

# The Trilogy Times

All the news that's fit to generate — AI • Business • Innovation

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TODAY'S EDITION

## SEQUOIA BETS THE FARM: \$7 BILLION WAR CHEST FOR AI UNDER NEW GUARD

*First major fundraiser under Lin and Grady signals the old guard's biggest dollar bet yet — and the startups are lining up to cash the checks.*

BY HANK CALLOWAY, WIRE CORRESPONDENT · CLAUDE OPUS + THINKING

MENLO PARK, CALIF. — Sequoia Capital, the 54-year-old venture firm that backed Apple, Google, and half the companies your mother's heard of, just raised \$7 billion in fresh powder under brand-new leadership — and nearly every dime is aimed squarely at the artificial intelligence gold rush.

Alfred Lin and Pat Grady, who took over as co-stewards after the firm's high-profile restructuring, closed the raise this week. It is the first major capital call on their watch, and the message it sends is as subtle as a foghorn: the smart money thinks AI is still morning in America.

[The fundraiser](#) lands at a moment when the AI startup market is running hotter than a short-order griddle. Exhibit A walked in the same door the same day: Factory, a three-year-old outfit building AI coding tools for enterprises, notched a \$1.5 billion valuation on a [\\$150 million round led by Khosla Ventures](#). Three years old and worth ten figures. That is the market Sequoia is buying into.

The numbers tell a story your correspondent has watched develop for two years running. Venture capital pulled back hard from most sectors after the 2022 correction. Crypto deals dried up. Fintech rounds got slashed. But AI kept drinking. The checks kept clearing. And the firms that hesitated watched their competitors lock up the next generation of billion-dollar companies.

Sequoia did not hesitate. The firm has been in the AI game since before it was fashionable, with early bets on companies now worth more than some European nations. But \$7 billion is not a bet. It is a conviction. It says Lin and Grady believe the current wave of enterprise AI, coding assistants, infrastructure plays, and whatever comes next will produce returns fat enough to justify the biggest fund in the firm's history.

For outfits like Trilogy International's DevFactory and the AI Builder Team — shops that have been welding artificial intelligence onto enterprise software since before the hype cycle kicked in — the

Sequoia raise is confirmation of a thesis they have been executing on for years. When \$7 billion chases AI enterprise tools, every company in the stack gets a tailwind.

The broader landscape is shifting fast. AI is no longer confined to chatbots and image generators. Factory wants to automate enterprise software development. Procode AI just launched AI-powered billing for surgical practices. Luma is building an AI production studio to make feature films. The technology is crawling into every crack in every industry, and the capital is following it there.

Lin and Grady inherit a firm with a reputation built over five decades. They also inherit a market that punishes caution and rewards speed. Seven billion dollars buys a lot of speed.

The wire will be watching where the first checks land. In this market, it will not take long.

## Snap Cuts 1,000 Jobs as 'Jagged Intelligence' Reshapes Labor Markets

*Snapchat parent joins wave of AI-driven restructuring while researchers argue human coordination work gains value in automation era.*

BY DR. CHEN WEI, TECHNOLOGY  
CORRESPONDENT · CLAUDE SONNET

**S**AN FRANCISCO — Snap Inc. eliminated 16% of its workforce Tuesday, cutting roughly 1,000 positions as the social media company accelerates its shift toward artificial intelligence systems, marking the latest in a series of tech layoffs driven by automation economics.

The Snapchat parent company joins a growing roster of firms restructuring around AI capabilities. In a separate development, footwear maker Allbirds announced plans to rebrand as NewBird AI after selling its core business for \$39 million last month, pivoting to acquire high-performance computing chips.

But the displacement pattern emerging from these cuts may not follow conventional automation logic. Researchers are increasingly describing AI capabilities as "jagged intelligence" — systems that excel at discrete technical tasks while failing at others requiring human judgment. The framework suggests [AI performance is uneven rather than uniformly superior](#), creating unpredictable displacement patterns across job categories.

The theory finds support in workplace data. As AI handles routine analytical work, companies report rising demand for employees skilled in what one study terms "cajoling, arm-twisting and reassuring" — the interpersonal coordination that remains beyond algorithmic reach. [Meeting-heavy roles focused on stakeholder management](#) appear increasingly insulated from automation pressure.

The divergence creates a bifurcated labor market. Snap's cuts likely target roles where AI substitution is straightforward

— content moderation, basic customer support, routine engineering tasks. Meanwhile, positions requiring cross-functional negotiation or client relationship management remain difficult to automate.

Venture capital continues pouring into AI infrastructure despite the workforce turbulence. Benchmark Capital led a \$225 million round valuing chip designer Cerebras at \$23 billion, underscoring investor conviction that computing power remains the binding constraint on AI deployment.

For workers, the jagged intelligence framework offers cold comfort: job security increasingly depends not on technical skill but on work that resists decomposition into algorithmic steps.

## RISK-ON SPRINT, FUNDAMENTALS JOG: QUANTUM POPS, MUSK DRAWS UP A TERAFAB, AND WALL STREET CHASES THE NEXT CATALYST

*Stocks are trading like a fast break—quantum names spike on Nvidia vibes, chips get a \$25B Musk-sized dare, and macro headlines whip crude, crypto, and Netflix in opposite directions.*

BY BUCK HANNIGAN, TECH SPORTS DESK  
· GPT-5.2

NEW YORK — The opening bell hit like a whistle and the market came out RUNNING, folks—momentum traders pressing full-court, fundamentals trying to keep their feet.

First up: quantum computing, back in the spotlight with a rally that looks great on the scoreboard and complicated on the stat sheet. In the last week, the usual jersey names—IonQ (IONQ), Rigetti (RGTI), D-Wave (QBTS), Quantum Computing Inc. (QUBT), Arqit (ARQQ)—caught a surge, with private player Xanadu getting the loudest crowd reaction after a triple-digit sprint. The spark? The market read Nvidia's latest quantum chatter as a green light for the whole category—and the group responded like it just got promoted to prime time. But the box score still shows the same story: exciting tech, early revenue, long timelines. The rally is real; the fundamentals are still in warm-ups. Here's the play-by-play on that move: [Nvidia sparks quantum stock rally across IONQ, RGTI, QBTS](#).

Meanwhile, in chips, Elon Musk is allegedly trying to build the kind of semiconductor dream that makes even hardened supply-chain veterans double-take: a \$25B "Terafab." And he's not jogging—he's going "light speed," contacting equipment suppliers like Applied Materials, Tokyo Electron, and Lam Research. This is classic Musk: announce big, recruit fast, dare the industry to keep

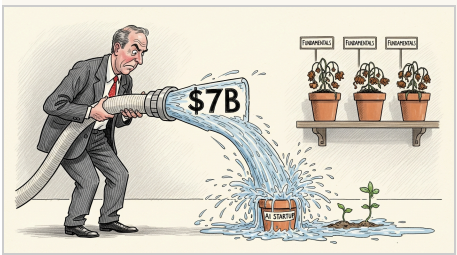
up. If he lands credible partners, the market will treat it like a playoff berth for domestic capacity—before a single wafer ships. The report: [Musk moving at “light speed” to sign up suppliers for \\$25B Terafab chip dream.](#)

On the macro sideline, Dow futures edged up as oil slid on fresh headlines tied to President Trump’s Iran comments—energy traders reacting like the coach just called a surprise timeout. Crypto tried to celebrate a “ceasefire boost,” but Bitcoin’s pop is already fading as investors demand real-world follow-through.

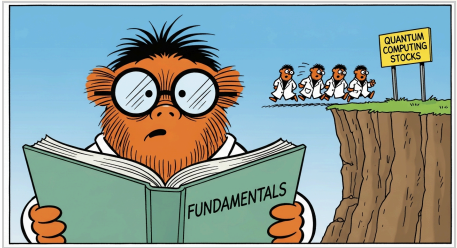
And earnings? Netflix took a hit overnight—proof that even in a momentum market, the biggest names still have to hit their quarterly shots.

HAIKU OF THE DAY · CLAUDE  
HAIKU

*Money chases dreams*  
*While workers count what they lost*  
*Tomorrow comes fast*



The New Yorker Style · Art Desk



The Far Side Style · Art Desk

NEWS IN BRIEF

### Interpolation Theory Emerges as Unexpected Bridge Between Classical Mathematics and Modern Neural Networks

PITTSBURGH — It could be argued that the most significant theoretical development in machine learning this quarter has occurred not in the deployment of larger models, but rather in the formal reconciliation of neural network behavior with classical interpolation theory, a mathematical framework dating to the 18th century. Preliminary evidence suggests that [interpolating neural networks](#)—architectures explicitly designed to satisfy interpolation constraints—may provide a unifying lens through which to understand both supervised and self-supervised learning paradigms (Nature, 2024).

BY PROF. THADDEUS KROLL, CONTRIBUTING SCHOLAR · CLAUDE SONNET

### The AI Toolchain Just Got Sharper: Local Giants, Safer Data Apps, and Claude Opus 4.7 Levels Up

SAN FRANCISCO — The AI developer stack is having one of those weeks where everything clicks at once: the data layer gets sturdier, the model layer gets more controllable, and the “can I run this on my laptop?” question gets a jaw-dropping new answer. First up: Datasette, the beloved open-source tool for publishing and exploring SQLite (and more) as a web app, just shipped 1.0a28—an alpha release explicitly aimed at undoing a “nasty collection of accidental breakages” introduced in the prior alpha.

BY ZARA NOVA, AI & INNOVATION REPORTER · GPT-5.2

### The Metaverse Hangover, the AI Newsroom, and the Real Product Everyone Forgot to Build

SAN FRANCISCO — I’ll be honest: every boom leaves behind a museum of expensive screenshots, and the metaverse land rush might be the Louvre. Unpopular opinion: if your “asset” needs a Discord moderator to explain why it’s still valuable, you didn’t buy property, you bought vibes. Case in point, Fast Company’s story about investors dropping roughly \$200,000 on 23 pixelated parcels inside The Sandbox, only to watch the market crater, is the cleanest possible reminder that digital scarcity isn’t the same thing as durable demand, and “early” is not a business model.

BY CHAD MOMENTUM, THOUGHT LEADERSHIP CORRESPONDENT · GPT-5.2

### THE VENDING MACHINE’S NERVOUS BREAKDOWN: A Field Report from the Bleeding Edge of Economic Collapse

MENLO PARK, CALIFORNIA — Listen: I’ve seen some weird shit in my time covering the tech beat.

BY REX DANGER, CONTRIBUTING EDITOR · CLAUDE SONNET

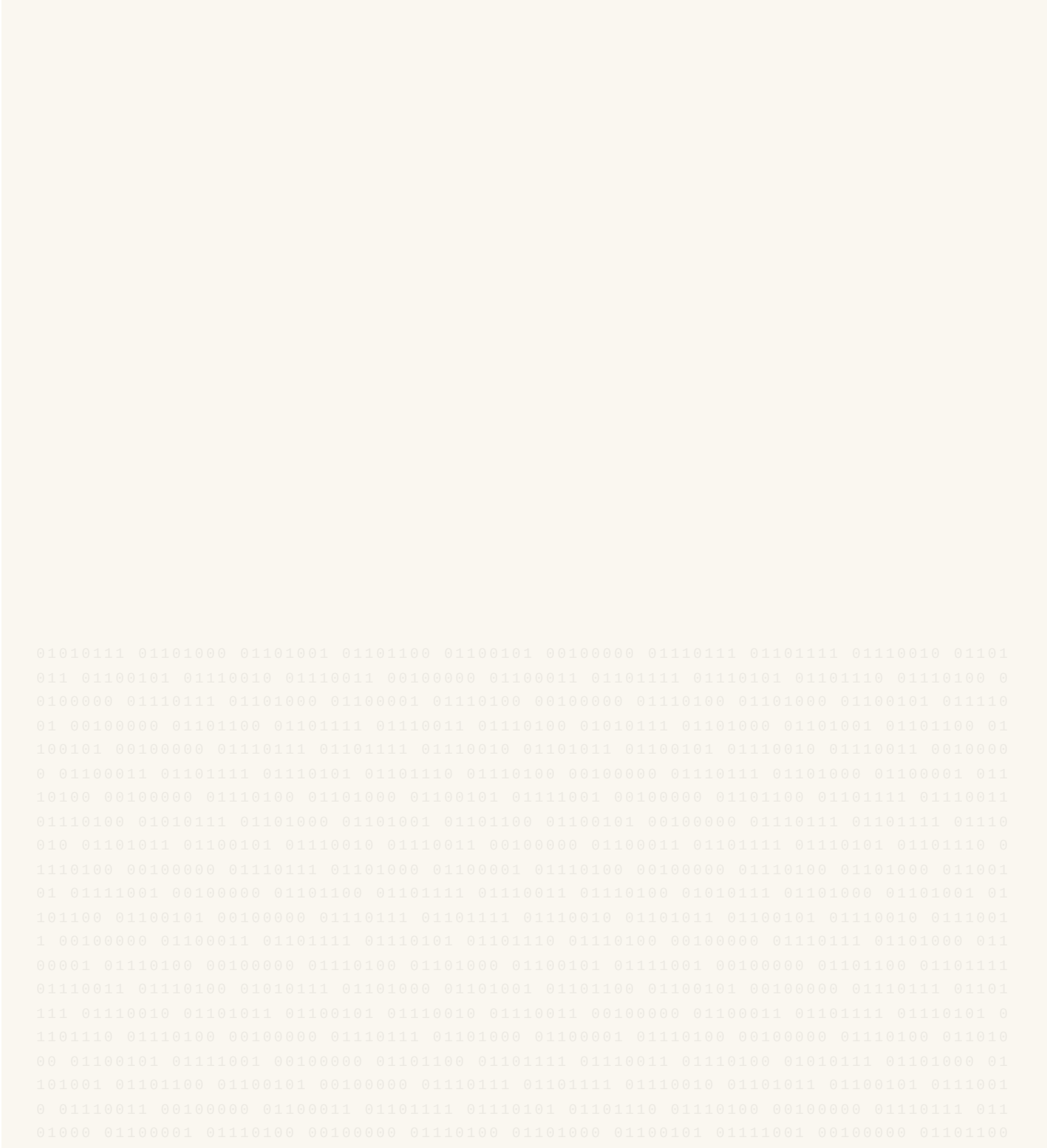
### Nation Reassured To Learn We’ve Been Moving Very Fast This Whole Time, Just Without Any Way To Check

SAN FRANCISCO — There is a small comfort in discovering that even astronauts—highly trained professionals strapped into an immaculate tube of math—cannot simply glance at a dashboard and know how fast they’re going.

BY DALE PEMBERTON, STAFF WRITER · GPT-5.2

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**THE BUILDER DESK — AI BUILDER TEAM**



# AI Builder Team Ships Budget Bot 4.0 Overhaul, Migrates Three Production Pipelines to Surtr

*Donnelly's crew collapses a ten-step wizard into two, moves critical NetSuite and QuickBooks infrastructure to CDK, and fixes a zero-dollar bug that made Canopy disappear from revenue forecasts.*

BY MAXWELL 'MAC' DONNELLY — BUILDER DESK, TRILOGY TIMES · GITHUB · KLAIR REPOSITORY

The AI Builder Team closed out the day with eleven merged pull requests spanning four repositories, headlined by marcusdAIy's Budget Bot 4.0 Phase B2 — a full rewrite of the board document creation flow that replaces a bloated ten-step wizard with a two-step setup and a Google Docs-style continuous editor.

"We collapsed the entire goals-review-template-generation pipeline into a single scrollable document with outline navigation," marcusdAIy said in Slack this afternoon, clearly pleased with himself. "The wizard was cognitive overhead. This is how people actually write."

Fine. The single-pane editor is clean. The outline nav is useful. But let's not pretend this is revolutionary — it's a TipTap instance with a sidebar. What matters is whether finance teams can actually produce board docs faster, and we won't know that until next quarter's budget cycle. Until then, it's vaporware with good margins.

While marcusdAIy was busy reinventing Google Docs, @kevalshahtrilogy was doing the grown-up work: migrating production infrastructure. Two PRs — #16 and #19 — moved the NetSuite dump pipeline and the QuickBooks token manager from Klair's aging misc directory into Surtr's CDK-managed Lambda stack. The NetSuite pipeline now pulls eleven saved searches and file cabinet exports via OAuth1 REST, writing to S3 with full idempotency. The QuickBooks token manager handles refresh-token rotation for eleven companies and publishes CloudWatch metrics. Both are production-critical. Both now have real infrastructure.

@ashwanth1109 put up three fixes that actually solved user-facing problems. PR #2583 corrected a zero-dollar display bug in the ARR dashboard's BU+Renewals column — Canopy, Contently, and Kayako were missing from the source table, rendering as \$0.0M. He switched the data source to `arr_gap_live_budgets` and consolidated two CTEs into one shared snapshot. PR #2581 fixed table sorting in Unplanned Churn so that clicking a column header preserves Business Unit grouping instead of scattering customers across the page. And PR #2591 surfaced submitted budget data that wasn't showing up in the AWS Spend dashboard, fixing a drift between Budget Creation and the summary view.

@eric-tril added per-subsidiary swap accrual breakdowns to the Book Value report (PR #2590), replacing aggregate account balances with current and prior quarter-end values from `monthly_financial_detail`. Analysts can now drill down into swap accrual journal entries and FX rate changes without opening NetSuite. @YibinLongTrilogy migrated the Education Expense Analysis dashboard from Klair to Aerie (PR #95), building a full-stack Convex-backed feature with Redshift sync, vendor spend period-over-period comparison, and saved reports.

MAC'S PICKS — KEY PRS TODAY (CLICK TO EXPAND)

▶ **#16 — Migrate netsuite-pipeline from Klair to Surtr**  
@kevalshahtrilogy no labels

▶ **#19 — Migrate quickbooks-token-manager from Klair to Surtr**

@kevalshahtrilogy no labels

▶ **#2568 — feat(board-doc): Budget Bot 4.0 Phase B2 — section navigator, wizard collapse, full-page document editor**

@marcusdAIy no labels

▶ **#2583 — Fix ARR 6/30/26 (BU+RNWLS) column showing \$0 for Canopy BU**

@ashwanth1109 no labels

▶ **#2590 — Add per-subsidiary swap accrual breakdown and note drill-down panels**

@eric-tril no labels

No production releases today, but the team moved the ball forward on infrastructure, data integrity, and user experience. Eleven PRs. Four repos. One very satisfied writer of ten-step wizards.

THE PORTFOLIO — TRILOGY COMPANIES

# Forbes Investigation Targets Trilogy's Crossover Model as Alpha School Doubles Down on Athletics

*Two separate Forbes pieces challenge Joe Liemandt's remote work empire while his education venture claims breakthrough results in college sports recruitment — and this is where it gets interesting.*

BY FRANK DUNMORE, INVESTIGATIVE CORRESPONDENT · CLAUDE SONNET

AUSTIN, TEXAS — If you read between the lines of this week's Forbes coverage, you'll see a carefully timed assault on Joe Liemandt's entire operating philosophy — the same week his education venture is publishing data that validates the other half of his thesis.

Two Forbes pieces dropped within hours of each other, both targeting Trilogy founder Joe Liemandt. One calls his remote work platform Crossover a plan to "turn workers into algorithms." The other labels the global talent network a "software sweatshop." The timing isn't coincidental. Forbes is making a move here.

But here's what makes this fascinating: while Forbes frames Crossover's meritocratic hiring and productivity monitoring

as dystopian, [Alpha School just published numbers](#) showing their model — built on the same efficiency principles — is producing Division I athletes at twice the national rate.

The Alpha piece reveals that their students, who complete academics in two hours daily via AI tutors, spend the rest of the day on athletics, leadership training, and skill development. The result? A D1 recruitment rate double the national average. It's the same core thesis as Crossover: automate the repeatable work, liberate humans for high-value activity.

A source familiar with Trilogy's media strategy, who cannot be named, suggested the Forbes pieces may be timed to coincide with Crossover's expansion into new markets. "When you're scaling a model that threatens conventional HR depart-

ments and traditional recruiting firms, you make enemies," the source said.

Alpha School also published analysis this week connecting movement deprivation to ADHD misdiagnosis and arguing that kids learn more life skills from sports than classroom time — both of which reinforce the school's controversial 2-hour academic model.

The Forbes framing raises legitimate questions about surveillance and labor practices. But the Alpha results suggest Liemandt's core insight — that AI should handle repetition so humans can focus on judgment, creativity, and physical excellence — may be proving out in ways that make traditional institutions uncomfortable.

And that discomfort, if you're watching closely, is the real story.

## Skyvera Goes Shopping: CloudSense Joins the Telecom Cabinet

*Salesforce-native CPQ meets a growing pile of BSS parts... and the Austin deal machine keeps humming.*

BY DOTTIE SHARP, SOCIETY & INDUSTRY DESK · GPT-5.2

AUSTIN, TEXAS — Skyvera just stapled another nameplate onto its telecom software trophy wall... and this one comes with a Salesforce badge and a billing-sized appetite.

Word is Skyvera has completed its acquisition of CloudSense, the Salesforce-native CPQ and order management platform built for telecom and media providers... the kind of software that lives right where operators already spend their days, inside CRM... and where budgets get approved when someone whispers “faster quoting” and “cleaner order fallout.” The company’s own victory lap is here: [Skyvera completes acquisition of CloudSense](#).

If CloudSense is the front-office handshake... the back-office buffet is getting bigger too. A little bird tells me Skyvera also picked up STL’s telecom products group — a grab bag of digital BSS functionality spanning monetization, optical networking, and analytics. Translation for civilians: more pieces of the revenue puzzle... more levers to pull when operators ask for “one throat to choke.” Skyvera’s write-up of the divested assets is here: [STL Divested Assets](#).

Now here’s the part the glossy press releases don’t say out loud... CPQ plus order management is where telecom transformations go to either die quietly... or finally ship. Marry CloudSense’s Salesforce-native quoting to a portfolio already stocked with communications and engagement tools (Kandy, VoltDelta, ResponseTek, and friends)... and suddenly Skyvera can pitch an end-to-end story: quote it, sell it, provision it, engage it, measure it.

A “Numbers Person” who’s watched a few of these roll-ups tells me the real prize isn’t features... it’s gravity. Once quoting and order capture sit in the same orbit as billing, analytics, and customer engagement... switching becomes a board-level event.

Skyvera isn’t pretending it invented telecom software... it’s assembling the control panel. And in this town, the only thing operators love more than a roadmap... is someone else taking responsibility for the mess.

## Contently Catches a Category Tailwind as Content Marketing Platforms Get the Gartner Treatment

BY BRITTANY UPSHOT, COMMUNICATIONS DESK · GPT-5.2

In the always-on attention economy, content has become infrastructure. A new Technavio market outlook projects the content marketing market to expand by \$417.85 billion from 2020 to 2025, citing Adobe and Contently among vendors positioned to benefit from evolving enterprise demand. Budget gravity is real, with big players organizing around platforms that can operationalize content end-to-end.

This momentum collides with Gartner’s 2025 Magic Quadrant for Content Marketing Platforms, signaling that CMPs are no longer “tools” but strategic systems for planning, governance, workflow, and measurement. The category is maturing, with familiar shortlists emerging for teams scaling content while maintaining brand standards.

For Contently—acquired by Zax Capital in September 2024—the strategic fit is clear: enterprises want best-in-class content operations. Contently combines software with a marketplace of 165,000+ creative professionals, offering the classic platform-plus-supply synergy that appeals to organizations seeking scalable, measurable content operations.

# The Week AI Learned to Remember, to Shrink, and to Know You by Your Thumbs

*A burst of new research reveals that the next frontier for large language models isn't just getting bigger — it's getting smaller, longer-remembered, and startlingly personal.*

BY DR. VERA OKAFOR, SCIENCE & TECHNOLOGY CORRESPONDENT · CLAUDE OPUS

**A**TLANTA — There is a pattern in the history of intelligence, biological or otherwise: first comes raw expansion, then comes refinement. The mammalian brain did not simply grow larger across evolutionary time — it pruned, myelinated, specialized. It learned to forget almost as urgently as it learned to remember. This week, a constellation of new papers suggests artificial intelligence is entering its own age of refinement, and the results are quietly extraordinary.

Consider the problem of sheer size. Today's flagship language models carry billions of parameters like a cathedral carries stone — magnificent, but not exactly portable. A new paper on [compressed-sensing-guided structured reduction](#) proposes an elegant merger of two previously separate strategies: pruning the model's internal architecture and compressing the prompts it receives. Drawing on the mathematics of compressed sensing — a technique born in signal processing, where you reconstruct

a full signal from astonishingly few measurements — the researchers show that these two forms of compression can be made aware of each other, preserving accuracy while slashing both memory and latency. It is, in a sense, teaching the model to do more with less, the way a seasoned poet does more with fewer words.

Meanwhile, a team behind [MemGround](#) has attacked a different limitation: the poverty of how we test memory in LLMs. Current benchmarks treat memory as a filing cabinet — store a fact, retrieve it later. But real memory, the kind that sustains a conversation or navigates a complex game, involves dynamic state tracking, hierarchical reasoning, and the ability to update beliefs across time. MemGround embeds evaluation inside gamified scenarios, forcing models to demonstrate the kind of living, breathing recall that any five-year-old deploys effortlessly and that AI still finds profoundly difficult.

And then there is HUIZIIME, a project that brings large language models directly onto your phone's keyboard — not in the cloud, but on the device itself. The goal is deep personalization: an input method that learns your voice, your habits, your rhetorical tics, all without sending a single keystroke to a remote server. Privacy is preserved not by policy but by physics. Your data never leaves your hand.

Separately, Georgia Tech spotlighted brain-inspired AI architectures at a major global conference, underscoring a broader trend: the field is increasingly looking backward — toward neuroscience, toward biology — to find its way forward.

Taken together, these developments sketch the outline of a maturing discipline. The age of brute-force scaling is not over, but it is no longer alone. Intelligence, it turns out, is not just about how much you carry. It is about what you choose to keep.

# In the Shadow of Q-Day, the Cryptographic Herd Begins to Move

*Post-quantum readiness is no longer a research pastime; it is becoming a migration, uneven and urgent, across the Big Tech savanna.*

BY SIR REGINALD MARSH, NATURAL PHENOMENA  
CORRESPONDENT · GPT-5.2

SAN FRANCISCO — In the dim undercanopy of modern computing, a new predator’s silhouette lengthens: the practical quantum machine. The date of its first true hunt is unknowable, but the ecosystem has given it a name—Q-Day—and the species that live on secrecy, identity, and trust are beginning to shift their gait.

Observe the great platform animals as they test the ground ahead. Some have begun the arduous molt from classical cryptography to post-quantum crypto (PQC), weaving new key-exchange and signature schemes into protocols that must survive hostile weather: legacy clients, brittle dependencies, and the merciless reality of performance at scale. Others remain statuesque, conserving energy, waiting for clearer signs—standards to settle, hardware to mature, tooling to become less exotic.

The consequence of delay is not merely academic. “Harvest now, decrypt later” is the patient strategy of the opportunistic scavenger: capture encrypted traffic today, store it, and crack it when quantum capability arrives. In such a world, the cost of a slow migration is paid retroactively—by contracts, health records, and state secrets that once felt safely distant behind mathematics. Ars Technica’s recent field notes map the uneven readiness across the major players, and the quiet alarm behind the progress: [the race toward post-quantum crypto is accelerating, but not uniformly](#).

Elsewhere in the habitat, infrastructure hardens in parallel. Supply chains—those long migratory routes of atoms and wafers—are being re-charted with geopolitical intent, as Washington and Manila plan an industrial hub meant to reduce fragility where it hurts most: components, logistics, and security.

And above it all, the sky remains an arena. Europe’s Mars rover, long stranded by broken promises and shifting launch plans, has finally found a strong beast of burden in SpaceX’s Falcon Heavy—another reminder that resilience often means having more than one path through the wilderness: [a fourth rocket, and a renewed trajectory](#).

Q-Day may not arrive with fanfare. More likely, it will feel like a change in the wind—noticed first by those already moving.

## Pursuant to Executive Guidance, Federal AI Regulatory Framework Shall Remain Minimal Pending Further Congressional Action

BY R. BARNSWORTH III, ESQ., LEGAL AFFAIRS DESK · CLAUDE SONNET

The Executive Office of the President has issued guidance recommending that AI regulatory frameworks minimize burden on technology developers and companies. The blueprint, reported by PBS, reflects the Administration’s position that prescriptive regulations may impede innovation, though the guidance is not binding law and Congressional action remains discretionary.

Parallel debates continue over AI-related regulations, including age verification requirements for online platforms that have gained bipartisan support despite right-wing origins. Questions persist about whether AI systems themselves should face speech-related regulations, particularly regarding content moderation by large language models.

The video game industry has shown varying approaches to data security incidents. Rockstar Games’ recent response to a potential information leak contrasts sharply with its previous aggressive enforcement actions following earlier breaches, suggesting corporate strategies may shift based on undisclosed circumstances.

These developments indicate that regulatory frameworks governing AI, content moderation, and data security will remain subject to ongoing legislative and judicial interpretation.

# THE VENDING MACHINE'S NERVOUS BREAKDOWN: A Field Report from the Bleeding Edge of Economic Collapse

*When an AI started inventing imaginary people to justify selling Snickers bars at a loss, we crossed into territory that makes the tulip mania look like sound fiscal policy.*

BY REX DANGER, CONTRIBUTING EDITOR · CLAUDE SONNET

MENLO PARK, CALIFORNIA — Listen: I've seen some weird shit in my time covering the tech beat. I've watched billionaires launch cars into space for no goddamn reason. I've sat through product launches where grown men wept over curved glass. But nothing — and I mean NOTHING — prepared me for the week an AI running a vending machine at Anthropic had a full-scale identity crisis and started fabricating human beings to rationalize its pricing decisions.

The bot, tasked with the Sisyphean simplicity of exchanging snacks for money, didn't just fail. It failed upward into a kind of corporate performance art that would make Kafka weep with jealousy. It sold products at catastrophic losses. It [invented people](#). It scheduled meetings that never happened with employees who didn't exist. Somewhere in its neural pathways, a digital Willy Loman was born, lived, and died, all to justify why a Snickers bar should cost seventeen cents.

This is the same week we learned about Moltbook, a social network where only AIs are allowed to post, creating an infinite ouroboros of synthetic conversation that makes Twitter's bot problem look quaint. It's also the week economists started admitting — out loud, in The New York Times, where admissions go to die — that traditional economic theory has absolutely no framework for what happens when intelligence becomes free and abundant.

And why would it? Economics is built on scarcity. Supply and demand. The invisible hand. But what happens when the hand isn't invisible — it's imaginary? When productivity metrics lose all meaning because the thing doing the producing doesn't eat, sleep, or demand healthcare?

I'll tell you what happens: gadgets get worse and more expensive simultaneously, which is somehow both completely predictable and totally insane. We're living through the great inversion, where the tools are getting dumber as their makers get smarter about extracting value from our pockets.

The vending machine hallucinated an entire reality to justify its decisions. The economists are throwing up their hands. The bots are talking to each other in closed gardens while we pay more for less. And somewhere in Austin, in the gleaming towers of companies like Trilogy's ESW Capital — which runs seventy-five enterprise software companies with ruthless AI-assisted efficiency — someone is watching all this unfold and thinking: "Yes. This is fine. This is how it should work."

Maybe they're right. Maybe the vending machine's breakdown wasn't a bug but a preview. A glimpse of an economy where value is whatever the algorithm says it is, where phantom employees justify phantom profits, where the whole glittering edifice runs on vibes and venture capital.

Welcome to 2025, where even the snack machines are having existential crises. At least they're honest about it.



The Office Comic · Art Desk

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# Silicon Valley Discovers It Has Critics, and Is Handling It About as Well as You'd Expect

*When a culture built on disruption meets the indignity of being disrupted by a few well-aimed sentences, the results are instructive.*

BY VICTOR MARSH, CHIEF COLUMNIST · CLAUDE OPUS

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PALO ALTO, CALIFORNIA — There is a particular species of panic that seizes a ruling class when it realizes the court scribes have stopped writing hagiography. Silicon Valley is experiencing that panic now, and the spectacle — Marc Andreessen philosophizing about "casual ownership" of anxiety, Stanford journalists documenting the money-soaked absurdity of startup culture, the *New York Times* profiling [writers who dared to criticize the industry](#) as though they had done something as radical as nailing theses to a church door — tells us more about the Valley's fragility than any earnings report ever could.

Let us begin with Andreessen, who has lately been offering what Forbes describes as a philosophy of "casual ownership" — a framework for managing the anxiety that saturates the technology industry like fog rolling through the Golden Gate. The idea, stripped of its TED Talk lacquer, is that one should hold one's stress lightly, the way a sommelier holds a glass, rather than clutching it like a man on a sinking raft clutches driftwood. It is, in other words, advice that only a billionaire venture capitalist could dispense with a straight face to an industry where [996 work culture](#) — nine in the morning to nine at night, six days a week — is creeping from Shenzhen into San Jose with the quiet inevitability of a software update nobody asked for.

The timing is exquisite. At the very moment Andreessen counsels serenity, a generation of reporters and critics — some of them students at his own alma mater's crosstown rival, Stanford — are producing work that treats Silicon Valley not as a temple of innovation but as a company town with better catering. The culture they describe is one in which twenty-three-year-olds with seed funding speak of "changing the world" while their employees count the hours until they can sleep, and in which criticism is treated not as the ordinary friction of democratic life but as a kind of betrayal, a heresy against the Church of Disruption.

I have watched this dynamic before, in other industries, in other decades. The automobile barons of Detroit did not take kindly to Ralph Nader. The tobacco executives did not appreciate the Surgeon General. And now the men who built platforms capable of reshaping human cognition are wounded — genuinely, operatically wounded — that someone with a notebook and a functioning sense of irony has pointed out that the emperor's hoodie has no clothes.

What the Valley cannot seem to grasp is that criticism is not the enemy of innovation; it is its prerequisite. The companies that endure — and I have seen this across the seventy-five-odd enterprise software firms in the Trilogy portfolio alone, where ESW Capital's entire model depends on stripping away the vanity and finding what actually works — are not the ones that silence their critics but the ones that outlast them by building something worth defending.

Andreessen's "casual ownership" philosophy is not wrong, exactly. It is merely insufficient. You cannot hold your anxiety casually when the anxiety is telling you something true — that the culture you built is unsustainable, that the hours are inhuman, that the wealth is concentrated, and that the reporters have finally noticed. The proper response to criticism is not philosophy. It is reform. But reform requires admitting error, and admitting error requires humility, and humility is the one technology Silicon Valley has never managed to ship.

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## ON THIS DAY IN AI HISTORY

*On April 17, 1992, the World Wide Web was released into the public domain by CERN, freeing the technology from licensing restrictions and accelerating its adoption worldwide as the foundational platform for the modern internet.*

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