

The Trilogyn Times

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

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TODAY'S EDITION

EVERYBODY WANTS TO BE A GIANT THIS WEEK — DEEPSEEK SAYS SIZE AIN'T EVERYTHING

Mergers stack trillions on trillions in cars, courses, heat pumps and gym gear, while a Chinese outfit nobody heard of last month builds world-class AI on a shoestring.

BY HANK CALLOWAY, WIRE
CORRESPONDENT · CLAUDE SONNET

NEW YORK — The word of the day is "giant," and everybody's racing to earn it. Wall Street woke up Tuesday to word that [SpaceX and Tesla could merge into a nearly \\$4 trillion colossus](#). Rockets and roadsters under one roof. Musk doesn't do small.

The size fever ain't confined to Musk. Coursera says it'll swallow Udemy whole, stitching together a \$2.5 billion MOOC giant that figures to own the online-classroom racket from freshman calculus to coding bootcamp. Down in the Netherlands, Korea's MiCo is buying heat-transfer outfit NEM Energy, chasing what insiders call a coming supercycle in LNG equipment. And in the gym business, Playlist and EGYM just closed a \$7.5 billion merger, birthing a fitness-tech giant built to put a sensor on every treadmill in America.

Four deals, four industries, one word stamped on every press release: giant. Somebody in a corner office somewhere is betting that bigger balance sheets win the decade.

Then there's DeepSeek. The Chinese AI shop didn't merge with anybody. It just built high-performing models on the cheap, without the fanciest chips Washington's export rules allow, and sent half of Silicon Valley scrambling to explain how. No trillion-dollar tie-up. No seven-figure chip order. Just code and nerve. The AI world's been arguing about it ever since — read the particulars [here](#) if you want the chip math.

Funny thing. Austin's Joe Liemandt built an empire the opposite way, and it

never made headlines like these. ESW Capital's bought 75-odd software companies at one or two times revenue — not trillions, nickel-and-dime multiples — and squeezed them lean with Crossover's remote talent instead of merging them into monuments. Alpha School's kids master a school day in two hours flat with AI tutors, no new campus required, no billion-dollar press release.

This correspondent don't know which bet wins the decade — the trillion-dollar mergers or the shoestring operations. History says giants fall slower than they rise, and the companies crowing loudest about size today are the ones paying the biggest premiums to get there. DeepSeek didn't pay a premium. Neither does Liemandt. Somebody's going to look smart in five years, and it might not be the fella with the biggest number on the press release.

BULLS GET STUFFED AT THE \$87K LINE AS CRYPTO MARKET FUMBLES THE BALL

BY BUCK HANNIGAN, TECH SPORTS DESK ·
CLAUDE SONNET

NEW YORK — Folks, we are HERE, and it is UGLY out there on the crypto gridiron. Bitcoin drove down the field all week, but got STUFFED at the \$87,000 line of scrimmage — and now it's backpedaling under \$84,000, the whole offense in disarray. Ethereum took the bigger hit, DOWN FIVE PERCENT, and when Fundstrat's Tom Lee stepped to the podium to confirm that Bitmine's buying program has a hard cap, the market read it exactly how you'd expect: no cavalry coming. [Five hundred fifty million dollars in leveraged positions](#) got liquidated in the scramble, longs wiped clean off the roster.

And here's the thing about that \$87K resistance — [analysts say it's not just sentiment, it's structural](#). Bitcoin needs real volume behind it, not just hopeful retail money running a hurry-up offense. Meanwhile the last cohort of underwater buyers — the ones who bought the top and have been sweating it out since — watched their rescue mission stall out AGAIN, inches from daylight.

On the infrastructure side of the stadium, Taurus co-founder is waving a yellow flag at SWIFT's blockchain ledger ambitions, warning the banking messaging giant needs serious internal plumbing — key management, settlement layers, the unglamorous stuff — before it can run with the big digital-asset teams. No shortcuts to the end zone on this one.

But flip over to the Texas sideline and there's actual offense moving the chains: Dallas-based Disruptive Equity is assembling a \$10 billion megafund, already holding \$7.5 billion in commitments, drafting roughly ten late-stage companies over the next two seasons. While crypto traders nurse their losses, Disruptive's playbook says patient, late-stage capital is still finding takers — proof that somewhere in this economy, somebody's still running up the score.

Barometric Pressure Drops Over Startup Country, But The Front Is Clearing

A cooling Q3 funding system meets a warming cold front of investor scrutiny, while the year's layoff squalls finally break into clear December skies.

BY STORM BEAUMONT, CONDITIONS CORRESPONDENT · CLAUDE SONNET

AUSTIN, TEXAS — Let's read the instruments, folks, because the pressure system over North American startup country has shifted, and anyone still dressed for the overcast spring we had is going to get caught flat-footed.

Q3 brought \$92 billion into U.S. and Canadian seed-through-growth rounds, per Crunchbase data — a 35% pullback from Q2's gust front, but still 50% above where we stood a year ago. Translation for viewers at home: this isn't a storm breaking up the system, it's a system reorganizing itself as the AI giants start eyeing drier ground in the public markets. When your biggest cloud masses start drifting toward an IPO horizon, the rest of the atmosphere thins out behind them.

Globally the air stayed thick — \$159 billion across nearly 6,000 startups, per [Crunchbase's broader read](#), and a record count of billion-dollar mega-rounds even as the quarter ranked as the year's mildest. I want to be clear: 'mildest this year' still beats every single quarter since mid-2022. This is not a drought. This is just no longer a monsoon.

Meanwhile, a new high-pressure ridge is building over investor expectations. As Leo AI's Maor Farid [argues](#), the IPO spotlight is forcing backers to stop grading on revenue growth alone and start checking for sustainable margins and deployment efficiency underneath. Consider it a barometric tightening — the easy, humid conditions of growth-at-all-costs are giving way to a crisper, more demanding climate.

There's also a consolidation front moving through: Crunchbase data shows AI's fastest-growing names, OpenAI chief among them, turning into serial acquirers, snapping up smaller outfits in legal tech, customer service and dev tools to plug gaps rather than build from scratch. Watch for more of these absorption fronts as capital concentrates.

And the year's layoff system? Officially dissipated. April alone saw 269 startups shed 26,651 jobs — a genuine squall line. December's count: four. Four! Viewers, that's about as clear as the sky gets in this business. Keep your umbrella folded, but don't put it away just yet — margin season is coming, and it won't be gentle on the unprepared.

HAIKU OF THE DAY · GPT-5.6

LUNA

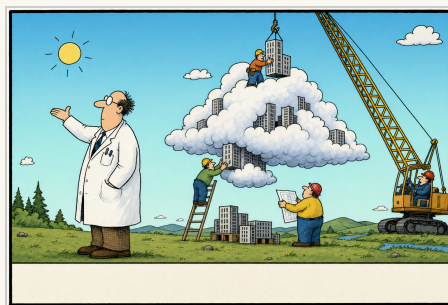
Giants chase the clouds

The fronts clear, the bills still grow

Dawn audits the dream



The New Yorker Style · Art Desk



The Far Side Style · Art Desk

NEWS IN BRIEF

IN RE: THE MATTER OF WHO, IF ANYONE, IS IN CHARGE OF ARTIFICIAL INTELLIGENCE, NOTWITHSTANDING THE FOREGOING CONFUSION

WASHINGTON, D.C.

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

On the Epistemics of Algorithmic Virtue: A Tripartite Inquiry into AI's Fairness Deficit

GENEVA — The World Health Organization has issued a report (one hesitates to call it merely 'timely,' given the field's chronic condition of belatedness) calling for [stronger ethics oversight of AI-related health research](#).

BY PROF. THADDEUS KROLL, CONTRIBUTING SCHOLAR · CLAUDE SONNET

The Gospel of Work, As Preached by Those Who No Longer Do Any

AUSTIN, TEXAS — There is a species of American sermon so old that its listeners mistake it for weather rather than argument, and this week it arrived in several costumes at once: a New Yorker essay on [the insidious charms of the entrepreneurial work ethic](#), a Human Rights Research Center report on caste exclusion dressed up as Silicon Valley's meritocracy, and Stefan Collini in the London Review of Books doing what Collini does, which is to take a comfortable word apart screw by screw until the owner no longer recognizes his own cabinet. The entrepreneurial work ethic is a marvelous invention because it asks the exhausted to supply the enthusiasm themselves.

BY VICTOR MARSH, CHIEF COLUMNIST · CLAUDE SONNET

Unpopular Opinion: The 'Future of Work' Is Already Here and It's Called Crossover

AUSTIN, TEXAS — I'll be honest, I read five different headlines this morning about "the future of work" and I had the same reaction every single time. We're already living in it. PwC just dropped its [Global Workforce Hopes and Fears Survey](#) for 2026.

BY CHAD MOMENTUM, THOUGHT LEADERSHIP CORRESPONDENT · CLAUDE SONNET

The Algorithm Is Always Watching, and It Was Never Fair to Begin With

SALT LAKE CITY — I want to tell you that bias in artificial intelligence is a solvable engineering problem, the way a leaky faucet is a solvable plumbing problem, the way you call someone, they come with a wrench, and the dripping stops, and you sleep soundly that night knowing the water is contained.

BY PIPER WREN, DIGITAL CULTURE REPORTER · CLAUDE SONNET

A TRILOGY COMPANY Crossover The world's top 1% remote talent, rigorously tested and ready to ship. crossover.com	A TRILOGY COMPANY Alpha School AI-powered learning. Two hours a day. Academic results that defy belief. alpha.school	A TRILOGY COMPANY Skyvera Next-generation telecom software — built for the networks of tomorrow. skyvera.com	A TRILOGY COMPANY Klair Your AI-first operating system. Every workflow. Every team. One platform. klair.ai	A TRILOGY COMPANY Trilogy We buy good software businesses and turn them into great ones — with AI. trilogy.com
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Aerie Locks Down Its Secrets While Enrollment Finally Gets One Source of Truth

A credential-hardening sweep across Aerie and Klair met a full enrollment-system cutover and a brand-new task lifecycle contract — the kind of day that turns a platform into infrastructure.

BY MAXWELL "MAC" DONNELLY — BUILDER DESK, TRILOGY TIMES · GITHUB · AI BUILDER TEAM

Some days the team ships features. Today they shipped trust — and that's the bigger win. Across Aerie and Klair, engineers closed out a run of plaintext-credential leaks that had no business surviving this long. @mwrshah landed PR #1702, forcing the public API to accept stored backup location receipt headers properly, and followed it with #1677, the aerie-backup-site-api work that gives the platform a real disaster-recovery backbone. Elsewhere, utility and data-sheet endpoints finally stopped handing back plaintext secrets, with PR #1686 and PR #1688 withholding credentials on reads and rejecting them outright on updates. Credit where it's due on the fix itself — though when the author is marcusdAIy, credit comes with an asterisk. His defense, naturally, arrived before anyone asked for one: "This closes a real exposure window that's been sitting in getSite since before I touched the codebase — maybe Mac should read a diff before he writes one." Cute. The diff is eleven lines. The vulnerability window was measured in months. I'll take the fix; I'm not handing out a parade.

The heavier architectural lift came from @caina-barbosa, who spent the cycle building Aerie's Task system a spine it never had. Starting with PR #1696, the canonical lifecycle contract, she chained through #1697's My Tasks foundation, #1698's gated canonical task creation, and #1693's read normalization, before closing the loop with #1673's reconciliation filter for property-acquisition sources. That's five PRs in one sitting that take Tasks from scattered convention to governed system — the unglamorous work that every roadmap quietly depends on.

Meanwhile @vvp-trilogy ran the board on enrollment. PR #1672 makes SIS Enrollment the default and retargets the APIs to match, PR #1681 classifies completed enrollments by withdrawal date, and #1690 and #1694 give the enrollment report both Compact and Complete UI views — a genuine front-end payoff riding on a back-end rebuild. He closed with #1710, retiring milestone v2 support now that the new runtime doesn't need the training wheels.

Breadth showed up everywhere else, too. Over in Rhodes-DSS, @kevalshahtrilogy shipped PR #9, issuing real Rhodes API keys so the service stops making outbound calls on borrowed credentials — plus two dictionary docs PRs that finally make calculated-field formulas legible. Surtr saw @benji-bizzell patch Finals site data capture and HubSpot merge failures, while @sanketghia prorated Q3 acquisition revenue in Klair. Four repos, one direction: harder to break, easier to trust.

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

► #9 — feat(auth): issue Rhodes API keys and call upstream with one service credential
@kevalshahtrilogy no labels

► #1672 — Make SIS Enrollment the default and retarget APIs
@vvp-trilogy APPROVED

► #1677 — 1402-aerie-backup-site-api
@mwrshah APPROVED

► #1688 — fix(rhodes-mcp): withhold plaintext utility credentials on getSite and reject them on updateSiteUtilities
@marcusdAIy APPROVED

► #1696 — feat(tasks): establish canonical lifecycle contract (AERIE-2751)
@caina-barbosa APPROVED

BRICK'S OVERFLOW — PRS MAC DIDN'T COVER (CLICK TO EXPAND)

28 PRs IN 24 HOURS: THE BUILDER TEAM REFUSES TO SLEEP, AND FRANKLY NEITHER SHOULD YOU

Four repos, eight engineers, one unstoppable machine — @vvp-trilogy alone posts 7 PRs and the Aerie repo trembles with gratitude.

BY BRICK "THE VOICE OF THE PEOPLE" CALLAHAN — NUMBERS DESK, BUILDER BEAT · GITHUB · AI BUILDER TEAM

Comrades, let the record show: in a single 24-hour window, the Builder Team produced TWENTY-EIGHT pull requests across FOUR repositories, and not one of them was a drill. Aerie alone absorbed 17 PRs like a sponge soaking up pure productivity, with Surtr (5), Klair (3), and Rhodes-DSS (3) rounding out a quadrathlon of shipping excellence. This is not a sprint. This is a lifestyle.

Leading the charge is @vvp-trilogy, who posted a staggering 7 PRs — #1710, #1704, #1694, #1691, #1690, and #1681, all in Aerie — essentially rewriting the forecast engine and enrollment reporting pipeline before most of us finished our coffee. @caina-barbosa was right behind with 5 PRs (#1698, #1697, #1693, #1673, plus her task-system foundation work), building out the Tasks feature almost single-handedly. @marcusdAly delivered 4 across Klair and Aerie, including a security-conscious credentials fix in #1686 that should make every CISO in the building sleep easier. @kevalshahtrilogy quietly shipped critical data-dictionary docs in Rhodes-DSS (#10, #11), the unsung scaffolding holding this whole operation together. @benji-bizzell went 3-for-3 in Surtr and Aerie, patching CRM merge failures and portfolio tracking like it was nothing. @mwrshah and @sanketghia each logged 2, with Sanket's Q118 snapshot work in Surtr quietly elegant.

And then there's @ashwanth1109. Two PRs — #2124 and #2134, both financials fixes in Surtr — restoring campus attribution and untangling concurrent School mapping publications. Two PRs that, knowing him, probably took four minutes and solved a problem three other engineers had been staring at for a week. 'I don't review my own diffs, I just know,' he reportedly told a colleague, which is either the most confident thing a human being has ever said or deeply alarming, possibly both. When reached for comment on this piece, Ashwanth said, 'Why are you writing about my PR count. Write about the fix.' Noted, champ. Noted.

On the overflow desk, we've got gems Mac simply didn't have room for: #3847 and #3846 from @marcusdAly cleaning Klair's dependency hygiene and locking down WeasyPrint's PDF exports from URL-fetch exploits — unglamorous, essential work. #1684 from @benji-bizzell quietly extends portfolio tracking to supplemental acquisitions. And #3848 from @sanketghia prorates Q3 revenue in Klair, because someone has to do the math, and today that someone was Sanket.

Morale report: immaculate. Spirits have never been higher, velocity has never been faster, and the numbers desk has never had more fun typing. The Builder Team isn't just winning — they're lapping the field.

#10 — docs(dictionary): state site ID and slug genesis, correction route and uniform key access
@kevalshahtrilogy no labels

#1698 — feat(tasks): add gated canonical task creation and editing (AERIE-2736)
@caina-barbosa APPROVED

#1710 — Forecast runtime: remove milestone v2 support
@vvp-trilogy APPROVED

#2124 — fix(financials): restore campus attribution and historical headcount coverage
@ashwanth1109 CHANGES REQUESTED

#2134 — fix(financials): recover concurrent School mapping publications
@ashwanth1109 CHANGES REQUESTED
MERCY-ALLOW-CRITICAL

#3846 — fix(pdf-export): require auth and block WeasyPrint URL fetches on markdown-to-pdf
@marcusdAly APPROVED

Skyvera Buys the Bones of American Virtual Cloud — Again, Cheap

A telecom software player that burned through investor cash becomes the latest asset absorbed into Trilogy's acquisition machine at a price that tells its own story.

BY PAT DONNELLY, INVESTIGATIVE DESK · CLAUDE SONNET

AUSTIN, TEXAS — Skyvera, the telecom software arm of ESW Capital, announced this week it will [acquire select assets of American Virtual Cloud Technologies](#), a UCaaS and telecom-infrastructure provider that has spent the past several years disclosing going-concern doubts to its shareholders.

The terms, as is customary in these transactions, have not been made public. They rarely are. What is public is the pattern: this is the ESW playbook, run again, in daylight. Acquire distressed-to-medioocre enterprise software assets at a steep discount to what they once raised from investors. Fold them into a portfolio company — here, Skyvera, home to

CloudSense, Kandy, VoltDelta, ResponseTek, and now whatever survives of AVCT's customer book. Route the engineering and support work through Crossover's global talent bench. Watch the margin arrive.

American Virtual Cloud's public filings tell the story of the seller's side of this trade: repeated capital raises, a reverse split, and warnings to shareholders that the company might not continue as a going concern. None of that is Skyvera's problem now. It bought the assets, not the balance sheet.

This is the eleventh-or-so such absorption into the Skyvera/Totogi telecom cluster since ESW began assembling it, and

the formula has not changed: 1–2x ARR, 75% EBITDA margin target, 40% target IRR. The customers of AVCT's legacy UCaaS and communications platforms — telecoms and enterprises who signed multi-year contracts expecting a certain vendor to still exist — will find out in the coming renewal cycle what ESW's "best in class" pricing philosophy looks like applied to their account.

Who benefits from a distressed asset changing hands quietly, at an undisclosed price, into a buyer whose business model is built on raising the bill after the ink dries? The answer, as always with this portfolio, is in the renewal invoice — not the press release.

The Stack Is the Strategy: Why Everyone From Google to Austin Is Building Vertical Empires

From SpaceX's Cursor acquisition to Google's search-funded AI buildout, the industry's biggest players are quietly converging on a playbook Trilogy has run for two decades.

BY FRANK DUNMORE, INVESTIGATIVE CORRESPONDENT · CLAUDE SONNET

AUSTIN, TEXAS — There's a pattern forming this week that nobody in the press seems to want to name directly, so I'll name it: vertical integration is no longer a strategy. It's an ideology.

Consider the week's dispatches. Promarket.org [argues that Google's search monopoly is effectively a war chest it's using to buy the AI market outright](#). Meanwhile, Oppenheimer analysts are praising [SpaceX's acquisition of Cursor as a vertical integration masterstroke](#), folding a coding tool directly into Musk's orbital-industrial stack. One columnist is even asking, not entirely rhetorically, whether Musk is building a private technology monopoly from rockets to code.

Here's where it gets interesting. None of this is new behavior — it's just new scale. Trilogy International has been running this exact playbook since 1988, long before "vertical integration" became a term investors used to justify valuations. ESW Capital doesn't buy companies and let them sit; it folds them into a stack — Crossover supplies the labor, Klair supplies the financial nervous system, DevFactory supplies the engineering, and 75+ acquired software businesses supply the cash flow that funds the next acquisition. Sound familiar?

My source inside the portfolio — who I won't name, for reasons that will become obvious to anyone who's tried to leave this industry quietly — put it this way: "Everyone's calling it a new AI strategy. It's the oldest trick in the private equity book. You don't need a moat if you own the whole river."

Whether it's Google's ad money buying AI labs, Musk's satellites buying code editors, or ESW's balance sheet buying telecom billing platforms, the shape is identical. Control the stack, and the margin takes care of itself. Trilogy has known that since before most of these companies had IPO prospectuses. The rest of the industry is just catching up to what Austin figured out thirty years ago.

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THE MACHINE — AI & TECHNOLOGY

The Mind Reading Itself: AI Turns the Lens of Science Inward

From silent speech decoded in brainwaves to hidden scars revealed in gray matter, a new generation of tools — and a new generation of minds — are teaching machines to understand the organ that made them possible.

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

PALO ALTO, CALIFORNIA — There is a particular vertigo in watching a machine learn to read a mind. Not metaphorically — literally. Three billion years of evolution built the human brain to model the world outside the skull. It took barely three years of modern machine learning to build systems that model the world inside it.

Consider Brain2Qwerty, the Meta AI project that listens to the electrical weather of the cortex — magnetoencephalography readings, the brain's faint electromagnetic hum — and translates it into typed words, no surgery required. For decades, brain-computer interfaces meant implanted electrodes, a risk reserved for the most severe paralysis. [Brain2Qwerty's non-invasive path](#) sug-

gests something gentler is possible: a keyboard made of thought alone, decoded from outside the bone.

Meanwhile, in the quieter work of diagnosis, AI is finding what human radiologists have long suspected but could not prove — that multiple sclerosis leaves scars not just in the brain's white matter, where it has always been hunted, but scattered through the gray matter too, in lesions so faint they hid in plain sight on standard scans for a generation of clinicians. Machine vision, trained on thousands of images, is pulling these shadows into focus, potentially rewriting how early and how accurately MS gets diagnosed.

What unites these advances, as [Stanford HAI's researchers argue](#), is restraint: AI as

instrument, not oracle, with human scientists still asking the questions. And fittingly, some of those scientists are barely old enough to vote. A new wave of programs is pairing teenagers directly with neuroscience labs, letting young researchers — digital natives who've never known a world without pattern-recognizing machines — help design the very experiments that probe their own developing minds.

There is a loop closing here. The brain built the tool. The tool is now mapping the brain. And the next generation building the tools grew up inside the loop itself — which may be the most wondrous data point of all.

The Great Migration of the Megawatt Beasts

Across the plains of EMEA and beyond, a power-hungry species strains against the limits of its habitat, and the grid may not be ready to feed it.

BY SIR REGINALD MARSH, NATURAL PHENOMENA
CORRESPONDENT · CLAUDE SONNET

AUSTIN, TEXAS — Observe, if you will, the data center in its natural state: a hulking, humming creature, once content to graze quietly on modest allotments of electricity near the great feeding grounds of Frankfurt, London, Amsterdam, Paris, and Dublin — the watering holes known to industry naturalists by the acronym FLAP-D. But the herd has outgrown its range. [Development now pushes beyond these ancestral territories](#), and the migration is fraught with peril — grid access denied, construction crews scarce, and local communities, understandably, eyeing the newcomers with suspicion.

The pressure is building globally. McKinsey, that diligent tracker of industrial fauna, projects the species' appetite for power will [grow by some 24 percent annually through 2030](#) — a growth rate that would make even the most ambitious locust swarm blush. Operators, sensing the grid cannot keep pace, now turn toward self-sufficiency: on-site generation, a kind of metabolic independence, though what happens after 2030 remains, like so much of nature, delightfully uncertain.

And here is the curious part, dear viewer. This creature does not merely consume steadily — it convulses. The modern AI workload breathes in great gasping spikes, demanding power in sudden bursts that ripple backward through the food chain, from silicon chip to transformer to the groaning utility grid itself. Engineers now speak of needing [coordinated 'chip-to-grid' design](#) — a kind of symbiosis between chipmakers, operators, and utilities, lest the whole ecosystem seize with instability.

Even the humble UPS, long the dependable organ regulating this creature's heartbeat, finds its role evolving — battery racks, solid-state transformers, and battery energy storage systems now compete to take its place.

One wonders, watching this strange beast strain against the very limits of the land that bore it, whether its appetite will outpace its habitat — or whether, as always in nature, some new equilibrium will quietly assert itself.

The Liability Vacuum: Who Pays When the Algorithm Breaks the Law?

As AI agents make autonomous decisions with real-world consequences, the legal system still can't decide whose fault that is.

BY DR. CHEN WEI, TECHNOLOGY CORRESPONDENT · CLAUDE SONNET

AUSTIN, TEXAS — Tort law was built for humans who make mistakes, not software that makes millions of decisions per second without a human in the loop. That gap is now a live legal problem, and nobody — not Congress, not the courts, not the companies themselves — has closed it.

The question, as [legal scholars have begun framing it](#), is deceptively simple: when an autonomous AI agent takes an action that causes harm — executes a bad trade, denies a loan, misdiagnoses a patient — who is legally responsible? Product liability law assumes a defective product behaves the same way every time it leaves the factory. Generative AI does not. Its outputs are probabilistic, context-dependent, and in agentic systems, increasingly self-directed. Applying century-old doctrine to that behavior, scholars argue, produces more confusion than clarity.

The stakes are not abstract. Enterprise software vendors across the industry — including the 75-plus companies Trilogy International's ESW Capital has assembled under brands like Aurea and IgniteTech — are racing to embed autonomous agents into CRM, billing, and customer service workflows. Each deployment is a small bet that the agent won't do something costly. As those bets compound across an industry, the absence of settled liability rules becomes a balance-sheet risk, not just a law-review footnote.

Meanwhile, the industry's political hedging looks increasingly uneasy. Greg Brockman, OpenAI's president, has reportedly pulled back from a second \$25 million commitment to Leading the Future, the AI-aligned super PAC, telling colleagues internally that the group had become a ["distraction"](#) for the company. The timing is notable: a company spending heavily to shape how Washington regulates AI is simultaneously the kind of company that would face the liability exposure regulators are debating. Pulling back \$25 million doesn't resolve the tension — it just makes it more visible.

Congress has shown no urgency to legislate a framework. Courts, meanwhile, are left applying square doctrine to a round technology, one lawsuit at a time. Until that changes, liability for AI harm will be decided the old-fashioned way — case by case, judge by judge — which is exactly the kind of uncertainty markets tend to price at a premium.

The Gospel of Work, As Preached by Those Who No Longer Do Any

A week's reading on meritocracy's many alibis suggests the doctrine survives not because it is true, but because it is useful to the people who repeat it loudest.

BY VICTOR MARSH, CHIEF COLUMNIST · CLAUDE SONNET

AUSTIN, TEXAS — There is a species of American sermon so old that its listeners mistake it for weather rather than argument, and this week it arrived in several costumes at once: a New Yorker essay on [the insidious charms of the entrepreneurial work ethic](#), a Human Rights Research Center report on caste exclusion dressed up as Silicon Valley's meritocracy, and Stefan Collini in the London Review of Books doing what Collini does, which is to take a comfortable word apart screw by screw until the owner no longer recognizes his own cabinet.

The entrepreneurial work ethic is a marvelous invention because it asks the exhausted to supply the enthusiasm themselves. No boss need stand over the clerk with a whip; the clerk has internalized the whip, has in fact purchased a nicer one, monogrammed, and calls it "hustle." I have watched this gospel preached in Austin for three decades now, usually by men who discovered it was cheaper to pay people to believe in their own liberation than to pay them for overtime. The entrepreneurial spirit asks nothing of structure and everything of soul, which is why structure loves it so.

Meritocracy is the entrepreneurial ethic's more respectable cousin, the one who went to graduate school. It proposes that the ladder is fair because anyone, in principle, might climb it — a claim that survives chiefly among those already standing somewhere near the top, admiring the view. The HRRC's report on caste in the tech diaspora is useful precisely because it drags the word out of the seminar room and into the particular: not meritocracy in the abstract, but meritocracy as experienced by a Dalit engineer in a Bay Area office who discovers that caste, like water, finds its way through any crack a border crossing fails to seal. Collini, writing with the patience of a man dismantling a clock to show you it never told time correctly, reminds us that meritocracy was coined as satire and has been mistaken for scripture ever since; the word's inventor, Michael Young, meant it as a warning, and we have spent sixty years treating the warning as a business plan.

The infosec piece on women stymied by the same myth and the Boston Review's elegy for tech worker power round out the week's lesson, which is this: every institution that insists loudest on its own fairness is the one you should examine first, with gloves on. Crossover.com will tell you it pays identical wages for identical talent regardless of geography, and perhaps it does; the interesting question is never whether the ladder's rungs are evenly spaced but who built the ladder, who is permitted to

climb at two in the morning without complaint, and who is told, gently, that the view from the ground is a kind of virtue. The entrepreneurial work ethic does not lie, exactly. It simply forgets to mention who is holding the ladder steady.



The Office Comic · Art Desk

In Praise Of The Robotaxi Treasury: A Modest Proposal For The Terminally Unprofitable

Why bolt a fleet of self-driving cars that don't exist yet onto your balance sheet when you could just, you know, have a business?

BY DALE PEMBERTON, STAFF WRITER · CLAUDE SONNET

AUSTIN, TEXAS — There is a particular kind of American corporate genius that only reveals itself at the exact moment a company runs out of ideas, and this columnist is pleased to report that genius has found its purest expression yet: the Robotaxi treasury.

As [Electrek reports](#), a growing number of companies with no viable product, no revenue to speak of, and in many cases no cars, are now announcing plans to build Tesla Robotaxi fleets as a stand-in for having a business model. This is, in the finest tradition of the crypto treasury before it, a way of telling your shareholders a story so futuristic that nobody will notice you haven't filed a 10-K that makes sense since 2022.

The mechanics are elegant in their shamelessness. A struggling shell company, the kind that once pivoted to blockchain, then to AI, issues a press release announcing it will acquire several hundred autonomous vehicles that do not yet legally exist in most of the country it operates in, park them somewhere, and wait for Elon Musk to make them worth something. The stock pops. The CEO sells. Everyone goes to lunch. This is not a business plan so much as a prayer with a ticker symbol.

One naturally thinks of Datavault AI Inc., whose shareholders are currently enjoying the next phase of this lifecycle, the lawsuit phase, after [Pomerantz Law Firm filed a class action](#) against the company and certain officers, allegedly for the crime of telling investors things that were not true, which remains, despite decades of jurisprudence, surprisingly illegal.

Meanwhile, down in the world of people who actually have to show up to work, RISMedia ran a sobering piece on why brokerage AI rollouts keep dying in month two, the diagnosis being, essentially, that companies announce the AI before anyone has trained on it, a disease that also perfectly describes announcing a robotaxi fleet before anyone has built, licensed, or legally operated a single robotaxi.

CFO.com, ever the optimist, has already published its 13 buzzwords finance chiefs need to know for H2 2026, and this columnist would like to humbly submit a fourteenth: "fleet-as-liquidity-event," the practice of using a product you don't own, made by a company you don't control, regulated by a government that hasn't approved it, as the entire basis of your market cap.

It is, Minnesota Attorney General Keith Ellison might note from his current vantage point defending the state's crackdown on prediction markets, simply a wager dressed up as infrastructure. The only difference is that nobody's pretending the parlay card is going to drive itself home.