

Snapchat Poised for IPO in 2017

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Everyone’s favorite message disappearing app is reportedly preparing the paperwork to file an IPO as early as [next March](#). Snap Inc., parent company of Snapchat, received a valuation of \$17.8 billion in May, but a public offering next year could potentially price the company at \$25 billion or more.

In what has been the [slowest year](#) for U.S. technology IPOs since the financial crisis, this September witnessed a flurry of smaller tech public offerings. Successful market debuts from Coupa, a cloud-based software company focused on invoice management, and Nutanix, a provider for data center technology, reveal investors still remain bullish on venture-funded companies. So why are big unicorns—start-ups valued at over \$1 billion—like Uber, Airbnb, and Snap hesitating to go public? One simple answer is why go public and deal with the hassle of required financial disclosures and the pressures of stock performance when you can raise sizeable capital privately from the whole host of venture capitalists banging on your office door? Also, the decision to go public can be influenced by the corporation’s business model. [Companies](#) focused on business-to-business sales, like Nutanix and Coupa, actually benefit from their public disclosures that precede their stock sales, as such information instills trust from potentially larger, more lucrative corporate clients.

While this pre-IPO groundwork may provide the catalyst for a bevy of public offerings from the tech community in 2017, it by no means guarantees you will have an opportunity to own a piece of Snap Inc. next year or beyond. After all, with predicted advertising revenues of almost [\\$1 billion](#) and a growing daily user base of over 150 million, Snap Inc. may be content to remain private and continue its expansion into new territories without public investors.

Claiming to be more than just a one-off app company, Snapchat introduced its first hardware product, sunglasses with a built-in camera appropriately dubbed “Spectacles,” to coincide with its [rebranding](#) to Snap Inc. With these new changes, Snap Inc. founder Evan Spiegel hopes to reposition the company from a simple, albeit popular social app, to a lifestyle [camera company](#) and global brand.