

Casper, from unicorn to financial catastrophe

Every week, Maddyness curates articles from other outlets on a topic that is driving the headlines. This week, we look at what is going on with Casper.

Casper's IPO is officially a disaster

Casper's attempt at a public debut is becoming downright embarrassing. The mattress-in-a-box company dramatically slashed its initial public offering price, cutting its valuation and dimming hopes of a positive reception by investors. The company said Wednesday in a regulatory filing that it had cut its IPO target share price to \$12 to \$13 from \$17 to \$19. That values the company at around \$500M, down from the \$705M it valued itself at last week. At one point, Casper was valued at more than \$1B. Its shares priced at the low-end, or \$12, [*the Wall Street Journal* reported. Read the full article on CNN](#)

Casper IPO: What Does It Mean For The Tech World?

So what does the Casper IPO mean for the broader tech market? Well, of course, this deal may just wind up being a one-off. But then again, as seen with other high-profile offerings like Uber and Lyft, there does appear to be more scepticism. What's more, the WeWork implosion is a stark reminder of how

things can go off the rails. Simply put, the “growth at all costs” strategy is not in vogue right now—at least on Wall Street. [Read the full story on Forbes](#)

When did selling mattresses become a tech business?

Casper was a unicorn to private investors. To the public markets, it is only about a third of one. Despite what Casper says in its prospectus—that it brings “the benefits of cutting-edge technology, data, and insights directly to consumers,” that it is on the “cutting edge of sleep innovations,” that it has an app—Casper is not a technology business. It’s a sleek, direct-to-consumer company that smartly realized buying a mattress is an awful experience that could be made a little less awful with online purchases, free delivery, and free trials. It’s a middleman that sources its mattresses from a small number of manufacturers, at least one of whom also makes mattresses for Casper’s many competitors. [Read the full article on Quartz](#)

Are unicorns finally extinct?

2019 was kind of a messy year for tech IPOs. It started well, but then it felt like everybody was rushing to “get out” before the economy went south or the window closed. We saw the rise and fall of big-name brands, questioned business models that once made sense, and embraced a drive to more rational business models. I, for one, think this was actually a good thing. It was good because although 2019 was a year full of challenges, it was also a year of lessons to be learned. For the past couple of years, highly valued startups have been a bit like Icarus, flying too close to the sun and full of hubris and non-stop self-promotion about how they’ve been “crushing it.” Now, the reality is setting in. With many companies previously chasing that mythical “unicorn” status, will 2020 be the year we answer the question: Are unicorns extinct? [Read the full article on VentureBeat](#)