

Snapchat has IPO plan: CEO

SAN FRANCISCO, USA: The chief of vanishing-image service Snapchat on Tuesday said the company has a plan for going public with an offering of stock but did not reveal when it might happen.



"We need to IPO, we have a plan to do that," chief executive officer Evan Spiegel said on-stage at a Code Conference in California when asked about the potential for an initial public offering of stock.

"An IPO is really important," he added, according to a live blog of the exclusive technology conference.

Snapchat rejected a \$3bn take-over offer from Facebook in 2013. Earlier this year, news reports surfaced that Chinese e-commerce giant Alibaba committed to a \$200m investment in Snapchat that valued the Los Angeles-based company at \$15bn.

Spiegel acknowledged plans for a Snapchat IPO during a talk in which he agreed with the notion there is a tech industry bubble that will at some point burst, with low interest rates, easy money, and risky investments calling for a "correction."

Snapchat rocketed to popularity in the United States, especially among teenagers, after the initial app was released in September 2011. Smartphone app Snapchat late last year began letting users in the United States send money to friends by simply typing dollar amounts into new "Snapcash" messages.

The new feature came from a first collaboration between Snapchat and Square, a mobile payments company headed by Twitter co-founder Jack Dorsey. The new service was added as Snapchat worked to boost the money-making capabilities of its popular app, which sees messages disappear shortly after being viewed.

Snapchat has become a popular way for people to share videos or photos, and has nearly 100 million people using it each day, according to Spiegel. Snapchat began weaving ads into the service last year.

Source: AFP