

**“Beware the investment activity that produces applause;
the great moves are usually greeted by yawns.”**

Warren Buffet

Ever heard of Stripe? Do you know what they do?

Several weeks ago, I came across an article about Atlassian in a local newspaper. I was taken aback by the uninformed and disparaging remarks made by some Australian readers. This experience prompted me to contemplate the significance of companies such as Atlassian and Stripe. They play an indispensable role in our daily routines, yet it appears that many are unaware of their invaluable contributions.



Which other multi-billion-dollar businesses are quietly powering the machinery of the global digital economy and your daily life? Known to relatively few (in non-ICT industries), used by almost everyone.

Previous Newsletters, including this one, are available on our site in pdf [HERE](#)

Hidden engines of the modern economy

Brands like Ford, MacDonalds, Boeing, Coke, Bank of America and GE are familiar to everyone. Today, as we spend more time in the digital world, we are perhaps even more familiar with brands such as Google, Amazon, Apple, Meta (Facebook) and Microsoft.

But these are not the only brands powering the modern economy.





There are several other companies that have become intrinsic to our lives, that most have never heard of. Who are these companies and why are they important?

In the diagram/table below we group leading brands into †Legacy Physical, †Legacy Digital, †“Famous” Digital and †“Unknown” Digital.

While there are several insights one can draw, probably the most noteworthy are:

- *“Unknown” Digital Economy* companies are worth over US\$2.3 trillion – more than the two legacy categories combined. They collectively grew over 800% in the last decade.
- *“Famous” Digital Economy* companies, as expected, dwarf the other segments combined, are worth over US\$10 trillion and grew 52% over the past decade.
- *Legacy Physical Economy* companies are still strong valuable brands that are growing, but more modestly than their digital counterparts.
- *Legacy Digital Economy* companies are sliding backwards (-28%) and are worth a fraction of the others. Valuation of Ericsson and Nokia is interesting when you consider their dominance and share of the global mobile infrastructure market.

Disclaimer: *The selection of companies is based on their changing market valuation; relative fame/anonymity; and future potential impact. While a few companies could be added/deleted to the categories, we found that it doesn’t make a significant difference to the numbers.*

	Company	Market Cap			Growth since:		
		2023	2021	2013			
Legacy Physical Economy	Ford	\$ 49	\$ 54	\$ 68	-28%	2013	 <p>Legacy Physical Economy</p> <p>US\$1,351B, 52%</p>
	Boeing	\$ 127	\$ 140	\$ 89	43%	2013	
	Bank of Ame	\$ 225	\$ 367	\$ 132	70%	2013	
	Macdonalds	\$ 203	\$ 181	\$ 93	119%	2013	
	GE	\$ 122	\$ 120	\$ 246	-51%	2013	
	Coca cola	\$ 252	\$ 233	\$ 175	44%	2013	
	Luis Vuiton	\$ 372	\$ 372	\$ 88	323%	2013	
		\$ 1,351		\$ 891		52%	
Legacy Digital Economy	Ericsson	\$ 17	\$ 37	\$ 39	-56%	2013	 <p>Legacy Digital Economy</p> <p>US\$247B, -28%</p>
	Nokia	\$ 21	\$ 36	\$ 30	-30%	2013	
	Dell	\$ 51	\$ 43	\$ 24	111%	2013	
	HPE	\$ 22	\$ 20	\$ 53	-58%	2013	
	IBM	\$ 135	\$ 120	\$ 198	-32%	2013	
		\$ 247		\$ 345		-28%	
"Famous" Digital Economy	Amazon	\$ 1,426	\$ 1,661	\$ 136	948%	2013	 <p>"Famous" Digital Economy</p> <p>US\$10,365B, 453%</p>
	Apple	\$ 2,786	\$ 2,324	\$ 501	456%	2013	
	Cisco	\$ 231	\$ 236	\$ 127	82%	2013	
	Google	\$ 1,724	\$ 1,876	\$ 593	191%	2013	
	Intel	\$ 159	\$ 219	\$ 117	36%	2013	
	Meta	\$ 767	\$ 1,066	\$ 107	618%	2013	
	Microsoft	\$ 2,484	\$ 2,222	\$ 275	802%	2013	
	Tesla	\$ 789	\$ 735	\$ 20	3810%	2013	
		\$ 10,365		\$ 1,876		453%	
"Unknown" Digital Economy	Arista	\$ 61	\$ 44	\$ 3	1927%	2013	 <p>"Unknown" Digital Economy</p> <p>US\$2,306B, 817%</p>
	Atlassian	\$ 53	\$ 97	\$ -	1076%	2015	
	Block	\$ 32	\$ 98	\$ -	979%	2015	
	Broadcom	\$ 354	\$ 275	\$ 13	2590%	2013	
	Canva*	\$ 26	\$ 40	\$ 9	181%	2013	
	Nvidia	\$ 1,126	\$ 737	\$ 9	12407%	2013	
	OpenAI*	\$ 30	\$ -	\$ -	-	-	
	Qualcomm	\$ 118	\$ 206	\$ 125	-5%	2013	
	Stripe	\$ 50	\$ 94	\$ 1	4900%	2013	
	TSMC	\$ 433	\$ 575	\$ 91	376%	2013	
	Wisetechnology	\$ 23	\$ 14	\$ -	1831%	2016	
		\$ 2,306		\$ 252		817%	

Numbers below represent:
 • Total Market Cap (10th Sept 2023)
 • %Increase in Market Cap over 10 years (2013)

Leading global brands are grouped into four segments based on changing market valuation; relative fame/anonymity; and future potential impact. Note the Market Cap changes over one decade.

The following are brief outlines of some of the leading "unknown" digital powerhouses.

Stripe - Market Cap: est. US\$50 Billion (private)



If you made an online payment, you probably used Stripe

Stripe launched in 2011 as payment processing software for online businesses. Stripe currently serves businesses based in 46 countries. Following its public launch in September 2011, it took less than 3 years to achieve a valuation of over \$1 billion. In 2021, Stripe’s market cap hit an astronomic US\$94 billion.

Snapshot:

- Currently, more than 500,000 businesses and 3.1 million active websites use Stripe.
- Stripe has raised a total of \$2.2 billion in investments and is still private
- Elon Musk was among the early investors in Stripe during a seed round in 2011
- Transactions have grown from \$219B in 2019 to \$1T in 2023.
- New business additions have grown from 1,600 per week in 2019 to 4,600 per week in 2023

The Stripe business model is built on charging a commission per successful transaction.

Block, Inc. (formerly Square Inc., ticker symbol SQ) – Market cap: US\$35.48B



If you purchased something in-store recently, you probably used Block

Block, Inc. is a pioneering financial technology (fintech) company founded in 2009 by Jack Dorsey and Jim McKelvey. Headquartered in San Francisco, Block gained recognition with its signature small card reader that attaches to smartphones, enabling businesses to accept card payments easily. Over time, it has evolved into a multifaceted fintech giant. It became better known in Australia after its blockbuster acquisition of the local buy-now-pay-later fintech, Afterpay, for US\$29 billion in August 2021.

Block has several other businesses. Cash App is a mobile app that allows monetary transfers both among users and between users and businesses. Weebly is a web hosting service. Tidal is a subscription-based music, podcast and video streaming service that offers audio and music videos.

Atlassian (TEAM) – Market cap: US\$53B

If you are involved with software, you probably use Atlassian

Atlassian is an Australian software company founded in 2002 by Mike Cannon-Brookes and Scott Farquhar. Headquartered in Sydney, it's renowned for its collaboration and productivity software for teams and organisations.

In the fourth fiscal quarter of 2022, Atlassian reported serving 242,623 customers in over 190 countries, with 10 million monthly active users. As of June 2022, the company had 8,813 employees across 13 countries. It claims that 83% of Fortune 500 companies use Atlassian products. The most popular Atlassian products are Jira, Confluence, and Trello.

Wisetech Global (WTC:AX) - Market Cap: US\$14.95B

If you are involved with ensuring goods get to customers, you probably use Wisetech

WiseTech Global is an Australian software company that provides supply chain management software to the logistics industry. The company was founded in 1994 by Richard White and is headquartered in Sydney, Australia. WiseTech's flagship product is CargoWise, a cloud-based software platform that helps logistics service providers manage their shipments, customs clearance, and other logistics operations.

WiseTech has grown rapidly in recent years, has over 2,000 employees and customers in over 170 countries.

Canva - Market Cap: US\$25.6B 2023 (est. Blackbird - private)

If you create designs or presentations, you probably use Canva

Canva is an online graphic design platform that allows users to create designs without any prior design experience. The platform offers a wide range of templates, tools, and features that make it easy to create professional-looking designs for a variety of purposes, including social media posts, presentations, and marketing materials. The platform's popularity is due to its ease of use, its wide range of features, and its affordability.

Canva was founded in 2013 by Melanie Perkins, Cliff Obrecht, and Cameron Adams. The company is headquartered in Sydney, Australia, and was the first Australian startup to achieve unicorn status.

As of March 2023, Canva has 135 million monthly active users (MAUs). Canva's MAU has grown rapidly in recent years, from 24 million in 2019 to 100 million in 2021. The platform is available in 190 languages and Canva has over 750,000 paying customers.

Broadcom (AVGO) - Market Cap: US\$360B

If you use the internet, you probably use Broadcom



Broadcom designs, develops, and supplies a range of semiconductor and infrastructure software solutions. The company was founded in 1991 and is headquartered in San Jose, California. Broadcom's key products include data centre networking and storage, enterprise and mainframe software focused on automation, monitoring and security, smartphone components, telecoms and factory automation. The company's annual revenue in 2022 was \$28.1 billion and it has over 140,000 employees and customers in over 150 countries.

The company has acquired over 200 companies since its founding, including the massive acquisition of VMware for US\$69 billion, approved in August 2023.

TSMC (TSM)- Market Cap: US\$483B

If you use any digital device, you are probably using TSMC chips



Taiwan Semiconductor Manufacturing Company is one of Taiwan's largest companies and among the world's leading semiconductor companies. Founded in 1987, the company is headquartered in Hsinchu, Taiwan, or the Republic of China.

TSMC produced more than 12,300 products for 535 clients worldwide in 2021. In fact, the company produces chips for some of the largest names in the world. This includes A-series chips for Apple, which is the company's largest client. Other top TSMC semiconductor clients include Advanced Micro Devices, Broadcom, Intel, MediaTek, NVIDIA, NXP Semiconductors, OmniVision Technology, Qualcomm, and Renesas Electronics.

OpenAI - Market Cap: US\$30B (Mar 2023 – private)

If you use ChatGPT, you are definitely using OpenAI



OpenAI is an American artificial intelligence (AI) research laboratory and the creator of ChatGPT. OpenAI conducts research on artificial intelligence with the declared intention of developing "safe and beneficial" artificial general intelligence, which it defines as "highly autonomous systems that outperform humans at most economically valuable work".

OpenAI was founded in 2015. Microsoft provided OpenAI LP with a \$1 billion investment in 2019 and a \$10 billion investment in 2023.

Nvidia Corporation: Market Cap: US\$1.198T

If you are a gamer, use crypto or are involved with AI, you are probably using Nvidia



Nvidia recently become one of the few companies globally with a market cap exceeding US\$1 trillion. Its extraordinary growth is attributed to the global demand for processors designed for AI.

Nvidia was founded in 1993 and was originally known for its pioneering work in graphics processing units (GPUs) used in gaming, professional visualisation and data centres. Nvidia's GPUs also excel in AI and deep learning tasks. Their CUDA platform has become a standard in AI research, enabling breakthroughs in fields like autonomous vehicles and natural language processing.

Nvidia's strategic acquisitions, such as Mellanox, signify its expansion into data centre and edge computing markets. Nvidia's Drive platform is at the forefront of autonomous vehicle technology, providing AI solutions for perception, mapping, and control.

Arista Networks – Market Cap: US\$61B

If you use any public cloud, you are probably using Arista



Since inception, Arista went head-to-head with network giant Cisco and has grown rapidly to become a major player in the networking industry (mainly switches and routers). The company's products are now used by over 70% of the world's largest cloud providers including Google, Microsoft, Facebook, and Amazon. Arista provides a broad range of high-performance, scalable, and secure networking solutions for data centres, enterprise networks, and service provider networks.

Arista was founded in 2004 by Kenneth Duda and Stephen Foeller. The company is headquartered in Santa Clara, California, and has over 5,000 employees worldwide.

Qualcomm – Market Cap: US\$118B

If you have a mobile, you probably use Qualcomm chips



Qualcomm is a predominantly fabless provider of semiconductor products for wireless communications and data transfer in portable devices. According to the analyst firm Strategy Analytics, Qualcomm has a 39 percent market-share for smartphone application processors and a 50 percent market-share of baseband processors. Its share of the market for application processors on tablets is 18 percent. According to analyst firm ABI Research, Qualcomm has a 65 percent market-share in LTE baseband. Qualcomm also provides licenses to use its patents, many of which are critical to the CDMA2000, TD-SCDMA and WCDMA wireless standards.

Qualcomm was founded in 1985 by Irwin Jacobs and six other co-founders. The company's annual revenue in 2022 was \$31.2 billion and it has over 46,000 employees worldwide. Qualcomm has over 130,000 patents granted or pending.

There may be valid arguments for the inclusion or exclusion of certain names on this list. Nevertheless, this does not alter the reality that numerous digital companies are exerting a substantial influence on the global economy and our daily existence, even though they remain relatively obscure or poorly comprehended.

Stay connected.

Kevin