hundreds of employees in an 85,000-square-foot space. Dropbox has a full-service jamming studio and observes a weekly ritual known as whiskey Fridays. Job candidates have complained about being interviewed in conference rooms with names like "The Break-up Room" and the "Bromance Chamber." (A spokesman says the names were recently changed.)

Once a year, Houston, who still wears his chunky MIT class ring, presides over "Hack Week," during which Dropbox headquarters turns into the world's best-capitalized rumpus room. Employees ride around on skateboards and scooters, play with Legos at all hours, and generally tool around with whatever happens to interest them, other than work, which they are encouraged to set aside. "I've been up for about forty hours working on Dropbox Jeopardy," one engineer told a documentarian who filmed a recent Hack Week. "It's close to nearing insanity, but it feels worth it."

It's safe to say that the reigning sensibility at Dropbox has conquered more or less every corner of the tech world. The ping-pong playing can be ceaseless. The sexual mores are imported from college—"They'll say something like, 'This has been such a long day. I have to go out and meet some girls, hook up tonight,'" says one fortysomething consultant to several start-ups. And the vernacular is steroidally bro-ish. Another engineer in his forties who recently worked at a crowdsourcing company would steel himself anytime he reviewed a colleague's work. "In programming, you need a throw-away variable," the engineer explained to me. "So you come up with something quick." With his co-workers "it would always be 'dong' this, 'dick' that, 'balls' this."[1]

It can all add up to a wakeful nightmare for the lower-middle-aged. "We have a ping-pong table here," says a mid-thirties co-founder of a well-funded start-up in New York. "A few of us want to burn it." The refugee from the crowdsourcing company told me he knew he'd made a mistake the day he walked in the door. He bolted nine months later.

One Friday afternoon in October, I turned up in downtown San Francisco at an apartment that houses a social-media start-up with two twentysomething founders. The CEO was incredibly gracious, spending a few hours introducing me to the engineering team and patiently explaining the business.

[1] One of the engineers notes that the same sensibility can lead to that other great Silicon Valley prejudice: sexism. He recalls how his young male colleagues will often refer to women as "girls" even in their code. "They haven't been around the workplace long enough to have anyone push back," he says. "They don't have female mentorship either."

Around 7:30, one of the employees went out for pizza and everyone began trickling into the kitchen to wash it back with drinks. It seemed like a wholesome take on the usual Friday afternoon ritual. One of the founders had suffered through a weekly "whiskey and cigars" affair at a previous start-up and the company was determined to avoid a similar scene. "I like whiskey and cigars," the CEO told me. "But what are you going to do with a bunch of dudes sitting around having whiskey and cigars?"

As the room loosened up, a programmer began sparring with a friend over Mitt Romney's economic plan, rekindling an ongoing debate within the office. "If you've been born on third base, you should be taxed more," he said. The boozy earnestness brought back fond memories, and I wondered if there was something to be said for making the office resemble a dorm room. At which point another long-running debate began to elbow Romney aside. This one was about the anatomy of "midget dildos." One camp believed little people used regular-sized implements. The other insisted they had miniature versions. Both held their views with impressive conviction. Soon, a debater was illustrating with his hands, and I recalled what an older start-up founder with young colleagues had told me a few weeks earlier. "I really believe in private spaces," he said. It suddenly seemed like deep wisdom.

NICK STAMOS GOT the idea for nCrypted Cloud when a friend called him with a problem: All the executives at his company were using Dropbox to store their work documents so that they could access them whether they were at the office, at home, or on some runway in middle America. But the company's I.T. department was panicked—it didn't think Dropbox was secure enough for sensitive files. Stamos decided it was a riddle he could crack.

He'd been solving similar problems for more than two decades. In 1990, he began working for Lotus, one of the early software-making giants, even before graduating from Tufts with two engineering degrees. One night as he was leaving, a supervisor asked if he knew any frat boys who could work the graveyard shift. The Lotus programmers would write code by day, then run tests on it at night. But the tests would inevitably stall out, and the supervisor wanted a college kid to reboot the computers whenever that happened.

"I said, 'What if I can build you a box to do that, is that interesting?'" Stamos asked the supervisor. It was. Stamos trooped off to the engineering lab, and when he returned with a gangly blue box two weeks later, the supervisor was impressed. After a few days, he handed Stamos a check for $18,000 to go build another 60. "I lost my shirt," Stamos told me. "But I delivered. Ten years later, someone told me they were still using them."

When Netscape went public in 1995, achieving a valuation of $3 billion in a single day, it dawned on Stamos that his engineering skills might be worth substantially more than $18,000: "I was like, if they can do that, I can do it." In the late '90s, he signed up as the first employee at Phase Forward, which saved pharmaceutical companies millions by allowing them to tabulate the results of their clinical trials online. (Previously, the researchers would write down the results on seven-part carbon copy.) Stamos built an engineering team that grew to 100 people before the company went public. Then, in 2002, Stamos left to co-found another start-up, Verdasys, which protects an organization's data against theft or leaks by insiders. General Electric, DuPont, and the Department of Justice all became customers. But while building a succession of start-ups has netted him a comfortable lifestyle, he has never quite pulled in what the kids call "fuck you money."

Admittedly, start-up founder is not the first thing that comes to mind when you meet Stamos. He is not a hoodie-wearing geek or an adrenaline-addled brogrammer. At 44, he has the beefy, nondescript look of one of the lesser bar-stool-warmers on "Cheers." When we connected in Boston's financial district a few months ago, he led me through a maze of hallways before depositing me into a windowless, 12-by-18-foot room that I assumed was a waiting area but discovered is the office he shares with two colleagues. A Ping-Pong Palace it was not. Twenty minutes later he was back, carrying a white plastic takeout bag. He took me to the communal kitchen, where he opened a Styrofoam box to reveal a big, messy, Italian-looking concoction. He tore off the lid and placed it in front of me, then divided the dish in half.

Over lunch it became clear that Stamos is preoccupied with age—not so much his own, but with the way his industry fetishizes kids with little insight into the questions he considers worthy. At one point, he complained that "listening is a really hard skill for young folks."

Stamos is fond of telling a story about sitting down with an engineer whom an acquaintance had referred to him for advice. "I meet with the kid and he's twenty-one, twenty-two," Stamos recalls. "He was smart. A Harvard computer-science major." The kid said he'd already done two start-ups and was looking to try a third. His previous venture was a website where women could enter their medical information and find out which one of hundreds of birth-control pills suited them best, with the least amount of side effects. The website would arrive at the answers by trawling bulletin boards and chat rooms across the Web and learning from other people's experiences.

"Really, you got this funded?" Stamos asked. Yes, said the kid. "But it obviously didn't work out," Stamos replied. Right, said the kid. At which point Stamos began to piece together what must've happened. "You collected the data and realized a lot of the data out there is horrible, and you couldn't make sense of it," he said. The kid allowed that this was true. "You probably talked to CVS—everyone talks to CVS. And they thought it was the best thing since sliced cheese, but they were never willing to buy it." Again the kid said yes. "Then you realized that anything you're doing that has to be regulated, like making medical recommendations, requires FDA approval." By now the kid was demanding to know how Stamos had guessed all of this. "You see these gray hairs?" he said. "It's the classic model everyone goes through. I know it from Phase Forward."

JUST BECAUSE OVERT age-discrimination is illegal doesn't mean it never happens. In 2011, Google settled a multimillion-dollar claim brought by a computer scientist named Brian Reid, who had been fired when he was 54. Reid said colleagues and supervisors had frequently referred to him as "an old man" and "an old fuddy-duddy" whose ideas were "too old to matter." They allegedly joked that his CD cases should be called LPs. A labor lawyer I spoke with told me he recently got a call from a thirtysomething supervisor at a start-up who said her job was at risk because the team she was managing—most of them ten years younger—had rejected her on account of her age. "She was being referred to as a 'den mother,'" says the lawyer. "If no one is following your lead, you're not much of a supervisor."

Still, ageism in Silicon Valley is usually more subtle: an extra burden of proof on the middle-aged to show they can hack it,

WHAT ZUCKERBERG HATH WROUGHT

THE TECH-WORLD TEENYBOPPERS WHO ARE GOBBLING UP MILLIONS.

BY LANE FLORSHEIM

NAME: Nick D'Aloisio
AGE*: 15
START-UP: Summly
In 2011, a 15-year-old D'Aloisio became the youngest person to ever receive venture-capital funding for his news synopsis app, Summly. Two years later, he sold it to Yahoo for $30 million. Critics said Summly did not have many users or any revenue, failed to coherently summarize the news, and was actually built by two outside companies. Nonetheless, D'Aloisio was *WSJ. Magazine*'s "Technology Innovator of the Year" in 2013.

NAME: Daniel Gross
AGE: 19
START-UP: Greplin
Gross, an Israeli teenager who moved to the Bay Area after graduating high school, set out in 2011 to build a search engine to challenge Google's—and received $5 million from Sequoia Capital to help. When that didn't work, he re-branded Greplin as Cue, a personal-assistant app that processed users' e-mails and files. Competing with Siri was a better idea: Apple acquired Cue for more than $40 million last year.

*When first got major funding

NAME: Lucas Duplan
AGE: 22
START-UP: Clinkle
Duplan's app, Clinkle, received $25 million of venture-capital backing (which its p.r. reps say is the largest seed round in Silicon Valley history) in 2013, even though no one quite knows what it does. The app, which has not been released, will supposedly allow users to pay for things with their phones; details beyond that have yet to be made public. The mystery did not stop Duplan from taking a selfie with $30,000 in bundles of cash.

NAME: Josh Buckley
AGE: 19
START-UP: MinoMonsters
Buckley's gaming app, MinoMonsters, lets young users "collect, train, and battle" digital creatures, à la Pokémon. MinoMonsters was projected to make $15 million last year and is backed by the venture-capital firm Andreessen Horowitz. Buckley, who has been called "the Harry Potter of start-ups," cites Disney as the model for what he hopes to do. "It can be a pretty big responsibility to receive such a big check when you are still in your teens," Buckley said. "However, I have always seen age as merely a number."

NAME: Andrew Hsu
AGE: 19
START-UP: Airy Labs
Hsu graduated from the University of Washington with three science degrees before his seventeenth birthday. He was a Ph.D. student at Stanford when he dropped out to found the educational social-gaming company Airy Labs—and raised $1.5 million from Google Ventures and others in 2011. A year later, the company was looking to rent out part of its Palo Alto office space and was laying off staff members, some of whom said Hsu's dad was actually running the show.

NAME: Tim Chae
AGE: 20
START-UP: PostRocket
In 2011, Chae's dad had to drive 88 miles from Sacramento to co-sign his son's lease in San Francisco—yet Chae was already the chief executive and co-founder of PostRocket, a start-up that helped users trick out their Facebook posts for maximal exposure. "Thank God for Zuckerberg," Chae told Reuters, attributing his ability to raise more than $600,000 to investors' obsession with the Facebook founder's youth. PostRocket shut down last summer, recommending in a customer e-mail that users switch to Facebook's "Page Insights."

NAME: Brian Wong
AGE: 19
START-UP: Kiip
"People start thinking of me as the next Zuckerberg," Wong told *The Wall Street Journal*. "I can use that to my advantage." Wong's app, Kiip, syncs smartphone apps with major brands to offer rewards and has raised more than $4 million in funding. For instance, a Kiip user could earn free packets of Propel Zero for logging his longest workout—which, in the example on Kiip's website, totaled only five minutes.

NAME: Aaron Levie
AGE: 20
START-UP: Box.net
In 2005, when he was 20, Levie received $350,000 from angel-investor Mark Cuban for Box.net, a Dropbox competitor that has since raised $113 million in venture capital. By 2011, when he was 26, Levie considered himself a wise old man. "When you're 22 years old or 25 years old ... you have no context for the enterprise," Levie told *Business Insider*. Before starting Box.net, Levie's business experience consisted of two internships in film.

on a scale very few workers of their vintage must deal with anywhere else. "People presume an older developer learned some trade skill five to ten years ago and has been coasting on it ever since," says a 40-plus developer whose department consists mostly of 20-year-olds.

In 1999, a consultant named Freada Klein began a five-year "quality of work" study of 22 start-ups, whose employees she anonymously surveyed on a regular basis. Though Klein found that few of the companies copped to overt discrimination, many confessed to having elaborate points-based systems for evaluating job candidates, in which they deducted points for being married, having kids, and living in the suburbs. The older candidates were quite literally being held to a higher standard.

In other instances, middle-aged people had to show they weren't schoolmarm-ish authority figures out to stifle fun and creativity–parents, in other words. "A number of times, people said or wrote in survey comments something like, 'We don't want anybody's parents in here,'" says Klein. "'It's too weird to have someone as old as my parents reporting to me.'" Many were referring to candidates in their forties.

Often the discrimination comes veiled in that vaguest of tech-world concepts: culture. One recent trend in Silicon Valley recruiting is for job candidates to interview with a programmer at their level or below after they've cleared every other bar in the hiring process. Ostensibly, the point is to make sure a candidate meshes with the whole team, a perfectly noble impulse. In practice, it's frequently a tool for weeding out older applicants.

Consider a fortysomething engineer who was recently up for a job at a company whose product he suspected I use daily. The engineer believes he aced all his technical interviews, then he Skyped with a young programmer he would be working with. "He basically tried to explain to me that it's a college mentality. People bring their college buddies in. They run around the office, which is a big converted factory, running after each other with Nerf guns," says the engineer. "He mentioned the word 'culture' several times." The engineer quickly deduced that his chances were roughly nil. "I think that was him saying, not in so many words, 'Dude, you're too old for us.'"

In November, Stamos flew to Silicon Valley so he and Scheinman could meet with V.C.s. It was his second trip there in two months, and the first had gone well. A couple of V.C.s had already invested in some of Stamos's competitors, but confessed that "your product is way better." Even the high priests of the industry were impressed. "Sequoia was like, 'Who the fuck are you? How did you pull this off?'" Scheinman told me.

This time there were ten stops on the itinerary, and Stamos hoped he would be flying home with a commitment for $5 to $10 million. But it quickly became clear that no one would be reaching for a checkbook. In some cases, he detected snobbery toward the Boston tech scene. In others, his previous successes barely registered.

Most annoyingly, many of the V.C.s kept dwelling on a metric called Total Addressable Market (TAM), essentially the amount of revenue you think is out there for your product. "That's a really stupid question to ask," Stamos griped. "OK, Dropbox, security. Who doesn't need it? Did you notice the [Edward] Snowden thing? All the companies that have regulatory requirements [for protecting sensitive data]? That's everybody." To illustrate, he conservatively estimated that each of the world's 2,000 biggest companies spent $2 million per year on this type of security, which would put the TAM at $4 billion. But, then, any idiot can go through this exercise and read into whatever assumptions he or she wants.

"When they indirectly ask stupid questions, that's where I lean toward, Is there something about me they don't find comfortable?" he said. "Age is a taboo thing. You can't talk about it. The way they don't talk about it is to come up with something else." (Another founder whose company sells software to big businesses, but who received millions of dollars in V.C. funds, told me Stamos's impression jibed with his own experience. When the V.C.s got caught up on the TAM, it was almost always about something else.)

Of the ten V.C.s he met with in November, Stamos told me four seemed to be talking complete nonsense. In two of these meetings, the V.C.s were actively hostile. "They'd already made up their minds," he said. "They were looking at their phones during the meeting. Not engaging, not looking me in the eye." The other six expressed varying degrees of interest, but two seemed highly biased against Boston, insisting Stamos would have to move to California, which he said he was open to. Another two abruptly stopped returning his e-mails. "I think we're left with two basically that we're pursuing," he told me.

Scheinman was also getting frustrated, though his view was a bit more nuanced. He has made a living off betting that older entrepreneurs can get funded—so long as they stamp out *all* the pretexts V.C.s use to say no. He worried Stamos had come up short. But he was convinced that Stamos's age was the underlying issue. "Substitute a twenty-eight-year-old … and have Nick be the Cyrano to the twenty-eight-year-old, and we would have been funded at a crazy price. That much I believe," he said.

NO DOUBT THERE are valid reasons to prefer funding youngsters. If, for example, a company is in the market for teenage eyeballs, it probably makes sense to have a founder who's not long from adolescence. Often these entrepreneurs turn out to be world-class programmers, having affixed themselves to a keyboard since long before puberty. "By the time they're twenty-two, they're already expert. They've put in the ten thousand hours," says Marc Andreessen, who co-founded Netscape in his early twenties and is one of Silicon Valley's most respected venture capitalists. "But it doesn't happen in other fields. … You can't start designing bridges at age ten."

Still, when you press Silicon Valley V.C.s on their tepid enthusiasm for older entrepreneurs, they tend to talk a lot about "disruption." Everyone knows you change the world when you're young and fearless, they say, and that you toil at the margins when you're old and weary, too cynical to believe real change is possible.

But even if it's true that the young are more innovative, it's not entirely clear that we'd want to elevate them above the rest of us. For one thing, there's something to be said for marginal improvements, which have worked out quite well in other countries. Ben Hammersley, a programmer and author who has advised the British government on creating a technology hub in London, points out that the incremental model largely explains Germany's economic strength. "The majority of the German economy is light engineering. It's family-owned businesses engaged in long-term planning," he says. "'We're going to be around for another hundred years. What can we do to make a five percent improvement every year?'" By contrast, he says, economies that embrace the Silicon Valley model writ large—throwing massive amounts of money at highly speculative investments—are suspiciously bubble-prone.

And then there is the question of what purpose our economic growth actually serves. The most common advice V.C.s give entrepreneurs is to solve a problem they encounter in their daily lives. Unfortunately, the problems the average 22-year-old male programmer has experienced are all about being an affluent single guy in Northern California. That's how we've ended up with so many games (Angry Birds, Flappy Birds, Crappy Bird) and all those apps for what one start-up founder described to me as cooler ways to hang out with friends on a Saturday night.

Or take a company called Outbox, which cooked up the idea of charging customers $4.99 a month to collect, scan, and deliver snail mail to their e-mail account, a proposition for which it raised $5 million in venture capital. "This company sends out humans in Priuses three days a week," one fortysomething programmer groused to me last year. "It only works for people who come home at nine and go to work at ten and have everything else in life taken care of." Which is to say, the most dynamic portion of the most dynamic sector of the U.S. economy has taken it upon itself to replicate a service the U.S. government already performs quite ably. At least up until Outbox folded in January.

When taken to its logical extreme, a tech sector that discriminates in favor of the young might produce an economy with some revolutionary ways of keeping ourselves entertained and in touch at all hours of the day and night. But it would be an economy that shortchanged other essential sectors, like, say, biotech or health care.

Before his thirtieth birthday, Mark Goldenson had already founded two tech start-ups, including an online game-show-playing company, for which he collectively raised more than $20 million. Both promptly failed. Finally, at age 30, he founded a company that helps people locate and receive psychiatric counseling online. It was an idea with potentially enormous social value in a country where millions have unaddressed psychiatric needs, but he never had more trouble raising money. “Sometimes investors … paint with a broad brush,” he told me. “You’re more likely to make a hundred million dollars in another social network than taking a look at a weird tele-health thing.”

Alas, as Goldenson’s experience suggests, the whole premise of youthful innovation isn’t even true. It turns out older people have historically been just as “disruptive” as younger people. A 2005 paper by Benjamin Jones of the National Bureau of Economic Research studied Nobel Prize winners in physics, chemistry, medicine, and economics over the past 100 years, as well as the inventors of revolutionary technologies. Jones found that people in their thirties contributed about 40 percent of the innovations, and those in their forties about 30 percent. People over 50 were responsible for 14 percent, the same share as the twentysomethings. Those under the age of 19 were responsible for exactly nothing. One study found that even over the last ten years—the golden age of the prepubescent coder, the youth-obsessed V.C., and the consumer Internet app—the average age of a founder who could claim paternity for a billion-dollar company was a rickety 34.

However much age and experience may grind down the rest of us, it is simply impossible to generalize to that tiny fraction of people so brilliant and driven as to be capable of creating the next Google. “You’re searching for patterns among outliers,” says one skeptical V.C. “The whole exercise on its face is logically absurd.” It is far more apt to think of these freakish specimen as though they fall out of the sky rather than emerge from any predictable feature of human behavior. By definition, they are different from us in almost every way. There’s no reason to believe they would age like us.

ON A SUNDAY morning in late February, I joined Stamos and Scheinman for breakfast at the W in San Francisco. Stamos was in town for a kind of world’s fair for the digital-security industry, and his spirits were relatively high. Two private investors from Florida had each committed to a million-plus dollar infusion, as had a small Massachusetts V.C. firm called Long River Ventures. Stamos was poised to raise $3 to $4 million by the end of March. But Scheinman felt it was important to keep at the Silicon Valley V.C.s. He believed the tech sector was in the later stages of an enormous bubble and that Stamos would need more capital to survive the inevitable blow-up.

Despite the promised funding, Stamos was still upset by the V.C.s’ cold shoulder. He seemed preoccupied with some of his competitors, whom he believed had inferior products but had had little problem lining up financial backers. The one that drove him completely nuts was called Ionic Security. Based in Atlanta and founded by a twentysomething who was recently featured in a *Forbes* “30 under 30” list, the company had somehow raised nearly $40 million from V.C.s, including a $9.4 million round in 2013 led by the storied firm Kleiner Perkins, and another $25.5 million this year. Stamos considered the company amateurish, shuffling from one concept to the next without fleshing any of them out. “If you can convince a brand name V.C. to back you, they won’t let you die,” he groaned. “They will throw good money after bad.”

As the week went on, Stamos became ever more consumed with Ionic, constantly bringing up the company in conversations. It stood for everything he considered unholy about Silicon Valley’s youth fetish. One evening, while we were walking toward the convention floor, he spotted an Ionic executive across the room and said to a friend, “Forty million dollars raised and they still don’t have a product.” (Steve Abbott, Ionic’s CEO, says the company has a product that came out last year, as well as six to twelve paying customers.)

I had to see for myself what $40 million in venture capital buys you. When I showed up at the Ionic booth—really more of a pavilion—I noticed several attractive women gathered off to one side. A sales manager dressed in black invited me to take a seat in one of the tank-sized massage chairs the company had wheeled in, then handed me an iPad and a set of headphones with the Ionic logo.

The iPad played an eleven-minute video, and I began jotting down some notes as the chair worked me over. Suddenly, the sales manager came back toward me and asked that I stop. “We’re still in stealth mode,” he explained apologetically. I didn’t quite understand his urgency because the video was wholly unremarkable and larded with marketing-speak. The only interesting part came toward the end, when Ionic’s young founder catalogued the inscrutable features of his product. “We’d like to show it to you under NDA [non-disclosure agreement],” he said. “We hope you come take a look.” At that moment, I found myself in perfect agreement with Stamos: Here was the future as the V.C.s would have it, and it was contentless and tacky.

Nick Stamos has no kids, few hobbies, and even fewer extravagances. He works all the time and is consumed by his company every second he’s away from it. For as long as he can remember, all he ever wanted to do was to build a start-up that would go public and send the stock tickers into tilt—the way Netscape did when he caught on to the start-up phenomenon back in 1995. He has already come close a few times. If Stamos can’t get Silicon Valley to give him the time of day, the problem isn’t him. It’s Silicon Valley.

On Wednesday morning, the second to last day of the conference, I met Stamos at the Starbucks in the lobby of his hotel. One of the V.C.s he’d met with at Sequoia back in the fall, a man named Aaref, had e-mailed him over the weekend asking if they could find a time to connect while he was in town. Stamos had invited me along, but when I showed up, I found him alone by the picked-over sugar and milk station. His voice had a slight edge and he was less keen on eye contact than usual. He told me Aaref had blown him off.

When the two finally met the following afternoon, Aaref bought Stamos a cup of coffee and gushed about nCrypted Cloud. “He was, ‘Rah rah rah, great, wonderful,’” Stamos told me. But Aaref never broached the possibility of funding. The encounter was just a professional courtesy, and after precisely 30 minutes, Aaref said, “I’m really sorry, my next meeting is here.” Stamos looked up and the person waiting for his seat was pimply and young. ●

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