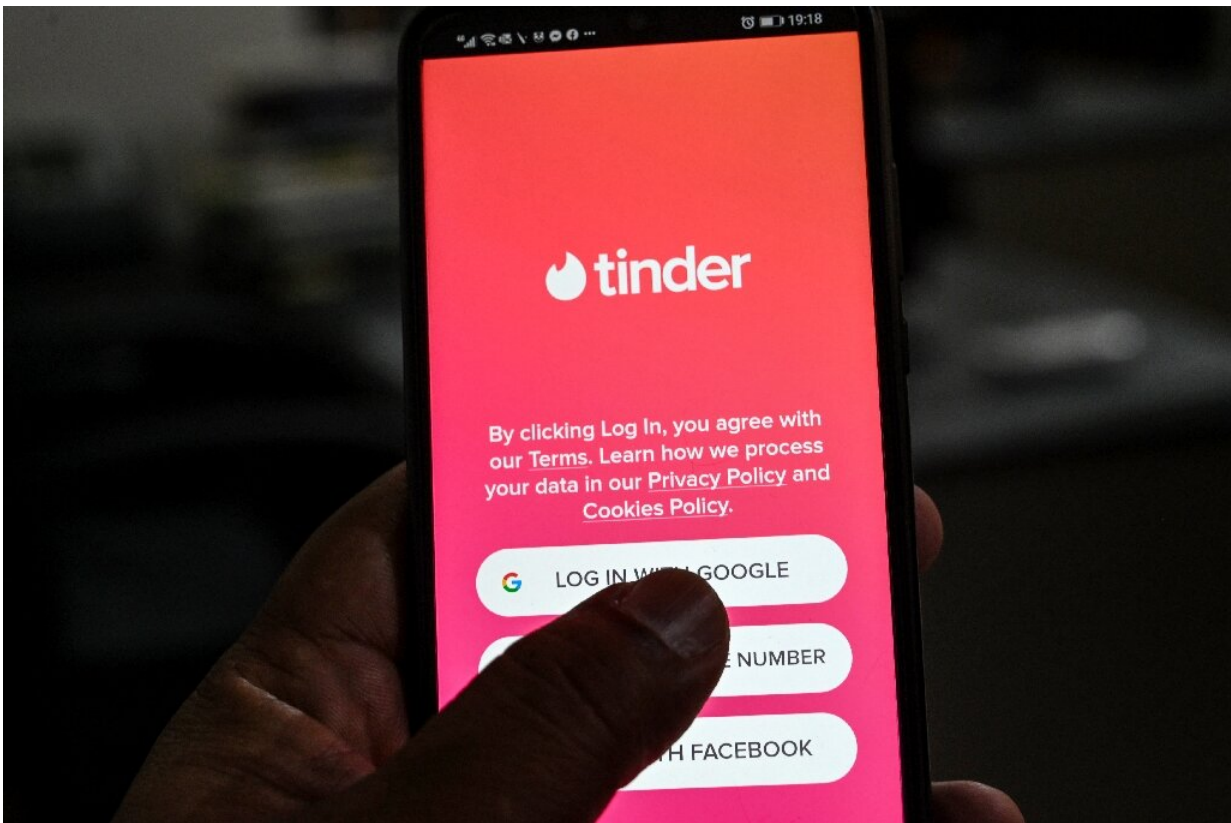


Tinder owner to pay founders \$441 mn to settle valuation lawsuit

December 2 2021



Tinder's owner is paying the app's founders millions to settle a lawsuit.

The company that owns Tinder will pay \$441 million to the popular dating app's founders to settle a dispute over the valuation of stock options, documents showed Wednesday.

The suit filed in New York in 2018 contended that Tinder owner Match Group, and its then parent firm InterActiveCorp, schemed to dramatically drive down the value of stock options and then eliminate them altogether.

Co-creators Sean Rad, Justin Mateen and Jonathan Badeen alleged Match and IAC relied on bogus figures to arrive at a valuation of \$3 billion in 2017—when Tinder was actually worth more than four times that.

Created in 2012, Tinder now has more than 10 million paying users who can quickly scroll through possible romantic matches, and then swipe left or right to signal interest.

With options on about 20 percent of Tinder's [stock](#), the founders and their early employees felt they had been shortchanged by several billion dollars.

Match will pay \$441 million to the 10 Tinder alumni, including the three co-founders, in exchange for them agreeing to end all legal actions, according to a document filed Wednesday with the US Securities and Exchange Commission.

Listed on the [stock exchange](#) in 2015, Match Group was completely spun off from IAC in 2020 and also owns dating platforms like Hinge, Meetic and OkCupid.

© 2021 AFP

Citation: Tinder owner to pay founders \$441 mn to settle valuation lawsuit (2021, December 2) retrieved 9 April 2024 from <https://techxplore.com/news/2021-12-tinder-owner-founders-mn-valuation.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.