**Max Levchin: A Biography**

Max Levchin is a renowned software engineer who is accredited with the creation and commercialisation of software such as PayPal, Slide and more recently Affirm to name but a few. Levchin has chosen to use technology as a tool to positively impact the lives of those around him, an admiral skill in a world plagued by internet hackers and cyber threats. His ability to think outside of the box is one of the reasons why he was named by MIT Technology Review as one of their Top Innovators Under 35 in 2002. (Review, 2002) In 2014, Levchin’s net worth was estimated to be a staggering $300 million, (Parrish, 2014) a further testament to his sheer skill and shrewd business tactics.

**Early Life**

Max Levchin was born in [Kiev](https://www.revolvy.com/main/index.php?s=Kiev&item_type=topic) in 1975 to a Ukrainian Jewish family. In 1991 he moved to Chicago in the United States under political asylum. As a child he had respiratory problems and doctors doubted his chance of living. In response to this Levchin took up the clarinet to expand his lung capacity. During his teenage years, he attended Mather High School and went on to receive a bachelor's degree in computer science from the University of Illinois in 1997. (Revolvy, 2017)

**Initial Success**

After graduation Levchin moved to Silicon Valley with the goal of starting a company based on his cryptography passion. In 1998 he co-founded PayPal with Peter Thiel. (Successstory.com, 2017) Together they created the Gausebeck-Levchin test, one of the first commercial implementations of CAPTCHA. (Roof, 2017) PayPal soon emerged as ‘the Internet’s leading person-to-person payments processor’. Levchin then made the bold move of taking his company public, resulting in an IPO which raised $70 million. After going public, he remained chief technology officer of PayPal and was instrumental in the development of an antifraud program called Igor. The program was ironically named after the Russian fraudster it helped apprehend in 2000. Igor works by monitoring transactions for unusual behaviour and as a result alerts personnel to freeze those accounts it deems suspicious. It is also capable of blocking funds headed to questionable destinations. Igor has been so effective in its task that even the FBI have used the software to combat wire fraud. (Review, 2002)

**Life after PayPal**

But PayPal was only the start for Max Levchin. In 2004, Levchin became the first investor in [Yelp](https://www.revolvy.com/main/index.php?s=Yelp&item_type=topic), the online review service which has since become a household name. He further served as chairman of its board of directors until July 2015. Levchin remains the company's largest shareholder and in 2012 owned more than 7 million shares. (Revolvy, 2017) This is a perfect example of how Levchin’s innovative skills are not solely used for writing code and developing software. His creative thinking is also found in the way in which he conducts business and uses his capital and influence to help get original ideas off the ground.

In 2005 Levchin launched Slide, a personal media-sharing service for social networking sites such as MySpace and Facebook. At its peak, Slide's photo-sharing widgets reached over 150m monthly users worldwide. In August 2010, Levchin negotiated the sale of Slide to Google for $182 million. Levchin also became Google’s Vice President of Engineering during this period. (Parrish, 2014)

In 2012, he founded HVF (Hard, Valuable, and Fun). The company’s main aim was to “*explore and fund projects and companies in the area of leveraging data”*. (Revolvy, 2017) HVF’s primary focus is on technology and data advantages that can be used to solve problems which exist in our society. Team work is a big factor in HVF. The company is a firm believer in working together and taking advantage of the skills and knowledge of its founders, contacts and even some Levchin portfolio companies. The company ideally focuses on 1-2 projects at any given time, enabling them to give each idea their full attention. (Levchin, 2017)

In early 2012, Affirm, Levchin’s latest project, was spun out of HVF. It is described as a financial services company which offers instalment loans to consumers at the point of sale. Affirm allows shoppers spread payments for purchases across multiple months with an emphasis on transparency in prices. The idea sprung from Levchin’s belief that the financial industry needed reinvention. Along with other members of the Affirm team, he decided to use modern technology as a way to re-define and re-build the core components of financial infrastructure. (Levchin, 2017) By July 2017, Affirm had over 1,000 online merchants signed up to offer its financing options at checkout. The company is helping to reduce the friction around buying expensive items and, as a result, increases sales for its partners. (Lawler, 2017)

In 2013, HVF launched another project called Glow, with Levchin serving as a co-founder and chairman. Glow is a fertility app that aims to help couples conceive naturally. Levchin claims to have created the world's largest reproductive health data set, and subsequently use this data to lower healthcare costs and improve health outcomes. (Levchin, 2017) Whilst there are many social benefits to the app, it was unfortunately met with controversy in 2016 when a [Consumer Reports investigation](http://www.consumerreports.org/mobile-security-software/glow-pregnancy-app-exposed-women-to-privacy-threats/) discovered serious security and privacy flaws in the apps software. The Consumer Reports’ team was able to gain access to personal information concerning it users. This information included data and comments about their sex lives, history of user’s miscarriages and abortions. The team gained access through a privacy loophole concerning the way the app allowed its customers to link their accounts and share data. The Consumer Reports also found that community forums on the app revealed personal information about its users including their full name, e-mail address, location, date of birth and other health details which had been logged to the app. The report claimed that the data had been easily found and parsed using a free-to-download security testing app, and online calculators. In response to these allegations Glow immediately readjusted it security software to rectify these vulnerabilities. (Kolodny, 2016)

**Socially Responsible**

It is undoubtedly clear that Max Levchin is a commercial success and a one of the Kings of Silicon Valley. However Levchin continually uses his innovative skills as a method of changing the world for the better and not simply making a profit. PayPal, Affirm and Glow are just some of the examples of this. Levchin’s security and anti-fraud software created for PayPal have helped make internet shopping safer for millions of people around the world. Affirm is one of the first financial services that understands the importance of earning and not abusing the trust placed in its customers. It is Levchin’s valiant attempt at restructuring our financial sector through software which will increase the transparency in everyday banking.

*“We need to provide better access to financial capital as well as the tools and information required to manage debt effectively so that individuals can leverage it into personal advancement. If retailers and financial institutions simply created and promoted financial products that are honest, transparent and simple for consumers, we could impact economic mobility at scale, ultimately leading to a healthier society.”* (Levchin, 2017)

Levchin believes that in order to build a healthy and functioning society we need to change the way we approach finance. Affirm claims it will never extend credit to someone it deems unable to repay. (Lawler, 2017) This is a stark contrast to more predatory lenders in the market that issue credit in the hopes of profiting from late fees.

Glow is another example of how Levchin aims to help everyday people solve problems using technology. Many couples spend thousands of euro on fertility solutions in order to conceive. Levchin created Glow in the hope that it might help lower these expenses for some people and assist them in their goal of having a child. The idea that something as simple as an app can be used to help create a life is a level of innovation that is truly inspiring and admirable.

Max Levchin is one of the most influential software developers of his time. He has the ability to combine well-built software with a strong sense of innovation and business capability. His first success PayPal was conceived during a time when internet shopping was mistrusted and feared by many consumers. Through the building of his anti-fraud software Levchin gained the trust of millions and helped the change face of the retail industry. His ability to recognise a global problem and in response formulate and market a solution is a sheer testament to his innovative skills and talent. At the age of 42, Levchin still has much of his professional career ahead of him so it will be interesting to see what else he has up his sleeve.

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