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INCLUSIVE CAPITALISM

THE WORLD'S BILLION-DOLLAR ATHLETES

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SOFTWARE'S ACCIDENTAL BILLIONAIRES

THE NEXT 1000: ENTREPRENEURIAL PANDEMIC

Forbes

Vice President
KAMALA HARRIS

"I'VE NEVER THOUGHT OF AGE. I'VE NEVER BEEN ONE TO DO A FIVE-YEAR PLAN."

50 OVER 50

A MOVEMENT OF WOMEN DEFYING THE IDEA THAT THE FIRST HALF OF LIFE IS THE MOST DYNAMIC. MEET THE INAUGURAL CLASS OF ENTREPRENEURS, CREATORS AND GAME CHANGERS LEADING THE WAY.


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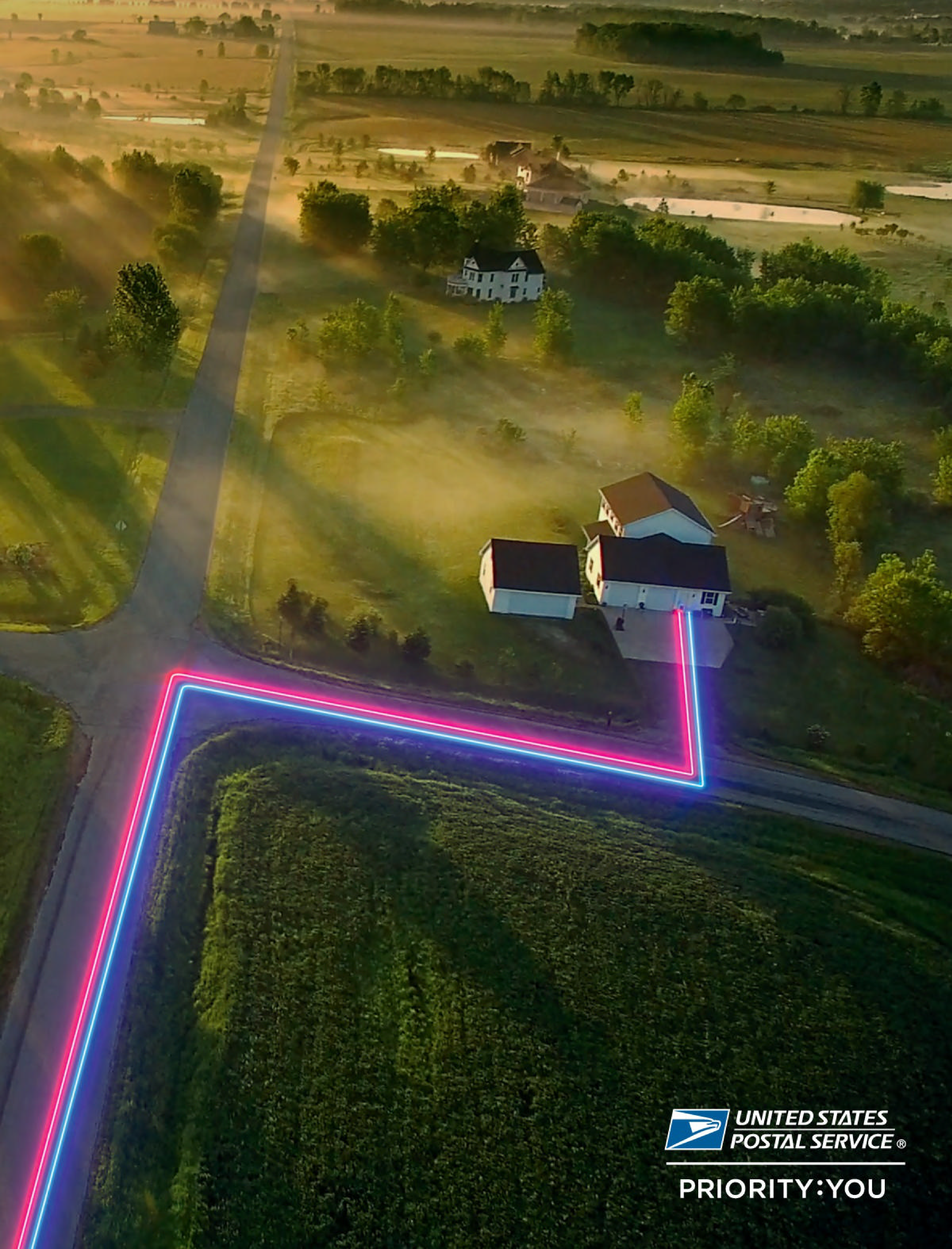
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June/July 2021 | Volume 204 | Number 3

INSIDE

JAMEL TOPPIN FOR FORBES

June/July 2021

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Cash is relief
Cash is safety
Cash is flexible
Cash is best

Donating cash to international relief efforts is the best way to ensure those in need get what they need

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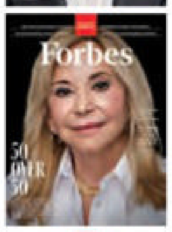
MILES ALDRIDGE/TRUNK ARCHIVE; ETHAN PINES FOR FORBES

SIDELINES

Entrepreneurship for All

The pandemic from which we are hopefully, finally emerging yielded an unexpected dividend. Researchers at MIT and Columbia recently confirmed what we all anecdotally felt: Entrepreneurship surged in the age of Covid-19. Change drives opportunity; a temporarily obliterated job market injected motivation. This shift was particularly strong in predominantly Black communities, while women, disproportionately affected by unemployment, yet again proved resilient.



This is a perfect moment, as the world pivots, to try to ensure that everyone has an equal shot at the American Dream. An economic system that demands equal outcomes, as we learned in the 20th century, is doomed; for capitalism to continue to thrive in the 21st century, however, equality of opportunity is paramount.

That's this issue's dominant theme. The Next 1000 *(page 90)* seeks out those entrepreneurs about to make it versus those who already have. We examine the counterproductive immigration policies that make it hard for the world's best and brightest to start the next Google or Tesla in America *(page 100)*. And our newest list, the 50 Over 50 *(page 62)*, is already a cultural phenomenon, with more than 10,000 nominations and a weekly segment on MSNBC's *Morning Joe*.

The 50 Over 50 resonates because it turns conventional wisdom on its head: Blessed with experience, confident older women represent an enormous national resource. You can see that in the four covers we produced for this issue, showcasing women making a big impact on the world while doing their best work after age 50. Shonda Rhimes is the hottest showrunner in Hollywood; Cathie Wood is the hottest money manager on Wall Street. The RealReal founder Julie Wainwright proves that everyone can have a second act, while Kamala Harris proves the vice presidency isn't just for white guys.

The vice president's embrace of entrepreneurship *(page 19)* will surprise people. If we all do what we can to ensure that everyone has a fair shot, we might be surprised by the economic and societal benefits that result.

—**RANDALL LANE,** CHIEF CONTENT OFFICER

Forbes

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By **Steve Forbes, Editor-in-Chief**

Recklessly Endangering Our Health

At a time when Washington routinely complains about China stealing our intellectual property, the Biden administration has announced that it supports what would be one of the most destructive thefts of intellectual property in U.S. history.

President Biden has declared that the U.S. is endorsing a World Trade Organization scheme to force pharmaceutical companies to turn over American Covid-19 vaccine technology to any country or company that wants it. This, after these drug companies have spent billions of dollars and devoted immense brainpower and time to develop these vaccines in record time, thereby saving millions of lives.

The implications of the Biden move are ghastly. Washington is about to smash up one of our most innovative industries—and for no good reason.

To start with, such a theft won't increase the output or availability of Covid-19 vaccines. The production process is immensely complex and cannot be rushed. The *Washington Post*—hardly a bastion of free-market principles—declared, "The most salient fact is that patents on vaccines are not the central bottleneck, and even if turned over to other nations, would not quickly result in more shots."

Drug companies are ramping up production as quickly as possible while ensuring the vaccines' safety. Global supplies will be tight for the next few months, but there will be more than 12 billion doses by the end of 2022.

Here's the frightening reality if the Biden move isn't reversed: Criminals and companies with lower standards will be injecting counterfeit or substandard vaccines into the marketplace.

It's the long-term consequences that are so destructive, though. It takes $2.6 billion and a decade of research and testing to successfully bring a new drug to market. If new medical technologies can be seized by headline-hunting politicians, companies and investors aren't going to commit the resources and take on the enormous risk of developing new medicines and medical devices. Why undergo such a process if hard-won success will be handed over to China and others on a silver platter?

The font of pharmaceutical innovation will be halted or severely restricted. With promising research and development underway in the fights against cancer, dementia and other dread diseases, this would be a tragedy of the first order.

Britain, Germany and France are appalled by what we are about to do and stoutly oppose the Biden adminstration's decision.

Moreover, biotechnology is a frontier in which the United States has a formidable lead. Why gratuitously destroy it?

The White House must reverse course—immediately.

Bust Up This Bad Monopoly

The behavior of the teachers' unions and public-school bureaucracies in much of the country has been a disgrace. They have repeatedly and unnecessarily kept kids out of the classroom. Their unconscionable actions will, over time, lead to radical changes in how American children are educated. The traditional public-school system will go the way of landline telephones, fax machines and typewriters.

A year ago it was clear that there was no science-based reason not to resume in-classroom teaching, as kids are highly unlikely to get Covid-19 or to pass it on. Experience in Europe, Japan and elsewhere demonstrated that schools—by taking proper precautions—could safely reopen.

The damage done by keeping children at home, in terms of lost learning, depression and the hit to family earnings because of parents having to stay at home to look after their kids, vastly exceeded any harm done by Covid-19. Yet union bosses kept saying no to in-class teaching, shaking down politicians for more concessions and more money.

Shamefully, President Biden and many local politicians capitulated. Clearly, they really don't give a hoot about the kids.

This appalling behavior will have profound repercussions in both the short and long term.

Parents by the millions are shocked and coming to the sad conclusion that the current public-school system—in all too many cases—has abandoned them and their offspring. Videos of teachers badmouthing parents or going on vacations while children were kept at home reinforced this perception of astonishing selfishness and indifference.

Moreover, the realization is growing that many schools, pre-Covid, were not doing a good job of educating students, as test scores sadly demonstrated. Too often the response has been to dumb down the curriculum or simply to advance kids to the next grade, even when they're not qualified.

This grim reality is leading to growing support for more genuine school choice. More than 30 states are cre-

ating or expanding educational choice programs. Florida just enlarged its school-voucher program. Many states are employing scholarship programs financed via state income-tax credits to enable parents to escape the government's public-education monopoly. Oklahoma, for example, just overcame fierce union opposition and substantially expanded its private-school scholarship program, and reformers there will be pushing a massive expansion next year.

A more far-reaching initiative is to have school funds follow the child instead of being restricted to a specific school, no matter how bad it is. The tool for this would be substantive K-12 Education Savings Accounts (ESAs). These taxpayer-funded accounts would allow eligible parents to use the money not only to send their child to a private school but also to pay for tutoring, online courses and textbooks. Dollars would follow the child, not the school. In other words, if you send a child to a nonpublic school, the per-student cost the government pays would be transferred from the public school to the alternative one.

West Virginia has enacted the most extensive ESA program in the country—more than 90% of students there will be eligible when the program takes effect in July 2022, thereby busting the government's school monopoly in that state. And Kentucky legislators overrode their governor's veto of an ambitious ESA project. Clearly, the ESA movement is picking up steam.

There are also privately financed programs, such as the Children's Scholarship Fund, for kids from lower-income households.

That most children's educational opportunities should be determined by the Zip code in which they live is an American scandal.

It won't happen overnight, but the unions' shortsighted, harmful actions will lead to profound change—and America's kids will be the winners.

Taxpayers of the World, Beware!

Tax collectors are coming after you as never before. This is bad news for a sustainable global economic recovery from the pandemic.

U.S. Treasury Secretary Janet Yellen is proposing that countries around the world enact a global minimum corporate tax rate—and this idea is just for starters. Plans are being developed to implement global tax laws for individuals as well. No matter where you live or have a business, politicians want more money from you.

Treasury Secretary Janet Yellen

Yellen says a global minimum corporate rate is needed because there is, as she puts it, a destructive race to the bottom. To hear her tell it, governments won't be able to get any taxes at all unless drastic steps are taken.

Our Treasury chief is spouting nonsense. Countries have been tweaking corporate tax rates for years to stimulate growth, but they are nowhere near zero. Ireland's famously low rate is 12.5%. Hungary's 9% is the lowest in Europe. Britain, moreover, has announced it plans to substantially boost its corporate tax rate in 2023.

Nonetheless, Yellen and other big tax-and-spend advocates are employing scare tactics so they can more easily hike taxes to help pay for their blowout spending schemes.

Yellen's call has a special urgency to it: If she and President Biden have their way, the U.S. will soon have the highest corporate tax rate in the developed world. This will give a huge advantage to companies overseas that compete with ours.

A global tax regime with a high minimum would help take the sting out of what congressional Democrats want to do here.

Of course, what these advocates can't grasp is what experience has taught time and again: Low-tax systems mean more prosperous economies, which lead to *more* government revenue.

Nonetheless, the G20—the international forum of the world's major economies—has been formulating plans for a global minimum tax. It's no surprise that the biggest European proponents are high-tax Germany and France.

High-tax advocates in the U.S. snuck a provision into Biden's pandemic stimulus bill that bans states from cutting taxes. New York and California are furious that millions of residents are moving to more tax-friendly environs such as Florida and Texas.

It's no wonder people are pulling up stakes in these financially reckless states. New York, with the worst state taxes in the country, has a budget of $212 billion. Florida's budget is $97 billion—less than half of New York's—even though Florida has 2 million more people.

Taxpayers had better hope these tax schemes are thwarted. Otherwise, our economy—and that of the rest of the world—will be unnecessarily hurt, and the timing couldn't be worse.

Fortunately, opposition is starting to grow, led—no surprise—by Ireland and Hungary. Yellen had been hoping to get a 21% corporate minimum tax, but some other nations want 15%.

Any minimum, of course, is bad because it sets a base for further hikes from ever-greedy politicians.

In the U.S., a number of states are challenging the constitutionality of that new "states can't cut taxes" provision in the courts.

Forbes Essay

INCLUSIVE CAPITALISM

The pandemic has prompted a surge in entrepreneurship, voluntary and involuntary. How do we leverage this moment to ensure that everyone who wants to pursue the American Dream can do so? The United States' first female, Black and Asian-American vice president weighs in on this opportunity.

By **Kamala Harris**

JAMEL TOPPIN FOR FORBES

I

was in Oakland, California, when the Loma Prieta earthquake hit in October 1989 and brought a section of the Bay Bridge crashing down. Leaders then had a choice: to restore the bridge to how it was, or to reevaluate and strengthen its support system to withstand future shocks. They chose the latter.

As we emerge from the pandemic, our nation has the same choice to make—for our economy and our businesses, specifically small businesses and startups.

The pandemic has exposed the flaws and the fissures in our economy. One in three small businesses has closed. Nearly 2 million women have been forced out of the workforce. And millions of families have struggled to buy groceries and cover rent.

In this moment, more than repair, we must reimagine. And after providing $60 billion in relief to small businesses, we must work to broaden access to capital and remove other barriers to success for entrepreneurs across the country.

First, capital. I recently met Lorena Cantarovici, the owner of an artisanal empanada business in Colorado. She started her business, as so many do, in her own kitchen. When she sought a loan to expand, the banks she approached told her she was, in their words, “not bankable.” Through hard work, she proved them wrong. Her business has since expanded to multiple locations, and she has employed many people.

This is a familiar story. Traditional banks and venture capital firms have not always seen the vision of women entrepreneurs and those of color. Community lenders, on the other hand, were founded to see that vision. Community lenders understand the value of providing access to capital in low-income communities and those of color—and because they do, they add value to those communities and our country.

Halls of Power

Vice President Kamala Harris photographed outside her ceremonial office in the Eisenhower Executive Office Building, May 18.

JAMEL TOPPIN FOR FORBES

When I was in the United States Senate, I worked to secure an additional $12 billion for community lenders. Now, we are working to build on that investment. Together, we must help all American entrepreneurs get the capital they need to realize their vision.

There are other barriers to success. Danielle Romanetti owns a small yarn shop in Virginia. I visited with her and several of her employees a few months ago. They spoke about how hard it was, during the pandemic, for women business owners to go without child care. Some have had to make deliveries to customers with children in the car. Others have had to bring their children to work.

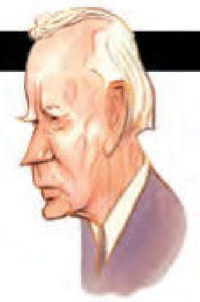
For female entrepreneurs (and all entrepreneurs) the pandemic has highlighted the importance of

our nation's care infrastructure. For so many, care is the bridge to building a business. That's why, as we work to improve roads to transport goods, improve transit for consumers and ensure affordable and accessible high-speed internet, President Joe Biden and I are also working to ensure affordable and accessible child and family care.

In the face of the unimaginable, America's entrepreneurs made the choice to reimagine their businesses. Stores like Danielle's have had to quickly pivot online to retain customers, tapping into demand that's likely here to stay. Restaurants like Lorena's have had to create outdoor dining to do the same. Meanwhile, innovators of all types have created new products for the moment.

Today, our nation must reimagine our economy so that every American entrepreneur can launch and grow an enterprise. It is in this reimagining that we will remain competitive—and come out of this pandemic stronger than before.

Politics



JOE'S REGULAR JOES

THE TOTAL NET WORTH OF PRESIDENT BIDEN'S CABINET IS A FRACTION OF DONALD TRUMP'S—AND BARACK OBAMA'S.

JOE BIDEN'S CABINET looks rather different than Donald Trump's, with more women, more people of color, more liberals—and a whole lot less money. It's not that Biden's bunch is poor, exactly. The president himself accumulated an $8 million net worth, mostly by writing a book and giving speeches since he departed the vice presidency in 2017. Vice President Kamala Harris is worth about $7 million, thanks in part to big earnings from her husband, a highly paid lawyer. All but two of the 15 officials alongside them are millionaires, and the group is worth $118 million overall. That's comfortable, sure, but it's the length of the Acela corridor (and then some) from the $6.2 billion combined net worth of Trump's crew or the $2.8 billion fortune of Barack Obama's second-term team.

Janet Yellen • *Treasury*

After leaving her post as Federal Reserve chair in 2018, Yellen earned over $7 million giving speeches to big banks and other businesses. Her assets include a stamp collection worth more than $15,000.

Merrick Garland • *Justice*

Obama's final, and unsuccessful, Supreme Court nominee owns New York City real estate, apparently inherited from his in-laws, bolstering the small fortune he accumulated after working as a partner at the prestigious law firm Arnold & Porter.

Tom Vilsack • *Agriculture*

Obama's former ag secretary left the White House during the Trump era but made plenty of money while he was gone. He won $150,000 in the Iowa state lottery last year and used his farm to cash in on USDA programs.

Marty Walsh • *Labor*

The former Boston mayor took office with three pensions worth about $800,000 total, including two from a labor union he once led.

Pete Buttigieg • *Transportation*

Relatively broke before he ran for president, Mayor Pete earned more than $1 million in 2019 and 2020, according to our estimates, most of it from book sales.

Deb Haaland • *Interior*

The first Native American cabinet secretary, who won a New Mexico congressional seat in 2018, reportedly overcame homelessness earlier in life. Her financial report disclosed just a $175 annual tribal payment and $15,000-plus in student loans.

Merrick Garland 68
Attorney General
Net worth: $20 million

Janet Yellen 74
Secretary of the Treasury
$20 million

Antony Blinken 59
Secretary of State
$10 million

Gina Raimondo 50
Secretary of Commerce
$10 million

Joe Biden 78
President
$8 million

Jennifer Granholm 62
Secretary of Energy
$8 million

Alejandro Mayorkas 61
Secretary of Homeland Security
$8 million

Lloyd Austin 67
Secretary of Defense
$7 million

Xavier Becerra 63
Secretary of Health and Human Services
$7 million

Kamala Harris 56
Vice President
$7 million

Tom Vilsack 70
Secretary of Agriculture
$4 million

Denis McDonough 51
Secretary of Veterans Affairs
$3 million

Marty Walsh 54
Secretary of Labor
$2.5 million

Marcia Fudge 68
Secretary of Housing and Urban Development
$2 million

Miguel Cardona 45
Secretary of Education
$1 million

Pete Buttigieg 39
Secretary of Transportation
$750,000

Deb Haaland 60
Secretary of the Interior
$0

BIDEN CABINET BY DAN ALEXANDER AND MICHELA TINDERA
ILLUSTRATIONS BY STEVE BRODNER

New Billionaire

REBOOT

On May 3, Bill Gates and Melinda French Gates announced they were divorcing after 27 years of marriage. That same day, Gates' Cascade Investment arm transferred $2.4 billion worth of stock in four companies (Canadian National Railway; car-dealership group AutoNation; Mexican Coke bottler Coca-Cola Femsa; and Mexican broadcaster Grupo Televisa) to French Gates; he also transferred $851 million in John Deere shares to her in mid-May.

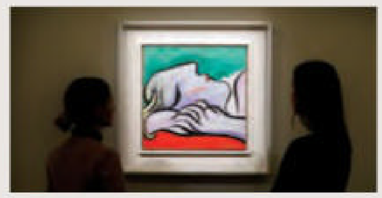
One of three living American women, as best as *Forbes* can determine, to attain billionaire status via divorce (Jeff Bezos' ex, MacKenzie Scott, and Sue Gross, who was married to Pimco's Bill Gross, are the others), French Gates stands to get more—potentially much more. The couple have asked a judge in Washington (a community property state in which most divorces are settled with a 50/50 split) to follow a separation agreement to split up Gates' $126 billion fortune, which encompasses stakes in more than a dozen companies, including an estimated 1% stake in Microsoft, U.S. farmland, a $131 million home near Seattle and private planes.

French Gates reportedly began consulting divorce lawyers in 2019 after her husband's meetings with the late financier Jeffrey Epstein became public. Days after the divorce announcement, a spokeswoman for Gates acknowledged he had an affair with a Microsoft employee "20 years ago." French Gates cofounded the $50 billion (assets) Bill and Melinda Gates Foundation in 2000 before establishing Pivotal Ventures in 2015 to invest in social progress for women and people of color. "I tell my daughters to have their voice in this world, and it became clear I needed to role-model that," she told *Forbes* at the time. Last year, with support from MacKenzie Scott, French Gates launched Equality Can't Wait, an initiative offering $40 million in grants to women's organizations throughout the U.S.

Déjà View

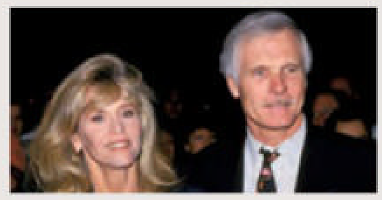
BIG-DIGIT DIVORCES

Bill and Melinda French Gates aren't the only members of The Forbes 400 to learn that yachtloads of money can't buy a happy marriage. The 50 current richest Americans have gotten hitched 72 times in all, with 35 unions (49%) ending in divorce. Some billionaire marriages end amicably. Others, well . . .



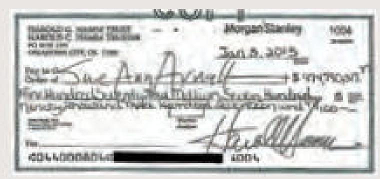
BILL GROSS

The bond king's 2016 split from his wife of three decades devolved into dueling restraining orders and a fake Picasso. Sue Gross reportedly got the 1932 painting "Le Repos"—except she allegedly already had it, having swapped it on Bill's wall with a copy she painted herself.



TED TURNER

His decade-long marriage to Jane Fonda broke up in 2001, yet the Oscar-winning actress still calls Turner her "favorite ex-husband." The media mogul speaks fondly of her, too. "When you love somebody, and you really love them," Turner said in 2012, "you never stop loving them no matter how hard you try."



HAROLD HAMM

The fracking tycoon wrote his ex-wife an astronomical $974,790,317.77 check from his Morgan Stanley account after their 2014 split. She pocketed her zillions, unsuccessfully tried to get more—and then funded a political action committee that helped unseat the judge who oversaw the divorce.

NEW BILLIONAIRE BY RACHEL SANDLER. MELINDA GATES: JONAS FREDWALL KARLSSON/TRUNK ARCHIVE; GROSS: FRANK AUGSTEIN/AP; TURNER: JIM SMEAL/RON GALELLA/GETTY IMAGES

30 Under 30

HANDY DANDIES

Applying nails—to the ends of your fingers and the walls of your home—with the *Forbes* 30 Under 30, in 30 words or less.

Ann McFerran 27
FOUNDER
GLAMNETIC

Attention Ziggy Stardust cosplayers: Bangkok-born McFerran's press-on nails and magnetic eyelashes took off during Covid-19. Revenue rose from $1 million to $50 million year-over-year.

Dallin Jolley 29
COFOUNDER
MODAL LIVING

University of Utah dropout designs tiny backyard homes for wannabe Airbnb hosts (an average 500 square feet) using recycled materials. They cost $175,000 and are built in a day.

David Miro Llopis 29
Jooyeon Song 29
COFOUNDERS
MANIME

With nail salons shuttered due to Covid-19, this at-home manicure company made more than $3 million in 2020 selling custom 3D-printed and laser-cut nails.

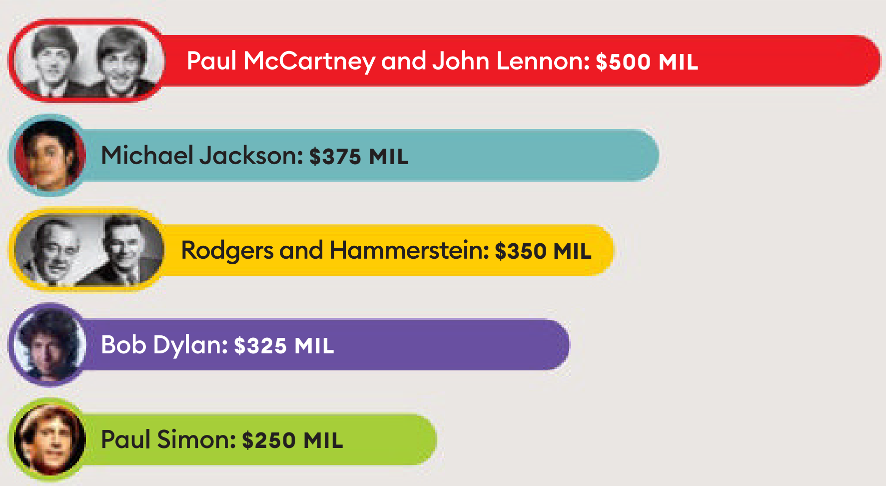
Christian Lawrence 27
FOUNDER
RISE MODULAR

This Minneapolis builder makes large "Legos" that are snapped together to create hotels and apartments. Launched in 2020, Rise has already worked on a $40 million project in St. Paul.

Listicle

DOUGH-RE-MI

These are boom times for songwriters, but alongside the work of Bob Dylan and Paul Simon—both of whom recently made nine-figure sums selling the rights to their music—sits a song catalog that hasn't delivered a new hook since 1959. Richard Rodgers and Oscar Hammerstein II, best known for musicals like *Oklahoma!* and *The Sound of Music,* created a songbook that to this day generates $40 million in annual revenue. Can't place them? Think of hits like "My Favorite Things" and "Getting to Know You," which are still routinely licensed for high school musicals, pop songs and potato chip ads. With an estimated value of $350 million, the Rodgers and Hammerstein oeuvre sits third among the world's most valuable song catalogs.



METHODOLOGY: *Valuations are Forbes estimates informed by conversations with experts across the music industry. Figures for catalogs with multiple writers refer only to the songs they created together, not the totality of each individual's work, and reflect the full value of writer and publisher shares, which not all songwriters own outright.*

30 UNDER 30 BY ALEXANDRA STERNLICHT. ILLUSTRATION BY DIEGO PATIÑO


40th Anniversary SEIKO
Built to meet the challenge of the oceans' depths
In 1983, a Seiko 600m diver's watch was attached to the research submersible Shinkai 2000 to test its durability.
It exceeded expectations, withstanding water pressure at a remarkable depth of 1,062m. Today's Prospex diver's watches are also built to challenge the oceans' depths. Experience counts.
Keep Going Forward
PROSPEX
しんかい 2000
© 2021 Seiko Watch of America. SPB143
©JAMSTEC *Not guaranteed for all watches.
SEIKO
AUTOMATIC

WORLD OF FORBES

Across the planet, our 36 licensed editions span five continents, 25 languages and 13 time zones. They all share the same mission: celebrating entrepreneurial capitalism in all its guises.

ANGOLA

A 25-year veteran of the insurance industry, Fátima Monteiro has led the Seguros arm of Banco BIC since the Luanda-based bank introduced services including health care, auto insurance and more in 2014.

ARGENTINA

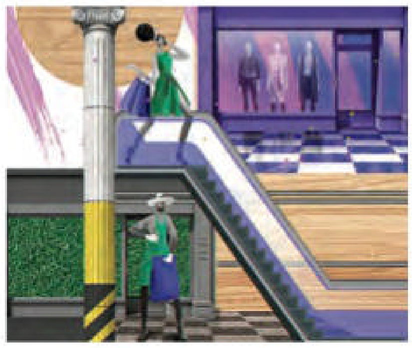
Since he took over his grandfather's residential construction company, CRIBA, during the past ten years, 47-year-old Santiago Tarasido has boosted revenue with a variety of diverse projects including a Christian temple in Salta and a public school in Buenos Aires.

BOLIVIA

Forbes Bolivia calls Jean Pierre Antelo, 36 *(far right)*, and Demetrio Soruco, 50, the "new blood in business leadership." The two are president of the nongovernmental Institute of Foreign Trade and Santa Cruz's Federation of Private Entrepreneurs, respectively.

BRAZIL

As Covid-19 forces a shopping rethink, some malls are bringing in urban-farming outfit BeGreen to set up farms in parking areas and offer tours to shoppers. CEO Giuliano Bittencourt calls it a "sustainable amusement park."



BULGARIA

Sevdalin Spasov runs an estimated $28 million (revenue) business consisting of Mania, a chain of about 40 secondhand clothing stores, and GreenTeam, which collects clothes via 1,600 donation bins across North America to resell in Africa and Latin America.

CHINA

Sales reached $8 billion last year at China's leading producer of solar panels, Xian-based LONGi Green Energy Technology, making billionaires of president Li Zhenguo *(above)* and shareholder Li Chunan.

COLOMBIA

Forbes Colombia's list of the country's most promising entrepreneurs in 2021 includes the founders of Vaki, a startup-focused crowdfunding platform, and Tül, an app that connects hardware stores to construction sites to deliver supplies within 24 hours.

COSTA RICA

Veganism "is not fashion, it is the future," says Óscar Toribio *(above right)*, whose Costa Rican clothing and accessories line, Toribio & Donato, makes use of bamboo and cactus and appeared virtually at New York Fashion Week in 2020.

CYPRUS

Medochemie is funding a $2.4 million, 322,000-square-foot park in the coastal city Limassol that will carry the name of the generic pharmaceutical's founder and CEO, Dr. Andreas Pittas.

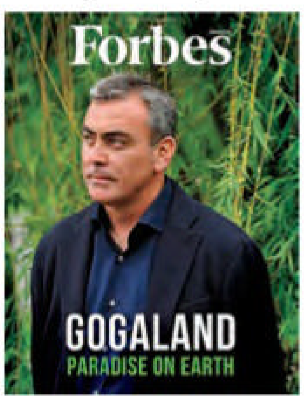
CZECH REPUBLIC

Forbes Czech, ranking the country's 160 largest family companies, spotlights the Wałach brothers, who cashed out of Walmark vitamins and medicines six years ago. They now back other entrepreneurs via their multimillion-dollar family investment group.

FRANCE

The 7-foot-1 Saint-Quentin native Rudy Gobert, 28, signed a five-year, $205 million contract extension with the Utah Jazz in December. The deal is the biggest for a center in NBA history and makes him France's highest-paid athlete ever.

GEORGIA



The 186-room Lopota Lake Resort and winery has put the country on the world map since it opened in 2008, writes *Forbes Georgia* editor Giorgi Isakadze in a tribute to the hotel's founder, Goga Maisuradze.

GERMANY

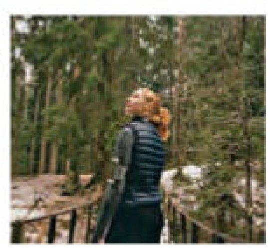
Valerie Bures-Bönström, cofounder of Germany's Mrs.Sporty gym chain, is now riding the at-home fitness wave with interactive mirror VAHA, attracting capital from the VC arm of carmaker Porsche.

GREECE

"Greece 2.0," the country's post-pandemic economic recovery plan (pending European Commission approval), hopes to attract $30 billion in private investments—from sustainability to digital innovations—by 2026.

HUNGARY

After an isolating year, *Forbes Hungary* offers a 30-page "get better" supplement. Among the stories: one detailing signs of burnout and another about the Japanese practice of "forest bathing"—a long walk to cleanse the mind.



BY KATHERINE LOVE. ANGOLA: BIC SEGUROS; BRAZIL: ILLUSTRATIONS BY INDIO SAN; BULGARIA: ELENA NENKOVA; COSTA RICA: COURTESY OF TORIBIO & DONATO; CYPRUS: DEMETRIS VATTIS

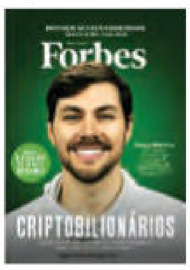
INDIA

New York's Tiger Global, a backer of Bangalore's $25 billion e-tailer Flipkart, made its first Indian crypto investment in April: $25 million in BitCipher Labs, parent of the CoinSwitch Kuber exchange. Ashish Singhal is cofounder and CEO.

LATVIA

Early this year, Latvian cosmetics maker H.A.Brieger acquired and resurrected insolvent skin-care brand Dzintars and, in the first month, sold nearly $500,000 worth of soaps, lip balms and hand creams.

PORTUGAL



Diogo Mónica, a 34-year-old Portuguese computer scientist who earned a Ph.D. in Lisbon, cofounded a crypto bank in San Francisco in 2017; this year it became the first federally chartered digital-asset custodian.

SOUTH AFRICA

For *Forbes Africa*'s 100th issue, its Johannesburg-based staff scoured the continent for 100 exemplars of innovation and growth. The list features, among others, human-rights activist Desmond Tutu and Lifebank, a Nigerian service that delivers blood and oxygen on demand.

INDONESIA

A veteran broadcast journalist in Jakarta, Najwa Shihab makes *Forbes Indonesia*'s annual list of Inspiring Women for starting Narasi.tv, funded by YouTube and two venture firms and focused on current affairs and fighting corruption.

ITALY

The great-great-grandson of Fiat founder Giovanni Agnelli, John Elkann is chairman and CEO of Exor, which owns stakes in Stellantis, Ferrari and soccer team Juventus. "Happiness is solving problems," says the new billionaire, who is planning to launch the first all-electric Ferrari by 2025.

MONGOLIA

To expose the mineral-rich country's tech talent, three Mongolian cofounders, including CEO MJ Amartaivan, started a marketing software company, Erxes, in California in 2017. They have raised $1 million online since November.

SLOVAKIA

About 100 local governments, including Menlo Park, California, send alerts and polls via the Simplicity app from *Forbes Slovakia* 30 Under 30 honorees Andrej Krúpa *(right)* and Juraj Gago.

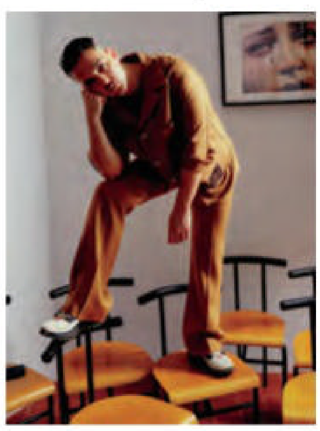
JAPAN

In a list of leaders spearheading "positive change," *Forbes Japan* features Hidenobu Nakahata, chief human-resources officer at multinational Hitachi, who says personnel metrics such as diversity are becoming a key factor in business success.

POLAND

Krzysztof Napora started making dog chews south of Kraków using a butcher shop's scraps of cold cuts. In 2020, his company, Petmex, generated some $6 million in revenue across 17 countries.

SPAIN



With a Sony contract and his third album recently debuting at No. 8 on the Latin pop charts, Madrid rapper C. Tangana, 30, intends to make rap music mainstream in Spain.

ISRAEL

A proposed railroad between the Persian Gulf and Israel presents an alternative Asia-Europe shipping route, after the recent Suez Canal blockage halted supply chains already riddled by pandemic delays and political disputes.

KAZAKHSTAN

Led by Kunsulu Zakarya, the Institute for Biological Safety Problems, which opened in 1958 to research and manage animal and plant viruses, developed and shipped 50,000 doses of the first Kazakh-made Covid vaccine in April.

LEBANON

Universal Music has tasked Wassim "Sal" Slaiby with elevating Arab entertainers globally. Early projects from the Lebanon native, who manages The Weeknd, include remixing a teenage TikTok star's viral single.

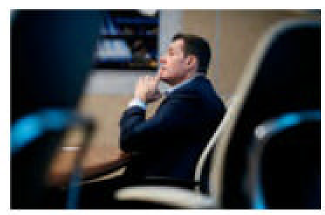
MEXICO

Garnering an Oscar for *Sound of Metal,* Mexican audio engineer Michelle Couttolenc credited Lora Hirschberg's 2011 win for *Inception* for opening doors to women working in film sound mixing and editing.

ROMANIA

The nation's fourth-most populous city and home to several universities, Cluj-Napoca, which approved plans to construct a subway in March, ranks No. 2 for business, behind Bucharest.

RUSSIA



Alexey Mordashov, who graced the first *Forbes Russia* cover in 2004 as he acquired global steel producers, now has a diverse portfolio worth $29 billion.

SOUTH KOREA

BTS tops *Forbes Korea*'s annual Power Celebrity ranking for the third time. The K-pop band's agency, HYBE, paid $1.05 billion in April to acquire Ithaca Holdings, the American group that represents Justin Bieber.

THAILAND

Sales of Bangkok IT-equipment company SVOA, run by CEO Kulapa Intanate, rebounded to $216 million in 2020 after two years of decline. The business launched an SaaS cybersecurity subsidiary in January.

UKRAINE

Forbes Ukraine details the scandal involving insider loans and money laundering that led to central-bank head Valeriya Gontareva *(left)* handing over Privatbank to the government in late 2016.

VIETNAM

Named one of *Forbes Vietnam*'s Most Inspiring Women, Tran Thi Le *(center)* leads Nutifood, a top dairy producer addressing child and infant malnutrition.

INDIA: COINSWITCH; INDONESIA: WS PRAMONO; ISRAEL: SHUTTERSTOCK; JAPAN: JAN BUUS; LATVIA: DZINTARS; MONGOLIA: S.BATSAIKHAN FOR FORBES MONGOLIA; POLAND: TOMASZ GOTFRYD; RUSSIA: SEMYEN KATZ FOR FORBES; SLOVAKIA: ONDREJ PYCHA; SPAIN: JAVIER RUIZ; UKRAINE: DMYTRO LARIN

HOW CONSUMERS' FOOD-BUYING HABITS ALTERED THE SUPPLY CHAIN

By Poornima Apte

How food reaches consumers looks different than it did before the pandemic– and the change is transforming the supply chain.

Grocery stores are adjusting floor layouts to accommodate both curbside pickup and in-store shoppers. At the same time, food production companies are reconfiguring transportation lanes to distribute to both wholesale and retail outlets.

The reset that's happening in the food industry is a big deal because the supply chain must accommodate changes in distribution and be nimble to respond to future shifts. In response to these demands on the supply chain, food retailers are investing in technology that provides them with real-time visibility into shipments, information that they can then relay to consumers.

How Consumers Have Changed

For years, the food industry has lagged behind other retail sectors in its use of e-commerce. But the pandemic has "forced the issue," said Ray Tharpe, Group Director of Strategic Planning at Ryder.

When going out to buy groceries at a supermarket felt less safe, consumers turned to mobile apps for home delivery of groceries or resorted to curbside pickups from stores.

In 2020 alone, the online sector of food retail jumped by a whopping $60 billion, according to Mercatus. This data point and others made clear what was happening across America: We were eating more meals at home and far fewer inside restaurants.

While some of these changes in habits might reset to pre-pandemic models once Covid-19 is behind us, others are expected to stay.

Even after the pandemic wanes, Tharpe sees more consumers preferring the Buy Online, Pick Up in Store (BOPUS) model for food shopping. The numbers support his prediction: Online grocery sales are estimated to increase to $250.26 billion by 2025, according to Mercatus. It stands at $106 billion today.

Effects On The Supply Chain

To meet changing consumer behaviors during the pandemic, Tharpe saw stores reconfiguring their back-end processes. Dark stores, places that are closed to the public and used primarily for order fulfillment, became more common.

The pandemic didn't just change consumer habits. It wreaked havoc up and down the supply chain.

"There were disruptions coming from every angle and all day long," said Kendra Phillips, Chief Technology Officer and Vice President of New Products at Ryder.

An Appetite For Greater Visibility

Phillips said the pandemic "really pointed to the need to have visibility into your supply chain, to be nimble, to react quickly and adjust."

By digitizing transactions and processes up and down the food supply chain, RyderShare™ offers that visibility, she added. The technology moves opaque pen-and-paper trails into the digital world and allows food retailers to seamlessly share real-time information to all the players in their supply chain.

Such visibility leads to improved collaboration. "Now you can communicate with your partners. We can take something that's not predictable and make it more predictable for everyone," Phillips said. She cited an example of a Ryder customer that supplies goods to hardware stores. The wholesaler saw a sudden spike in demand in the wake of the pandemic and was able to manage it well through the RyderShare™ platform.

Digitizing the supply chain to improve visibility also allows retailers to focus on the customer. A more transparent supply chain means you can put out fires while elevating the customer experience, Phillips said. In an industry skating on razor-thin margins, that can make a world of difference.

"The pandemic was a big shock, and it invited change," Tharpe said. Another shock is likely, he added, but the right technology will help cushion it.

SportsMoney

PLUCK OF THE IRISH

In 2016, Conor McGregor boasted to soccer star Ronaldo that he'd overtake him one day as sports' highest-paid star. This year the UFC fighter did just that.

I**t's 12:30 a.m. in Dubai** when Conor McGregor finally knocks off training for a July rematch with Dustin Poirier to jump on the phone with *Forbes.*

"It's been a long time coming, and I've been waiting on the call, to be honest," McGregor says, having learned that he is the past year's top-earning athlete. It's a laurel the Irish brawler, former UFC champ and sometime boxer foretold in a now-famous video clip from 2016 in which he banters with soccer superstar Ronaldo—that year's No. 1, with $88 million—telling him he would supplant him "maybe next year." In May, McGregor, 32, made good on his vow, celebrating his ascent by tweeting pictures of a freshly baked cake mocked up to look like a *Forbes* cover. "I'm glad I pipped Ronaldo this year," he says.

Picking fights has long been key to McGregor's success—and a steady source of controversy. He began his career at age 12 at the Crumlin Boxing Club in the suburbs of Dublin. While working as a plumber's apprentice and living on the dole, he began fighting for scraps on the local mixed martial arts circuit.

He made his UFC debut in 2013, forging a winning streak that made him featherweight champion in 2015 and the lightweight winner a year later. He's not considered the most technically adept fighter, but his explosive mix of ability, style and trash talk, and his big persona, have made him a household name. His biggest payday came in 2018, when he broke out of the MMA cage for a boxing match with nine-time world-title holder Floyd Mayweather Jr. He lost but made $99 million for his trouble. Mayweather took home $285 million that year.

Allegations of bad behavior, including sexual assault, have followed his rise to fame. A case

Bruising Business

"I'm in debt to the tough times," says McGregor, who spent years just scraping by. "Because when you break through, you are an unstoppable force."

in Ireland was dropped after a police investigation, but he still faces a civil suit over the matter. He denies all accusations. In 2019, a Dublin bar fight with an older man was caught on video. "I was in the wrong," McGregor told ESPN. "That man deserved to enjoy his time in the pub without having it end the way it did."

Neither legal trouble nor the pandemic has sidelined McGregor, who earned $22 million from his single fight last year (which he lost) in the UFC Octagon, plus $8 million in product endorsements. The bulk of his earnings in the past 12 months came from the $150 million (pretax) he earned selling his majority stake in his whiskey brand, Proper No. Twelve. That propelled him past Lionel Messi, second on the ranking with $130 million, and Ronaldo, No. 3 at $120 million.

McGregor's move into booze was entirely strategic. "I could have taken the easy money," he says of his decision to go beyond basic endorsements and start the liquor business in 2018. "I could have taken the quick buck. [But] I took the risk. I put my heart and soul into it, and it's paid off."

For inspiration, he looked to that most Irish beverage purveyor, Arthur Guinness, and set out to create an unmistakable whiskey of Éire: Irish soil, Irish spring water and Irish grain, all distilled on the "perfect plot" in County Antrim in Northern Ireland, in the Bushmills Distillery owned by Mexican booze giant Becle (best known for Jose Cuervo), which at the outset owned a minority stake in Proper No. Twelve.

"In Ireland we have master distillers and we have master drinkers. My grandfather was a master drinker," McGregor says. "He would always tell me that Ireland were the world champions at making whiskey." In under three years, 6 million bottles of Proper have shipped, and in April Becle and Proper No. Twelve announced Becle had bought out most of McGregor's stake.

Still in pristine shape, he likely has plenty of fight left. "I know a lot of these athletes on this list, you know they make so much from their sport, so much from their endorsements," he says, by way of noting that he earned the bulk of his money not in the ring but as an entrepreneur. "I'm probably the complete opposite. I'm an outlier. I'm a disrupter."

BILLION-DOLLAR CLUB

THE WORLD'S TEN HIGHEST-PAID ATHLETES.

Empty stadiums. Curtailed seasons. Playoff bubbles. And a year of record paydays as four athletes each earned more than $100 million, helping boost the combined earnings of the top ten to $1.05 billion.

1. Conor McGregor
$180 million
ON THE FIELD: $22 million
OFF THE FIELD: $158 million
The brawler was knocked out in his UFC return but won big selling his whiskey brand *(see story)*.

2. Lionel Messi
$130 million
ON THE FIELD: $97 million
OFF THE FIELD: $33 million
A leak of his contract showed the Barcelona soccer icon was earning much more than previously thought.

3. Cristiano Ronaldo
$120 million
ON THE FIELD: $70 million
OFF THE FIELD: $50 million
The Juventus soccer star has more than 500 million social media followers to pitch his CR7 clothing brand to.

4. Dak Prescott
$107.5 million
ON THE FIELD: $97.5 million
OFF THE FIELD: $10 million
A $66 million signing bonus pushes the Dallas Cowboys quarterback to an NFL earnings record.

5. LeBron James
$96.5 million
ON THE FIELD: $31.5 million
OFF THE FIELD: $65 million
A new deal with PepsiCo helps lift the Lakers' King above the rim to a record high for an NBA player.

6. Neymar
$95 million
ON THE FIELD: $76 million
OFF THE FIELD: $19 million
The Brazilian added Puma, Epic Games, PokerStars and Triller to his sponsor list.

7. Roger Federer
$90 million
ON THE FIELD: $35,000
OFF THE FIELD: $90 million
Deals with brands including Uniqlo, Rolex and Credit Suisse help the Swiss tennis titan cash in even while injured.

8. Lewis Hamilton
$82 million
ON THE FIELD: $70 million
OFF THE FIELD: $12 million
The Mercedes driver piled up bonus payments en route to a seventh Formula 1 title.

9. Tom Brady
$76 million
ON THE FIELD: $45 million
OFF THE FIELD: $31 million
The ageless 43-year-old is making more than ever, inking deals with apparel seller Fanatics and Danish eyewear maker Christopher Cloos.

10. Kevin Durant
$75 million
ON THE FIELD: $31 million
OFF THE FIELD: $44 million
Durant scored with Postmates' sale to Uber (he was an investor) and produced a short film that won an Oscar.

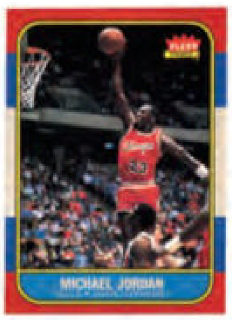
SPORTSMONEY BY DAVID DAWKINS. CONOR McGREGOR: MIKE ROACH-GETTY IMAGES. TOP 10 BY BRETT KNIGHT AND JUSTIN BIRNBAUM

BUY, HOLD, SELL

Sports Cards

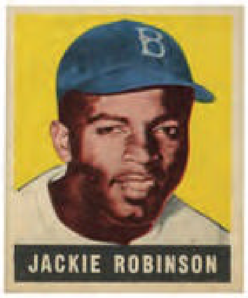
Michael Osacky

Lead appraiser for Professional Sports Authenticator; president of baseballintheattic.com



1986 Fleer #57 Michael Jordan (Mint Condition)

Down from an all-time bubble high of $90,000 in February, at $30,000 this blue-chip asset is now a steal and as rock-solid as they come. Buy for long-term price appreciation.



1948 Leaf #79 Jackie Robinson (Excellent Condition)

This, from Robinson's first season with the Dodgers, has only doubled, to $26,500, since the pandemic started, while inferior rookie cards have quadrupled. Let the market recalibrate on this piece of history.

1989 Upper Deck #1 Ken Griffey Jr. (Gem Mint Condition)

This celebrated rookie card was mass-produced in 1989, and a new one comes out of the woodwork every day. At $2,500 for gem mint condition, now's the time to dump it.

Violins

John Axelrod

Principal guest conductor, City of Kyoto Symphony Orchestra

Florian Leonhard

If antique instruments are too pricey, listen to the future. Modern "True Copy" violins from German luthier Leonhard can go for $100,000, and they beat rare Italian masterworks in blind hearings.

Jean-Baptiste Vuillaume

The 19th-century French luthier made more than 3,000 instruments, including 25 versions of the famed "Messiah" Stradivarius. Beloved by players and collectors, his works command $450,000-plus at auction.

Golden Period Stradivarius, 1710–1725

The "Lady Blunt" Stradivarius, from 1721, was sold in 2011 for a record $16 million. The next to be auctioned off is sure to approach or exceed that figure.

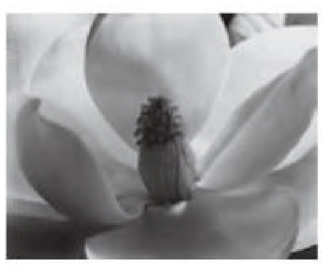
Photography

Deborah Rogal

Director of photographs and photobooks at Swann Auction Galleries in New York

Carrie Mae Weems (Born 1953)

Weems' explorations of race, class and gender position her as a contemporary leader. Her "Untitled" brought a record $305,000 in 2020, and work from her Kitchen Table series often appears on the market.



Imogen Cunningham (1883–1976) and Alma Lavenson (1897–1989)

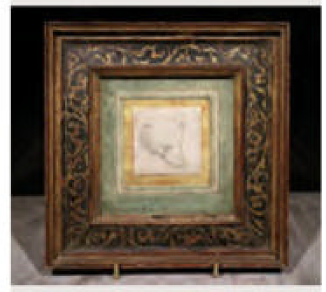
Cunningham's vintage floral studies can sell for $150,000 to $200,000. Innovative female modernists are still underappreciated, but won't be for long.

Dorothea Lange (1895–1965)

Lange's well-known Depression-era photography is enjoying an unprecedented bull market, with a variant of her "Migrant Mother" recently selling for a record $68,750. Sell into the momentum.

On the Block

A BULLISH BEAR MARKET



In an ironic sign that the art market emerged from the pandemic stronger than ever, a drawing of a bear by Leonardo da Vinci is expected to set a record when it goes up for auction this summer. "Head of a Bear," which measures 7 centimeters (a little under 3 inches) square, is one of eight remaining Leonardo drawings in private hands and has been in the collection of its current owner since 2008. The drawing, which goes on sale at Christie's on July 8, previously sold at the auction house in 1860 for £2.50—or around $440 today. The price will be just a little higher this time around. Curators at Christie's believe "Head of a Bear" will roar past the record set by Leonardo's "Horse and Rider" sketch (which sold for $11.2 million in 2001), with a presale estimate of $16 million.

BUY, HOLD, SELL BY CHRISTIAN KREZNAR. ILLUSTRATIONS BY CHRIS LYONS; VIOLINS: FLORIAN LEONHARD FINE VIOLINS

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MICHAEL C. HYTER
President and CEO, ELC

THE EXECUTIVE LEADERSHIP COUNCIL
The Power of Inclusive Leadership

NEW LEADERSHIP AT THE ELC

Last year when the world was beset by the challenges of a global pandemic, economic collapse, and a reckoning with racial justice, 14 advertisers made it possible for The Executive Leadership Council (ELC) to tell Forbes readers why Black Excellence Matters. As The ELC celebrates its 35th Anniversary, it welcomes its new President and CEO, Michael C. Hyter. Forbes CEO Mike Federle recently reached out to learn more about Mr. Hyter and The ELC.

Mike Federle CEO Forbes Interviews Mike Hyter CEO The ELC

MIKE FEDERLE: Mike, congratulations on becoming CEO of The Executive Leadership Council. What do you want people to know about The ELC?

MIKE HYTER: The Executive Leadership Council is about Black Excellence, primarily in the corporate space. We have more than 800 members who represent about 493 companies. We take great pride in serving the social and developmental needs of our members, who are Black executives typically within two levels of the enterprise-wide CEO.

We also have a growing number of entrepreneurs and a commitment to accelerating the development of Black professionals for C-suite, CEO, and board director roles. As a nonprofit The ELC provides philanthropic support and scholarships to help build the Black leadership talent pipeline.

FEDERLE: Why do you think you were chosen as ELC CEO now, at such a critical time?

HYTER: I believe my 40-year career prepared me for this. I was a corporate executive with a major retailer in 1994 when I was inducted into The ELC. There were relatively few Black executives in corporate leadership positions then, and it was a breath of fresh air for me to be with other people like me who understood and experienced the same duality of responsibility and obligation that came with being a Black corporate executive.

A few years later, I left that corporation for a small, diversity and inclusion boutique company, and eventually became its CEO. It became one of the largest privately owned diversity and inclusion consulting firms in the world and I sold it to Korn Ferry in 2012. I stayed on as an executive, coaching CEOs and boards in strategic diversity and inclusion and CEO succession. The combination of familiarity with The ELC and having built a business in the diversity inclusion space through relationships with many global corporations and boards prepared me for this opportunity.

MIKE FEDERLE, *CEO Forbes International*

FEDERLE: Following George Floyd's murder The ELC convened a Juneteenth gathering of CEOs to address racism and social injustice. What progress have you seen and what work still needs to be done?

HYTER: It was the first time I saw such a collective intentionality by CEOs to want to be better, to want to address racial disparities. A problem that existed for 400 years seemed to be acknowledged for the first time by many, and CEOs really wanted to do something about it.

This reckoning caused genuine introspection and a need for meaningful and lasting change. It is my hope that this corporate sensitivity is sustained and The ELC will continue to work with organizations to help them be more intentional about the development, growth and promotion of Black executives and professionals.

FEDERLE: The ELC is celebrating its 35th anniversary. What has The ELC done to strengthen its relevance?

HYTER: We were founded in 1986 with 19 Black executives who wanted to have a social and professional development outlet at the executive level. Before then, there had never been a Black corporate CEO and a couple of years later, Cliff Wharton became the first corporate Black CEO at TIAA.

Few Blacks occupied board seats in the 1980s. Today, The ELC's advocacy, Corporate Board Initiative, and strategic partnerships with the Alliance for Board Diversity have helped place many more Black board directors.

Tens of thousands of young executives have benefited from The ELC's programs over the last 35 years. I am thrilled that two Black women have recently become CEOs at two of the 500 largest U.S. corporations, Roz Brewer at Walgreens Boots Alliance, and Thasunda Duckett at TIAA. Ms. Duckett succeeds Roger Ferguson, and both are ELC members. It is the first time in history that a Black corporate CEO has succeeded another Black executive. There has been significant progress and we expect The ELC to continue to make a difference.

FEDERLE: What does The ELC Institute for Leadership Development & Research offer?

HYTER: The Institute is a significant part of The ELC. Institute programs provide Black professionals, mid-level managers, executives, and board directors with developmental opportunities and the chance to share their knowledge and experiences. Institute programs are designed to support Black development throughout the career lifecycle. Last year we probably touched at least 10,000 people with the Institute's virtual events.

The Institute also conducts research on the state of Black executives and publishes a journal that speaks to the Black professional experience.

FEDERLE: What are some of the best practices corporate leaders embrace to get measurable results?

HYTER: Robust leadership development programs that are very success profile-driven with clear behavioral competencies for selecting talent enable companies to hire talent based on a person's true abilities. Intentionally giving people an opportunity to grow across multiple areas with support, and positioning talent for profit and loss experiences early in their career, is a best practice.

Another best practice are organizations that are more deliberate about executive level sponsorship of Black talent. Sponsorship is the ticket to 90% of C-suite posts, and organizations that sponsor Black professionals and provide them with direct, credible stretch assignments are the most successful.

FEDERLE: There are about five Black CEOs of the largest corporations now and there have never been more than 20. What can be done to increase Black representation in that top job?

HYTER: There clearly is a bias that appears to presume limitations for Black professionals versus white males. That imbalance puts Black professionals at a disadvantage.

Research that The ELC did in partnership with Korn Ferry on The Black P&L Leader identified some common headwinds including microaggressions, social exclusion and being subjected to unjust assumptions. Companies can consciously make it easier for all groups to have the opportunity to advance in a way that is supportive if they're serious about it.

FEDERLE: Mike, thank you for your insight.

HYTER: It's been an absolute pleasure. Thank you.

THANK YOU!

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TWINS' PEAK

Decades after their social-network idea was allegedly poached by Mark Zuckerberg, identical twins Cameron and Tyler Winklevoss, cover stars of our April/May issue, have finally become billionaires on their own terms. The cryptocurrency savants are getting rich(er) off early investments in Bitcoin and through Nifty Gateway, their digital-art auction platform that is riding the recent mania for nonfungible tokens. Some readers remain unimpressed with the "Winklevii," former Olympic rowers and Harvard grads whose lives have not exactly been Dickensian. "Finally! I have been worried sick for years," wrote Josh Kaplan on Facebook. "What if they spent their whole life with only $900 million like a bunch of peasants!" Similar snark: "They were born rich and then they invested," tweeted @karengeier. "Wow, incredible story." Others noted that regardless of one's privileges, attaining dual ten-figure fortunes is still a feat. Observed Charlos Sanchez on LinkedIn: "As much as there is an intrinsic feeling to dislike billionaires, you can't help but admire these two brothers for their entrepreneurial zeal."

THE COVID BILLIONAIRES

Despite the devastation of the pandemic, the world's richest had an incredible 12 months. Our annual ranking of the globe's largest fortunes listed a record 2,755 billionaires, worth an aggregate $13.1 trillion. On average, a new billionaire was minted every 17 hours over the past year. Readers were of two minds about the news.

@SOOOZEKERR: "It's absolutely disgusting that homelessness exists, never mind food banks, when the number of billionaires triples* each year." **Actual figure: Up 31.5% over 2020. –Ed.*

@FINALLY_CALLIE: "So grateful to *Forbes* for providing us with a menu for when we get ready to eat the rich."

@S.MULLINGS: "Love it. All this billionaire energy! Shout-out to the women billionaires! Congrats to the males as well. I am an upcoming billionaire. See you at the top."

SAMMY PA: "Out of all of them, the only one making a major impact for the future is Elon Musk."

DOUGLAS HICKS: "Thank you for working hard & all the jobs you guys have created so thousands of people have health insurance, food on the table & better education."

@RICHBROOKSHIRE: "List the amount of taxes they paid next."

THE INTEREST GRAPH

6,782,825 Forbes Billionaires 2021: The Richest People in the World

467,612 Revenge of the Winklevii

259,010 The Midas List 2021

86,834 Billionaire Reveals His "Secret" to Beating China at Manufacturing

86,438 How a Young Outsider Turned Failing Vimeo Into a Billion-Dollar Company

61,167 The Billionaire Who Controls Your Medical Records

24,943 How David Vélez Built the World's Most Valuable Digital Bank and Became a Billionaire

12,032 **THE BOMB:** America's Most Feared Trader Lost Billions–Here Are His Picks to Make It Back

BY LEAH ROSENBAUM

FORBES CUSTOM PROFILE: CHRISTOPHER JASZCZYNSKI

MMCRYPTO: BITCOIN OPPORTUNITIES ACCELERATE

By: Paul Trustfull

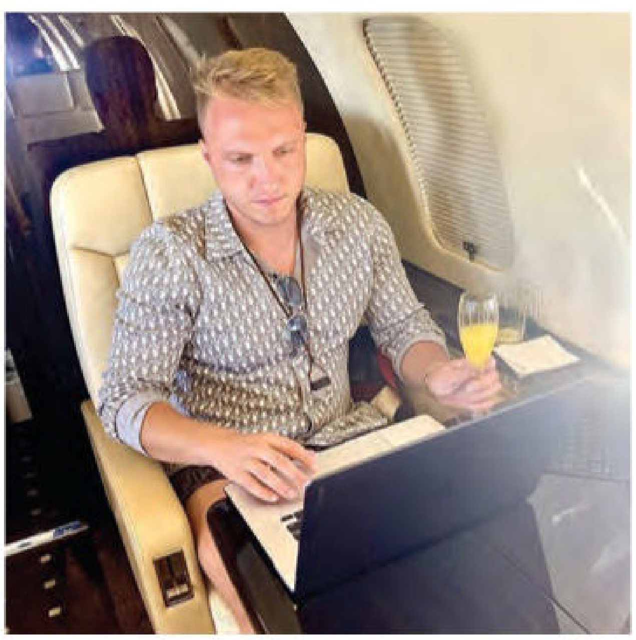
“ I Am Selling My Lamborghini to Buy More Bitcoin Right Now!”
“Elon Musk Just Did Something Crazy!”
“Emergency! Huge Bitcoin Dump Explained!”

With titles like these, Christopher Jaszczynski’s MMCrypto YouTube videos routinely get over 100,000 views multiple times a day. His MMCrypto channel features breaking news for Bitcoin investors, price analyses, expert interviews, and tutorials for trading in cryptocurrency.

Jaszczynski, a co-founder of Dubai-based company MMCrypto, is a major influencer in the blockchain space. His rapid-fire commentary, sense of urgency about Bitcoin opportunities and live shots of trend charts connect with viewers. The channel had 384,000 subscribers as of mid-May.

Apart from running his YouTube and other social media channels, Jaszczynski also co-founded a network of Blockchain project advisors called MMConsult to evaluate and promote fledgling projects. His degrees in investment management and economics, with studies in digital currencies, give him the credentials to become a prominent leader in the cryptocurrency industry.

In Jaszczynski’s view, the perks of cryptocurrencies such as decentralization, security, mobility and transparency far exceed any short-term issues. Blockchain provides an independent platform, where there is no control of central government or regulator, and Jaszczynski is optimistic about the prospects of broad cryptocurrency adoption.



Role as Liquidity Hedge

The role of Bitcoin as an asset within the international monetary system has been a rather elusive topic for a wider community of blockchain enthusiasts, multinational firms, and institutional investors in the industry. Jaszczynski’s coverage of the issues affecting its adoption helps potential investors understand the changing landscape and what routes may prove most promising.

One of the hot topics in the cryptocurrency discussion is the inclusion of Bitcoin in the balance sheets of publicly traded companies like Tesla, Square, and MicroStrategy. While gold has remained a conventional tool for hedging against inflation, its market supply has been limited. That has drawn investors to consider the crypto market.

Bitcoin adoption as a liquidity hedge is working for Tesla, which reported a $101 million profit from its Bitcoin holdings. While the price volatility of Bitcoin remains a consideration, its liquidity and performance as an asset during some of the recent financial crises has been at an all-time peak. This makes Bitcoin a potentially strong competitor to gold in terms of value storage.

Shifting to Green Energy

Present day crypto miners rely on fossil-fuel energy suppliers to run their operations, a concern for companies committed to green energy like Tesla. Solutions are already being pitched around across the industry, where both miners and energy producers can yield significant benefits from each other. Initiatives from Tesla and Square seek to shift from coal-sourced energy toward cleaner and sustainable power.

Whether investors decide to trade their luxury cars or put the brakes on Bitcoin plays, Christopher Jaszcynski’s MMCrypto is high-octane fuel for thought.

MONEY & INVESTING

By **Antoine Gara**

Photograph by **Mary Beth Koeth** for Forbes

Big Mouth, Bigger Returns

In the last ten years, hedge fund investor **ADAM WYDEN** made his investors 11 times richer, and made $100 million for himself, by uncovering hidden stock gems. His biggest worry? That his father, Oregon Senator Ron Wyden, will tax his gains to death.

F

From the sun-drenched house he's renting in the ritzy Miami enclave of Bay Harbor Island, Adam Wyden is livid at the news crossing his Bloomberg terminal. It's April 22, and markets are sinking on a report that President Biden aims to raise capital-gains tax rates to 39.6% for high earners, effectively doubling the rate for rich investors.

"It's anti-American!" Wyden bellows. "I'm very disappointed with American governance right now. Do you think any of these guys actually know what they're doing?"

For an answer, Wyden could ask his father, Senator Ron Wyden, a Democrat from Oregon and chairman of the powerful Senate Finance Committee. The elder Wyden is a tax-the-rich champion who dubbed former President Trump's corporate tax cuts a "partisan tax scam." His son, by contrast, isn't registered with either political party but is instead a card-carrying member of the Benjamin Graham party, with a dogged devotion to finding undervalued stocks. And his record to date has been nothing short of staggering.

Over the past decade, the younger Wyden, 37, has grown his bar mitzvah money and personal savings into a $350 million hedge fund in which his share is now worth $100 million. Through his Miami-based ADW Capital Partners, Wyden has proven his mettle as a deep value investor buying companies full of underappreciated assets. He hunts far from the picked-over S&P 500, preferring micro- and small-cap stocks mostly ignored by analysts and large hedge funds. Since inception in January 2011, Wyden's ADW has returned nearly 28% annualized after fees, roughly double the S&P 500, making investors about 11 times their money in a decade.

Fortunate Son

Adam Wyden's hunt for hidden gems like Ferrari has given him a leg up on the S&P 500. In his Miami garage, however, he prefers Porsches. (He has no interest in the stock of Porsche's parent, VW. It's government-backed and made by a unionized workforce.)

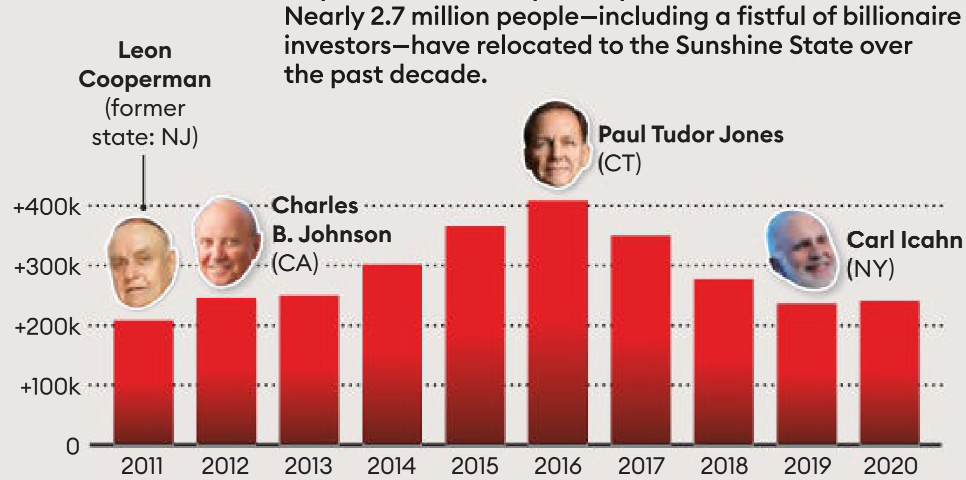
Wyden is no shrinking violet when it comes to making big bets. His fund is the single largest shareholder in Houston's RCI Hospitality, operator of over 40 gentlemen's clubs and parent company of Rick's Cabaret. Wyden built his 10% position beginning in late April 2020, when the coronavirus led investors to believe that in a world of masks and social distancing, a company built on drunken bachelor parties and lap dances was toast. But Wyden reckoned that as the pandemic ebbed there would be pent-up demand for RCI's clubs, many located in Florida and Texas, and that they would reopen fast. Another plus: It's exceedingly difficult to obtain a strip club license, meaning the company has a deep moat around its business.

RCI shares have increased fivefold since Wyden invested. Other recent winners include PAR Technology, which sells cash-register software to restaurants, waste-management company GFL Environmental and construction conglomerate API Group,

Little Big Picture

MARKET MOVERS

Adam Wyden shifted his operations from New York to the sunny, tax-friendly beaches of Florida last July. He's not the only money man to make the trade. Nearly 2.7 million people—including a fistful of billionaire investors—have relocated to the Sunshine State over the past decade.



Source: *U.S. Census Bureau*

MARY BETH KOETH FOR FORBES (TOP); ANEILSON BARNARD/GETTY IMAGES/NEW YORK TIMES

Big Mouth, Bigger Returns *Cont.*

all of which helped his fund to a 119% net gain in 2020 and a further 36% gain so far in 2021.

Wyden bought a large position in Fiat Chrysler in 2014 after learning investors were getting ownership of its Ferrari subsidiary at virtually no cost. The supercar maker was spun off in 2016 and now trades at a $50 billion market value, many times Fiat's entire market cap when Wyden first invested. He calls such investments "Russian doll" stocks because inside, they hold valuable hidden assets.

"This is the golden age of active investing," Wyden says. "Companies worth $1 billion to $10 billion are under-researched and underappreciated."

Raised in Washington, D.C., Wyden caught the investing bug early from his grandmother Nancy, who ran an investment club with members of a local synagogue in Portland, Oregon, where he spent summers. As a teen, to make extra money for investments, Wyden started a car detailing business. He also bought the parts for Tamiya remote-control cars and sold them as finished goods on eBay at a fourfold markup. In 2002, Wyden was admitted to Penn's Wharton School, and as a junior he interned at hedge fund D.E. Shaw. But rather than returning for a full-time job at the quant firm after graduation, he became an analyst at a small merchant bank, where he was introduced to value investing. He was especially impressed by the methods of Joel Greenblatt, a legendary value investor and best-selling author who studied spinoffs and hidden assets.

In 2008, as the stock market was crashing, Wyden enrolled at Warren Buffett's alma mater, Columbia Business School, and began to invest his savings aggressively, looking for "blood in the street" bargain stocks. His focus was on cash-rich, undervalued microcap companies like bottom-tier brokerage firm Rodman and Renshaw, which was trading at between 10 and 30 cents but was profiting by arranging dubious Chinese reverse mergers for hefty fees. The stock went from 10 cents to over $6 in 90 days, and Wyden sold. He then found an even better opportunity in IDT Corporation, a seller of prepaid phone cards and comic books, which was trading at $2 per share but carried $10 a share of cash on its books and another $10 of tax loss carry-forwards. Wyden plowed more than half his growing savings into the company, which ripped higher to $30.

By graduation in May 2010, Wyden's "stack" was a few million dollars, and in January 2011 he decided to launch ADW, raising over $1 million in its first month, mostly from friends and family. (Senator Wyden isn't an investor.)

ADW generated a 91% net return in its first year and went on to score uninterrupted gains for seven years. Even after fees, the fund's value soared sixfold. But big bets on small, illiquid companies carry big risks—and in 2018, Wyden faltered.

EVI Industries, a distributor of commercial laundry equipment, which had soared to $47 from $6 in 2016, when Wyden invested, shed nearly half its value. Wyden lashed out, accusing the company of misalignment. When other stocks in his portfolio began to underperform, he turned activist.

He pilloried the management of PAR Technology, which was family-run. "Clearly, the market must be assigning a 'Sammon family discount' given the family's total disregard for minority shareholders," he groused in a letter to the founders. "[O]ne must wonder if Mr. Sammon has spent the last 30+ years writing his Ph.D. dissertation on 'how to destroy shareholder value.'" Wyden won: PAR management was replaced in 2018, and it has gone on to become one of Wyden's better-performing stocks.

Wyden was even harsher to Atlanta's Select Interior Concepts, which makes flooring and tiling. "In Yiddish, we call these people *gonifs*," he says. "It's easier to steal value than to create value."

In 2018, ADW lost 33%, and a further 6% in 2019 as the market roared higher by 30%. Then came the pandemic, which initially slammed his portfolio but ended up the reboot he needed.

Holding 50% cash heading into the calamity, Wyden figured that the decade-long bull market would resume, particularly for value stocks and companies tied to the real economy that had missed out on the tech stock–fueled rally.

"The market needed a reset," he says. "Now we had it, and everybody's f'ing miserable in their house, and everybody wants to go to strip clubs, go to Vegas and travel and eat in restaurants. . . . I'm really bullish."

"If I never raise another dollar again, I'm going to become a multibillionaire," he predicts.

As for tax increases on the rich, Wyden is a realist. "I don't think I have any sway over my father," he says. As a hedge, he moved his entire New York–based operation to income tax–free Florida last July, spending $4.1 million for a teardown on Biscayne Bay's exclusive La Gorce Island. He has already flipped the property for a $1.4 million profit and is now in contract to buy a larger, brand-new waterfront mansion.

"We are happy Floridians," he says, grinning.

HOW TO PLAY IT

According to Joel Greenblatt

No investor influenced Adam Wyden's deep value approach more than Joel Greenblatt, whose Gotham Capital posted 50% annualized gross returns from 1985 to 1995 before returning capital. Greenblatt then authored four investment books. Wyden's favorite is *You Can Be a Stock Market Genius,* considered the bible of spinoff investing, which tipped him off to his investment in Ferrari via Fiat Chrysler. Greenblatt now runs a novel mutual fund called **Gotham Index Plus** (GINDX), which marries disciplined valuation-driven stock picking with passive index investing. It invests in the S&P 500 Index, but overlays Greenblatt's analysis of its constituents, with bets on companies he deems undervalued and against expensive names. GINDX is up nearly 20% in 2021 thanks to Greenblatt's value-approach. GINDX's biggest holdings are Microsoft, Amazon, Facebook and Google.

FINAL THOUGHT

"THE ART OF TAXATION CONSISTS IN SO PLUCKING THE GOOSE AS TO GET THE MOST FEATHERS WITH THE LEAST HISSING."

—Jean-Baptiste Colbert

HOW TO PLAY IT BY ANTOINE GARA. PATRICK WELSH FOR FORBES

By Antoine Gara and Margherita Beale

Photograph by Ethan Pines for Forbes

Paper Shredder

Former semipro poker player NIMA GHAMSARI bet big that fintech wasn't just for startups. He has built Blend Labs into a business worth more than $3 billion by weaning the nation's biggest mortgage lenders off their steady diet of reams of dead trees—and he's about to go public.

A

Among the big surprises of the pandemic economy was the housing boom. As fleeing city dwellers and cramped work-from-home families bid up the price of spacious suburban homes, rock-bottom interest rates enticed existing homeowners to refinance in record numbers. By the end of last year, 13.6 million mortgages worth $4.3 trillion had been closed, shattering the previous all-time record of $3.7 trillion in 2003. It was a miraculous feat, considering that most of that lending was done while in-person meetings were taboo and overworked loan officers operated from ad hoc home offices as their dogs barked and children fidgeted through remote classes.

Truth is, the mortgage market probably would have melted down were it not for a secret weapon: Nima Ghamsari, a 35-year-old Iranian immigrant who made hundreds of thousands of dollars playing poker online while at Stanford;

Hot Hand

Nima Ghamsari in the Beverly Hills home where he has worked during the pandemic as his business exploded and his software powered nearly a third of the U.S. mortgage market.

joined secretive big-data startup Palantir Technologies upon graduation; and then, at just 26, quit that dream job to start his own software company, Blend Labs, in 2012. "I have always felt like I wanted to bet on myself. I'm willing to take a lot of risk," he says matter-of-factly.

Though invisible to ordinary borrowers and comparatively low-profile in its Silicon Valley home, Blend has had a staggering impact. It now provides digital infrastructure to 287 U.S. banks, including such big mortgage lenders as Wells Fargo and First Republic Bank. In 2020, Blend software was used to process $1.4 trillion in mortgage and consumer loans, up nearly threefold from the prior year. Its staff grew to 750 from 425 before the pandemic. Blend's revenue doubled last year to about $100 million, *Forbes* estimates.

Thanks in no small part to Blend, the mortgage application, underwriting and closing process—once a weeks- or months-long slog of paperwork, emails, faxes and phone calls—can now be done almost entirely digitally. Blend saves an average of 7.3 days and $520 in operational costs per loan and allows a typical banker to close 14 mortgages a month, consultancy MarketWise Advisors estimates. Blend seamlessly integrates with CoreLogic for credit scores, Plaid to check on bank accounts and Google Maps for location data. This enables some banks to offer home hunters quick tentative mortgage approvals with a few mouse clicks—a huge plus in a white-hot housing market.

"We all got stressed last year with the crush of volume," says Tom Wind, president of US Bank Home Mortgage, one of Blend's largest customers. "We were able to serve more customers last year because of efficiencies we have with Blend." In 2020, US Bank saw a 136% increase in mortgage fee revenue without having to increase staff.

Ghamsari and Blend have produced results by bucking convention on Sand Hill Road. Instead of seeking to disrupt the banks (a common fintech goal), he decided to retrofit them, charging for the service. His rationale: He wouldn't have to waste time and money on consumer marketing and could potentially make financial services easier to access for 100 million consumers instead of maybe a million or two.

In January, fresh off its banner year, Blend raised $300 million from blue-chip investors including Chase Coleman's Tiger Global and Philippe Laffont's Coatue Management at a $3.3 billion valuation, doubling its worth in a span of five months. In April, Blend filed confidential documents with the Securities and Exchange Commission for a possible initial public offering, which (given that Blend has an incentive-laden compensation structure similar to Tesla's) could launch Ghamsari on the road to billionaire status—if Blend performs well. There are whispers that SPACs have shown interest in merging with Blend at double its latest valuation, though Ghamsari won't comment.

Blend is a standout on this year's *Forbes'* Fintech 50, which celebrates private startups transforming financial services. Twenty of the Fintech 50 are new this year, reflecting the energy and record venture capital pouring into the sector, the impact of Covid-19 and the fact that six of last year's picks, including crypto exchange Coinbase and Opendoor Technologies, which buys homes quickly for cash, have since gone public. Counting Blend, at least four current members of the Fintech 50 are considering listing on the public markets.

Yet few have had so much impact on ordinary folks' lives. Since the end of World War II, owning a home has been at the center of the American Dream—as it was for Ghamsari's own family. He moved to the U.S. from Iran in 1987 when he was a year old, as his parents pursued graduate studies at the University of Michigan and then settled down in Cincinnati, where his dad taught math at the University of Cincinnati and his mother taught chemistry at Xavier University. After years of renting, Ghamsari's parents were finally approved in 1998 for a low-down-payment mortgage and purchased a no-frills two-story home in Cincinnati for about $100,000. It was the rock their family prospered upon. They later became franchisees of a tutoring company, employing their brainy teenage son to grade and tutor students.

That wasn't the only way the ambitious Ghamsari kept busy before graduating from high school first in his class. He worked at McDonald's, Starbucks and Circuit City, rebuilt Dell computers and taught himself to code. At Stanford, a need-based scholarship helped cover tuition, but Ghamsari tried his hand at online poker to help pay for living expenses. Soon, when he wasn't studying, he was playing day and night, with his winnings extending well into the six figures. "It was my first taste of something where, if I really put a lot of energy and effort into getting better, how good the outcomes could be over a very long run," he says.

To make more time for poker, Ghamsari bought a gas-powered golf cart to get around Stanford's sprawling 8,000-acre campus faster. "I really optimize my time around doing the things that I want to do. I try to make everything that I don't want to do be as efficient—ideally nonexistent—as possible," he explains. (Stealing a page from Steve Jobs' playbook, he has 30 black T-shirts, he says,

HOW TO PLAY IT

According to Bose George

It's unlikely the booming mortgage market will keep up the frenetic pace it hit during the pandemic. Investors have already lost enthusiasm for originators like Rocket Mortgage and United Wholesale Mortgage, which have both sold off in 2021. But the trillions in home loans made in 2020 present a good opportunity for mortgage insurers, which guarantee lenders in the event a borrower can't make his payment. Mortgage insurance is needed for borrowers without the typical 20% down payment. According to Bose George, analyst at Keefe Bruyette & Woods, soaring home prices have benefited companies like **MGIC Investment Corporation**, which targets borrowers with prime credit scores. It's currently trading at a book value of $14 with a 1.68% dividend yield; George says fair value is closer to 1.3 times book, or a 30% gain. "Even if the multiple doesn't improve, you'll get a double-digit return just from book-value growth," he says.

HOW TO PLAY IT BY ANTOINE GARA. PATRICK WELSH FOR FORBES

because "I don't like spending time thinking about what I'm going to wear.")

With little regard for the brilliant undergraduate's precious time, campus police impounded Ghamsari's forbidden golf cart. "It was totally obnoxious for me to have, in retrospect," he concedes. No matter. By the time he graduated with a computer science degree in 2008, he had bought an Aston Martin and been recruited by the ultra-secretive big-data startup Palantir Technologies, originally funded by the CIA's venture arm. He was assigned to Palantir's push to deploy its software inside America's then-teetering big banks, whose patchwork, decades-old technology infrastructure gave them a poor grasp of their problematic mortgage exposures. Ghamsari saw up close the massive opportunity to disrupt banks—or to transform them.

THE FINTECH 50

THE MOST INNOVATIVE FINTECH COMPANIES IN 2021

TWENTY OF THE STARTUPS ON OUR SIXTH ANNUAL LIST—INCLUDING THE FIVE BELOW—ARE FIRST-TIMERS, REFLECTIVE OF THE MONEY AND IDEAS FLOODING INTO THE INDUSTRY. ALL 50 COMPANIES ARE PRIVATE (FOR NOW) AND HAVE HEADQUARTERS OR SUBSTANTIAL OPERATIONS IN THE U.S. FOR THE FULL LIST, PLEASE SEE **FORBES.COM/FINTECH/2021**.

Edrizio De La Cruz 40

ARCUS, CO-CEO AND COFOUNDER

At age 12, he emigrated from the Dominican Republic to the South Bronx. Six years later, he started working at JFK Airport as an airplane mechanic and finally, at 23, enrolled in Baruch College. After stints in investment banking and earning a Wharton MBA, he cofounded New York–based Arcus in 2013. Its software enables companies to offer digital wallets and online payments to Latin American consumers. With $19 million in funding from SoftBank, Citi Ventures and others, Arcus has 85 customers, including Walmart, BBVA and fast-growing Mexican food-delivery startup Rappi.

Joshua Motta 37

COALITION, CEO AND COFOUNDER

This CIA and Goldman Sachs alum was helping build Cloudflare when a former Goldman colleague offered to back him in a startup. Founded in 2017, Coalition sells small and midsize businesses tools to manage cybersecurity risk, packaged with up to $15 million in insurance, covering everything from ransomware attacks to fraudulent fund transfers and personal-information breaches. With capacity commitments from Swiss Re and Arch, it already has 42,000 customers and gross written premiums running at a $240 million annual rate. Coalition has raised $300 million and was last valued at $1.8 billion.

Wole C. Coaxum 51

MOCAFI, CEO AND FOUNDER

The 2014 police shooting of Michael Brown in Ferguson, Missouri, prompted Coaxum to leave his two-decade banking career (he was a senior VP at JPMorgan Chase) to work on economic solutions to inequality. In 2015 he started MoCaFi, which aims to reach underserved communities by teaming with local governments. Its app provides fee-free direct deposit, ATM withdrawals and a debit card that gives users access to partnered city services like discounted transit fares. Striking deals with cities takes time, but backed by Mastercard and Citi, he expects 100,000-plus app users by year end.

Stephany Kirkpatrick 40

ORUM, CEO AND FOUNDER

As a certified financial planner (and early employee of LearnVest), Kirkpatrick observed consumers' reluctance to put money into high-yield savings accounts because transferring the cash back to their checking account took too long in an emergency. In late 2019, she launched Orum, which uses machine learning to assess the risk of transactions, allowing fintechs and banks to make fund transfers available in a day, instead of the five days often required. With $29 million in VC funding, she has signed up 15 customers, including digital bank SoFi and First Horizon Bank, to use her software.

Charles Cascarilla 44

PAXOS, CEO AND COFOUNDER

An early investor in Bitcoin, this former Goldman financial analyst has quietly built a blockchain infrastructure firm valued at $2.4 billion that serves as the backbone for PayPal, Venmo and Credit Suisse's crypto services. The cofounder of Cedar Hill Partners, he shorted mortgages before the Great Recession and sees the blockchain as a way to shine light into the opaque markets he profited from. His firm's PAX stablecoin, valued at $1.3 billion, is designed to make transactions easier to audit. Paxos also has a cryptocurrency exchange, itBit.

FINTECH 50 BY JEFF KAUFLIN, JASON BISNOFF, KRISTIN STOLLER AND MICHAEL DEL CASTILLO. COAXUM: STEPHEN SPERANZA/THE NEW YORK TIMES/REDUX

APTPAY IS DISRUPTING THE TRADITIONAL WAY INDUSTRIES AND GOVERNMENTS HANDLE PAYOUTS

S. Vishnu Krisnarajah
CEO & Co Founder of AptPay

S. Vishnu Krisnarajah has a successful track record of launching innovative ideas to disrupt the status quo. Aptpay is building on this success, delivering a global platform supporting digital payouts, and changing how disbursements are made. By integrating innovative technologies and regulatory compliance controls, Aptpay enables customers to handle payouts in a new and efficient way.

Photo Credits: Norman Wong

"The insight Palantir had was that there was this immense growth in the amount of data being captured by organizations, but there was no way to harness that data for operational things," he says. "You had to literally read pieces of paper, because all the data in the mortgage industry at the time was done in an analog way."

Like other employees, Ghamsari had stock options and could have cashed in when Palantir eventually went public in 2020. Instead, in 2012, he and two other young colleagues (former quant trader Rosco Hill and engineer Eugene Marinelli) founded Blend together with Erin Collard, the head trader of billionaire Peter Thiel's hedge fund, Clarium Capital, to bring new cloud-based technology to the earthbound banks. They gained early backing from Thiel and Max Levchin, now worth $1.4 billion thanks to his newly public fintech, Affirm, which allows people to pay for items in installments. The four founders first worked out of Ghamsari's cramped San Francisco apartment, until his roommates complained. So they rented a Mission Bay apartment, which they used as offices, hauling sleeping bags into closets for naps during round-the-clock coding sessions.

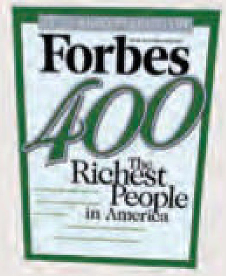
At first, venture capitalists, focused on fast, disruptive growth, were skeptical of Blend's approach. Winning business from stodgy banks was uncertain, they warned, and there were only so many banks to sell to. "Venture capitalists doubted us. I can't even count how many times I've heard them say, 'This will never work,' or '[banks] won't actually use it,'" Ghamsari recalls.

But changes in the mortgage market eventually played into Ghamsari's hands. In an effort to cut risk after the 2008 financial crisis, large lenders like Bank of America and Wells Fargo started offloading hundreds of billions in mortgages to third-party servicers. Those servicers needed help managing their massive new portfolios and were more open to getting it from young tech wizards than banks might have been. Early Blend customers included Nationstar Mortgage (now Mr. Cooper), the country's third-largest mortgage servicer.

Blend's big break, however, came courtesy of a competitor. In 2015, Dan Gilbert, the Quicken Loans billionaire, launched Rocket Mortgage, which cut mortgage closing times from over 40 days to just a month—similar to what Blend was offering. "Every bank's board woke up and said, 'Oh, my God, we need to find a solution to compete with this, because if we don't, we're going to lose volume to Rocket.' Blend was one of those answers," recalls Jeffrey Reitman, a partner at Blend investor Canapi Ventures.

The Vault

A RICH MAN'S GAME



In 2007, *Forbes* convened five billionaires—John Catsimatidis, Stewart Rahr, Tim Blixseth, Phil Ruffin and Ron Burkle—for a charity poker tournament filled with friendly barbs and big bets.

"How much?" Catsimatidis yelps.

"$2,000 to you, John baby!" Rahr goads, having already folded in his struggle to avoid being the first guy to get forced from the game for running out of money.

"What could you possibly have?" Catsimatidis asks. Ruffin just smiles. Rahr needles Catsimatidis again: "You've got it, John. C'mon, you can raise the price of oil tomorrow."

"Maybe I should raise the price of oil tomorrow," he responds–and then folds.

In the end, casino boss Ruffin came out on top. The house always wins.
—OCTOBER 8, 2007

Through the first half of 2017, Blend received just $67 million in outside funding. But after VCs saw it had won Wells Fargo, US Bank and mortgage originator Movement Mortgage as customers, they started calling. In August 2017, Blend raised $100 million at a half-billion-dollar valuation in a round led by Greylock with Emergence Capital, 8VC, Lightspeed Venture Partners and Nyca Partners.

With that cash, Ghamsari was able to add hundreds of smaller banks as customers. He also expanded functionality, giving borrowers the ability to upload documents and banks the ability to manage more of the closing process, as well as the applications process, digitally. In 2019, Blend raised a further $130 million and hired Tim Mayopoulos, the now 62-year-old former CEO of Fannie Mae, as its president, giving it instant credibility with banks and government-backed mortgage finance agencies, known in the trade as GSEs. Ghamsari "came and visited me in my office, and he was this scruffy guy in a black T-shirt," Mayopoulos recalls. "But it was clear that he had the same vision about how the system ought to work that I did: It should all be driven by reliable data that gets shared with all the key participants in the process, from the consumer to the lender to the ultimate holder of the credit risk [the GSEs]."

Blend isn't stopping at mortgages—or banks. By 2019, it had launched paper-reducing software for homeowner's insurance and home-equity and auto loans. It's also enabling homebuilder Lennar to offer mortgages. In March, it agreed to acquire title-insurance and settlement company Title365 for $422 million, with the aim of integrating even more of the home closing process into its services—and collecting insurance fees.

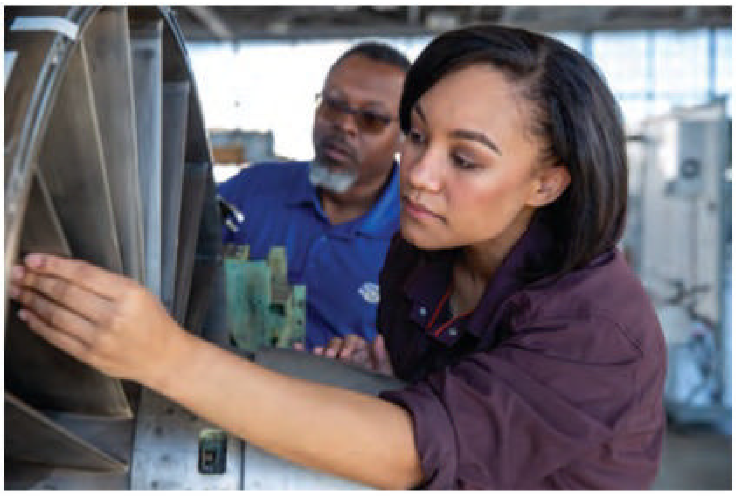
Ghamsari's vision is hardly modest. He argues that software can eliminate tens of billions of dollars a year of unneeded friction in the financial system. "In 10 years, finance is going to be truly digital and proactive in real time," he says. Consumers will open an app and get real-time recommendations, based on their individual financial picture, with Blend powering it all. If that happens, he adds, "This will be one of the biggest companies in the world."

FINAL THOUGHT

"TECHNOLOGY HAS BECOME THE DEFINING FORCE OF A NEW SOCIAL ORDER IN WHICH EFFICIENCY IS NO LONGER AN OPTION BUT A NECESSITY IMPOSED ON ALL HUMAN ACTIVITY."
—Jacques Ellul


ST. LOUIS 3:10 PM
AT ANY GIVEN MOMENT, DISCOVERY IS HAPPENING.
Not a second is lost in the fight to end Alzheimer's for good. Our groundbreaking actions establish foundations that make today's advances possible. Like grant funding that expands international studies on the genetic causes of Alzheimer's.
Learn more at alz.org/anygivenmoment
alzheimer's association

LOUISIANA'S HBCUs POWER STEM WORKFORCE OF **YOUNG, BLACK PROFESSIONALS**



Southern University's Shreveport campus offers an opportunity for students to get hands-on training for jobs in the aerospace industry. (Photo courtesy of Louisiana Economic Development)

Historically Black colleges and universities (HBCUs) were founded on the belief that everyone deserves access to higher education. In Louisiana, six HBCUs provide such access and degrees that are within reach.

But there's another important vision beyond caps and gowns: to connect young Black women and men with their first jobs. In Louisiana, it's a shared vision, one that continues to be realized thanks to the hard work of degree-seekers, partnerships within the higher education community and innovative workforce programs designed to meet the needs of employers looking for young, bright minds.

Famous musicians, artists and celebrities are among the alums of Louisiana's HBCUs. How about Southern's Morgan Watson? In case that name doesn't ring a bell: Watson was among NASA's first Black rocket engineers, working on the Apollo 11 mission that sent the first man to the moon.

The groundbreaking work of alumni like Watson paved the way for the next set of graduates who will come from the over 20,000 current enrollees at Louisiana's HBCUs. And like their predecessors, many will step foot into science, technology, engineering and math (STEM) fields. That's because HBCUs in the Pelican State are educating and training their students to become engineers, pharmacists, software developers and aerospace and cybersecurity specialists.

Louisiana's workforce development and training program, Louisiana Economic Development's LED FastStart, has been a key cog for partnerships and job fulfillment. The program has been ranked as the best in the nation for 11 years running in part because of the outstanding work being done through its partnerships with HBCUs.

In northern Louisiana, LED FastStart pairs higher ed and high-tech to fill jobs along the state's I-20 Cyber Corridor, a busy stretch of interstate booming with tech companies. There, you'll find the Aerospace Technology Center at Southern's Shreveport campus preparing students for engineering and mechanical careers in that industry sector.

At Grambling State, a 50,000-square-foot digital library supports university degree programs in computer science and computer information systems. Grambling offers the state's only degree in cybersecurity and the first recipients picked up diplomas at the end of 2021's spring semester. The university is the largest producer of computer science graduates in Louisiana.

DXC Technology, with a Regional Innovation Delivery Center in New Orleans, lends its prowess in cloud computing to the state's HBCUs. In partnership with LED FastStart, DXC offers experiences in areas crucial for new hires through apprenticeships and cloud computing boot camps, while also funding scholarships. The Southern University (SU) System has offered over $350,000 in scholarships across its Baton Rouge, New Orleans and Law Center campuses through the partnership. Over 120 students in the SU System have participated in technical certification courses.

Studies in STEM fields aren't limited to tech. The state's two private HBCUs, Dillard University and Xavier University of Louisiana, are renowned for their roles in medicine. Both are located in New Orleans.

In all of higher ed, Xavier ranks first in the nation for the number of Black graduates that go on to complete medical school. The university also ranks as the nation's best for awarding bachelor's degrees to Black students in the biological and biomedical sciences, physical sciences and physics.

In addition, Dillard University has the most Black female physics graduates in the nation. The university is the third top producer of physics bachelor's degrees awarded to Black students.

Education is the access point by which groups from all backgrounds can capture the American dream. Thanks to Louisiana's HBCUs, America's next generation of Black professionals is being prepped for in-demand STEM jobs that await after the walk across the graduation stage.

Xavier University of Louisiana ranks first in the nation for the number of Black graduates who go on to complete medical school. (Photo courtesy of Louisiana Economic Development)

Louisiana's Historically Black Colleges and Universities	Founded
Dillard University (New Orleans)	1869
Grambling State University (Grambling)	1901
Southern University (Baton Rouge)	1880
Southern University at New Orleans	1956
Southern University at Shreveport	1967
Xavier University of Louisiana (New Orleans)	1925

By Chris Helman

Photograph by **Matthew Mahon** for Forbes

Reversing the Flow

MICHAEL S. SMITH bet big—and wrong—that the U.S. would need to import liquefied natural gas. Now he's poised to mint money from his $14 billion LNG *export* terminal.

Shale Gas Billionaire

Michael Smith at his massive LNG operation on Quintana Island, Texas, which is now shipping out more than 2% of the United States' natural-gas production. "It's my baby," he says.

Quintana Island is a seven-mile speck of land off Freeport, Texas, tucked in where the Brazos River empties into the Gulf of Mexico. Over the past 200 years the island has been home to a Mexican fort, then a busy seaport for early Texas farmers, who shipped out cotton. Union ships later bombarded Confederate troops stationed there. In 1900 came the Great Galveston Hurricane, which killed 11,000 in the immediate vicinity and wiped Quintana clean. By the time Michael S. Smith set foot on the island in 2002, it was languishing: a few dozen dilapidated homes, a migratory bird sanctuary and beach, and a brownfield of storage tanks built

on fill dredged from navigation channels. “We’d be sinking in the mud if we were standing here then,” Smith says.

Smith has made his own historic mark on the island. Having spent $14 billion, he now owns a controlling interest in Freeport LNG, which chills and exports 2 billion cubic feet of natural gas per day, most of it so-called shale gas, horizontally drilled, hydraulically fracked. At current market prices that daily output is worth some $14 million, on which Freeport collects about $5 million a day in tolling revenue. “We are taking clean American natural gas, adding tremendous value and exporting it to countries that do not have enough energy and would otherwise be burning dirty coal,” he says.

Since becoming operational in September 2019, Freeport LNG has loaded 200 cargoes destined for Japan, South Korea and Croatia, where a single shipment can meet the annual energy needs of tens of thousands. Freeport will export about 15 million tons of LNG this year—the energy equivalent of 130 million barrels of oil—and is on track to book nearly $2.5 billion in revenue. Smith’s 63% ownership in the limited partnership is worth in excess of $1 billion.

Liquefying gas involves chilling methane down into a minus-260-degree liquid that can be pumped into thermos-bottle tankers and then shipped around the world. To do so economically, Freeport LNG has erected some of the world’s biggest LNG machines, called “trains.” It started by hammering 36,000 pilings 100 feet into mushy Quintana ground. Atop that now stands enough steel to build six Eiffel Towers and 192 miles of gleaming pipe, all anchored in 496,000 tons of concrete. What’s truly extraordinary is that all this was built not by some multinational energy giant but by one individual: the stubborn, Bronx-born Smith.

He admits he initially got his bet wrong. Back in 2002, when he got his start on Quintana Island, Smith’s strategy was not to export LNG at all, but to import it. He believed at the time that the U.S. would soon run short of affordable supplies of domestic gas. Indeed, he first raised $800 million to build an import terminal that by 2008 was obsolete before it was even completed.

Having been the first mover in a failed strategy, though, put Smith in prime position to reverse course and export, rather than import, LNG. All he had to do was manage a few risks: raising $14 billion, jumping through regulatory hoops and completing one of the world’s biggest construction projects. “Our capital costs were off by more than 2x,” he says. “We just didn’t know.” A decade later, thanks to the fracking revolution, the U.S. now exports a record 10 billion cubic feet of gas per day, about one-tenth of domestic production.

Smith is a large man who at age 66 is still skiing and scuba diving despite some replacement joints. He has a lopsided nose and plenty of “da Bronx” still in his voice. His father ran a business involved in turning garbage into fuel. Smith studied premed at Colorado State University, but his senior year he “realized I was going to be a doctor for all the wrong reasons. I didn’t know what I wanted to do.” So he dropped out and became a Vail ski bum.

To earn a living, Smith got his real estate license in Colorado in 1978, selling commercial properties out of Fort Collins. Vital to his later success was learning all the paperwork—deals, contracts, plans, permits. Real estate provided a natural pivot into oil and gas; in the late 1970s, when oil prices spiked, he got into leasing land for drilling near where more experienced operators had just hit big wells. “When I started drilling wells, I would sit the wells myself,” he says, meaning he’d stay on site alongside the roughnecks. “I found out that I had the fundamentals to understand the technical side of the business.” Rather than pay engineers, Smith used a calculator: “I did it on my HP 12c.

“I had eternal optimism,” he continues, “but I was always afraid there was so much I didn’t know.” Such as oil prices’ tendency toward volatility. When oil plunged in the late 1980s, Smith bought out his partner for little more than the assumption of liabilities. To save cash, he paid service providers Halliburton and Maverick Tube with interests in new wells. Smith took Basin Exploration public in 1992. Big finds grew elusive, so in 1995 he transformed Basin, sold the Rockies assets, cut staff and shifted operations to Houston to drill in the Gulf of Mexico. That got frustrating too, leaving Smith convinced that domestic supplies of natural gas were drying up. In 2000 he sold Basin for $410 million to Stone Energy, pocketing about $60 million.

Just 45, Smith had a fortune, but he wasn’t ready to hit the slopes full-time. In 2001, at the Brown Palace Hotel in Denver, he met Charif Souki, a former investment banker and restaurateur with a small gas company called Cheniere Energy. They both believed the United States would soon need to import gas. Souki had scoured the Gulf Coast for prime LNG locations and had options on three sites, including Freeport. Smith could have thrown in his lot with Souki, but he wanted to run his own show. He

HOW TO PLAY IT

According to Brad Frishberg

With inflation fears rising, Brad Frishberg, manager of Macquarie Global Infrastructure Total Return Fund, recommends finding shelter in “durable businesses with highly contracted cash flows that have minimal short-term sensitivity” to price increases—like toll roads, pipelines and LNG terminals. His top holdings include **Cheniere Energy** ($9.4 billion sales), which exports LNG from facilities in Louisiana and Texas, and **Sempra Energy**, which has LNG assets on the Gulf Coast and the Pacific coast of Mexico. Frishberg sees strong pricing for LNG in the years ahead, as “project delays and cancellations are increasingly likely to tighten the supply outlook.” Among his more offbeat infrastructure bets: **ENAV SpA**, a regulated monopoly (and reliable dividend payer) providing air traffic control to Italy. “Air travel will return to prior levels once travelers feel safe.”

HOW TO PLAY IT BY CHRIS HELMAN. PATRICK WELSH FOR FORBES

Reversing the Flow *Cont.*

put up $14 million for 60% of the Freeport site.

The project united his real estate and energy skills. Smith recouped his initial investment by getting big potential customers like Dow Chemical and ConocoPhillips to put down deposits and eventually sign 20-year contracts securing the right (but not the obligation) to turn LNG back into usable gas at Freeport. With those anchor tenants in place, ConocoPhillips put up more than $500 million to build the import terminal, including insulated tanks big enough to stack Boeing 747s in. "If I had known the costs would become so high, I would've just looked at Charif's proposal, shut it and kept on going," Smith says.

By 2008 it was clear the boom in shale gas had made their import terminal dead on arrival. But thanks to those 20-year contracts, Freeport LNG was still making $25 million a year . . . for doing nothing. Says Smith: "We had built this facility, and it literally never got used."

He therefore made a bet that it was more lucrative to reverse the flow and *export* America's natural-gas bonanza (up 74% in two decades, thanks to fracking some 33 trillion cubic feet per year). As Jason Feer, of the consultancy Poten & Partners, says, "These guys were quick to understand the value of these stranded assets just waiting for repurpose." Smith again raised money by selling 20-year contracts for services to liquefy natural gas to BP and Japanese giants such as Osaka Gas and Jera. He also sold equity stakes in specific aspects of the project: The two Japanese companies put up $1.25 billion to own 50% of train 1. Australian private equity firm IFM Investors injected $1.3 billion for 56% of train 2. In 2014, private equity giant GIP bought 25% of the limited partnership for $850 million. With solid backing, Smith's team borrowed massive amounts.

Most NIMBY conflicts were resolved when Freeport LNG bought and demolished some 60 homes on the island. The biggest frustration was Hurricane Harvey, which dumped two feet of rain in 2017 and ruined equipment. Finally, in late 2019, Freeport LNG was operational. "He built it. It's finished. He has accomplished something remarkable and done a phenomenal job," says Souki, a friendly rival, who in 2015 left Cheniere to start LNG developer Tellurian Energy. "Any kind of construction risk is out of the way. It's the safest business model possible—just a tolling business impossible to replicate today."

Today Freeport LNG carries $13 billion in debt. That's manageable. With customers locked in to paying $2.5 billion a year for the next two decades, there will be enough to pay off debt, keep the machines running and make distributions to Smith and partners.

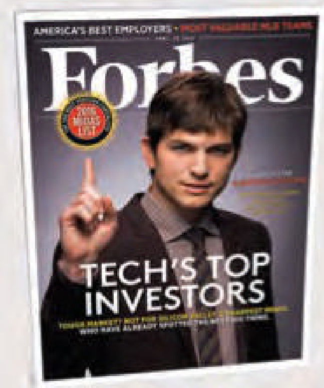
There are still headaches. No sooner had Freeport LNG gotten all three trains operational in early 2020 than Covid-19 lockdowns dashed global demand for gas. Amid canceled cargoes, summer LNG prices slumped to $3.40 per million BTU (British Thermal Units). This January, though, LNG shot up to a record $18.50 per million BTU in Asia, before falling again to $7. Such volatility could spur dealmaking. "That's the impetus to signing 20-year supply deals—utilities in Japan have to make sure they have the gas they need," says analyst Alex Munton, of energy consultancy Wood Mackenzie. As for Freeport, "they need to know there's a buyer for the gas."

Smith already has approvals to add a fourth train and might use it to market premium, lower-carbon-footprint LNG. Sounds gimmicky, but customers want it. And because Freeport LNG gets all its electricity off the Texas power grid—which has benefited from a decade-long boom in wind power—he can sell his product as greener than LNG generated with gas-fired turbines.

The gas is greener, too. According to Lawrence Berkeley National Lab, we can credit the shale fracking boom for nearly half of the reduction in U.S. emissions since 2005, as utilities switch from higher-carbon coal. With plenty of coal left to displace, "our transition to renewables, no matter how fast we do it, is going to take a long time," Smith says. "There's still going to be a large role for natural gas." He's confident that the LNG market can grow 50% by 2030—and keep those ships docking at Quintana Island for decades to come.

The Vault

IF YOU BUILD IT, THEY WILL COME



Michael S. Smith isn't the only billionaire making a bold, privately funded infrastructure play. Colombian banking mogul Jaime Gilinski Bacal and his partners have pumped more than $1 billion into turning a former U.S. Air Force base near the Panama Canal into a massive business-friendly city, which *Forbes* took in via chopper for our April 19, 2016, issue.

"Scanning the 4,450-acre expanse, Gilinski points out a university campus, hundreds of new homes, a basketball court, schools, parks and even an airport. Construction sites are everywhere: Here will be an amphitheater, there a golf course, here a shopping mall, there a hospital. It is the world's most audacious real estate project, which started as nothing more than the harebrained idea of the man in the helicopter."

Five years later, construction continues at Panama Pacifico, where 1,300 of a planned 30,000 homes have been built and companies including 3M, Dell and FedEx have already set up operations.

FINAL THOUGHT

"THE FUTURE IS BUT THE OBSOLETE IN REVERSE."

—Vladimir Nabokov

By Iain Martin | Photograph by Sandra Sobolewska

Pickup Game

Five years ago, **RAFAŁ BRZOSKA** was on the brink of bankruptcy. Now Poland's parcel king is a billionaire, having bet that the future of e-commerce *isn't* home delivery.

Pole Position

InPost founder Rafał Brzoska competes with Amazon elsewhere in Europe, but the Seattle-based giant has used his e-commerce lockers since it launched in Poland in March.

It was the summer of 2016, and the walls were closing in on Rafał Brzoska. The then-38-year-old Polish entrepreneur had spent nearly two decades transforming InPost, a college dorm-room business that shoved supermarket coupons through letterboxes, into a $120 million–a-year commercial mail business. But competing against the government's postal service was taking a toll. He had $65 million in debt and was frantically trying to find new investors while staving off the repo man.

"One of my key points with the new investors was, 'I want to repay all the bonds, all the banks, all the people that have lent us money,'" recalls Brzoska, who is now 43. "The investors wondered why, and I told them, 'I want to live in this

country, and you only have one name, one face.' "

Those investors weren't interested in Brzoska's dying postal business but in the automated e-commerce lockers spinoff he had started in 2010. Amazon and other online retailers ship packages for pickup to these refrigerator-sized street lockers, which cost around $20,000 to install. They are popular because mailmen in Europe will rarely leave a parcel unattended on a stoop. That effectively stops porch piracy (54% of Americans say they've had a package swiped), but if you miss the doorbell you're in for a slog to the post office.

On the brink of bankruptcy, Brzoska moved to shut down the mail business in summer 2016 ahead of talks with his rescuer, Advent International. The Boston-based private equity group took InPost private the following April. The $110 million deal paid off the company's debts and gave Brzoska a further $125 million to nearly double the size of his parcel locker network to 4,400 in a year.

It was both a sweetheart deal and a shrewd one. Poles were late to embrace online shopping, but by 2017 e-commerce sales were growing at a steady 20.4% per year. Then came the pandemic, and online shopping jumped 36% in just 12 months. InPost's revenues soared to $677 million, up 104% in 2020. Brzoska's lockers handle 36% of all parcels shipped in Poland.

"There were a lot of reasons to say no to this one, and a lot of people did say no," says Paul Atefi, a managing director at KKR, which loaned InPost $145 million in 2018 to build new lockers. Brzoska now has 11,734 lockers in Poland and more than 1,100 in the United Kingdom, plus a few hundred in Italy. "But when we started looking at a machine-by-machine basis, it was really compelling. Sometimes the payback was as low as 1.5 years per machine. . . . We love this company."

The margins are enviable, too. Brzoska charges around $2 per package, and his costs are limited to locker setup, labor and leases for locker space. InPost pocketed $97 million in profit in 2020. "Our automated parcel machines are doubling revenue year-over-year," he says.

"In Poland they're targeting to increase Ebitda margins to more than 50%," says David Kerstens, an analyst with Jefferies International. "And that's compared to Ebitda for postal operators, such as Royal Mail, that are low single digits."

Putting lockers within "slipper distance" of shoppers' homes and offices transformed the business, says Marek Różycki, a consultant who advised Advent on the InPost deal. "If you have to trek a mile to your nearest locker in the pouring rain, that's not appealing. But in Poland, my nearest locker is 350 meters away. It's almost like home delivery—and more convenient."

InPost learned the "slipper rule" the hard way. Advent rolled back Brzoska's wild expansion to four continents, which left the company thinly spread and overextended. "This was a classic scenario where you have a charismatic, very entrepreneurial individual managing a business that was growing very fast," Różycki says. "But he took on too many projects with too few resources."

InPost went public again in January on Amsterdam's stock exchange, valuing the business at $9.7 billion; Brzoska's stake is currently worth $1.1 billion. He has persuaded investors that his lockers are a cheaper, greener alternative to fleets of delivery trucks crisscrossing Europe's cities. One storage unit can do the work of 24 trucks, Brzoska says: "That's why lockers are the future."

While Brzoska was mastering the locker business, his main rivals—Europe's postal services, plus UPS and Amazon, which have experimented with lockers—took a different tack, boosting home delivery and signing up thousands of corner stores to handle package pickups and returns. It was a quick, cheap way to scale versus lockers, but the pandemic-driven e-commerce boom has left bodegas from Berlin to Bilbao with aisles crowded with packages and long lines for returns. "Convenience stores aren't that convenient for parcel collection, and particularly not during the pandemic," Kerstens says.

Brzoska's plan is to cut those lines—and leap ahead in Europe—with a $675 million deal, announced in March, to buy delivery giant Mondial Relay and drop his lockers at the busiest stores in its France-wide network.

Brzoska's dramatic results have not gone unnoticed. Alibaba and Allegro—Poland's e-commerce powerhouse, which accounts for a quarter of InPost's sales—now have lockers in Poland, while Europe's postal giants, such as Germany's Deutsche Post, are also betting on parcel machines.

Brzoska isn't the underdog this time, and he won't shy from a fight. He credits his star sign and lucky bead bracelets—incongruous against his tailored suits—for the fact that he survived earlier rounds with postal heavyweights. "I told my team: 'I am a Scorpio. I will survive, and you will survive with me, because Scorpios are always like this, fighting until the very end.' " F

HOW TO PLAY IT

By William Baldwin

A pandemic, rising gas prices and ever-better logistics software have combined to create a virtuous circle of efficiency: As delivery routes get denser, the cost of package delivery comes down and people are more willing to give up their trips to the mall. The obvious winners in e-commerce, like Amazon and Shopify, are overbought. Look for less glamorous outfits whose share prices are reasonable multiples of what Value Line projects for cash flow, in the sense of net income plus depreciation: **United Parcel Service, Prologis** (smart warehouses), **XPO Logistics** (keep the shares of its logistics operation when it's spun off) and **WestRock** (cardboard for boxes).

William Baldwin is Forbes' *Investment Strategies columnist.*

FINAL THOUGHT

"PIVOTING ISN'T PLAN B—IT'S PART OF THE PROCESS."

—Jeff Goins

PATRICK WELSH FOR FORBES

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“NETWORKING IS EVERYTHING FOR A SMALL BUSINESS IN THE CHARLOTTE REGION, WE HAVE UNIQUE COWORKING EXPERIENCES THAT ARE DRAWING BUSINESSES TOGETHER.”
CHRIS MOXLEY
704 SHOP CO-OWNER
40%
OF THE WORKFORCE IN THE REGION IS EMPLOYED BY A SMALL BUSINESS
92%
OF BUSINESSES IN THE REGION ARE SMALL BUSINESSES
(WITH 50 OR LESS EMPLOYEES)
TOP 10
(NO. 8) METRO FOR WOMEN ENTREPRENEURS
SOURCE: SMART ASSET
3 HOMEGROWN
STARTUPS
HAVE BECOME UNICORNS
(PRIVATELY OWNED COMPANIES VALUED AT MORE THAN $1 BILLION: TRESATA, AVIDXCHANGE, RED VENTURES)
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Making Capitalism More Inclusive For Business

CHARLOTTE ENTREPRENEUR CITES ACCESS TO CAPITAL AS 'KEY TO THEIR SUCCESS'

It came as no surprise to Chris Moxley when Charlotte was named in 2020 one of the best cities in the U.S. for starting a business. The co-founder of 704 Shop, a lifestyle and apparel brand, could have launched his new venture anywhere in the 704 area code, which covers most of the Charlotte Region. But he chose the heart of the region as his home base and a motto that would resonate from Statesville to Shelby to Salisbury: "Stay close to home."

"The whole premise behind 704 Shop is the attractiveness of our entire region," Moxley said. "The idea is, no matter where you are in the world, if you have roots in Charlotte, you can stay close to home through our brand. We're one of the fastest-growing cities in the country, with new residents arriving every day from some of the best cities in the world. But regardless of where you are located, our brand is designed to help everyone stay connected."

Expanding Access To Capital

Several factors work in Charlotte's favor as an emerging place for startups such as 704 Shop, including the availability of early-stage funding and job growth that beats national growth in nearly every sector. For Moxley, Charlotte is also an attractive place to launch a new business because of programs designed to expand access to capital.

"We've got to put resources at the fingertips of businesses, and when I say resources, what I'm referring to is capital," he said. "It takes capital to be able to start a business. Most businesses bootstrap with next to no outside cash, and I think that has a lot to do with why businesses have such a hard time scaling. It's very difficult to get capital from traditional sources if you're a small business. If we could put more capital at the ready for small businesses, I think that's the key to their success and to the success of the Charlotte Region."

Programming, Mentorship, Guidance

In Charlotte, AMP Up is a business-growth education program that helps small-business owners increase their revenues, create jobs and positively affect their community. A hallmark of the successful program, now in its fourth year, is helping small-business owners gain access to the resources they need for growth. Eligibility requirements emphasize ethnic minority business owners with 51% or greater ownership of the business.

"If you're going to provide businesses with capital, or at least make capital easier to access, you have to realize that simple access to capital is not going to be enough," Moxley said. "You also need programming and mentorship and guidance. Fortunately for Charlotte, programs like AMP Up are just the kind of small-business accelerator programs that minority business owners need to succeed. We must make capitalism more inclusive over the long term, and Charlotte is on the leading edge of doing just that."

Chris Moxley is co-founder of 704 Shop, a lifestyle and apparel brand based in Charlotte. 704 Shop is an investor in the Charlotte Regional Business Alliance, which collaborates to promote and advance regional economic development in the 15-county Charlotte Region. To find out why the Charlotte Region is an attractive incubator for startups or to learn more about business relocation and expansion opportunities in the region, visit **charlotteregion.com**.

50 OVER 50

THE LIST

For these dynamic women, growing older is about getting wiser—and bolder. Meet the inaugural class of entrepreneurs, leaders and creators who are part of an exhilarating movement redefining life's second half and proving that success has no age limit.

EDITED BY **MAGGIE McGRATH**


Julie Wainwright
"You need to think of your career as a long-term investment. . . . Never stop taking risks. And even when you think you're there, you're not there yet. Learning happens at every age."
PHOTOGRAPH BY CELESTE SLOMAN

BY **MIKA BRZEZINSKI**

Even as a kid, I knew I wanted to be a reporter.

Closing my eyes, I had an image of what that future looked like for me after college, when I was 30, then 40. All with a family mixed in some way, somehow.

Anything at 50 and beyond, though, proved mental white space. Did women even have careers at those ages? Looking around back then for role models in my desired field, or pretty much any position of authority, it sure didn't seem so.

Now, four years into my 50s, I wish my teenage self could have conjured what I see now. Women over 50 are having a moment. A 56-year-old woman is vice president of the United States. A 64-year-old woman runs UPS. At 74, Janet Yellen runs the U.S. Treasury; 81-year-old Nancy Pelosi serves as Speaker of the House. Far better, though: All these women, like millions of us, achieved their best success after 50. Rather than just hanging on, experience and wisdom translate into our most productive days still in front of us.

Mika Brzezinski

The *Morning Joe* cohost and founder of Know Your Value has partnered with *Forbes* for this inaugural edition of 50 Over 50.

That's why *Forbes,* in partnership with Know Your Value, believes the time for this inaugural 50 Over 50 list couldn't be better. Our criteria highlight why: First, yes, it's just for women. (Men already have their own 50 Over 50 lists: the Business Roundtable. NFL owners' meetings. The U.S. Senate. And so on.) Second, we're not necessarily looking for the most powerful women, but rather those who leveraged their life experience to achieve their greatest success past 50, with extra points for adversity overcome. Finally, we're looking for scale—and purpose. Women, of course, recognize that the former is useless without the latter. To help focus, we sorted candidates into three major buckets: rainmakers (from CEOs to private equity titans), visionaries (whether tech entrepreneurs or artists) and changemakers (from politics to social entrepreneurship). Most of these extraordinary women touch all three.

We received more than 10,000 nominations for the 50 Over 50, and reviewed every single one, amazing story after amazing story. A large team of screeners winnowed that initial list, using the criteria above, to a few hundred. From there, we convened an incredible panel of outside judges: Diane von Furstenberg, Andrea Jung and Janice Bryant Howroyd. These iconic women over 50 helped us develop this final list.

The results are inspiring. "We need these women to tell their stories, share their paths to success," the First Lady, Jill Biden, recently told me when I relayed some of the names we had discovered, or rediscovered. Those paths have never extended further or looked more beautiful. Just as modern technology has done its work on the biological clock, relieving many women of the need to pack everything into their 30s (freeze your eggs if you need to!), this list, we hope, removes some of the professional *tick-tock* pressure traditionally lurking for younger women. It chronicles what's possible for older women. And it's a reminder to all of us that there's no rush—that we can stop and smell the flowers and enjoy every experience, every twist and turn, all of which provide yet another building block.

How do I know this is taking hold? Because in a world that has valued female youth for millennia, where shaving a few years down felt expected, our fact-checkers found several prospective listees who had *lied up* to get themselves over our age threshold. Now that's change we can believe in.

REBECCA MILLER FOR FORBES

The New Golden Age

SELECTED FROM 10,000 NOMINEES, THESE 50 WOMEN ARE RUNNING COMPANIES AT SCALE ($20 MILLION OR MORE IN REVENUE), LEADING MOVEMENTS AND CHANGING THE WORLD. THEY'RE ALSO PAYING FORWARD THEIR AFTER-50 SUCCESS.

REPORTING BY **ELANA LYN GROSS** AND **LISETTE VOYTKO**

Madeleine Albright • AGE: 84

Diplomat

Born in the former Czechoslovakia in 1937, Albright escaped Nazi occupation with her family, eventually arriving at Ellis Island in 1948. A half-century later, when she was 59, Albright was appointed the nation's first female Secretary of State. She has spent the last 20 years working to safeguard democracies around the world, and in 2018 published *Fascism: A Warning*.

Nandita Bakhshi • 62

CEO, Bank of the West, Co-CEO, BNP Paribas USA Inc.

In 2008, Bakhshi was working at Washington Mutual when it became the biggest bank failure in American history. Not knowing what to do with her career, she returned to her native India to spend time with family and work at a microfinance organization, lending money to women in rural areas. She came back to the U.S. the following year and was tapped in 2016 to be CEO of Bank of the West, a subsidiary of BNP Paribas, where she's using what she learned about gender equity in finance to advocate for women in P&L roles.

Mary Barra • 59

Chair and CEO, General Motors

When Barra was named the CEO of GM in 2014, she became the first woman to lead one of the nation's Big Three automakers. Barra has since pushed the 112-year-old company to focus on 21st-century innovations, including self-driving cars and electric vehicles; she has pledged that the entire GM fleet will be electric by 2035.

Gail Becker • 57

Founder and CEO, Caulipower

Becker's career has taken her from Capitol Hill (she was a broadcast journalist in the late 1980s) to the halls of Warner Bros., where she worked as a communications strategist in the earliest days of the DVD. In 2016, when Becker was running strategic partnerships for communications firm Edelman, she had a breakthrough idea in her kitchen—where she spent too much time and made too big a mess assembling homemade cauliflower-crust pizzas for her two then-teenage sons, both of whom have Celiac disease. Unable to find good frozen options, she decided to package and sell her own, inadvertently creating a new category of cauliflower-based food. Today, Caulipower is one of the fastest-growing food brands, with more than $100 million in annual sales.

Kathy Bolhous • 61

CEO, Charter Next Generation

As the ninth of 10 siblings, who also put herself through college, Bolhous knows a thing or two about healthy competition and hard work. These lessons served her well: In 2010, when Bolhous took the reins as Charter Next's CEO, the plastics company was worth a paltry $62 million. Bolhous kept her head down, investing in the company's technology and, in 2019, engineering a merger with a competitor to form a bigger, better Charter. Investors approve: In May 2021, the company landed an investment (of an undisclosed amount) from KKR that puts Charter's new market value at $4 billion.

Diana Bomar • 74

Founder and CEO, Platinum Cargo Logistics

Bomar dropped out of college to raise her children, but by the time she turned 57, those kids were adults. She realized she was now free to leave a career spent working in sales for other people and go into business for herself. So she launched Catalyst Solutions, an independent logistics company. Four years later, Bomar spun Catalyst into Platinum Cargo Logistics, a domestic and international shipping provider with a staff of 130 and north of $50 million in annual revenue.

Rosalind "Roz" Brewer • 58

CEO, Walgreens Boots Alliance

In 2021, Walgreens Boots Alliance appointed Brewer its CEO, making her the only Black woman at the helm of an S&P 500 company. The daughter of assembly-line workers at General Motors, she was a first-generation college student who started as a trained chemist at Kimberly-Clark. In 2017, Brewer became the first woman and first African-American to serve as COO of Starbucks.

➡ Tracy Chadwell • 55

Founding Partner, 1843 Capital

Only 2.4% of venture capital founders are women, but after a career spent in law and banking, Chadwell felt ready to take on the challenge. In 2016, she founded 1843 Capital (named after the year that Ada Lovelace wrote the first computer program) as a vehicle to invest in early-stage startups founded by women and operating in the "silver tech" space—that is, technology geared toward improving the lives of people over age 50.

Carmen Chang • 73

General Partner, New Enterprise Associates (NEA)

Born in Nanjing, China, and raised in Taiwan, Chang came to the U.S. to attend Stanford. She then spent decades as a lawyer representing some of the world's biggest tech companies: Tencent, Lenovo, Huawei and Foxconn. At 64, Chang switched careers, becoming a venture capitalist. In 2013, she was named NEA's first female general partner. Her eye for Chinese deals has been valuable: Her portfolio of investments includes TikTok's parent, ByteDance, and software company Tuya, which has had the second-largest IPO by a Chinese company in 2021 so far.

Anna Maria Chávez • 53

Executive Director and CEO, National School Boards Association

In June 2020, Chávez was appointed to the biggest job of her life: running an organization that represents the nation's 50 million public-school students during a pandemic that has shuttered in-person learning for more than a year. A longtime advocate for better STEM education for women and the former head of Girl Scouts of America, Chávez is using her position to lobby for more coronavirus relief for schools, arguing that the $54 billion deployed in December is insufficient in the face of municipal budget cuts.

Liz Cheney • 54

Congresswoman, Wyoming–At Large

A conservative who was first elected to her congressional seat at age 50, the daughter of the former vice president has quickly risen to national prominence as her party's most vocal critic of former President Trump. One

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REBECCA MILLER FOR FORBES

of just 10 House Republicans to vote to impeach the former president in January, she has since fought claims that the 2020 presidential election was "stolen," a stance that led her party to vote to remove her as leadership chair in May.

Jennifer Doudna • 57

Cofounder, Mammoth Biosciences

Doudna, a biochemist, was awarded a Nobel Prize in December for her work in CRISPR gene editing, which enables the genomes of living organisms to be modified. She's also an entrepreneur: In 2017, she cofounded CRISPR disease-detecting firm Mammoth Biosciences, which in 2020 raised a $45 million Series B round and counts Apple CEO Tim Cook among its early investors; today, she's the chair of the company's scientific advisory board. Doudna has also applied CRISPR technology to the pandemic through Mammoth's creation of a Covid-19 diagnostic test, though it has not yet been deployed at scale.

Fran Dunaway • 60

Cofounder and CEO, TomboyX

At 52, Dunaway cofounded gender-neutral intimates and loungewear maker TomboyX with her wife. They've gone from working out of their garage to running a fast-growing business whose sales jumped 50% last year, to $24 million. The company also represents the community it serves, with 81% of the 35 employees identifying as female or genderqueer/nonconforming, 42% as LGBTQ and 16% as nonwhite.

Cathy Engelbert • 56

Commissioner, WNBA

In 2019, at age 54, Engelbert was named commissioner of the WNBA, the oldest professional women's sports league in the United States. Immediately prior to that, she spent four years as Deloitte's CEO, the first woman to hold that position. She also sits on the board of McDonald's.

CELESTE SLOMAN FOR FORBES

Amy Errett • 63

CEO and Founder, Madison Reed

Errett worked at Bankers Trust, E-Trade and venture capital firm Maveron before starting her at-home hair color company, Madison Reed, in 2013. Sales for the brand have boomed as the pandemic shuttered salons, including her own. She grew her customer service team, hosted virtual tutorials with colorists and expanded TV advertising. The pivot paid off: Madison Reed raked in more than $100 million in 2020 revenue, double that of the previous year. The company raised $52 million in February, bringing its total funding to nearly $200 million.

Janet Evanovich • 78

Author

Evanovich had been writing romance books with moderate success when, at 51, she published her first crime novel, the first in what became the Stephanie Plum series. Forty of her books have been *New York Times* bestsellers; her advances, which once amounted to $7,000, now routinely top seven figures.

⬆ Aicha Evans • 52

CEO, Zoox

Growing up in Senegal and Paris, Evans idolized Marie Curie and dreamed of becoming a technologist—one who would make an impact on the world. In 2019, after more than a decade working for Intel, Evans got that chance: She was tapped to become the CEO of autonomous-vehicle company Zoox. Less than a year later, she orchestrated its $1.2 billion sale to Amazon but held on to her C-suite spot. "When you're a little girl born in West Africa, you're not exactly supposed to be—at least in this current world—sitting where I am," she says.

Anne Finucane • 68

Vice Chair, Bank of America

Bank of America's vice chair since 2015, Finucane is on the cutting edge of corporate and social responsibility initiatives with a

$300 billion budget to spark climate action and $1.25 billion to support racial justice and equality for people of color. She is a confidante of CEO Brian Moynihan, who once joked that "we all report to Anne."

Jane Fraser • 53
CEO, Citigroup

Fraser became the first female CEO of a major Wall Street bank in March when she took the job at Citi as the first woman to lead the 209-year-old firm. Born in Scotland, Fraser started her career as an analyst at Goldman Sachs in London in 1988. After earning her MBA in 1994, she joined McKinsey & Co. as a part-time consultant while raising her two young children; she later became a partner.

Ina Garten • 73
Chef, TV Host

In 1978, Garten left her job as a budget analyst at the White House to buy a specialty food store in East Hampton, New York. After 18 years, she sold the business and decided to write a cookbook. In 1999, at age 51, she published the best-selling *The Barefoot Contessa Cookbook,* catapulting her career. Her popular Food Network show debuted in 2002, and she has written 12 chart-topping cookbooks in all.

Marla Ginsburg • 65
CEO and Owner, MarlaWynne

At one point a high-ranking television producer with credits including *Highlander* and *La Femme Nikita,* Ginsburg saw her career prospects and investments wiped out after the 2007 TV writers' strike and 2008 recession. So in 2009, Ginsburg bought a sewing machine and taught herself to make clothes. The result: her fashion brand MarlaWynne, which peddles "real woman sizes" and is aimed at Boomers growing older. It has found success on QVC and HSN, where it's one of the top brands. Revenue topped $60 million last year.

Kamala Harris • 56
Vice President of the United States of America

On January 20, 2021, Harris became the highest-ranking woman in American political history *(see story, page 19).* She is the first woman, the first Black person, the first South Asian–American and the first graduate of a historically Black college to become vice president of the United States.

Teresa Y. Hodge • 58
Founder, CEO Mission Launch

When Hodge was 44 years old, she was found guilty of mail fraud and served 70 months in jail. Five years after getting out, in 2017, she cofounded an alternative background-check service, R3 Score, with her daughter (the startup was accepted into incubator Techstars) and Mission Launch, a nonprofit that works with financial institutions to help the formerly incarcerated obtain access to capital to start their own businesses.

Lori Hotz • 54
Cofounder and Co-CEO, Lobus

Three years ago, Hotz started the asset-management platform she wished existed when she was a global managing director at Christie's. Now with $5 billion in assets, Lobus leverages blockchain technology to provide artists, collectors and advisors with management tools including real-time market pricing information, portfolio analytics and a digital inventory. Its mission is to give artists continued ownership over their work so they profit from future sales.

Arianna Huffington • 70
Founder and CEO, Thrive Global

In 2005, at age 54, the journalist and author founded her own media company, The Huffington Post. She collapsed two years later due to sleep deprivation and burnout. It led her to change her habits and, eventually, her career trajectory. At 65, she left to start Thrive Global, a company that aims to help people reduce stress and burnout via media and technology.

Dr. Katalin Karikó

"Everybody was saying no, no, no. But as long as I had one person who was for the idea . . . if you focus, you can stay on course."

Dr. Katalin Karikó • 66
Biochemist and Senior VP, BioNTech

The Hungary-born scientist immigrated to Philadelphia in 1985 with her husband, daughter and roughly $1,200 stuffed in a teddy bear for safe keeping. She pioneered research into mRNA technology in the early 1990s but for years toiled away in obscurity. At one point, she was demoted because a boss deemed the technology too nascent. Now she's being hailed as a hero whose work helped accelerate the development of the Pfizer and Moderna Covid-19 vaccines currently being distributed across the globe.

REBECCA MILLER FOR FORBES

Kay Koplovitz • 76

Cofounder and Chair, Springboard Enterprises

Koplovitz started USA Today Networks in 1977 and helmed the company until it was sold for $4.5 billion in 1998. In 2000, at age 55, she started the accelerator Springboard Enterprises to increase funding for female founders. Since then, Springboard's 835 portfolio companies have created more than $27.5 billion in value.

Ellen Latham • 64

Founder, Orangetheory Fitness

In 2010, Latham cofounded Orangetheory Fitness, a boutique workout that has developed a cult following and, pre-pandemic, hit $1 billion in franchise-wide sales. Starting the company marked a rebound for Latham: When she was 40, she had been fired from her job as a physiologist at a high-end spa. She was a single mother, so to pay the bills she started teaching Pilates out of her home; this eventually morphed into what is now the signature science-backed Orangetheory workout.

Karen Lynch • 58

President and CEO, CVS Health

Lynch ascended to the top role at the 300,000-person health-services company in February. She joined Aetna in 2012 and was appointed its president three years later. She joined CVS as executive vice president when it completed its $70 billion acquisition of Aetna in 2018, and has led its Covid-19 response effort since last March. To date, CVS has administered 23 million Covid tests and more than 17 million vaccines in its stores and long-term care facilities.

Susan Lyne • 70

Founder, BBG Ventures

In 2014, Lyne founded BBG Ventures, a firm focused on early-stage consumer companies with female founders. Her portfolio reads like a who's-who of such startups, with investments in Glamsquad, Full Harvest, Lola and Zola, among others. Lyne made the jump to entrepreneur/venture capitalist after a career spent in corporate America; she held various leadership positions at Disney, ABC, Martha Stewart Living Omnimedia, Gilt Groupe and AOL's Brand Group.

Gail McGovern • 69

CEO, American Red Cross

McGovern was tapped as Red Cross CEO in 2008, when its reputation and finances were in need of rescue. Using nearly 30 years of corporate experience at places like AT&T, McGovern streamlined the Red Cross' 720 chapters by consolidating purchasing, marketing and other vital resources to cut costs and increase efficiency. More than a decade later, she has been largely credited for revitalizing the organization, which responds to some 60,000 disasters every year.

Kim Ng

"To be rejected that many times [after interviews with ten teams over the years] is tough on anybody's ego. But at the end of the day, it's hard to lose hope in your dreams, and you just have to keep pushing on."

Cindy J. Miller • 58

CEO, Stericycle

Miller began her career as a UPS delivery driver, ultimately spending more than three decades with the logistics company before joining medical-services provider Stericycle as president and COO in 2018. A year later, at 55, Miller was promoted to CEO. She has since led Stericycle to a $7 billion market capitalization—up 55% since her promotion—and overseen its rollout of pandemic-related medical waste disposal.

Donda Mullis • 57

Cofounder and CMO, Raw Sugar Living

After decades as a marketer helping other people develop their brands, Mullis decided it was time to build her own company at age 51. In 2014, she and husband Ronnie Shugar launched Raw Sugar, a clean-beauty brand now sold in Target stores nationwide. Estimated sales last year were $60 million.

⬆ Kim Ng • 52

General Manager, Miami Marlins

Ng, who played softball at the University of Chicago and wrote her thesis on Title IX, has spent her career in baseball's front offices and unsuccessfully sought the GM job with ten teams over the years; the Dodgers, Mariners and Angels are among the franchises that turned her down. It was a 2020 interview with Derek Jeter's Marlins that got her around the bases at last. Ng is the first woman in Major League Baseball history to become a team's GM.

Catherine O'Hara • 67

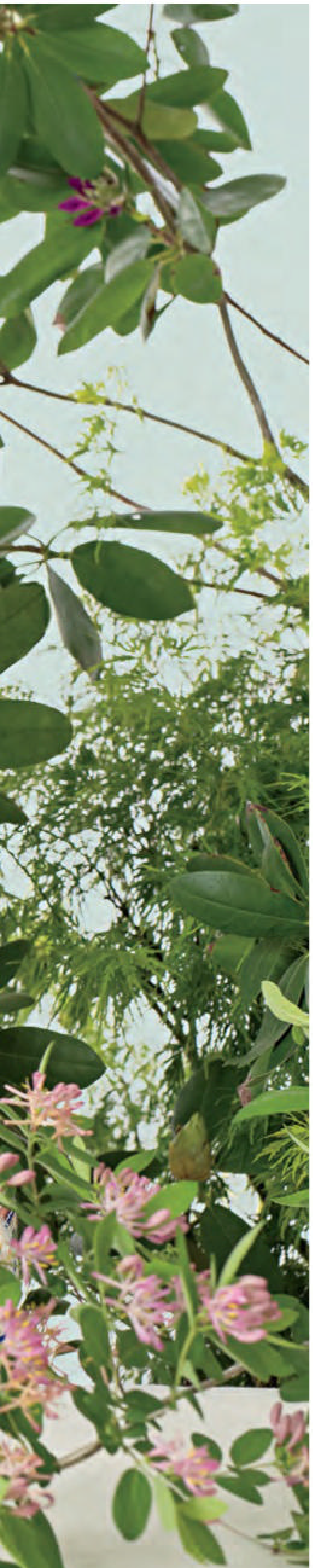
Actress

O'Hara started her career as a comedian in 1974 and appeared on television and in movies throughout the '80s and '90s (notably, she played Kevin's mother in *Home Alone*). But her theatrical portrayal of *Schitt's Creek*'s Moira Rose from 2015 to

REBECCA MILLER FOR FORBES

Shonda Rhimes

"I'm very clear on my track record. . . . I'm no longer worried about negotiations in any way, shape or form."



JAMEL TOPPIN FOR FORBES

Screen Queen

SHONDA RHIMES SPENT THE FIRST 12 YEARS OF HER TV CAREER CONTRIBUTING TO DISNEY'S EMPIRE. NOW SHE'S BUILDING HER OWN.

BY **MADELINE BERG**

Last Christmas, as millions of people were watching *Bridgerton* for the first time, Shonda Rhimes was at home in Los Angeles with her three daughters, unwrapping gifts. Her first hints of the mania her debut Netflix series was sparking were multiple gushing texts from the streaming giant's CEO, Ted Sarandos. Then came an email from Hillary Clinton.

"How does one cure oneself of a Duke obsession?" Clinton asked, referring to the actor Regé-Jean Page and his beloved portrayal of aristocrat Simon Basset in the Regency-era drama.

With her adaptation of the popular romance novels, Rhimes, 51, has done the seemingly impossible: created a must-see sensation in a world overflowing with binge-worthy television. In the first 28 days it was available, 82 million households—40% of Netflix's paying audience—watched the eight-episode series, smashing the service's previous viewing records. Sarandos booked a second season within weeks, and in April he agreed to fund seasons three and four. A spinoff is in the works. Rhimes, who is already making about $30 million a year to create exclusive content for the streamer, is expected to receive millions in bonus pay because of the series' success—a rare feat in typically frontloaded streaming deals.

"I never worried that I deserve the money," Rhimes says. "I deserve every penny I make. . . . I always find these young women who have been conditioned to believe or to speak of themselves in ways that make them smaller. It drives me bonkers."

Bridgerton's resounding success is proof that jumping ship in 2017 from ABC, her home for more than a decade, has paid off. "I don't know how you do things without betting on yourself," the show creator says. "If I was going to play it safe, I would've stayed exactly where I was and kept doing exactly what I was doing. It wasn't like a crazy leap to believe in myself."

Not after all her success. Rhimes has brought in more than $2 billion to ABC's parent company, Disney, with hits such as the medical drama *Grey's Anatomy; Scandal,* which cast Kerry Washington as the first Black female lead in a network drama in almost 40 years; and *How to Get Away with Murder,* starring Viola Davis, who became the first Black woman to win a Best Lead Drama Actress Emmy for her role.

Even so, Rhimes had to constantly fight for higher writing and producing salaries (she went from making about $30,000 per episode to $250,000 since *Grey's* premiered in 2005, *Forbes* estimates) and a larger cut of the show's profit. Network executives would eventually step up, she says, but it was always a battle.

"It's really startling to realize how much money your work is earning for a place and then to discover how much they think that you're worth versus that," she adds of the years she spent wrangling with ABC.

When she began negotiations with Sarandos in 2017, Rhimes dispensed with any pretense of modesty. "I was very clear that everybody was going to make it happen in the way that I wanted," she says. Sarandos concurs: "I've been astonished by Shonda's total clarity about what she wants in this next chapter. . . . [She] is at the very top of her game."

"Shonda Rhimes is a force like no other," says Michelle Obama, who first met Rhimes when the showrunner sat in the Obamas' box at the 2013 Kennedy Center Honors. "All you have to do is look at the empire that keeps growing year after year to see that her stories—her example—are something people are hungry for."

That empire, dubbed Shondaland, is now 50 staffers strong and, like the casts of her series—some of the most racially diverse on television—is "uncommonly inclusive," according to Rhimes. While half are engaged in creating television, the others are working in new areas. There's Shondaland Audio, a partnership with iHeartRadio, which has a *Bridgerton* companion podcast, as well as shows hosted by Laverne Cox and *Scandal* star Katie Lowes. Shondaland .com, a partnership with Hearst, is a mix of articles meant to empower women and update fans on Rhimes' series. There's also an eight-week Peloton program based on her 2015 inspirational book, *Year of Yes,* and a top-selling master class.

Forbes estimates Rhimes will earn close to $40 million from Netflix this year thanks to her *Bridgerton* bonuses, plus about $8 million in producing fees for *Grey's Anatomy* and *Station 19,* another $17 million for her share of the profits from *Grey's*, *Scandal* and *How to Get Away with Murder,* and a few million more from Shondaland ventures including podcasts, web content, books and more. All told, Rhimes should take home close to $70 million before taxes in 2021, her biggest payday yet. Since her television career began, she has already earned more than $350 million, pretax.

All that is just the beginning, too, as Rhimes looks decades ahead. "We're not working for anybody. . . . We do things the Shondaland way," she says, adding: "In 30 years, somebody should look around and not know there's a Shonda to the Shondaland."

Nancy Pelosi

"People make their own decisions about their timing, and they don't have to comply with somebody else's view of how that should be. It's about what works for them."

2020 propelled O'Hara to new levels of fame and meme-ability. As her now-iconic character might say: "I can hardly hear you! The cheering and accolades are drowning out your gentle voice."

Eren Ozmen • 62

Owner, Chairwoman and President, Sierra Nevada Corporation

Ozmen and her husband, Fatih, both Turkish immigrants, used their house as collateral to get a loan to buy Sierra Nevada Corporation for $5 million in 1994. They grew what was then a 20-person electronics business into a multibillion-dollar global aerospace and national-security company with nearly 5,000 employees. In 2008, they bought their now-famous Dream Chaser spacecraft, signaling their move into that sector; nine years later, Ozmen became a billionaire. In 2020, NASA selected Dream Chaser to provide cargo services for the International Space Station.

Bettie J. Parker • 72

Mayor, Elizabeth City, North Carolina

When Parker was born in 1948 in Elizabeth City, North Carolina, Jim Crow ruled the land. Growing up, she was not allowed to use most city services, including the public swimming pools. Sixty-nine years later, in 2017—and after a 33-year career as a math teacher at the town's high school—Parker was elected its mayor. She is the first woman to hold the position.

Nancy Pelosi • 81

Speaker of the House of Representatives

First elected to Congress at age 47, Pelosi became the first woman to lead a major political party when she was elected Speaker of the House in 2007. She regained her position and started her third term as speaker in 2019 after the Democrats retook the house in the 2018 midterm elections, becoming the first person to serve three terms as the head of the House in more than 60 years.

REBECCA MILLER FOR FORBES

María Elvira Salazar

"I'm Cuban-American. I'm the daughter of political refugees. You never, never, never give up."

REBECCA MILLER FOR FORBES

Esther Perel • 62

Psychotherapist, Author and Podcast Host

Perel has run her New York City–based practice for more than 35 years, but the release of her 2017 book, *The State of Affairs,* and the launch of her podcast, *Where Should We Begin,* turned her into the nation's preeminent relationship and sexuality expert. Perel's three TED Talks have racked up 30 million–plus views, and her two bestsellers have been translated into nearly 30 languages.

Shonda Rhimes • 51

Founder, Shondaland

The creator of *Grey's Anatomy* scored this year with *Bridgerton,* the first show she produced for Netflix under her landmark $150 million deal. *(See story, page 72.)*

⬆ María Elvira Salazar • 59

Congresswoman, Florida-27

Salazar came to politics after a three-decade career as a journalist for Spanish-language television. She first ran to represent Florida's 27th congressional district in 2018, positioning her past interviews with Fidel Castro and Venezuela's Nicolás Maduro as confrontations with "corrupt elites." Though she lost that 2018 race, she engineered an upset victory in 2020 with support from President Trump and a surge of conservative Cuban-American voters in Miami-Dade County.

Miyoko Schinner • 63

Founder and CEO, Miyoko's Creamery

In 2014, then-57-year-old Schinner founded vegan cheese company Miyoko's Creamery from her California kitchen. She now oversees a 200-person team, and her plant-based cheese and butter products are sold in more than 29,000 stores across North America and Australia. The vegan and self-proclaimed "former cheese-aholic" also runs Rancho Compasión, a sanctuary that rescues neglected farm animals.

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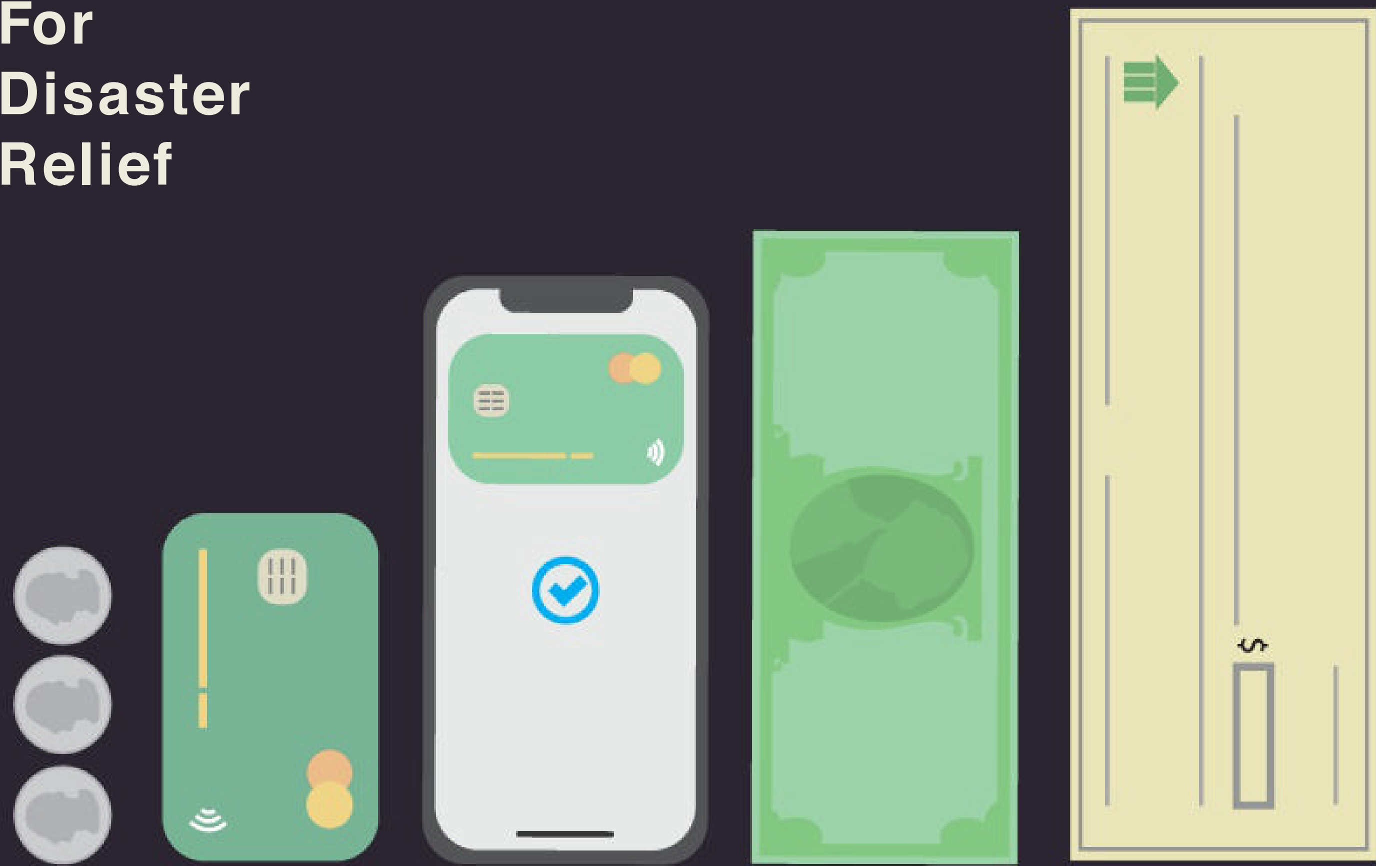
Disaster
Relief



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Melisse Shaban • 60

Founder and CEO, Virtue Labs

The keratin used in Shaban's hair-care products to repair damaged hair was developed by the military to heal battlefield injuries. Shaban started Virtue Labs in 2014, two years after meeting the scientists behind the keratin; her first products launched in 2017. In just four years since its launch, Virtue has won more than 50 editorial and industry awards and signed Jennifer Garner as a celebrity partner (her hairdresser recommended the product). Its revenue doubled year-over-year to $30 million in 2020.

Judy Sheindlin • 78

TV Courtroom Judge

The Manhattan criminal and family court judge known for her tough demeanor captured the attention of millions with her courtroom program *Judge Judy*, which debuted in 1996 when she was already 53 (after she retired from her court job). It became the top-rated daytime TV show, and her $47 million annual salary starting in 2012 made her one of television's highest-paid stars. In 2021, *Judge Judy* goes off the air after 25 seasons, but Sheindlin will soon debut a new show, *Judy Justice*, on cable and streaming.

Rea Ann Silva • 59

Founder, Beautyblender

Silva was working as a makeup artist on the show *Girlfriends* when she formed the beginnings of what would become a category-creating product: She cut makeup sponges into egg shapes to smooth skin imperfections to a degree that not even high-definition television would show. Actors swiped them for themselves—helping convince her to found Beautyblender in 2007. Silva kept her day job as a makeup artist as she worked to scale the company but didn't move to the business full-time until Beautyblender's products expanded nationwide in 2012. Today, sales are close to $200 million.

Ruth J. Simmons • 75

President, Prairie View A&M University

Simmons has had multiple "firsts" in academia, but her biggest have come past age 50. In 2001, she was named president of Brown University, making her the school's first female president and the first African-American to lead an Ivy League institution. In 2017, at age 71, she was named the first female president of Prairie View A&M, a historically Black college in Texas.

➡ Dr. Laura Stachel • 62

Cofounder and Executive Director, We Care Solar

A trained concert pianist whose dexterity helped during her two-decade career as an obstetrician, Stachel had been a busy clinician until a back injury sidelined her medical career in her mid-40s. She went back to school, getting her master's in public health. When she was 51, she cofounded We Care Solar, an energy company that provides "solar suitcases" (briefcases filled with solar-powered lighting and emergency communication tools) to underserved health clinics and hospitals throughout Africa. To date, 6,000 of them have helped more than 7.5 million mothers and newborns.

Carol Tomé • 64

CEO, UPS

Tomé, a longtime Home Depot executive who had been passed over for the top job there, started 2020 in retirement. But when UPS (a company on whose board she'd sat since 2003) came calling, Tomé readily reentered corporate life. Wall Street likes her leadership: Shares of the logistics giant have doubled since she took over last June, and the company proved to be a lifeline for essential household goods during coronavirus stay-at-home orders.

Julie Wainwright • 64

Founder and CEO, The RealReal

Once the CEO of dot-com bubble casualty Pets.com (she shut it down in 2000 the same day her husband asked for a divorce), Wainwright started over again in 2011 at age 53 with luxury-goods consignment shop The RealReal. She took the secondhand marketplace public in 2019; the company, which has $300 million in sales (trailing 12 months), is now worth $1.3 billion.

Cathie Wood • 65

CEO, Ark Invest

A star stock picker, Wood founded Ark Invest in 2014 at age 58; her hedge fund now has $29 billion in assets. Known for her bold predictions (Bitcoin will one day hit $500,000, she maintains), Wood is one of Tesla's biggest boosters—she invested in the electric-vehicle manufacturer in 2018, predicting then that its stock would hit $4,000. It reached that number in January, two years before she expected it to. F

Julie Wainwright: Photography by Celeste Sloman for Forbes. Floral design by Emily Thompson Flowers, assisted by Suzette Lee. Produced by Peter Schnaitmann. **Mika Brzezinski:** Photography by Rebecca Miller for Forbes. Floral design by Emily Thompson Flowers, assisted by Alison Layton and Kinga Mojsa. Hair and makeup by Suzannah Halilii. Photographed at the Four Seasons Hotel Washington, D.C. **Tracy Chadwell:** Photography by Rebecca Miller for Forbes. Floral design by Emily Thompson Flowers, assisted by Alison Layton and Kinga Mojsa. Hair and makeup by Suzannah Halilii. Photographed at the Four Seasons Hotel Washington, D.C. **Aicha Evans:** Photography by Celeste Sloman for Forbes. Floral design by Emily Thompson Flowers, assisted by Suzette Lee. Hair and makeup by Dawn Suti. Produced by Peter Schnaitmann. **Dr. Katalin Karikó:** Photography by Rebecca Miller for Forbes. Floral design by Emily Thompson Flowers, assisted by Alison Layton and Kinga Mojsa. **Kim Ng:** Photography by Rebecca Miller for Forbes. Floral design by Emily Thompson Flowers. Produced by Peter Schnaitmann. Photographed at loanDepot Park in Miami, Florida. **Shonda Rhimes:** Photography by Jamel Toppin for Forbes. Floral design by Emily Thompson Flowers. Hair by Verlyn Antoine, makeup by Armond Hambrick, styling by Dana Asher Levine. **Nancy Pelosi:** Photography by Rebecca Miller for Forbes. Floral design by Emily Thompson Flowers, assisted by Alison Layton and Kinga Mojsa. Hair and makeup by Suzannah Halilii. Photographed in the National Statuary Hall, U.S. Capitol, Washington, D.C. **María Elvira Salazar:** Photography by Rebecca Miller for Forbes. Floral design by Emily Thompson Flowers, assisted by Alison Layton and Kinga Mojsa. Hair and makeup by Suzannah Halilii. Photographed at the Four Seasons Hotel Washington, D.C. **Dr. Laura Stachel:** Photography by Celeste Sloman for Forbes. Floral design by Emily Thompson Flowers, assisted by Suzette Lee. Hair and makeup by Dawn Suti. Produced by Peter Schnaitmann.

Dr. Laura Stachel

"What was once viewed as the most devastating setback to my career ended up opening the door to probably even a more exciting career. . . . I loved working with patients one on one, but now I know I'm touching literally millions of lives."

CELESTE SLOWMAN FOR FORBES

ALI GHODSI WAS HAPPILY RESEARCHING AI AT BERKELEY WHEN HE HELPED INVENT A REVOLUTIONARY BIT OF CODE—AND HE WANTED TO GIVE IT AWAY FOR FREE. BUT FEW WOULD TAKE IT UNLESS HE CHARGED FOR IT. NOW HIS STARTUP IS WORTH $28 BILLION, AND THE CAREER ACADEMIC IS A BILLIONAIRE WITH A REPUTATION AS ONE OF THE BEST CEOs IN THE VALLEY.

BY **KENRICK CAI**

PHOTOGRAPHY BY **TIMOTHY ARCHIBALD** FOR FORBES

THE ACCIDENTAL BILLIONAIRE

INSIDE A 13TH-FLOOR BOARDROOM IN DOWNTOWN SAN FRANCISCO, THE ATMOSPHERE WAS TENSE.

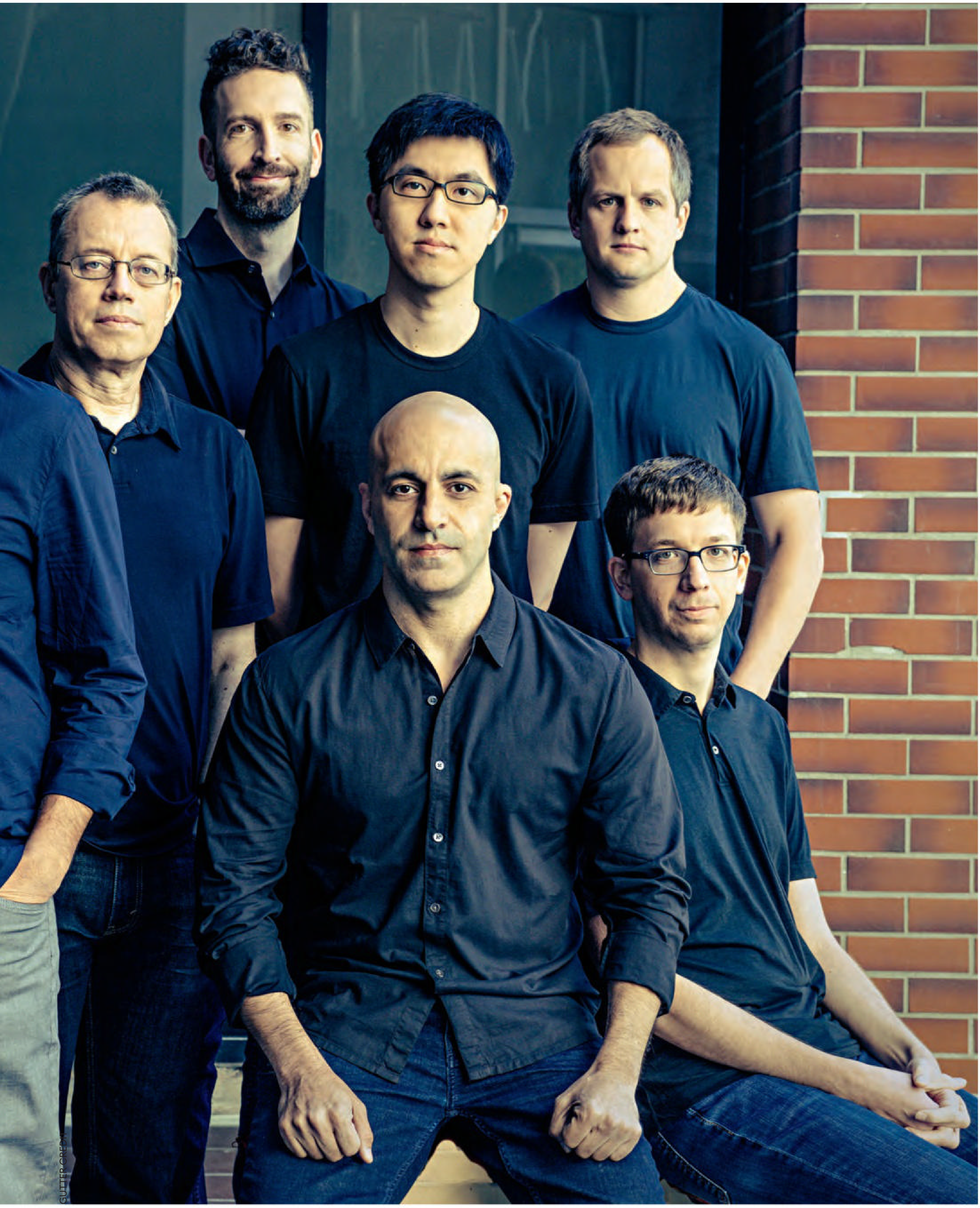
It was November 2015, and Databricks, a two-year-old software company started by a group of seven Berkeley researchers, was long on buzz but short on revenue.

The directors awkwardly broached subjects that had been rehashed time and again. The startup had been trying to raise funds for five months, but venture capitalists were keeping it at arm's length, wary of its paltry sales. Seeing no other option, NEA partner Pete Sonsini, an existing investor, raised his hand to save the company with an emergency $30 million injection.

The next order of business: a new boss. Founding CEO Ion Stoica had agreed to step aside and return to his professorship at the University of California, Berkeley. The obvious move was to bring in a seasoned Silicon Valley executive, which is exactly what Databricks' chief competitor,

Data Doctors

Databrick's seven cofounders—six of whom have Ph.D.s in computer science—first worked together in UC Berkeley artificial-intelligence research labs. *(Standing, from left)* **Arsalan Tavakoli,** 37, who leads field engineering; **Ion Stoica,** 56, executive chairman and the original CEO; **Andy Konwinski,** 37, vice president of product management; **Reynold Xin,** 35, chief software architect; **Patrick Wendell,** 32, vice president of engineering. *(Sitting, from left)* **Ali Ghodsi,** 42, CEO; **Matei Zaharia,** 36, chief technologist. "We always considered ourselves the Berkeley mafia," Ghodsi says.



Snowflake, did twice on its way to a software record $33 billion IPO in September 2020. Instead, at the urging of Stoica and the other cofounders, they chose Ali Ghodsi, the cofounder who was then working as vice president of engineering.

"Some of the rest of the board was naturally like, 'That doesn't make any sense: Swap out one founder-professor for another?'" recalls Ben Horowitz, the company's first VC backer and himself initially skeptical of entrusting the company to a career academic with no experience running a business. A compromise was reached: Give Ghodsi a one-year trial run.

By Horowitz's own admission, Ghodsi, 42, bald and clean-shaven, has become the best CEO in Andreessen Horowitz's portfolio, which spans hundreds of companies. Databricks is already shaping up to be the firm's best software success thanks to a recent valuation of $28 billion, 110 times larger than when Ghodsi took over. Databricks now boasts more than 5,000 customers, and *Forbes* estimates that it's on track to book more than $500 million in revenue in 2021, up from about $275 million last year. It features on *Forbes'* latest edition of the AI50, ranked fifth on last year's Cloud 100 list and could soon be headed for an IPO that ranks among the most lucrative in the history of software. Already, Ghodsi's magic act has minted at least three billionaire founders—himself, Stoica, 56, and chief technologist Matei Zaharia, 36—all of whom, by *Forbes'* estimation, own stakes between 5% and 6%, worth $1.4 billion or more.

It is a staggering achievement made even more remarkable by the fact that many of the original founders, Ghodsi in particular, were so engrossed with their academic work that they were reluctant to start a company—or charge for their technology, a best-of-breed piece of future-predicting code called Spark, at all. But when the researchers offered it to companies as an open-source tool, they were told it wasn't "enterprise ready." In other words, Databricks needed to commercialize.

"We were a bunch of Berkeley hippies, and we just wanted to change the world," Ghodsi says. "We would tell them, 'Just take the software for free,' and they would say 'No, we have to give you $1 million.'"

Databricks' cutting-edge software uses artificial intelligence to fuse costly data warehouses (structured data used for analytics) with data lakes (cheap, raw data repositories) to create what it has coined data "lakehouses" (no space between the words, in the finest geekspeak tradition). Users feed in their data and the AI makes predictions about the future. John Deere, for example, installs sensors in its farm equipment to measure things like engine temperature and hours of use. Databricks uses this raw data to predict when a tractor is likely to break down. E-commerce companies use the software to suggest changes to their websites that boost sales. It's used to detect malicious actors—both on stock exchanges and on social networks.

Ghodsi says Databricks is ready to go public soon. It's on track to near $1 billion in revenue next year, Sonsini notes. Down the line, $100 billion is not out of the question, Ghodsi says—and even that could be a conservative figure. It's simple math: Enterprise AI is already a trillion-dollar market, and it's certain to grow much larger. If the category leader grabs just 10% of the market, Ghodsi says, that's revenues of "many, many hundred billions."

> **HOROWITZ WAS INITIALLY SKEPTICAL OF ENTRUSTING DATABRICKS TO A CAREER ACADEMIC WITH NO EXPERIENCE RUNNING A BUSINESS. BUT BY THE VC'S OWN ADMISSION, GHODSI HAS BECOME THE BEST CEO IN ANDREESSEN HOROWITZ'S PORTFOLIO, WHICH SPANS HUNDREDS OF COMPANIES.**

FOUR

years into the Iran-Iraq War, as the Ayatollah Khomeini cracked down on his political opponents in hopes of stabilizing his reign, the upper-class Ghodsi family became targets of the revolution and were forced to leave their savings behind and escape to Sweden, the first country that would grant them visas. The year was 1984, and for 5-year-old Ali Ghodsi, whose memories of his home country amount to a cacophony of noise from bombings and sirens, it was the start of an itinerant journey that would last decades.

The family hopped around cheap student dormitories at first, always evicted within months after the landlord discovered that instead of students, an entire nuclear family was living in the one-room space. Sometimes, they endured unwelcome remarks—insults such as *svartskalle,* a derogatory term that refers to darker-skinned immigrants (literally: "black head").

Moving from one seedy Stockholm neighborhood to another, Ghodsi and his younger sister constantly had to change schools and make new friends. He credits the wide range of human interactions he encountered for his social deftness today.

“IF YOU DUST OFF THE AI ALGORITHMS FROM THE ’70s BUT YOU USE WAY MORE DATA THAN EVER AND MODERN HARDWARE, THE RESULTS START BECOMING SUPERHUMAN.”

The first glimmers of his engineering genius also came early. Ghodsi’s parents could ill afford to buy their kids new presents. For Ali, they found a deal on a used Commodore 64, a home computer with a cassette player that could load video games, but that was so cheap precisely because the cassette deck was irreparably broken. Curious, the fourth grader began reading manuals and soon figured out how to code his own games. “I was one of those geeks that got super sucked into tech,” Ghodsi says with a smile.

That obsession continued into college at Mid Sweden University, in the quiet industrial town of Sundsvall, where Ghodsi stayed an extra year to get master’s degrees in computer engineering and business administration. He then earned a place at KTH Royal Institute of Technology, the Swedish equivalent of MIT or CalTech, where he received a Ph.D. in computer science in 2006.

In 2009, the 30-year-old Ghodsi came to the United States as a visiting scholar at UC Berkeley, where he got his first glimpse of Silicon Valley. Despite the collapse of the dot-com bubble nine years prior and the ongoing financial crisis, innovation was at a peak. Facebook was only five years old and not yet public. Airbnb and Uber were in their first year of existence. And a few upstart companies were just beginning to boast that their technology was able to beat humans at narrow tasks.

“It turns out that if you dust off the neural network algorithms from the ’70s, but you use way more data than ever before and modern hardware, the results start becoming superhuman,” Ghodsi says.

Unlike many foreign-born future entrepreneurs *(see “Unwelcoming Shores,” page 100)*, Ghodsi was able to stay in America on a series of “extraordinary ability” visas. Once at Berkeley, he joined forces with Matei Zaharia, then a 24-year-old Ph.D. student, on a project to build a software engine used for data processing that they dubbed Spark. The duo wanted to replicate what the big tech companies were doing with neural networks, without the complex interface.

“Our group was one of the first to look at how to make it easy to work with very large data sets for people whose main interest in life is not software engineering,” Zaharia says.

Spark turned out to be good—very good. It set a world record for speed of data sorting in 2014 and won Zaharia an award for the year’s best computer science dissertation. Eager for companies to use their tool, they released the code for free, but soon realized it wasn’t gaining any significant traction.

Over a series of meetings at cheap hole-in-the-wall Indian restaurants beginning in 2012, a core group of seven academics agreed to start Databricks. Entrepreneurial wisdom came from the Romania-born Zaharia’s thesis advisors, Scott Shenker and fellow Romanian Ion Stoica, two well-respected academics. Stoica was an exec at $300 million video streaming startup Conviva, while Shenker had been the first CEO of Nicira, a networking firm sold in 2012 to VMware for about $1.3 billion. Stoica would be CEO, and Zaharia the chief technologist. Shenker, who joined the board rather than working full-time for the company, arranged the initial meeting between Ben Horowitz, an early Nicira investor, and the researchers, who nearly balked at the idea.

“We thought to ourselves and said, ‘We don’t want to take his money because he’s not a researcher,’ ” Ghodsi says. “We’d wanted to get some seed funding, maybe raise a couple hundred thousand dollars and then just code away for a year and see what we could get.”

On a summer day at their new office space one block off Cal’s campus, the founders sat idly in their conference room, pondering how much money would be too much to turn down. An hour after their scheduled meeting time, Horowitz arrived. “Traffic is brutal to this Berkeley place,” he said, before cutting to the chase: “I’m not going to negotiate with you guys; I’m just going to give you an offer, so take it or leave it.” The offer: $14 million in capital at close to a $50 million valuation. It was too much to turn down.

“These kinds of ideas have a time limit on them,” Horowitz explains. “For most people, starting with seed money is the right thing to do, but not for these guys.”

The following Friday afternoon, the ragtag group of geeks—between ages 24 and 48 at the time—were again in their office. But this time one of them was mashing the “F5” key to refresh the webpage showing Databricks’ bank-account balance. “Then, at some point, it said ‘14-zero-

zero-zero-zero-zero-zero,'" Ghodsi recalls. "We were totally blown away. I was making $58,000 or $57,000, so this was a lot of money."

STOICA

quickly brought on NEA partner Sonsini, himself a Cal alumnus, as the company's second venture investor, thanks to a connection dating back to Stoica's time at Conviva. Sonsini's firm was Conviva's largest shareholder, and the investor bought into Databricks—close to zero revenue in 2014—on potential alone. ("I was fully planning on leading the first financing too, but Horowitz just took it right from under my nose," he says.) The $33 million investment boosted the startup to a $250 million valuation, just 13 months after it began.

Says Ghodsi: "2015 was the year when Spark was the hottest thing since apple pie." In anticipation of accelerated growth, Databricks moved its headquarters from its modest Berkeley office to the 13th floor of a skyscraper in San Francisco's Financial District. The team didn't care about the unlucky floor number. "We got it for a cheaper price, maybe for that reason, and we thought, 'That's great,'" Ghodsi says. And yet, within months, bad fortune appeared to be manifesting itself.

"We were taking too long to figure out go to market," Horowitz says. Bigger fish like Amazon Web Services and Cloudera were bypassing Databricks and integrating Spark into their own products. "All of our competitors started talking about how they loved Spark," Ghodsi says. "But we had almost no revenue."

Ghodsi immediately enacted three measures when he took over in January 2016. First: Bulk up the sales force with people who knew how to pitch to enterprise chief information officers. Second: Build out Databricks' C-suite with "people who have done it before." Third: Create proprietary portions of the software so those hotshot salespeople would have something to sell. At the time, the technology was too open-sourced. "We didn't have anything that special because [other companies] had all of Spark for free," Ghodsi says.

Within a year, the executive team was entirely new, filled with tech veterans who had helped steer successful exits at companies like AppDynamics and Alteryx. Ghodsi offered old executives the chance to stay on if they were willing to report to their replacement. "If people were smart enough, they put their egos aside," he says. Only two of seven quit.

The new Databricks platform proved popular because it harnessed the core Spark engine better than the copycats did. "The others barely understood Spark," Ghodsi says. And since the founders were the creators of Spark, they were building and incorporating new features into Databricks long before they were released to the public: "We're always a year or two ahead of everyone else."

Sales picked up rapidly, reaching $12 million in 2016. "The first year was so spectacular that it was obvious Ali should be CEO after that," Horowitz says. Confidence restored, the high-profile investor sent a recommendation letter to Microsoft CEO Satya Nadella, proclaiming Databricks to be at the vanguard of a revolution in AI and big data. Nadella responded instantly. "He cc'd a bunch of these super high-up Microsoft employees, and suddenly they were extremely eager to do a close partnership with us," says Ghodsi, who had tried in vain to get in touch with the Microsoft chief for years. The two companies collaborated to integrate Databricks directly into Azure, Microsoft's $59.5 billion (calendar 2020 sales) cloud service. Microsoft's sales force now touts "Azure Databricks" when pitching to prospective clients, and in 2019 the Redmond giant invested in Ghodsi's company.

Ghodsi says there's little mystery about how Databricks works: Simply feed massive amounts of data into algorithms to train AI models on how to analyze and make predictions with the data. "It's not like a deep secret sauce that no one knows about."

THE WORLD'S MOST VALUABLE STARTUPS

BYTEDANCE • $140 BILLION
Every month, hundreds of millions of people watch viral videos on the Chinese company's TikTok app, which uses AI to track preferences and offer related content. It's also made its most popular influencers, such as Addison Rae and Charli D'Amelio, millionaires.

STRIPE • $95 BILLION
Irish brothers John and Patrick Collison launched their mobile-payments firm in San Francisco in 2011 at ages 21 and 23, respectively, having come up with the idea as students at Harvard and MIT. Customers include Peloton and Shopify.

SPACEX • $74 BILLION
Elon Musk's space-exploration venture, SpaceX in May 2020 became the first private company to get astronauts into orbit. Now, among other projects, it's preparing to blast off its first civilians in late 2021.

DIDI CHUXING • $62 BILLION
Informally known as Didi, China's ride-hailing and -sharing giant has set its sights on getting more than 1 million robotaxis on the road by 2030. It also effectively kept Uber at bay in China by handing over a $6.3 billion stake in the company in 2016.

INSTACART • $39 BILLION
The pandemic transformed the grocery delivery app–which links shoppers to more than 600 retailers including Wegmans and Eataly–into an essential, and booming, business. Its valuation more than quadrupled in the past year.

KLARNA • $31 BILLION
The Swedish buy-now, pay-later fintech, which lets people pay in installments for everything from Macy's suits to Etsy gifts, processed $53 billion worth of transactions in 2020.

EPIC GAMES • $28.7 BILLION
The video game and software developer behind Fortnite, one of the world's most popular games with more than 250 million players. It reportedly got its name from the original version, in which players had to create forts during the day to hide from zombies at night.

DATABRICKS • $28 BILLION

RIVIAN • $27.6 BILLION
Amazon and T. Rowe Price are both investors in this Tesla rival, which expects to deliver its first battery-powered pickups, SUVs and delivery vans later this year.

NUBANK • $25 BILLION
David Vélez moved to Brazil to help Sequoia Capital find investments. When it pulled the plug, he stayed and founded fintech Nubank, now the world's most valuable digital bank. *—Nina Wolpow*

Source: *CB Insights*

But competitors, slower to start, are often forced play catch-up on either data processing or artificial intelligence tools. “As academics, we were just thinking big: ‘Where does the future go?’ It was almost like sci-fi,” Ghodsi says.

All the while, Databricks has been busy expanding well past Spark. In 2018, it released MLflow to manage machine learning projects, and a year later announced Delta Lake, which turns existing data lakes into lakehouses, so that companies don’t have to start from scratch. Both have proven to be hits. Spark, Ghodsi says, is only 5% of the reason customers use Databricks.

“Every other open-source company is still whatever open-source [product] they started with. Databricks is so far beyond Spark,” says Horowitz, whose early investment in the company helped him place at No. 38 on *Forbes’* 2021 Midas List of top tech investors. Assuming Andreessen Horowitz has held onto its full stake, its initial $14 million investment is now worth $8.9 billion.

IN **February, Databricks raised $1 billion** to cement its position as one of the world’s most valuable startups. The fresh funds give it a massive war chest as it competes to win contracts from the planet’s biggest companies. No competitor looms larger than Snowflake, the newly public, best-in-class data warehousing provider, which as recently as three years ago maintained a business partnership with Databricks. Even today, 70% of Databricks users are also Snowflake customers, according to Piper Sandler tech analyst Brent Bracelin. But the two are starting to throw haymakers.

“Snowflake is obviously an unbelievable company in a great position, but they’ve got a professional CEO,” Horowitz says. “How much longer is he going to be there? Probably not much longer.” With a founding team that’s still fully engaged, “nobody in enterprise software is going to out-innovate Databricks.”

“Every single thing that [Databricks has] done that I think is a good architectural choice in the last three or four years, Snowflake did it eight years ago,” retorts Christian Kleinerman, senior vice president of product for Snowflake, throwing shade at Databricks’ new warehousing features. Still, he admits Snowflake’s next act, a hub where users can feed their data into AI tools, will be used in “very similar” ways as Databricks.

In any case, as Ghodsi sees it, Snowflake is only one of four main competitors. The others are the cloud’s Big Three: Amazon, Microsoft and Google. It makes for a tricky situation, as all three are Databricks investors. But they all have long been constructing their own data analytics suites.

Ghodsi is cognizant of threats from both the established tech giants and new disruptors alike. “I think most people who know me will tell you I’m the most paranoid CEO they’ve ever met,” he says, paying homage to longtime Intel chief Andy Grove’s mantra.

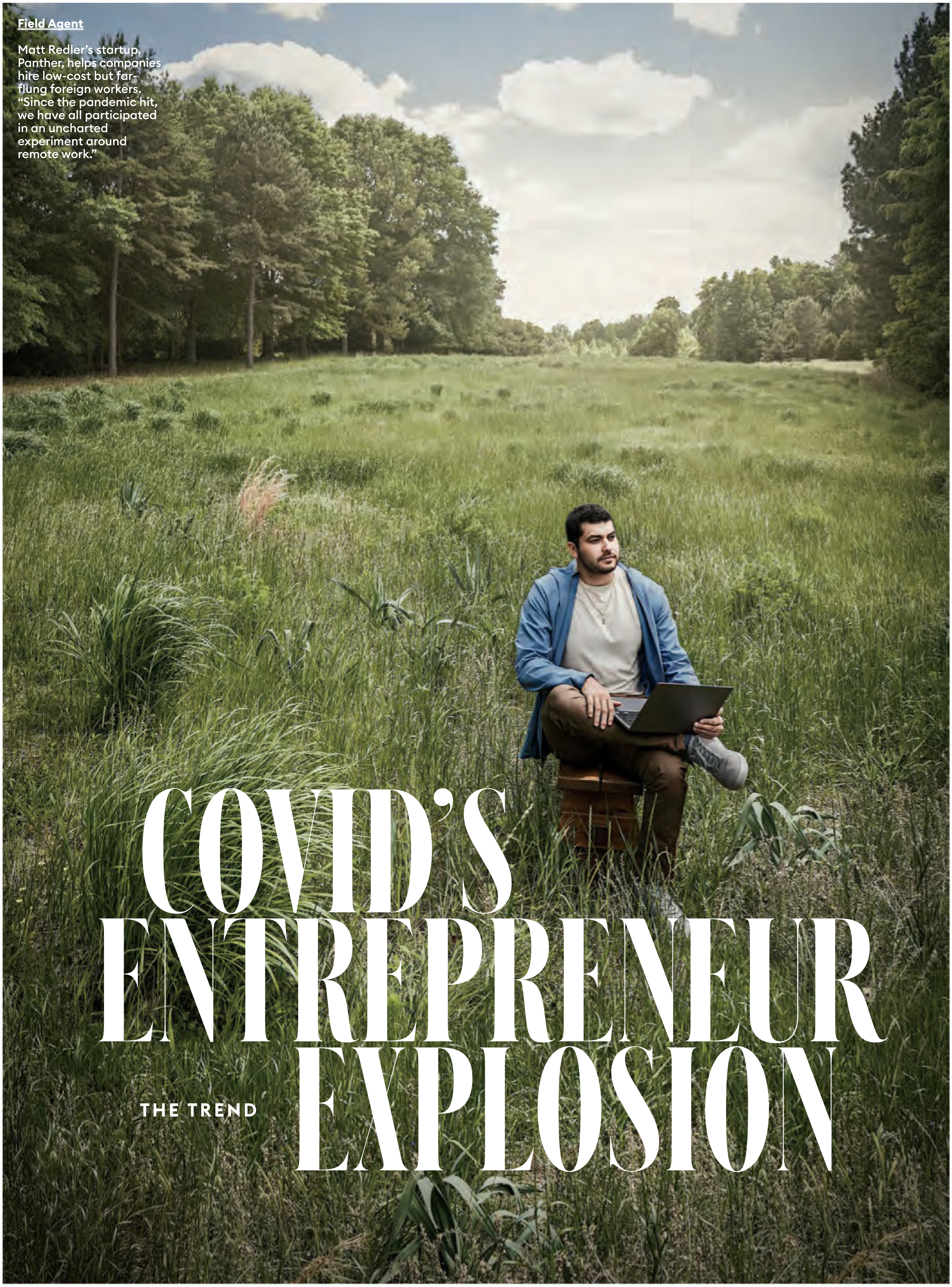
“It comes natural for me, because I grew up in a war. If you’re seeing people die on the streets as a kid, you know anything can change at any given time.” Ghodsi puts his employees through yearly “the sky is falling” exercises—creating detailed action plans in case the market dries up or the economy slows down.

When Covid-19 struck, those contingency plans helped Databricks manage extreme turbulence as the pandemic compressed years of digital transformation into mere months. It’s opening offices and building an army of techies and salespeople across the globe, from Australia and India to Japan and Sweden.

YEARLY “THE SKY IS FALLING” EXERCISES GENERATE DETAILED ACTION PLANS IN CASE THE MARKET DRIES UP OR THE ECONOMY SLOWS DOWN. WHEN COVID-19 STRUCK, THESE CONTINGENCY PLANS HELPED DATABRICKS MANAGE EXTREME TURBULENCE AS YEARS OF DIGITAL TRANSFORMATION WERE COMPRESSED INTO MERE MONTHS.

Back in the Bay Area, Ghodsi is preoccupied with something more immediate: his son’s kidney cancer. After a late-night visit to the emergency room, Ghodsi reflects on the present. Technology and data have already advanced to the point of helping Ghodsi and his wife discover a genetic predisposition to the disease in their son before tumors appeared. Firms like Databricks are helping pharmaceutical and health-care companies with the next step: using AI to speed the discovery of new treatments.

“If this would have happened 10 or 15 years ago, he would have died. You wouldn’t have found it until he’s vomiting and the cancer’s spread everywhere,” Ghodsi says. “This kind of technology can help.”



Field Agent

Matt Redler's startup, Panther, helps companies hire low-cost but far-flung foreign workers. "Since the pandemic hit, we have all participated in an uncharted experiment around remote work."

THE TREND

COVID'S ENTREPRENEUR EXPLOSION

Cafe Society

Former *Miss Saigon* star Jackie Nguyen left Broadway's limelight to open Kansas City Vietnamese coffee shop Cafe Cà Phê. "I really wanted to own something on my own."

High unemployment, the magnifying power of the web and fresh fintech financing are fueling an eruption of startups not seen in decades. And America will never go back to business as usual.

BY **MANEET AHUJA** | PHOTOGRAPHY BY **CHRIS CRISMAN** FOR FORBES

In the gritty, gray concrete lobby of Firebrand Collective—a women's coworking space in Kansas City's industrial West Bottoms district—Jackie Nguyen makes lattes laced with cardamom and lychee from her colorful mobile coffee shop. A colossal dragon head covers the shop, Cafe Cà Phê, painted the bold yellow and red of the South Vietnamese flag, with dashes of bright blue in a nod to the French influence on the country's food. "And of course, this is Kansas City," says Nguyen, 32. "They're the colors of the Chiefs and Royals, too."

Cafe Cà Phê serves "Hella Good Lattes" and "Saigon" iced coffee to some 200 customers a day. Monthly revenue is roughly $30,000. "It's been a crazy, amazing ride," says Nguyen, a first-time entrepreneur. "The only business I knew before this was show business."

A little over a year ago, Nguyen was an actress who had spent nearly two decades in musical theater. Before the pandemic, she made $90,000 a year on the touring production of *Miss Saigon*. On March 15, 2020, she performed in Fort Myers, Florida. The next day, the lights went out on Broadway. "I didn't have a house, car or any significant savings," Nguyen says. She moved to Kansas City from Long Island City, Queens, investing $10,000 from her scant savings and an additional $13,000 from Kickstarter (it helps to have 4,000 Instagram followers). She's never going back to the Great White Way. "As an actress, my career was always at the mercy of someone else," she says. "Now I get to make all my choices and get to be very intentional behind what I choose."

Nguyen is one of the 4 million–plus people fueling America's unprecedented entrepreneurial explosion. Sparked by pandemic unemployment not seen since the depths of the Great Depression, a permanent shift in where we live and work, access to fresh sources of capital through fintech, ubiquitous cheap technology and dogged determination, Americans are betting on themselves and launching companies at a historic rate.

Every recession seeds a bumper crop of startups. As the maxim goes, necessity is the mother of invention. But this time it's different. Just as the Covid recession, in its breadth, size and speed, was astounding, so will be its impact on America's small-business landscape.

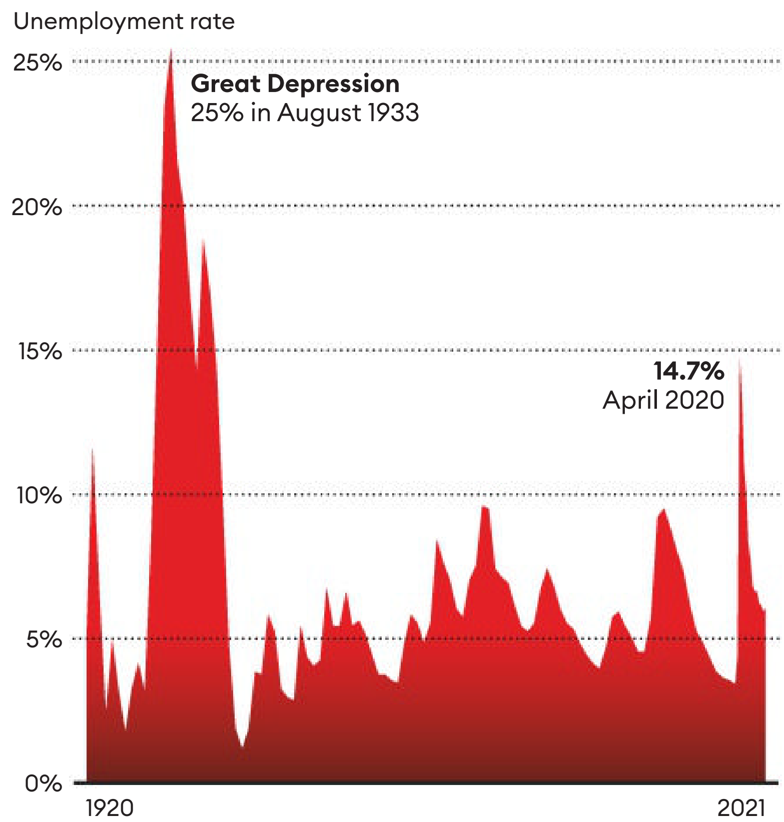
In 2020, more than 4.3 million people registered for new business applications, according to the U.S. Census Bureau. That's nearly 840,000 more than 2019—a 25% jump. It's a stark difference compared to the 2008 credit crisis, which saw an 8% drop in new applications.

"This makes you sit up and pay attention," says John Lettieri, cofounder and CEO of the Economic Innovation Group, a bipartisan think tank. "It's not what many of us would have expected on the front end of this crisis."

Up also are the number of new startups likely to hire employees. Labeled "high-propensity" businesses by the IRS, these potential job creators jumped 15% in 2020. "During 2008's Great Recession, the new-employer businesses fell by nearly 230,000 from their previous year's level," Lettieri says. "During the Covid crisis, they

A HUNDRED YEARS OF UNEMPLOYMENT

IN A MATTER OF MONTHS, COVID-19 DESTROYED JOBS ON A SCALE NOT SEEN SINCE THE GREAT DEPRESSION. MILLIONS OF AMERICANS HAVE SINCE STARTED COMPANIES OUT OF NEED—AND OPPORTUNITY.



Sources: *Bureau of Labor Statistics, St. Louis Fed*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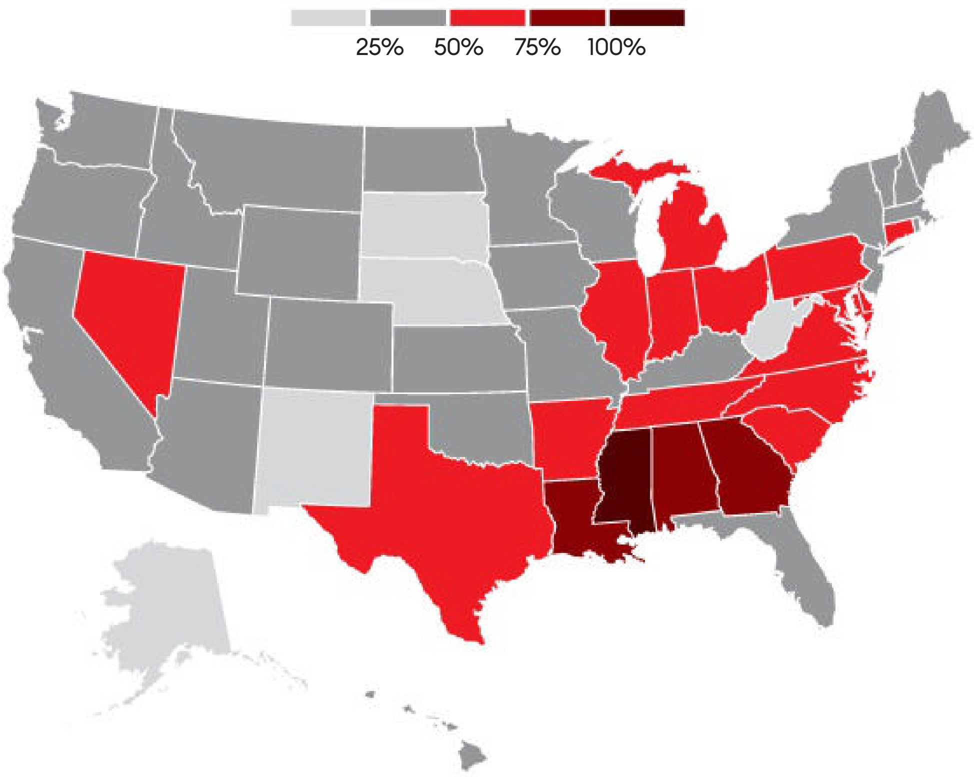
climbed over 200,000—it's a mirror image."

And the most significant spikes in these job-creating businesses are happening far from expensive coastal hubs. Instead, the deep South is driving the boom, with triple-digit growth across Georgia, Mississippi, Alabama and Louisiana. To spotlight this upcoming, diverse, entrepreneurial generation, *Forbes* is launching the Next 1000, a reader-nominated list of small-business founders, scattered across America, with less than $10 million in funding and revenue. Businesses like these drive the economy, employing more than 30 million Americans.

The startup surge continues through 2021. In February, there were nearly 430,000 registrations for new businesses, an increase of 40% from February 2020—the last month before the pandemic froze the global economy. As the world gets back to business, many new founders like Nguyen aren't looking back.

STARTUP NATION

AS NEW BUSINESSES SPRING UP ACROSS THE COUNTRY, THE SOUTH SHINES. IN Q1, APPLICATIONS FOR STARTUPS DEEMED LIKELY JOB CREATORS BY THE IRS HAVE SURGED BY MORE THAN 80% IN ALABAMA, LOUISIANA AND GEORGIA. MISSISSIPPI SAW A 125% BUMP.



Source: *Economic Innovation Group*

A month into the nationwide lockdown, 22 million jobs vanished. Unemployment neared 15%—the second-highest rate in 100 years, topped only by the Great Depression. The hardest hit were thriving experience-based industries like restaurants, retail, travel, Hollywood, sports and other live events. Nearly 40% of all jobs lost came from the travel and hospitality industries, based on a U.S. Travel Association study. By mid-April 2020, the restaurant and retail sectors had each lost roughly 2.5 million jobs. Those lucky enough to keep their positions awoke to a seemingly endless new reality of remote work and virtual school.

After the pandemic terminated her gig as a wedding photographer, Jade Adams threw herself into her houseplant hobby, collecting more than 200 exotic plants like rare alocasias and philodendron pink princesses. When the vegetation overtook her apartment, she began selling the plants on Facebook and then, in July, she hawked $15,000 worth at a pop-up in Knoxville, Tennessee's Central Collective event space. By last October, Adams, 23, bet her entire $20,000 savings on a brick-and-mortar shop called Oglewood Avenue. She earned the investment back within a matter of days. "The houseplant market has blown up during the pandemic," she says. "More people are home and trying to bring the outdoors inside."

Adams, who made about $48,000 a year as a wedding photographer, has grossed $265,000 in revenue since October. She uses Instagram to share photos of her plants and give gardening advice to 15,000 followers. In January, she hosted *Houseplants 101* on Handmade, HGTV's 630,000-subscriber YouTube channel. The former marital shutterbug isn't going back behind the camera anytime soon. "I make too much money to do that," Adams says. "This is it."

If Covid's economic carnage created the need for millions of Americans to start a business, technology provided the tools. Widespread video communication, social media, e-commerce, cloud computing and DIY websites make it cheap and easy for anybody to launch a global company from their basement.

"The internet economy has become so pervasive and so intertwined with every aspect of our economy," says EIG's Lettieri. "Today, you have the opportunity to do things remotely that would never have been possible even ten years ago."

Shopify, the $150 billion (market cap) software company that lets small businesses sell online, saw a near 80% increase in new stores in 2020. Digital-payments giant PayPal had a 40% rise in business accounts over the same period. According to a Salesforce survey, a whopping 70% of new startups are either technology companies or digital-first from day one. Meanwhile, a host of online lenders are giving a wide range of founders more options to borrow cash. In 2020, business-loan marketplace Lendio fulfilled

more than 100,000 non-PPP small-business loans—a 500% increase from the previous year.

"The influx of new technology has made the barrier to entry zero," says Shopify's global head of sales and marketing, Loren Padelford. "You can launch a company overnight and start selling globally."

Tech lets people work from anywhere, too. In June 2020, Tampa resident Matt Redler cofounded the software company Panther to help businesses hire programmers and designers from around the world. Before the pandemic, Redler, 23, had used overseas coders to build a website for booking private chefs. Covid killed the appetite for that service, but Redler quickly shifted. He wagered that the rise of remote work would create a tidal wave of demand for cheap foreign labor. "Companies that tap into global talent pools will be far better positioned to excel over the next decade," he says.

While less expensive than American employees, international workers come with a host of payroll and compliance headaches. Panther gives U.S. companies access to tech workers in 160 countries. Its software handles background checks, onboarding and payroll, and helps firms follow local labor and tax rules. Redler has recently raised $4.2 million from Soma Capital, Adapt VC and angel investors including Jon Oringer, the billionaire founder of Shutterstock, who's also a client. Says Redler: "Talent is everywhere, but opportunity is not."

The Covid lockdowns proved that most employees can be as productive without a central office—and millions will never return to one. A March Harvard Business School study found that more than 25% of office workers hope to remain remote.

Maisha Burt launched Workchew, a *Forbes* Next 1000 honoree, in 2018 to turn hotels, bars and restaurants into coworking spaces during the daylight hours, when they're often unused. Burt, 46, got the idea while working as a government consultant. "I was stuck working from home," she says. "I needed something between a coffee shop, which was unpredictable, and a WeWork, which was too expensive."

Before the pandemic, Burt targeted individuals, but she has since chased company-wide deals as employers look to reduce office space—and employees grow weary of working out of kitchens and repurposed closets. "We are reimagining what communal workspaces look like, cost and feel like," Burt says. "For partners, we activate and monetize their underused spaces."

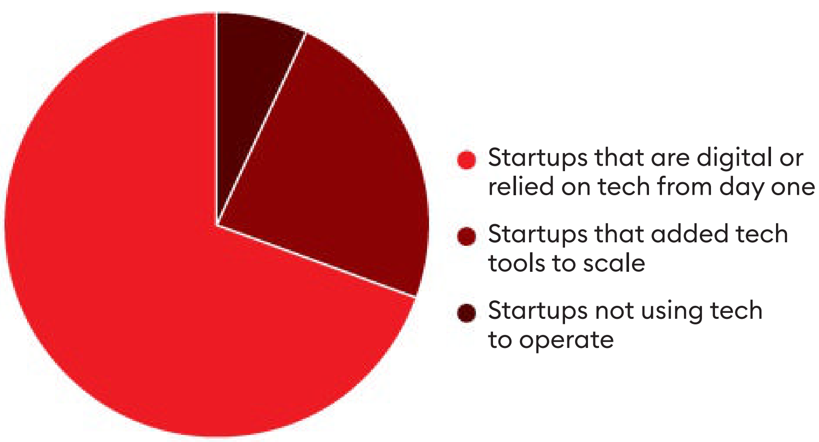
In March, Burt raised $2.5 million from Harlem Capital Partners, Techstars Ventures, Etsy cofounder Chris Maguire and Kabbage cofounder Kathryn Petralia. Cash in hand, Burt is now expanding Workchew to 17 new cities including New York, Detroit, Seattle and San Francisco. "We're charging full speed ahead," she says.

She's not alone. Millions of Americans are leaving their old careers for good to start new businesses. That's a silver lining to the devastating and tragic Covid crisis. The 1930s, wracked by the Great Depression, also gave us television, commercial airlines and air conditioning. Just as FDR gave us Social Security and federally guaranteed bank deposits, President Biden is proposing a massive expansion of federal government programs. Titans like Microsoft, Genentech, Vanguard and Home Depot emerged from the stagflation of the 1970s. And while the 2008 recession decimated the financial sector and housing markets, it also launched Instagram, Uber, Airbnb, WhatsApp and Slack.

The Covid-19 pandemic has already spawned more than 4 million new businesses. For their founders, there's no going back. "We could see a revival of society and economy just as the Roaring '20s unfolded after the first World War and the 1918 flu," says Dan Wang, an associate professor of business at Columbia University. "It's not a stretch to suggest that we will see an explosion of new ideas coming from these new ventures." F

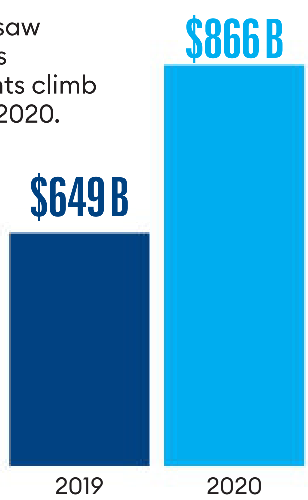
DIGITAL DOMINANCE

SEVENTY PERCENT OF NEW STARTUPS WERE EITHER TECH-BASED COMPANIES OR RELIED ON ONLINE TOOLS FROM THE START, A RECENT SALESFORCE SURVEY FOUND.



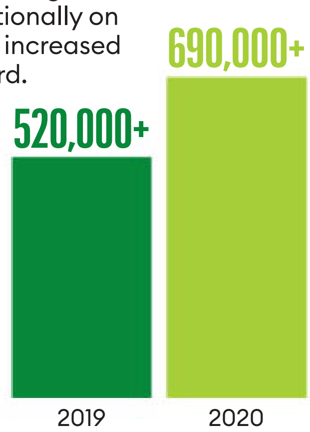
CASH FLOW

PayPal saw business payments climb 33% in 2020.



SHOP POP

Since Covid, stores selling internationally on Shopify increased by a third.



Sources: *Salesforce, PayPal, Deloitte*

THE NEXT 1000 PANDEMIC PIVOTS

These five standouts from the Next 1000, our new listing of entrepreneurs from across America with less than $10 million in revenue or funding but infinite hustle, are making quick adjustments and creative plans to position their businesses for post-pandemic success.

NORTHEAST

Christine Marcus • 50
Alchemista • Boston

When Covid closed offices, corporate caterer Marcus lost all her clients but one: vaccine maker Moderna. To reach new customers, the MIT grad developed temperature-controlled food lockers that sell Alchemista's salads and sandwiches in socially distanced settings. She rents high-tech vending machines, which are stocked daily, to landlords and building managers for up to $5,000 a month. Sales are on track to hit $8 million in 2021.

SOUTHWEST

Dennis Cail • 50
Zirtue • Dallas

This entrepreneur is breaking the rule that friends and money don't mix. In 2018, the Navy vet created Zirtue to let you borrow cash from your personal network. His software handles the terms, rates, loans and repayments. Business doubled during the pandemic, with Zirtue brokering $10 million in friend-to-friend loans. Google, Morgan Stanley and Northwestern Mutual recently invested $2.5 million in Cail's startup.

WEST

Nathalie Walton • 36
Expectful • San Francisco

Pregnancy rates plummeted during the pandemic, but stress on young moms soared. So Walton is transforming her pregnancy-meditation app, Expectful, into a wellness company for new and aspiring mothers. Walton, an alum of Google and Airbnb, offers guides on stress and parenting, plus virtual support groups and remote yoga classes. Subscription revenue could top $2 million in 2021. In January, she raised a $4 million–plus seed round from investors including Harlem Capital and the Sequoia Scout Fund.

MIDWEST

Ryan Meitl • 35
Rivet Work • Detroit

Meitl is taking collaboration software from the cubicle to the construction site. His software startup, Rivet Work, connects offices to far-flung job sites, digitally organizing workers, supplies and schedules. The added efficiency helped builders cope with the pandemic's housing boom. Launched in 2020, the early-stage startup has partnered with local construction companies in Michigan and recently raised $600,000 to expand elsewhere.

SOUTHEAST

Jason D. Rose • 33
Skyler • Orlando

Proving that technology enables you to start a global company from anywhere, Rose built his Hong Kong mattress brand from the comfort of his Orlando home. He launched Skyler in 2017, using Shopify to sell a bed-in-a-box customized for the Hong Kong market–a firmer mattress with a cooling gel for the city's steamy summers. After the 2019 anti-government protests and the pandemic pushed down storefront rents, Rose is finally opening a physical Skyler shop and staffing it with unemployed salespeople. But he still lives and works in Florida.

THE TREND

UNWELCOMING SHORES

BY **AMY FELDMAN** • ILLUSTRATION BY **EMMANUEL POLANCO**

FROM GOOGLE TO TESLA, IMMIGRANTS HAVE BUILT SOME OF AMERICA'S BIGGEST AND MOST VALUABLE COMPANIES. SO WHY DO WE MAKE IT SO DIFFICULT FOR FOREIGN-BORN ENTREPRENEURS TO START BUSINESSES HERE?

The Summit

These foreign-born entrepreneurs scaled Fortress America's hostile immigration system to become billionaires, but it has since become even tougher—and the next generation might not be so fortunate.

JOHN S. KIM, COFOUNDER OF SENDBIRD, WHICH OFFERS REAL-TIME CHAT AND MESSAGING FOR MOBILE APPS AND WEBSITES, RELOCATED FROM HIS NATIVE SOUTH KOREA TO SAN FRANCISCO FIVE YEARS AGO.

He wanted to be close to his U.S. customers like Yahoo, Reddit and Headspace, have access to Silicon Valley venture capital, hire American engineers and expand his company here. He easily obtained an L-1 nonimmigrant visa for foreign executives, given that he'd first started the business in South Korea, but by 2019, he had only one extension left. He applied for a green card to get legal permanent residency—and received a letter that he'd likely be denied. "Notice of intent to deny is, 'We're going to kick you out; change our mind,'" he says. "We had raised $100 million–plus in financing, we had real revenue in the tens of millions of dollars, we were creating jobs. It was a slap in the face, for sure."

As it turned out, Kim—whose company is now worth more than $1 billion and counts SoftBank and Tiger Global among its investors—was lucky. Two months later, after discussing contigency plans with his CFO and human-resources chief and filing piles of additional documentation, including translations of South Korean military service rules, he got his green card. He still feels traumatized by the experience. "You want to build a company and you don't want to get kicked out," says Kim, who is 40 and lives in San Francisco with his wife and two children. "It's like the grim reaper that hangs over you when you're not a citizen."

Long a hotbed of entrepreneurialism and a beacon of hope for immigrants, America is now known for a convoluted, highly politicized immigration policy that puts roadblocks in the way of foreign-born founders. The result for years has been that immigrants who want to start businesses here contort themselves into one of the visa categories, such as E-2 (for investors from countries that have treaties with the U.S.) or O-1 (for individuals of extraordinary ability), or try to cobble together something out of a half-dozen other categories—none of which is really designed for them. Former President Donald Trump's overt hostility toward immigrants isn't echoed by the present administration, but neither President Joe Biden nor the new Congress has taken the necessary steps to make the U.S. a more welcoming place for highly skilled newcomers.

The basic problem is that America has no startup visa specifically for founders, despite more than a decade of efforts to get one established. For years, the U.S. attracted the best and brightest. But now entrepreneurs around the globe have more—and easier—choices. Roughly 25 countries, including Singapore and the U.K., are wooing entrepreneurs with startup visas set up in the past decade. "It's not like they came up with the idea. It's an American idea that we failed to act on," says Jeff Farrah, general counsel of the National Venture Capital Association.

"There's a global battle for talent," says Steve Case, the billionaire cofounder of AOL and investment firm Revolution, who has been outspoken on the importance of a startup visa. "We want the best people with the best ideas who want to come to the United States and stay in the United States and start and build their companies in the United States. Otherwise, we risk losing our lead as the most innovative, entrepreneurial nation in the world." Not only do immigrant founders create jobs at their own companies, he says, but there's a ripple effect that leads to additional jobs in the larger community.

"I don't dismiss the challenges around immigration, but we're not going to remain the most innovative nation if we are continuing to have a challenging, chaotic, inconsistent, lurchy approach to immigration, particularly as it relates to entrepreneurs."

Foreign-born entrepreneurs are key to the success of this nation. Some 3.2 million of them operate businesses in the United States, representing nearly 22% of all business owners versus just 14% of the broader population. They hold disproportionate numbers of patents for new technologies, employ 8 million people and are represented as founders at more than half of all venture-backed unicorns, including Databricks *(see story, page 80)*. An analysis of the *Forbes* Billionaires list found 77 foreign-born entrepreneurs who built U.S. companies with combined revenue of over $528 billion and total employment of more than 775,000. Among the corporate heavyweights with immigrant founders: Google, Tesla and Yahoo. "If I had to worry about a visa, maybe Yahoo wouldn't have gotten started," says Jerry Yang, Yahoo's billionaire cofounder, who emigrated from Taiwan as a child and was a naturalized citizen by the time he started the company.

Continuing to attract and keep all this talent is key to America's future. In its waning days, the Obama administration set up a new program called the International Entrepreneur Rule, allowing foreign founders with at least $250,000 in funding to stay in the U.S. without a visa—but that program was put on ice under Trump. The Biden administration announced in May that it is bringing the rule back, but it remains a stopgap measure with no clear path to permanent residency or citizenship.

Add to all this the anti-immigrant policies of the Trump years and the increasingly years-long wait times to get employment-based green cards—more than five years on average, and longer for people from countries like India, which has many applicants but no extra slots allocated—and the U.S. is in danger of losing its status as the place to go to start a business. For the first three years Trump was in office, through 2019 (data for 2020 isn't available yet), the number of immigrant entrepreneurs rose a total of 4.1%, compared with a jump of 11.3% in the previous three years, according to data from New American Economy, an immigration research and advocacy group, based on the Census Bureau's American Community Survey. In 2019, the number of foreign-born entrepreneurs in the country declined by 4,400, the only yearly drop since 2000.

"America loses competitiveness gradually. It's like a tire leaking air," says Vivek Wadhwa, a fellow at Harvard Law School and author of the 2012 book *The Immigrant Exodus: Why America Is Losing the Global Race to Capture Entrepreneurial Talent*. "The fact is that the best and the brightest are not coming here anymore."

Or they come but don't bother to start businesses. "I know a lot of Stanford Ph.D.s who want to start companies, but they don't have the status," says Xiaoyin Qu, a Chinese immigrant and *Forbes* 30 Under 30 alum, who got a green card while at Facebook and quit to start Run the World, which hosts virtual events. "I know at least 20 people at Facebook who say, 'Hey, I want to start a company,' and they can't because they don't have a visa."

The U.S. isn't making anything easy. In conversations with more than two dozen foreign-born founders, they spoke of the problems they encountered and the tough decisions they had to make. Some waited for years to start companies because of their immigration status; others relocated overseas due to visa difficulties here.

After getting a master's at Carnegie Mellon, Genia Trofimova, now 35, moved back to startup-friendly Estonia to found virtual coaching platform Introwise. Two years later she set up a U.S. entity so that she could participate in a stint at the Techstars accelerator in Seattle. She is back in Estonia, but checks in on the U.S. business when she can. On her last trip to the U.S., Trofimova, who travels on a B-1 temporary business visa (which does not permit the holder to work in the U.S.), says she was detained at the airport for five hours: "They told me I didn't look like a founder."

Jerry Yang
NET WORTH: $2.4 BILLION
YAHOO
TAIWAN

Peyman Salehian, a 34-year-old native of Iran, considered coming to the U.S. for graduate school after founding his first company but was lured by the National University of Singapore instead. After finishing a Ph.D. in chemical and biomolecular engineering there, he started synthetic biology company Allozymes in late 2019 with a friend. He looked into moving to the U.S., and received offers of startup funding here, but decided to stay in Singapore and take financing from a large Singaporean investor. Allozymes is just getting started, having raised a quarter of a million dollars. "The investor interested in us [in America] . . . wanted us to be in the U.S. immediately, and incorporate the company there, but we couldn't do that," Salehian recalls. "We talked to the lawyers, and there is no [U.S. version of] EntrePass [Singapore's work pass for foreign entrepreneurs], and any other type of visa takes a longer time."

"THERE ARE MORE PLACES AROUND THE WORLD WHERE ENTREPRENEURSHIP HAS TAKEN OFF. . . . SO FOUNDERS HAVE MORE CHOICES. AND TO THE EXTENT THAT OUR IMMIGRATION POLICIES ARE NOT SO WELCOMING, PEOPLE DON'T WANT TO COME."

Meanwhile, Nilay Parikh, 30, arrived nine years ago from India to get a master's in aerospace en-

ETHAN PINES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You might think ending extinction means going to the ends of the Earth. But sometimes, saving the world is as easy as showing up. Your support is vital to the San Diego Zoo's mission of protecting animals all over the world. Join us in making a difference—together, we can be heroes for wildlife.
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San Diego Zoo Global is involved in conservation projects in more than 70 countries, including for gelada monkeys, African penguins, and lemurs, species you can see in the San Diego Zoo's Conrad Prebys Africa Rocks.
SAN DIEGO ZOO

ALPHABET SOUP

THE U.S. IMMIGRATION SYSTEM IS A MUDDLE OF ABBREVIATIONS. HERE ARE SOME OF THE MAIN VISAS THAT ENTREPRENEURS AND THOSE WHO HOPE TO START COMPANIES USE IN THE ABSENCE OF AN ACTUAL STARTUP VISA.

B-1

An individual on this temporary business visa is not permitted to accept employment or work in the U.S. Some would-be entrepreneurs use it to do unpaid, early-stage research.

E-2

A nonimmigrant visa for an investor who comes from a country with a commerce treaty with the United States. The list of applicable countries is long but does not include mainland China or India.

H-1B

The primary three-year visa for big-company workers. Some entrepreneurs apply for it, too, using their own startup as the sponsoring company. The problem is that they must be an employee of the company and receive prevailing wages from it. They're also limited in how much of the company they can own.

L-1

A visa for foreign executives who need to work at a U.S. division, this one is effective for founders whose companies are already established overseas but need to be in the U.S. for a temporary period.

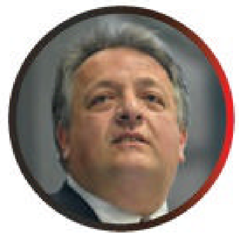
O-1

The visa for those with extraordinary ability, which could mean entrepreneurial skills. It presents relatively high hurdles, so founders generally will apply after going through an accelerator program and gaining some funding and media attention.

OPT

Entrepreneurs and other grads who'd been on an F-1 student visa can stay in the U.S. for a year for "optional practical training."

gineering at the University of Southern California and today works for a Chicago software firm on an H-1B visa, the main three-year visa for workers at large businesses. Parikh had an idea for a startup that would use artificial intelligence to make factories safer but couldn't do it in the United States due to the immigration rules, and he didn't want to wait till he could get a green card. His solution: He kept his U.S. job but set up the company, called Be Global Safety, in the Netherlands. "It definitely is very complicated," he says. "I was looking at Canada, Dubai, Germany and the Netherlands." The latter won out, he says, because it offers resources for AI companies and because Rotterdam, a city he has yet to see due to pandemic travel restrictions, is an aerospace hub and home to a major port.



Noubar Afeyan
NET WORTH: $2.2 BILLION
FLAGSHIP PIONEERING
LEBANON

"PEOPLE WILLING TO BRING IN NOT ONLY MONEY, BUT THEIR ABILITY TO CREATE COMPANIES WITH JOBS, SHOULD HAVE A WAY TO ENTER. THE COUNTRY CAN BENEFIT FROM A MORE IMMIGRANT MINDSET."

Noubar Afeyan, the billionaire founder of Cambridge, Massachusetts–based venture firm Flagship Pioneering, which started Covid-19 vaccine maker Moderna, says that difficulties with visas delayed the launch of a number of his startups, in some cases by months. "The uncertainty over whether the person has been able to get [a visa] or not has caused us to slow things down," says Afeyan, 58, the grandson of Armenian refugees who was born in Lebanon and became a U.S. citizen in 2008. "The environment has been getting increasingly harder and unpredictable."

It's hard to quantify things that never happened or count companies that were never founded, but a 2013 analysis by the Kauffman Foundation concluded that a startup visa would have released pent-up entrepreneurial demand, resulting in as many as 1.6 million new jobs over 10 years. A 2020 National Bureau of Economic Research working paper on why restrictive immigration is bad for U.S. entrepreneurship shows that immigrants were 80% more likely to start a business than those born in the U.S., and that the number of jobs created by these immigrant-founded firms was 42% higher than native-founded firms, relative to each population.

E**ntrepreneurs are** one aspect of a far larger debate over the nation's dysfunctional immigration system, but they are critical to the country's economic growth. "By inhibiting and preventing immigrant entrepreneurs from coming to the U.S., we are purposely putting our country at a competitive disadvantage," says Brad Feld, managing director of the Foundry Group and cofounder of the Techstars accelerator.

One of the reasons why so many other countries offer startup visas and perks is that they

KENNETH MARTIN/ZUMA PRESS/NEWSCOM

WELCOME SIGNS

ROUGHLY 25 COUNTRIES, INCLUDING AUSTRALIA, GERMANY, PORTUGAL AND THE U.K., HAVE CREATED STARTUP VISAS IN THE PAST DECADE TO HELP ATTRACT ENTREPRENEURS. HERE'S A LOOK AT FIVE OF THEM.

CANADA

Eligible to apply: entrepreneurs (who must be proficient in English or French) with roughly $165,000 in investment from an accredited venture firm or $62,000 from an incubator program.

CHILE

Its government-run accelerator program, Start-Up Chile, has attracted 1,960 startups since its 2010 launch with "equity-free funding," mentoring and a one-year working visa.

ESTONIA

Targeted to high-growth founders such as tech entrepreneurs, Estonia promises that its startup committee will make decisions on applications in 10 working days. Since its 2017 launch, more than 2,750 people have applied, and 750 founders, many from Russia, Iran and India, have relocated to the tiny (population 1.3 million) startup-friendly nation.

IRELAND

Its Start-up Entrepreneur Programme welcomes non-EU founders who have "an innovative business proposal" and $61,000 (at current exchange rates). Family members can migrate under the same visa.

THE NETHERLANDS

Entrepreneurs outside the EU must work with one of roughly 30 "facilitators," such as the HighTechXL accelerator. The income requirements are low—roughly $25,000 a year at current exchange rates. The visa is valid for a year, but then the entrepreneur can apply for a permit to work on a self-employed basis.

need to in order to lure talented entrepreneurs. Historically, the United States hasn't had to worry about that. American universities have always drawn from overseas, and thousands of graduates from elite schools like MIT, Stanford and Carnegie Mellon start companies after graduating. Back in the 1990s—when Soviet refugee Sergey Brin cofounded Google and French immigrant Pierre Omidyar started eBay—more than 90% of global venture capital went to U.S. companies, according to research published by the Center for American Entrepreneurship.

But now Silicon Valley venture firms are investing globally, and foreign-based investors are looking to re-create the startup ecosystems of the U.S. elsewhere. Today, just over half of global venture funding—or $164 billion out of a total $321 billion—goes to U.S. companies, according to NVCA. Indian entrepreneur Kunal Bahl, founder of e-commerce giant Snapdeal, notably left the U.S. in 2007 when he failed to get an H-1B visa after graduating from Wharton. The marketplace now employs roughly 4,000, mostly in India. "The immigration rules we are working under are four decades old," says Elizabeth Goss, a Boston-based immigration attorney. "Entrepreneurs are job creators."

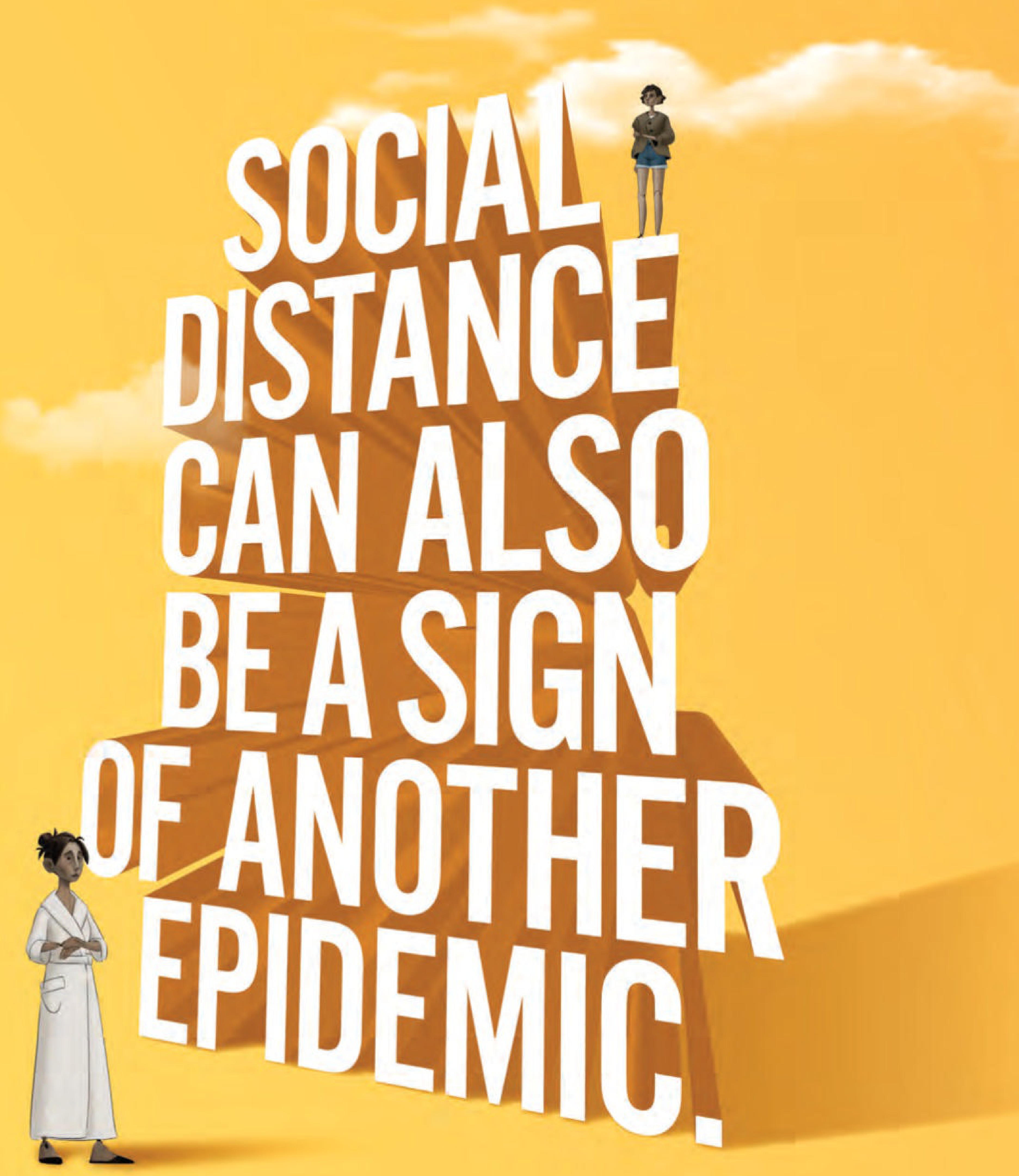
Adding to worries is the pandemic's effect on American universities. Going to a U.S. college or graduate school has long been a leading pathway into the country for foreign-born entrepreneurs. Covid-19 has crushed that. The total number of international students, both in-person and those studying online, fell 16% in the autumn of 2020, according to a report led by the Institute of International Education. Obviously those numbers will bounce back to some extent post-Covid, but perhaps not to pre-pandemic levels.

"You have to think about those folks who didn't get a visa to study in the U.S. and therefore won't be in a situation to found a company later on," says Pierre Azoulay, a professor at MIT Sloan who studies immigrant entrepreneurs and is one of the authors of the NBER study.

Back in 2008, venture capitalist Feld began organizing for a new startup visa for entrepreneurs after seeing a number of non-U.S. founders in Techstars struggling to set up their businesses here. In 2010, then-Senators Richard Lugar (R.-Indiana) and John Kerry (D.-Massachusetts) introduced the first startup-visa legislation—and failed to get it passed. Another startup visa was included in the comprehensive immigration reform bill of 2013; it too languished. Since then, there have been bipartisan efforts sponsored

Eren Ozmen
NET WORTH: $1.2 BILLION
SIERRA NEVADA
TURKEY

"AS AN IMMIGRANT, IT'S NOT A LEVEL PLAYING FIELD, BUT WORKING HARDER IS TO YOUR ADVANTAGE OVER THE YEARS."



Physical distance can keep you safe and healthy. But if an emotional distance forms between you and those closest to you, it may be due to drug or alcohol use. Partnership to End Addiction works with you to establish the connections that can help save lives and end addiction.

Get support to help your child at DrugFree.org

Partnership to End Addiction

Mark Jones
NET WORTH: $1 BILLION
GOOSEHEAD INSURANCE
CANADA

> **“I HAD A NUMBER OF BUSINESS IDEAS WHEN I WAS ON THE H-1B THAT I COULDN’T PURSUE BECAUSE I WAS TETHERED TO [MY EMPLOYER], NOT JUST FOR THE H-1B BUT THEN FOR THE TWO-YEAR PROCESS OF GETTING MY GREEN CARD.”**

by Jerry Moran (R.-Kansas) and Mark Warner (D.-Virginia) in the Senate and by Zoe Lofgren (D.-California) and former Representative Luis Gutiérrez (D.-Illinois) in the House. None has become law. Lofgren, who oversees the immigration subcommittee, is working on a new visa.

The primary problem is untangling any potential startup visa from the toxic gridlock of Americ’s immigration policies. “We don’t have any natural predators in the jungle who say we want to have less entrepreneurship, not more entrepreneurship, but we have not been able to detach this from the larger immigration debate,” says the NVCA’s Farrah.

Without federal legislation, a number of ad-hoc programs have emerged to fill the gap. The New York City–based Global EIR initiative, founded in 2015, partners with cities including Detroit and Pittsburgh to create entrepreneur-in-residence programs for immigrant entrepreneurs. To date, Global EIR has worked with over 100 founders, who have raised some $500 million and created around 1,000 jobs. To get a sense of the size of the opportunities we’re missing, imagine that scaled 100 times by a formal entrepreneur-visa program.

One bright note: the International Entrepreneur Rule. That’s the policy the Biden administration resurrected in May that allows the Department of Homeland Security to grant “parole” to foreign entrepreneurs with at least $250,000 in funding. Under the rule, the founders, who must prove they bring some benefit, can work for their startups for two and a half years with the possibility of one extension. When the rule was first proposed under Barack Obama, it was expected to get nearly 3,000 applicants per year—with the potential to create up to 430,000 U.S. jobs over 10 years. Then Trump effectively killed it, with only 28 applying and just one approved in four years.

Yiannis Yiakoumis, who came to the U.S. from Greece and got a Ph.D. in electrical engineering at Stanford, was the one successful applicant. He cofounded San Francisco–based Selfie Networks, which improves network security and performance based on his academic research, in 2017. He already had an O-1 visa, but that didn’t permit his wife to work, so when he learned about the possibility of parole, he applied in 2018. “There was no real downside,” says Yiakoumis, 39. “Our expectation was nobody would look at it.” It took a year, but he got approved, surprising many.

Glen Wang, 30, who was born in China and graduated from the University of Chicago, is with his parents in Calgary, Alberta, while he prepares his parole application. In late 2019, he cofounded The Third Place, a San Francisco startup that helps restaurants gain business by setting up recurring takeout orders, which he took through the Y Combinator accelerator. But his previous H-1B visa tied him to his former employer, online education firm Khan Academy. “Legally speaking, it’s really tricky to be working full-time on your own startup until you have some kind of status that makes it formal,” he says.

Silicon Valley immigration attorney Sophie Alcorn expects to file a handful of applications for entrepreneurs soon. “Some of the founders are outside the United States but cannot come in, and others are here but cannot work at the company they own,” she says. “I’m cherry-picking the people who have already raised millions.”

The revived rule is a great step, but it’s not a visa. Instead, it’s allowed under presidential oversight as a humanitarian issue, and could be withdrawn by a future administration. There is also no direct path from parole to permanent residence for founders who want to stay. That could be achieved only by establishing a startup visa.

“I hope Congress acts before it’s too late,” Steve Case says. “Could something happen in the next few years? It sure better, or I think our country, in terms of being the leader of the innovation economy, is at risk.”

The partisan politics of immigration have long left the startup visa in limbo and always out of reach. But as the United States looks at ways to help the economy rebound in the wake of the pandemic, it shouldn’t wait too long. After all, other countries are happy to welcome in these would-be American dreamers instead. F

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Purpose

"The least of things with a meaning is worth more in life than the greatest of things without it."
—Carl Jung

"He who has a why to live for can bear almost any how."
—Friedrich Nietzsche

"I don't feel frightened not knowing things, by being lost in a mysterious universe without any purpose, which is the way it really is, as far as I can tell."
—Richard Feynman

"Obsessions are the only things that matter."
—Patricia Highsmith

"The terrible pain of loss teaches humility to our prideful kind."
—Dean Koontz

"The purpose of life, after all, is to live it, to taste experience to the utmost, to reach out eagerly and without fear for newer and richer experience."
—Eleanor Roosevelt

"The most daring thing is to create stable communities in which the terrible disease of loneliness can be cured."
—Kurt Vonnegut

"I like a good story, and I also like staring at the sea. Do I have to choose between the two?"
—David Byrne

"What am I living for and what am I dying for are the same question."
—Margaret Atwood

"To increase knowledge, to take burdens from the weak, to develop the brain, to defend the right, to make a palace for the soul: This is real religion. This is real worship."
—Robert G. Ingersoll

Mission Critical

October 8, 2001

Robert Johnson, cofounder (with his now-ex-wife, Sheila) of Black Entertainment Television, couldn't shake his critics. "If people would just judge BET for what it is, instead of what they'd like it to be," he said. "But nobody will sing our praises." He had sold BET to Viacom for $3 billion earlier in the year, becoming America's first Black billionaire. But his detractors kept pointing to BET's lowbrow programming and a perception that the company wasn't doing enough to elevate the Black community. As *Forbes'* Brett Pulley put it, Johnson faced a tough question: **"At what point—if any—should a corporation's *raison d'être* go beyond creating value for shareholders and entail making the world a better place to live?"** Johnson, for his part, had little desire to find that balance. "We can't solve everybody's desires for BET," he said. "We have to be focused on running this as a profit-maximization business."

SOURCES: THE DARKEST EVENING OF THE YEAR, BY DEAN KOONTZ; PALM SUNDAY, BY KURT VONNEGUT; HOW MUSIC WORKS, BY DAVID BYRNE; THE YEAR OF THE FLOOD, BY MARGARET ATWOOD; THE WORKS OF ROBERT G. INGERSOLL, VOL. IV; WHERE ANGELS FEAR TO TREAD, BY E.M. FORSTER.

"The blind pursuit of profit at all costs is untenable. It is essential that we make money the right way."
—Indra Nooyi

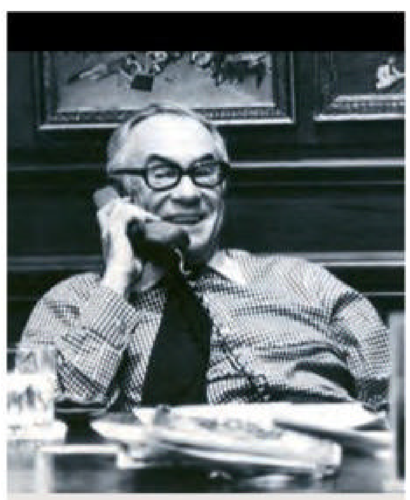
"Here is a test to find out whether your mission in life is complete. If you're alive, it isn't."
—Lauren Bacall

"Different persons have various modes of excellence, and we must have an eye to all."
—William Wilberforce

"If there is a book that you want to read, but it hasn't been written yet, you must be the one to write it."
—Toni Morrison

"You told me once that we shall be judged by our intentions, not our accomplishments. I thought it a grand remark. But we must intend to accomplish—not sit intending on a chair."
—E.M. Forster

"The purposes of a person's heart are deep waters, but one who has insight draws them out."
—Proverbs 20:5



FINAL THOUGHT

"Everybody has to be somebody to somebody to be anybody."
—Malcolm Forbes