

Start-up 3: Amazon

Source 1

This startup story features Jeffrey P. Bezos, the innovative founder of Amazon. The company, which now generates over \$61 Billion in Revenue and holds the title as the world's largest online retailer, was started out of Bezos's garage at 30 years old.

"The wake up call was finding this startling statistic that web usage in the spring of 1994 was growing at 2,300 percent a year. You know, things just don't grow that fast. It's highly unusual, and that started me about thinking, "What kind of business plan might make sense in the context of that growth?" After making a list of the 'top 20' products that he could potentially sell on the internet, he decided on books because of their low cost and universal demand. It turns out, it was just the beginning.....

Source 2

After reading a report about the future of the Internet that projected annual web commerce growth at 2,300%, Bezos created a list of 20 products that could be marketed online. He narrowed the list to what he felt were the five most promising products, which included: compact discs, computer hardware, computer software, videos, and books. Bezos finally decided that his new business would sell books online, because of the large worldwide demand for literature, the low unit price for books, and the huge number of titles available in print.^[10] Amazon was founded in the garage of Bezos' rented home in Bellevue, Washington.^{[8][11][12]} Bezos' parents invested almost \$250,000 in the start-up.^[13]

In July 1995, the company began service as an online [bookstore](#).^[14] The first book sold on Amazon.com was [Douglas Hofstadter's *Fluid Concepts and Creative Analogies: Computer Models of the Fundamental Mechanisms of Thought*](#).^[15] In the first two months of business, Amazon sold to all 50 states and over 45 countries. Within two months, Amazon's sales were up to \$20,000/week.^[16] In October 1995, the company announced itself to the public.^[17] In 1996, it was [reincorporated in Delaware](#). Amazon issued its [initial public offering](#) of [stock](#) on May 15, 1997, at \$18 per share, trading under the [NASDAQ](#) stock exchange symbol **AMZN**.^[18]

Source 3

Just found this elsewhere "On Aug. 11, 1994, the college grads that founded NetMarket in Nashua, N.H., claimed they had conducted the very first secure retail transaction on the Web.

They said the first item purchased via a Web site protected by commercially available data encryption technology was the CD "Ten Summoner's Tales" by Sting, according to former NetMarket founder Daniel Kohn. One of Kohn's Swarthmore College classmates purchased the CD with his credit card for \$12.48, plus shipping costs, according to a New York Times article that chronicled the transaction and credited the company with making e-commerce history."

Amazon was possibly the first store to really scale *and* survive to date, but lost money for years. It certainly wasn't the first. Most successful enterprises aren't :)