WeWork Shelves IPO for Now Under New Leadership

WeWork is shelving its initial public offering after a tumultuous six weeks that saw its co-founder and CEO step down.

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(Photo: Former CEO Adam Neumann speaking during *WeWork Presents Second Annual Creator Global Finals* on January 9, 2019.)

WeWork is postponing its initial public offering indefinitely.

Co-CEOs Artie Minson and Sebastian Gunningham said in a statement, “We have decided to postpone our IPO to focus on our core business, the fundamentals of which remain strong. We are as committed as ever to serving our members, enterprise customers, landlord partners, employees and shareholders. We have every intention to operate WeWork as a public company and look forward to revisiting the public equity markets in the future.”

WeWork bonds hit a record low on the news.

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After WeWork parent The We Company filed to go public on August 14, it faced intense scrutiny of its finances and leadership from potential investors, the media, and business giants like Sam Zell.

Concerns included WeWork’s path to profitability, conflicts of

interest, and Neumann’s ability to lead a public company. In the first half of the year, WeWork had a loss of $690 million on $1.5 billion in revenue.

The company considered cutting its valuation by more than 50%, ousted Neumann, and delayed its IPO on September 17, before ultimately withdrawing its filing to go public

Founded in 2010, WeWork has exploded from a single outpost in New York to 528 locations in 111 cities. Its business focus has matured along the way. Previously known for loud, open rooms with communal desks for millennial entrepreneurs, the company now does about 40% of its business with companies with over 500 employees, offering corporate build-outs and private floors for the likes of BlackRock and Microsoft.

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