

US travel site TripAdvisor hits market with thud

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A man uses a laptop computer at a wireless cafe. Shares of popular travel ratings website TripAdvisor sank about five percent on their first day trading publicly Wednesday, as US investors remained skittish about new tech listings.

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Spun off by parent Expedia, TripAdvisor shares dropped from their last other-the-counter price of \$30.25 Tuesday to as low as \$28.00 before rebounding to \$28.70 in thin afternoon trade.

Expedia hived off the 11-year-old company and issued 123 million new shares to existing shareholders, giving TripAdvisor a [market valuation](#) of

about \$3.5 billion.

Operating websites in 29 countries, TripAdvisor makes money off of the travel advertising it packages with listings and mostly user-generated reviews of hotels, flights, vacation packages and other services.

The company says its sites pull in 44 million unique views a month, enhanced by links to users' accounts on social media websites like Facebook.

It also syndicates its content to 30,000 partner sites, such as hotels.

The company pulled in \$486 million in revenues in 2010, 37 percent higher than the [previous year](#), for net earnings of \$139 million.

"We're doing all this with a great margin... we are extremely profitable," said president and [chief executive](#) Stephen Kaufer.

Kaufer said the listing will help the company build its business around the world, with a special eye on China, where it launched its own travel website and also bought a competing one.

"It's a very different market; we continue to invest heavily" in China, he said.

"There's a billion people. They're starting to travel domestically and internationally, and we intend to help those folks."

[Parent company](#) Expedia's shares were up 2.9 percent during the day.

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