

IPO spotlights Twitter co-founders

October 6 2013, by Glenn Chapman

Twitter co-founder Evan Williams, who sold blogging platform startup Pyra Labs to Google a decade ago, will cash in anew when the hot one-to-many messaging service hits Wall Street.

While Google didn't disclose how much it paid to get its hands on Blogger, which fueled what was then a hot trend in online journals called "weblogs," the deal likely lined the pockets of co-founder Williams and helped him continue on as a "serial entrepreneur."

Twitter's stock market debut promises to clinch for Williams, who tweets from his @ev account, a spot in the billionaire category due to his 12 percent stake in the San Francisco-based startup.

It also heralds riches for co-founder and Silicon Valley wunderkind Jack Dorsey and his 4.9 percent stake, especially if the hot Internet firm rockets to the \$20 billion high-end of its forecasted market valuation.

Dick Costolo will remain chief of the globally popular one-to-many messaging service, but as major shareholders the co-founders will be forces behind the scenes.

"It showcases the difference between perceived power and real power," said independent Silicon Valley analyst Rob Enderle.

Enderle said that it remained to be seen how the power mix would shape Twitter, noting that Google thrived while Eric Schmidt served as chief executive but Larry Page and Sergey Brin controlled the course of

the California-based [company](#).

Paperwork filed this week with the US Securities and Exchange Commission listed Williams as the Twitter executive with the largest batch of shares, while Dorsey's stake was second.

The filing was made public ahead of an initial public offering of stock expected by the end of this year.

Costolo, Williams and Dorsey could collectively be worth as much as \$3.7 billion after the company's IPO if Twitter shares soar and the company's value by Wall Street standards climbs quickly to \$20 billion, as some have forecast. With the IPO filing, Twitter was valued at \$10 billion.

Costolo was listed having a 1.6 percent stake in the company.

No mention was made of what share, if any, is held by Twitter co-founder Biz Stone, whose tweeting handle is @biz. Stone left Twitter about two years ago.

Dorsey and Williams are listed as members of a six-person board of directors at Twitter and have done stints as chief executive.

Dorsey, who tweets as @jack, is a Silicon Valley boy wonder portrayed by some as following in the footsteps of late, legendary Apple co-founder Steve Jobs when it comes to world-changing innovations.

Things have not always gone smoothly between Twitter's co-founders, with Dorsey pushed out after the launch only to be later brought back to help run the company.

While away from Twitter, Dorsey co-founded a company called Square

that lets people accept credit card payments using smartphones or tablet computers.

He said the idea for Square came from an artist friend who bemoaned losing out on a big sale at a fair because the buyer wanted to pay with a credit card.

Dorsey, who will turn 37 years old next month, runs Square, which has been gaining momentum.

Dorsey taught himself how to write computer code by the time he was a teenager. He spoke of being fascinated by maps and trains, and of how listening to emergency services radio dispatchers as a boy got him intrigued with the power of communicating with short bursts of words.

"They were always talking about where they were going, what they were doing, and that is where the idea for Twitter came from," Dorsey said in CBS news interview last year.

"Suddenly, we had these phones and I could update where I am, what I'm doing, and how I feel."

Dorsey is credited with coming up with the idea for Twitter when Williams gave workers at blogging startup Odeo two weeks to work on fun new projects as a way to break up the daily routine.

The platform let people fire off one-to-many text messages limited to no more than 140 characters.

Williams is a [serial entrepreneur](#) who heads online long-form publishing platform Medium as well as startup incubator The Obvious Corporation.

"I don't think we can claim to have seen the future when we first started

Twitter," Williams said in an interview with Marketplace.org early in the company's history.

"We thought it was a neat little idea and was worth playing with so we went for it."

Williams, 41, has described Twitter as evolving beyond status updates between friends to become a network for real-time information.

Transforming the way people share news has been a recurring theme in startups backed by Williams.

Williams, who worked for a time at Google after selling [startup](#) Blogger to the Internet titan, is a vegetarian who has put money into plant-based chicken substitute company Beyond Meat as well as a Tesla electric car.

"From a world population view, eating meat is not sustainable," Williams said during an on-stage chat at Launch Festival earlier this year.

"Faux meat at scale is more efficient...a big interest of mine is energy and climate."

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