

IR-0058 Loom

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Private Draft Business: Loom Generated: June 01, 2026 Identity & Overview Loom was founded in 2015 by **Vinay Hiremath**, **Shahed Khan**, and **Joe Thomas** in San Francisco, California. Thomas served as CEO (formerly Director of Product at MyLife.com), and Hiremath as CTO (formerly at upthere). Shahed Khan's background as a trained product designer was credited internally as a key differentiator in making the product genuinely enjoyable to use. The founding path was non-linear. The team initially built Opentest to connect companies with experts; when revenue stalled, they pivoted to collecting website feedback via video. The core screen-recording Chrome extension was the one element gaining traction; they rebranded it as Openvid and launched on Product Hunt on June 17, 2016, gaining 2,500 new users in a single day. The Loom name was made official in January 2017, after closing their seed round. Loom is a video messaging tool that enables users to record themselves, their screen, and their microphone, share videos via a private link, and communicate asynchronously — making it easy to give instructions, feedback, or share ideas without requiring the recipient to be present. The core business model is freemium: a free tier with recording limits drives organic top-of-funnel, while paid Business and Enterprise tiers unlock advanced features. The platform targets remote team collaboration, customer support, and education use cases.

Market Position Loom operates at the intersection of **async video communication**, **screen recording**, and **enterprise collaboration software**. Based on G2 reviewer data, Loom is most commonly categorized under Video Communications Software, Screen and Video Capture Software, and Video Email Software. Loom faces competition from video conferencing and screen recording platforms, but its unique focus on asynchronous video sets it apart. Primary competitors include: **Vidyard** — the best overall alternative per G2 (~4.5 stars), frequently praised for easy sharing and personalization, with a stronger sales-focus. **Snagit / Camtasia** (TechSmith) — Snagit offers stronger built-in editing with text, arrows, and shapes, capabilities Loom lacks natively. **Tella**, **Zight**, **Screencastify**, **BombBomb**, **Sendspark** — niche players targeting educators, marketers, and sales teams respectively. **ClickUp Clips** — embedded directly into a project management ecosystem. Loom is still regarded as the market leader in screen recording and video communication, though its post-acquisition pricing and product bloat are eroding that lead with some user segments.

Traction & Scale At the time of its acquisition announcement, Loom had amassed more than 25 million users and was named among the top 50 of Fast Company's World's Most Innovative companies in 2023. In the two years following Loom's 2020 pivot to enterprise, its user base exploded from 4 million users across 90,000 companies to 14 million users from 200,000 organizations, including tech giants like Slack and LinkedIn. More than 21 million users at 200,000 organizations use Loom, with customers including Amazon, Disney, Tesla, Brex, Ford, and Goldman Sachs. Loom's business users were recording almost 5 million videos per month at the time of the Atlassian deal. At its peak as an independent company, Loom had approximately 300 employees across the U.S., with offices in San Francisco and New York. Loom became especially essential during 2020 when the COVID-19 pandemic forced millions of workers into remote offices.

Financial Picture Loom's funding timeline: \$600K seed in October 2016; \$11M Series A in February 2019; \$30M Series B in November 2019; \$28.75M second Series B in May 2020; \$130M Series C in May 2021 at a \$1.53 billion valuation. By 2022, the firm was valued at \$1.5 billion, having secured \$200 million in total funding from Sequoia Capital, Andreessen Horowitz, ICONIQ, Coatue, and Kleiner Perkins. Atlassian acquired Loom for approximately \$975 million — comprised of roughly \$880 million in cash and the remainder in Atlassian equity awards subject to vesting provisions. This represented a 38% discount to Loom's 2021 peak valuation of \$1.53 billion — a notable markdown reflecting the broader tech valuation correction. Revenue figures were never publicly disclosed as a standalone company. The acquisition closed November 30, 2023.

Public Sentiment Sentiment is sharply bifurcated — loyal users praise the core workflow, while post-acquisition frustrations are prominent and vocal. **Positive:** Loom replaced about half my meetings. Instead of booking 30 minutes to walk someone through a bug or a design change, I hit record, click through it, and paste the link;

The time-zone tax just disappears. (Product Hunt reviewer) Reviewers broadly see Loom as a fast, intuitive way to replace meetings for feedback, demos, onboarding, and customer updates — with the strongest praise for its share-link workflow across remote teams. **Negative:** Pricing has crept up since the Atlassian acquisition and the gap between free and Business tiers is wider than it used to be — solo founders and small teams feel that most acutely. Users noted the company wasn't providing value for the \$15 monthly fee, and Loom began charging for AI features without clear communication — automatically including the charge unless users actively opted out. On Trustpilot, users complained the new login process requires multi-factor authentication including email codes that reportedly never arrive. One reviewer summarized: After Atlassian acquired Loom; it just became more bloated, constantly crashing, with a constant push to upgrade to their AI tier. Media & Press Key press milestones in Loom's history: **June 2016** — Launched as Openvid on Product Hunt; immediate viral traction. **May 2021** — Raised \$130M Series C at a \$1.53B valuation, cementing unicorn status. **June 2022** — TechSmith reported that a16z-backed Loom laid off 14% of staff, one year after becoming a unicorn. **October 2023** — Atlassian announced its intent to acquire Loom, which had been named among Fast Company's World's Most Innovative companies in 2023. **November 30, 2023** — Atlassian completed the acquisition of Loom. **2024–2025** — Loom made pricing adjustments in 2024 reflecting expanded capabilities and, for the first time, increased prices for its existing customer base. The 2022 layoffs and the below-peak acquisition price attracted significant tech media scrutiny, framing Loom as a cautionary tale of peak-era valuations meeting a cooler market. **Current Status** Loom is in an **active integration and monetization phase** under Atlassian ownership. Atlassian is integrating Loom workspaces on a rolling basis starting in August 2025, migrating billing and admin controls into Atlassian Administration. Post-integration, workspaces gain access to native Loom integrations with Jira and Confluence, plus Atlassian's Rovo AI. Loom has positioned itself as having evolved from a simple screen recorder into an AI-powered video workspace that teams depend on daily. **Product investment continues:** new AI features include auto-generated video titles, summaries, chapters, meeting recaps, action items, and instant video-to-text conversion. However, the trend for the standalone product is **stagnating to declining** in user loyalty terms. A vocal segment of long-term users describes the product as suffering from unreliable file management, constantly increasing prices, and the shift to AI as an opportunity to add even more fees, concluding the product is now a shadow of its former self. **Competitor churn** is measurable and growing. **Summary Verdict** Loom — Intelligence Briefing Loom built the defining product in async video communication, growing from a failed pivot to a \$1.53B unicorn in five years through exceptional product-led growth, viral adoption mechanics, and fortuitous timing with the remote work boom. Its core insight — that video is faster, more human, and more contextual than text — was correct and well-executed. The Atlassian acquisition at \$975M (a 38% haircut from peak) was strategically sound for Atlassian: 25M users, 200K organizations, and a product that deepens the Jira/Confluence collaboration stack. Integration into Atlassian's billing and admin systems is rolling out through 2025, with native Jira and Confluence embedding now live. The risk is clear: Atlassian's enterprise playbook — price increases, forced AI upsells, account migration complexity — is actively alienating the SMB and prosumer users who made Loom's viral loop work in the first place. User sentiment on Trustpilot and Product Hunt has meaningfully deteriorated since the acquisition. Lightweight challengers like Vidyad, Tella, and emerging tools are absorbing defecting users. Loom is not dying — it is becoming an Atlassian enterprise feature rather than a standalone insurgent product. For large teams already inside the Atlassian ecosystem, the integration adds genuine value. For smaller teams and independent users, the product is increasingly overpriced and over-engineered relative to simpler, cheaper alternatives. **One-line assessment:** Loom has traded its viral, category-defining identity for Atlassian's enterprise distribution — a rational acquisition outcome, but one that is slowly converting its most enthusiastic users into its most active critics.