

Fitbit races higher in healthy IPO surge

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Fitbit, the company known for wearable devices promoting healthy lifestyles, saw its shares surge Thursday following the biggest stock offering this year for the tech sector.

Shares in Fitbit vaulted 48 percent to close at \$29.68, after the initial public offering at \$20 a share raised up to \$732 million.

The market value for Fitbit was some \$4 billion based on the IPO.

Fitbit was a pioneer of "wearable computing," where it faces longtime rivals such as Jawbone and new competition from Apple Watch and Android-powered smartwatches which also track fitness.

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Like other fitness trackers, Fitbit's wearable devices equipped with sensors feed information to smartphone applications that tap into the analytic power of computers in online data centers.

Fitbit had a profit of \$131.8 million last year and just shy of \$48 million in the first quarter of this year, according to documents filed for its IPO.

James Park, Fitbit's chief executive and co-founder told CNBC television he was "really excited" about the company's prospects and was not troubled by the launch of the Apple Watch.

"There's over \$200 billion in consumer spending on health and fitness every year, this is a massive market," he said.

"There is room for more than one dominant player...the brand Fitbit is really synonymous with health and fitness tracking, so we feel that we have a really significant competitive differentiator on the market."

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