

Twitter's Evan Williams may be worth \$1B after IPO (Update)

October 4 2013, by Michael Liedtke



In this Wednesday, Nov. 17, 2010, file photo, Twitter co-founder and former CEO Evan Williams speaks at the Web 2.0 Summit in San Francisco. Williams, a Twitter co-founder who was CEO for two years until Costolo took over in 2010, owns a 12 percent stake in the company, which means he is in line for the biggest jackpot once the company goes public. (AP Photo/Paul Sakuma, File)

The personal fortune of Twitter co-founder Evan Williams probably will take up 10 characters once the online communications company goes public.

Williams, who was Twitter's CEO for two years until Dick Costolo took over in 2010, owns a 12 percent stake that makes him the company's largest shareholder. If Twitter turns out to be worth at least \$17.60 per share, the initial public offering will make Williams a billionaire at 41 years old.

Williams, a Nebraska native who now lives in San Francisco, is likely to join the billion-dollar club because an outside appraisal of Twitter completed in August valued the company at \$20.62 per share, according to IPO documents unsealed Thursday. At that price, Williams' 56.9 million shares would be worth nearly \$1.2 billion.

San Francisco-based Twitter Inc. hopes to raise \$1 billion an offer that's expected to be completed by late November.

Williams owns such a large stake because Twitter was hatched within another startup called Odeo that he launched in 2005 after leaving a job at Google Inc. He had gone to work for Google after selling his first hit product, Blogger, to Google for an undisclosed amount in 2003.

Odeo, which specialized in podcasting, never caught on and Twitter was eventually spun into Obvious Corp., another company run by Williams.

Although Williams is no longer Twitter's chief executive, he remains on the company's board of directors. Another board member, Peter Fenton, and his venture capital firm, Benchmark Capital, own a 6.7 percent stake in the company.

Next in line with a 4.9 percent stake is Jack Dorsey, who came up for the idea for Twitter with Noah Glass and Biz Stone. The stakes of Glass and Stone aren't listed in the IPO documents, meaning they don't own enough stock to trigger legal disclosures.

Glass came up with the original name "Twtr" in a reference to chirping birds. Despite his early involvement in Twitter, Glass was never promoted as one of the company's founders along with Dorsey, Stone and Williams.

Other investors who own at least a 5 percent stake in Twitter include private investment firm Rizvi Traverse, which backed Hugh Hefner's successful bid to take Playboy private two years ago, as well as Spark Capital, Benchmark Capital Partners and Union Square Ventures. DST Global, a London-based investment firm founded by Russian investor Yuri Milner, is another stakeholder. DST, which focuses its investments on Internet companies, was pre-IPO investor in Facebook.

Twitter's current CEO, former improvisational comedian Dick Costolo, owns a 1.6 percent stake in the company.

Many of Twitter's 2,000 employees could become rich, too. They won't be allowed to sell their stock until Feb. 15, at the earliest.

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