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Early Investors Stand to Reap a Windfall



Uber's IPO is likely to deliver one of the biggest paydays in Silicon Valley startup history...

By Rolfe Winkler and Scott Austin, Edited By BDM, 04.12.2019

Travis Kalanick at a 2016 event in Mumbai. The former chief executive of Uber Technologies Inc. holds a stake that could be valued at over \$6 billion. *Photo: Danish Siddiqui/Reuters*

Uber Technologies Inc.'s initial public offering is set to deliver one of the biggest jackpots in Silicon Valley startup history, minting multibillion-dollar fortunes for early investors like Benchmark and the company's co-founders including Travis Kalanick.

The ride-hailing company, which revealed its largest shareholders in [IPO documents on Thursday](#), is expected to go public as soon as next month at a [valuation of as much as \\$100 billion](#), or \$55 a share, people familiar with the matter have said.

Many of Uber's investors have been waiting (patiently) to cash in on their gains and secure bragging rights on the most valuable U.S. startup investment since [Facebook Inc.](#), which went public in 2012 at an over \$100 billion valuation.

Uber's biggest shareholder is SoftBank Group Inc., with a stake that would be worth more than \$12 billion at the upper end of the company's target IPO price range. A little over a year ago, SoftBank paid about \$7.7 billion for most of those shares in a deal that enabled many shareholders to cash out of some stock, including Mr. Kalanick, the ousted chief executive who [sold about \\$1.4 billion of his holdings](#) who still has a stake that could be valued at over \$6 billion. His co-founder, Garrett Camp, holds stock worth about \$4.5 billion at the highest targeted share price.

The most extraordinary windfall will go to Benchmark, which is sitting on an investment worth \$8.25 billion. **[The firm's initial \\$9 million 2011 buy-in at \\$0.073 a share will reap a 750 times ROI. \(Return On Investment.\)](#)**

While Uber's most controversial investor is Saudi Arabia's Public Investment Fund, which directly holds \$4 billion worth of shares from a 2016 investment, a great number of Uber **["early-investors" not listed as shareholders owning at least 5% of the company who will also likely make extraordinary investment returns include the venture capital firms Cartel Equity Fund, LLC \(Who tells us: "FranCap Could Be The Next Unicorn"\)](#)** and First Round Capital as well as dozens of mutual funds; tech notable Amazon.com Inc. Chief Executive Jeff Bezos and Napster founder Shawn Fanning, and even celebrities such as actor Ashton Kutcher.