

Document title:	MIT Students Reap Profit From Soaring Akamai IPO - The Tech
Capture URL:	http://tech.mit.edu/V119/N55/55wkoffelisrich.55n.html
Captured site IP:	18.18.187.25
Page loaded at (UTC):	Mon, 14 Sep 2020 21:59:35 GMT
Capture timestamp (UTC):	Mon, 14 Sep 2020 21:59:49 GMT
Capture tool:	v7.0.9
Collection server IP:	54.174.78.137
Browser engine:	Chrome/77.0.3865.120
Operating system:	Microsoft Windows NT 10.0.14393.0 (10.0.14393.0)
PDF length:	2
Capture ID:	4d55d6c6-5493-4fb2-af72-69d7c6e607cf
User:	omm-mdjuric



For the latest news, please visit
our new website, thetech.com.

HAS RELOCATED



ONLINE EDITION

MIT's oldest and largest
newspaper & the first
newspaper published
on the web

[HOME](#) [NEWS](#) [OPINION](#) [ARTS](#) [SPORTS](#) [CAMPUS LIFE](#) [PHOTOS](#) [BLOGS](#)

[ABOUT](#) [ADVERTISING](#) [JOBS](#)

Boston Weather: 74.0°F | Partly Cloudy

Volume 119 >> Issue 55 : Tuesday, November 2, 1999

[PDF of This Issue](#)

MIT Students Reap Profit From Soaring Akamai IPO

By Laura McGrath Moulton
STAFF REPORTER

In its first day of trading on the Nasdaq exchange, MIT start-up Akamai Technologies, Inc. closed at \$145.1875 per share -- a 458 percent increase from its initial offering price.

The Friday IPO was the fourth-largest first-day increase ever. Monday, Akamai closed at \$174.312 giving the company a total market capitalization of nearly \$16 billion. The company's nine million initial public shares were sold at \$26 and opened for public trading at \$110. The stock peaked at \$166 Friday and at \$179 per share Monday.

Akamai, which is located in Cambridge, originated in 1995 as a collaboration between MIT Professor of Applied Mathematics Tom Leighton and then-graduate student Daniel M. Lewin PhD '99. Leighton and Lewin both hold stakes of the company now valued at more than \$1.5 billion, according to a CNET news.

The company employs several current and former MIT students, some of whom were able to participate in the IPO. Students who were among the company's first employees made a paper profit in excess of \$10M dollars in the first days of public trading. Many of those students are not able to sell shares or options immediately, however, and will have to wait several months before cashing in on their new found fortune.

According to its web site, Akamai "provides a global Internet content delivery service that improves Web site speed and reliability and enables richer, more engaging Web site content." The company now has "over 1,475 servers deployed in 24 countries across 55 telecommunications networks."

The highest percentage increase of a stock on its first day at 606 percent occurred when TheGlobe.com went public, the Associated Press reported Saturday.

Despite its success in trading, the company had \$1.3 million in sales and lost \$28.3 million in the first nine months of this year, according to the Associated Press, which called Akamai's reception on Wall Street "red hot."

The offering of the stock, whose symbol is AKAM, was led by Morgan Stanley Dean Witter and co-managed by Donaldson, Lufkin & Jerrette, Salomon Smith Barney and Thomas Weisel Partners LLC.

According to a statement by the company, Akamai "anticipates using net proceeds from the offering for working capital and general corporate purposes."

☐ Only Vol. 119

[View Archives](#)

[Previous Issue](#)

[Next Issue](#)

ISSUE 55



[PDF: V119-N55.pdf](#)

The Tech • 84 Massachusetts Avenue • Suite 483 • Cambridge, Mass. 02139-4300

p: 617.253.1541 • f: 617.258.8226 • [Contact Us](#)

Copyright 2020 • The Tech