

Patrick Collison, from Irish schoolboy to Silicon Valley success

Patrick Collison is an Irish billionaire entrepreneur and software engineer. He is the co-founder of Stripe, a SaaS company offering online payment processing for internet businesses. Since a young age, his drive, intelligence and curiosity have led him to succeed in the intersection of business and technology. As a Computer Science and Business student, Collison has motivated me to always stay updated on new rising technologies and to get involved in entrepreneurship competitions such as Startup Weekends.

Early Years

Patrick Collison was born on 9 September 1988, to Lily and Denis Collison, in Dromineer, County Tipperary. He is the eldest of his two brothers, John and Tommy. Their parents had scientific backgrounds, father Denis being an electrical engineer and mother Lily a microbiologist, and later in life became entrepreneurs. Denis ran a 24-bedroom hotel on the shore of Lough Derg, while Lily operated a corporate training company from the family's home. Having lived in an entrepreneurship environment since a young age, Patrick and his brothers were never daunted by the idea of starting their own business. As Patrick mentioned to Bloomberg Businessweek "It seemed normal, because whatever your parents do seems normal."

At the age of 8, Patrick took his first computer course at the University of Limerick and began studying computer programming at the age of ten. In an interview, Patrick disclosed he started learning PHP, followed by Java (which he deeply disliked) and then stumbled into Python. As he realised that LISP was frequently referenced as the inspiration for Python, he delved deeper into LISP. Patrick and his brother, John, were fascinated by maths and physics and by their early teens they had nine computers at home and were paying €100 a month for a satellite broadband link via Germany.

In 2004, he entered the 40th Young Scientist and Technology Exhibition with his project on artificial intelligence finishing as individual runner-up. Using LISP he implemented MSN Messenger protocol and built an enormous database from thousands of conversations. His program sent messages to people through MSN Messenger with users not realising it was actually a machine or that they were, essentially, playing the Turing test.

In 2005 he re-entered the competition and this time, at the age of sixteen, won first place. His project involved the creation of coding language Croma, a new dialect of LISP. Croma was an attempt to correct what Patrick saw wrong with Common Lisp/Scheme: proper lambda-list keywords and continuations. It also geared towards an integrated continuation-based web development system which got rid of HTTP transactional cruft. His prize of a €3,000 cheque and a trophy of Waterford Crystal was presented to him by President Mary McAleese.

Automatic

That same year, 2005, Patrick studied for his Leaving Certificate exams and enrolled at MIT in 2006 at the age of sixteen to study math. Six months later he dropped out and set up a

software company 'Shuppa' in Limerick with his brother John. After being unsuccessful at raising capital for their company in Ireland they decided to move back to the US, as Y Combinator had shown interest. The Collison brothers merged with the Taggar brothers, Kulveer and Harjeet, two Oxford graduates, renamed the company to become Auctomatic and received funding from Y Combinator. Auctomatic was an improved version of eBay, offering an auction and marketplace management system for all individual sellers on sites such as eBay, Amazon Overstock and others. The application allowed users to list items, manage sales and helped understand how to best optimize selling and maximise profits. Seven months after funding, the Canadian company Live Current Media acquired Auctomatic for \$5 million. The sale of Auctomatic made the then nineteen years old, Patrick, become a millionaire overnight. In May 2008 Patrick became director of engineering at the company's new Vancouver base and he returned to MIT to pursue degrees in math and physics.

Stripe

In 2009 Patrick was working on several side projects, experienced firsthand difficulty of accepting online payments and therefore had continuous debates with his brother about how convoluted and awkward the process of accepting payments on the web was. These debates took them back to their high school times, when they started building iOS apps and had discovered that it was much easier to earn money through apps than through selling items online in return of a payment. This lead them to start a payment app called /dev/payments in early 2010, which would then be renamed to Stripe.

Patrick and his brother John quickly developed a simple solution and within 2-weeks they processed their first transaction. They spent 2010 improving and testing the app with their friends and collecting feedback from them. Their friends, in turn, invited their friends, something that surprised Patrick as Stripe is a payment system, not a social network so "it's not something you'd think would have any virality whatsoever". In the same year, Stripe received seed funding from Y Combinator.

The two most common programming languages used at Stripe are Ruby and JavaScript. Their Ruby code is very vanilla and powers most of the back-end services including their API and stripe.com. On an interview, Patrick mentioned that "Picking Python would probably have worked out equivalently well. Between the Ruby and Python, each is a little better in some areas, but the differences between them are fairly slight." For the front-end and other applications, Stripe uses non-vanilla JavaScript. They use ES2017, Flow and JSX for React. Besides Ruby and JavaScript, Scala and Go are also used but infrequently, only chosen specifically for projects that can take advantage of their best features.

In 2011 Stripe received a \$2 million investment from venture capitalists Peter Thiel, Sequoia Capital and Andreessen Horowitz. Stripe launched publicly in September 2011 after an extensive private beta. Again in 2012, Stripe was funded with an \$18 million Series A investment led by Sequoia Capital at a \$100 million valuation. Stripe started in the payment processing space providing APIs that web developers can use to integrate payment processing in their e-commerce websites and mobile applications. Over the next years and until today, they have increased their product offerings.

Today, Stripe is the service used by more than 100,000 businesses worldwide to process their online payments. It stores key financial information such as credit card numbers, deals with fraud, and adds support for new services such as Apple Pay as they arise. Stripe won't disclose the number of transactions it processes, but analysts estimate it's getting close to handling \$50 billion in commerce annually, which would translate to about \$1.5 billion in revenue.

In 2016 Patrick spoke about his core ambition, "to increase the GDP of the internet". To do so, Stripe has invested in companies offering similar services as themselves, but in different geographical regions. During the 2016 Mobile World Congress Patrick explained that Stripe was targeting entrepreneurs from Africa, Latin America, the Middle East and parts of Asia. "A majority of the growth over the next ten years will come from underserved markets". In August 2018, Stripe invested in PayStack, a Nigerian payment processor and in September 2019, invested in PayMongo, a Philippine payment processor.

The most recent round of funding was earlier this year in April 2020, when Stripe raised \$600 Million from Sequoia Capital, General Catalyst, GV and Andreessen Horowitz. This investment round valued Stripe at \$36 billion.

Other initiatives and interests

Patrick Collison is a member of the Board of The Long Now Foundation since 2019. TLNF is a non-profit organization based in San Francisco that seeks to start and promote a long-term cultural institution. It aims to provide a counterpoint to what it views as today's "faster/cheaper" mindset and to promote "slower/better" thinking.

Through his website, patrickcollison.com, Patrick frequently shares his thoughts on social change, growth, pollution, Silicon Valley and life advice. When reading his words, I get the clear impression of the depth of his mind, intelligence and his intrinsic curiosity about life in general.

Final thoughts

A combination of Patrick's rural upbringing, his innate intelligence, the intermittent collaboration with his brother and the opportunities he lived since leaving Ireland for the US have made Patrick who he is today. Motivated about enabling new business models like crowdfunding, mobile market places, and introducing mobile payments in developing countries, I'm left wondering: What will the next advancements on online payment be? Will Patrick Collison be part of it? I am looking forward to updating this biography in the coming years.

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