

Launch House's community reacts to misconduct and harassment allegations

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Launch House, a community-oriented startup that has built a brand around launching ideas out loud, is in the middle of a controversy [after a Vox investigation](#) surfaced multiple sexual assault and harassment allegations.

Some existing investors in the startup and its venture fund have issued public statements supporting the alleged victims and denouncing the alleged behavior described by Vox in its article about Launch House. Launch House, meanwhile, confirmed to TechCrunch via spokeswoman that it is launching an independent, third-party investigation through a retained law firm. Earlier this week, CEO Brett Goldstein [published a public memo in response to the allegations](#).

In the statement, Goldstein noted a number of initiatives that the company had taken, including "moving into new houses outfitted with more state-of-the-art security systems, implementing more formal background checks and rolling out official scholarships and channel partnerships to increase diversity of our membership."

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By the sheer number of people that Launch House works with, the impact of the startup's controversy has had ripple effects across the startup ecosystem. Some expressed feeling blindsided, while others felt like their own positions were misrepresented.

One party claimed as an LP by Launch House in its newly announced fund says they actually aren't a current investor, and at least one venture capitalist slated to speak at an upcoming Launch House event has dropped out once the allegations came to light, with others doing the same more quietly, according to one source who spoke to TechCrunch.

A spokeswoman for Launch House said that "all entities named in the blog post had provided at least a verbal yes to investing in House Capital. To date, three of the twenty-four have not yet made an investment so we removed their three names from the blog post."

"All three entities knew they were announced and none of the three asked us to remove their names, but we did so because they have not invested. If they do provide an investment in the future, we will add their names back to our list of investors."

In a statement sent to TechCrunch by law firm Benesch Friedlander Coplan & Aronoff LLP on behalf of Launch House, attorney Erik Connolly wrote that "Launch House's investors have always been aware of the challenges of a business based on co-living. All advocated that Launch House invest heavily into security, which it has. Many of these allegations occurred before Launch House had implemented some of those security measures."

"Launch House has strict security and harassment policies, and for any incidents Launch House has been made aware of, Launch House has taken action immediately," Connolly's statement reads.

Investors who spoke up

Flybridge, which led Launch House's \$3 million seed round and is an LP in the firm's fund, said over Twitter that it is "shocked and angered to read the Vox article about Launch House and the failure to live up to its promise to create a safe community to support all founders."

"We are doing all we can to work with the team and outside resources to make the necessary changes to ensure a higher standard, hold the team accountable, and continue to support the women of the Launch House community," [the firm wrote on Twitter](#). TechCrunch reached out to Flybridge for more specifics on its work with Launch House but has not heard back.

Mike Dudas, an investor at crypto firm 6th Man Ventures, invested in Launch House as part of its Andreessen Horowitz-led \$12 million Series A round. The investor told TechCrunch via Twitter that he was given "no prior warning by anyone affiliated with Vox or Launch House about the investigative piece."

"Reading the extremely serious allegations in Vox about Launch House was devastating. I stand with victims of sexual assault and am humbled by the bravery of those who speak out about their experiences," Dudas said.]

Angel investor Yehong Zhu, who declined to comment when reached by TechCrunch, took to [Twitter](#) to comment, saying that her "heart goes out to the victims of sexual assault" at Launch House.

"While I've only had positive experiences in the community, I am shocked by the depth/breadth of these allegations," Zhu wrote. "The media has handled this story insensitively—in some cases breaking the news before victims were ready to share it, or even had a chance to respond."

She also outlined seven ways in which she thought Launch House could improve from here, including acting quickly and owning up to mistakes,

changing the company's admissions process and taking full responsibility, among others.

One investor, Robert Harary, a GP at Timeless Ventures, tweeted on Thursday that he was disgusted with the news following the Vox report's release. "Disgusted that, after years of patting ourselves on the back for saying we'll use our positions of power to uplift others – we still do nothing and let things like this slide," he **tweeted**.

Pat Matthews, a GP at Active Capital, was one of the few investors in Launch House's fund to make a public statement. "I'm an LP in the venture fund run by Launch House," he **tweeted**. "It's been gut-wrenching to read about the abuses there. I stand with the victims & admire their bravery. I hope LH and investors respond accordingly." Matthews also provided a resource on how to support Launch House's current all-women cohort. When reached by TechCrunch, he declined to elaborate further.

One angel investor spoke to TechCrunch but declined to be named for this article. They said that they were disappointed in how the Vox article framed some of the allegations, thinking that it left out context on ways that Launch House has worked to improve its safety measures over the past few years. But, they still felt Launch House's communication with investors like themselves could have been better.

"I don't think Launch House has done a good job of informing investors about potential scandals," they said. "They haven't been proactive. The Launch House team knows before journalists do and before investors do. Even if they didn't know at the time, they were the first to know after the fact."

They added that overall they still feel confident in their investment and the company's mission.

"I'm in the camp that they should have done better but I want to give them a chance to do better," they said. "Unlike in a lot of other scandals where founders create a toxic environment, in this case they were trying to learn as they went along."

Inconsistencies in LH marketing

The user behind Litquidity, a startup meme account, was listed by Launch House as an investor in **their \$10 million debut fund**, House Capital. When reached for comment, Litquidity said that they are not currently an investor on the fund despite announcing their commitment in a newsletter earlier this year. As mentioned above, Launch House's representation said that their name was removed after they failed to make an investment after earlier verbally agreeing to put money in.

Other investors removed from House Capital's launch announcement include Peter Hollens and Karatage.

TCG's Gaby Goldberg was involved with Launch House over a year ago before the startup raised money. When reached in light of the allegations, Goldberg said she is "disappointed by the misrepresentations of my involvement with their new program Venture House with which I have had zero involvement."

"I never gave permission for them to use my name, likeness, or company name for any of their programming or marketing for Venture House," Goldberg said. Launch House said that "Gaby is a close friend and supporter of Launch House and her picture was mistakenly put on the website before seeking permission from her to do so. When she asked us to remove it, we did so immediately."

Rebecca Kaden, USV investor, was slated to speak at a Launch House event later this month. After TechCrunch reached out regarding the allegations, Kaden said she will no longer be participating in this event or speaking at the Launch House any longer. Kaden's name had not been removed by the Launch House website as of this publication.

Precedent

The irony with the "build in public" mindset is that, when allegations and scrutiny surface, privacy is back in vogue. TechCrunch reached out to the following investors in Launch House for comment and either got a decline to comment or no comment: Alexia Bonatsos, former co-editor in chief of TechCrunch and founder of Dream Machine; Rahul Vohra, founder of

Superhuman; Mike Duboe, GP at Greylock; Marc Baghadjian, the founder of Lolly; and VC firms including Serena Ventures.

The startup's latest lead investor, Andreessen Horowitz, has also not responded to request for comment.

Connolly, the attorney working with Launch House, added: "Since publication, we have been in ongoing discussions with our investors, who, like Launch House, are deeply invested in ensuring the safety and security of our community."

Launch House's founders have only publicly released one statement thus far since the Vox investigation went live. However, Alifya Valiji, a program manager who is still actively working at Launch House, [took to Twitter](#) to speak up about the allegations, noting that the "silence has been deafening" and adding that they "stand with all the people who lived through and are having to re-live the trauma and abuse they experienced."

"I'm a firm believer that tangible, meaningful actions speak louder than words. I can tell you that the team at LH and I have been FAR from quiet. We've gotten to work," Valiji said. "By asking for accountability, demanding tangible change, managing our personal emotions all while rolling our sleeves up immediately to prioritize every member in this community."

The employee added that: "Trust is shattered in seconds, as it should be. Just know that I care deeply about bringing about change, in what is a toxic ecosystem today and am as disappointed as you."

Annika Andersson, chief operating officer and co-founder of Lyfe Health, is a member of Launch House's female cohort, operating currently. [The entrepreneur said on Twitter](#) that "as a current participant of the all-female cohort, I was so excited and hopeful to be part of a space for women in tech. This undermines all of that. I am angry, but more than anything, I am just really sad."

"I am horrified by the information that has come to light about Launch House in the recent Vox article," Andersson wrote. "Also, for men who were surprised

to read about the sexual assault and harassment, please listen to women. Hear their stories. This is not a one-off problem."

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