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Women of Silicon Alley
Seminar

Women of Silicon Alley Summit

New York, New York

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I want to thank Anna Wheatley, Janet Stites and everyone at AlleyCat News for celebrating the digital revolution and the critical role that women entrepreneurs are playing in it. And, of course, I want to pay tribute to all the entrepreneurs and venture capitalists here this afternoon who are fundamentally changing how we work, live, shop, learn, and relate to each other.

Henry Ford, who knew a thing or two about starting a business, once said that the best Americans in business were those with an "infinite capacity to not know what can't be done." The people in this room - and all around Silicon Alley -- certainly embody that spirit. Back even 10 years ago, who could have imagined that we'd plan vacations, buy cars, rent movies, get medical advice, and pay taxes over the Internet?

Well, so many people in this room, and in this state, not only imagined it, but made it happen. Since 1997, over 1,700 new media companies have opened up shop here in New York. These days, Silicon Alley's future is inextricably tied to New York's future. That's why today's conference is so important.

We have the strongest economy in a generation -- 20 million new jobs -- the lowest unemployment rate in 29 years. And so much of that is a function of women entrepreneurs all over New York and America. In New York City, there are nearly 300,000 women-owned businesses that employ one million people. More women are earning MBAs. More and more are starting IT businesses.

At this conference alone, we've already heard from pioneers, like Candace Carpenter and Kay Kopolvitz, who helped clear the pathways that so many others have followed. We heard from 21 new dynamic companies, which have come up with great ideas in everything from fashion to financial services. We heard from investors, who are making it possible to turn great ideas and hard work into successful businesses.

But, we can't just look around this room and celebrate the

success stories that all of you represent without recognizing the incredible distance we still have to go.

I've worked for many years on micro-financing and small business loans both here and abroad. And, I'll never forget in Denver having a woman say to me, "You know, I was never able to get a commercial loan. I would go to the bank and they would say, 'you don't have enough experience, you don't have enough collateral' She said, "so many good ideas die in the parking lots of banks."

I've heard that same story over and over again - whether it is a woman Upstate who wants to open an inn for tourists or a woman in New York City who wants to make a pitch for a second round of VC financing. Last week, I met with representatives of Silicon Alley, who talked about the need for education, training, and credit for women. I know there are many people here who still carry around credit card debt from trying to finance your own business.

Right now, only about 4 percent of the billions in venture capital invested in IT companies is going to those led by women. Women simply do not have access to the capital that men do. And so often it is because women don't have the resources and the networks that male entrepreneurs draw upon. We need to build a network for women that can compete with the Old Boys network. And today is certainly a good start.

A few weeks ago, I visited the Women's Technology Cluster in San Francisco. A woman named Cate Muther, who I had met at the White House Philanthropy Conference, had brought together many private and public resources. The day I visited, Panasonic was making its own commitment to help. And what they have created is a one-stop-shop where women entrepreneurs can get the T1 lines, office space, mentoring, tutoring, and, of course, financing that they need to get their businesses off the ground and into the black.

As I talked to the women there, every single one of them said they had previously had trouble getting credit or other help. And they explained how this incubator is working so well. It's creating a network of support for them - and helping their businesses to succeed. They only started in 1999, but already the number of employees in their companies has doubled and \$17 million dollars in early stage financing has

flowed in.

How do these companies repay the cluster for all its assistance? There is only one requirement - that they give two percent of their equity to a philanthropic fund.

As I look around this room, and I can only imagine the possibilities here. We can create these kinds of high-tech incubators throughout New York and America. And, as Senator, I will work to increase business incubators nationally by a third.

Right now, for example, the Small Business Administration invests \$9 million in the Office of Women's Business Ownership, which helps finance more than 80 Women's Business Centers. If I go to the U.S. Senate, I will fight to double that investments, so that we can increase the number of women's business centers, increase the number of women-owned businesses, and increase the number of women who can go on-line and learn about starting their own businesses.

Folks working in Silicon Alley tell me we need to develop a workforce that is prepared to excel in technology. That requires the help of our universities and laboratories.

If I go to the Senate, I will work to pass a new initiative that will provide technology to small and medium sized business owners so they will be able to move their products to the market faster.

If those businesses - and the customers they serve - are going to succeed, all our communities must be wired for the future. Clearly, broadband is reaching further and further across America. But there are still too many places, especially in poor, rural and urban neighborhoods, that are getting left on the wrong side of the digital divide. If I go to the Senate, I would work for technology bonds that state and local governments could use to expand Internet access to their communities and their citizens.

I will fight to ensure that all children have the skills they need to be the next generation of technology entrepreneurs, workers, and even users. We know that more and more, what you earn does depend on what you learn. And, if we don't act to bridge it, the digital divide will not just leave huge segments

of young people without a quick way to buy airline tickets. It could leave an entire generation of our children behind, without the tools to catch up or ever get ahead. That will be devastating to their futures - and to our future as well.

If we want to close the digital divide in this century, then we need to reform our schools so that every young person who walks through their doors gets a world class education. That means high standards for our students and teachers. It means demanding greater accountability from our schools. It means relieving overcrowded classrooms. And, yes, it means wiring every single school to the Internet.

I have seen children who couldn't sit still. But, once you boot up a computer, they are absorbed for hours. We need to introduce all our children to the wonders of technology. We need to let it excite them, let it inspire them, let it become part of their lives - and their futures. Our children deserve no less.

But some of what they need -- and, yes, some of what we need -- has little to do with the Internet and everything to do with our on-going attempts to balance our jobs and the rest of our lives.

No matter how much we can wish it were otherwise, we all recognize that the challenge of balancing work and family tends to rest disproportionately on women. That's the case whether we own our own business, are employees in a business, or partners, as I was for many years in a law firm.

Since the time I was 13, I have worked every single year in a variety of jobs. One of the most memorable was a summer job I had in Alaska, which I wouldn't recommend to anyone except as a character builder. I was responsible for cleaning out the innards of Salmon. And that's why I decided to go to law school! Years later, I chaired a commission that looked at the challenges facing women in the legal profession. We launched a four-year study on a whole range of issues such as equal pay and balancing work and family.

I remember holding a hearing in Philadelphia. One witness, who went on to become president of the ABA, said, "I had my first child and I thought I had arranged everything perfectly. I had delegated all my work. I thought everything was fine. About two days after my daughter was born, I had a call from

one of my partners saying 'we have a crisis' and I was the only person who could deal with the client so I had to come in. So, I went back to 24-hour days.... And I didn't realize how crazy it all was until the nanny collapsed and then I knew that this was more than anybody should have to deal with."

What is wrong with this picture? We need to address today's reality, which is: Fifty-three percent of mothers in New York's labor force have children under six. And child care in New York often costs more than tuition at a public university.

It's time to expand federal child care assistance to a million more children. It's time to give more child care tax credits - and support more businesses that are providing child care. It's time to make sure that quality, affordable health care is within reach of every single family in this city and state. It's time to make sure that equal pay is no longer a goal, but a reality. And as Senator, I'll work on all these issues that help women as workers, but also will help you as business owners. You know better than anyone that your workforce - and their loyalty - will help you reach your bottom line.

I was at a high school in Long Island last month, for a town hall meeting with students. And, it was just a great event, and the kids were asking great questions. And one stood up and said, "You know, we as young women know that in the work world we only make seventy-three cents to a dollar that a man makes, and what are you going to do about that?" And, well, of course, it's now crawled up to a full seventy-five cents.

So, I told them the story of the MIT study, which looked at tenured women faculty members - people at the very top of their fields. And, as many of you know, they still found disparities in the way they were treated and compensated. We have to remain vigilant in asking the hard questions about equal opportunity -- and even more vigilant in providing the answers.

In the year 2000, 75 cents on every man's dollar is far from enough. We need to ensure equal pay for equal work, in IT and every sector of our economy. And, in the 21st century, equality of pay must mean equality of stock options as well.

That really brings me to my last point. What you are doing today is about ensuring equality in the digital age. It's about ensuring that the architects of this revolution are women and

men, white and black, Asian and Hispanic, young and old.

Because no matter what we do, there will be people sitting around tables in New York and across the country deciding what this revolution will look like. They will be debating what information Americans need, how to reflect our world, and how to shape it. And, just like in every other sector of society, women need to be at that table - and yes, often at the head of that table.

I remember when I was a young girl, I'd always play full court basketball with my brothers. But, when I got to school, they made us play half court. We couldn't cross the center line. And when I asked my PE teacher why, the answer always was, "it's just not good for girls' hearts." Well, today the New York Liberty and the entire WNBA are showing just how wrong he was.

That message I got as a young girl was very similar to what women have heard as they tried to start their own businesses or follow their other dreams. Messages like you can't do it. You don't have the resources, the skills, the capital. You don't have the heart. Well, how wrong they still are.

Today, we are breathing more "Oxygen." We have an I-village, we have Zagats. We have Boutique Y3K. We have The Knot.com. We have Edgar Online, Omni Options, Working Woman Network. And, yes, we have AlleyCat News.

I want to thank you for, as Henry Ford said, not knowing what can't be done. Thank you to all the VC firms that are making it possible. Thank you all for sending the right message to our daughters and granddaughters: you are teaching them that it's cool - and yes, feminine -- to take math and science and computers in school. And you are teaching them that, with some determination and capital, they can go as far as their dreams and abilities will take them.

There is no greater gift than that. So, thank you very much.