

Among Year's Biggest Losers: Snap Billionaires Slip Closer To Being Mere Centimillionaires

Snap cofounders Evan Spiegel and Bobby Murphy could be close to losing their billionaire status after being the youngest U.S. billionaires on Forbes' lists for four years.

The fortunes of Spiegel, who is 28, and Murphy, who is 30, have fallen nearly \$3 billion a piece since Forbes' 2018 Billionaires list in March. Spiegel and Murphy's net worth dropped from \$4.1 billion and \$4.2 billion in March, respectively, to just \$1.3 billion each on December 20, due to a staggering decline of Snap's stock price, which has tumbled 65% since the beginning of this year.

Shares of Snap, which owns chat and video messaging app Snapchat, have plunged in value since February as the app has struggled to maintain its user base of teens and millennials. In October, the company reported a 1% drop in total monthly users from its second quarter to third quarter, to a total of 186 million daily users. Snap's retention problems don't appear to be ending any time soon. The company warned investors in October that it expects to continue to lose daily active users.

Meanwhile, executives have been departing the Venice, Calif.-based company with alarming frequency. Snap's content chief Nick Bell announced he was leaving in November; VP of marketing Steve LaBella departed in October and chief strategy officer Imran Khan resigned in September. Snap's former head of engineering, Tim Seh, left in December 2017.

Snap faces stiff competition from Facebook FB -6.42%-owned Instagram, which has more than 1 billion monthly active users, while short-form video app TikTok and its Chinese version Dǒuyīn have about 500 million monthly users globally. If Snapchat can't show compelling user growth or engagement trends soon, the founders will likely forfeit their billionaire status, too. If Snap's stock drops from its current \$5 price to \$3.50, based on Forbes' calculation of the founders' share ownership and estimated cash holdings, the young moguls will both lose their place in the three comma club.

A spokesperson for Snap declined to comment on Spiegel and Murphy's net worth, as well as Snap's stock performance.

<https://forbesmiddleeast.com/among-years-biggest-losers-snap-billionaires-slip-closer-to-being-mere-centimillionaires>