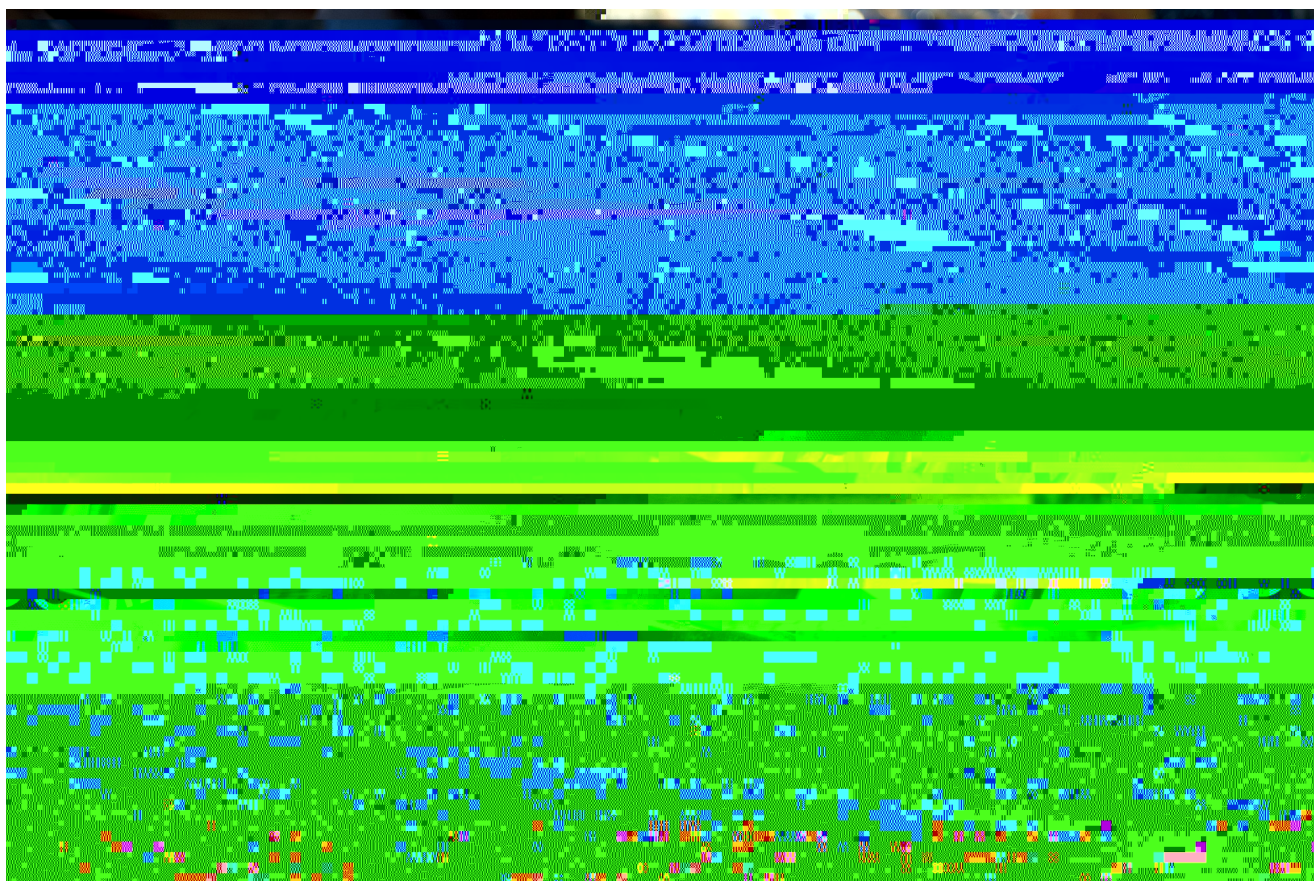# DoorDash, Deliveroo Food-Delivery Billionaires See Riches Swoon as Pandemic Ebbs

bloomberg.com/news/articles/2022-06-07/food-delivery-billionaires-see-fortunes-swoon-as-pandemic-ebbs

Food-Delivery Billionaires See Fortunes Swoon as Pandemic Ebbs

- Massive wealth reversals for DoorDash and Just Eat founders

- End of lockdowns, inflation hammering delivery firms' shares

A DoorDash delivery bag at restaurant in Washington, D.C.
Photographer: Andrew Harrer/Bloomberg

By

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June 7, 2022, 1:46 PM EDT Updated on June 7, 2022, 6:49 PM EDT

off sharply from the 2020 surge.

Drop Off

Food delivery companies have seen their share price plunge post-pandemic

A recent market downturn as well as persistent _inflation_ are also _eroding_ consumers' savings,

Netherlands -- when he created Just Eat's predecessor in 2000. And Shu had recently finished business school at Wharton before founding Deliveroo in London in 2013, though he did have some experience as a banker.

Before the pandemic, the growth of food delivery firms seemed limitless. When DoorDash went public in December 2020, its shares rocketed 92% in one of the biggest first-day jumps of the year.

DoorDash's co-founders have started moving some of that wealth into the bank. Xu, Fang and Tang have sold more than $356 million in stock combined in the past 17 months, using pre-arranged trading programs, according to Bloomberg calculations.

Many of the food delivery companies that enjoyed the biggest run-up in prices -- and subsequently the biggest collapses -- are based in Europe, which isn't known for its culture of food delivery. It now risks a more precipitous return to normal.

"This was a uniquely American phenomenon that spread to the whole world for a moment in time," said Usha Haley, a business professor at Wichita State University.

These founders have now experienced another aspect of American life: Not all get-rich-quick billionaires manage to hang onto their fortunes.

(Updates throughout with more context.)