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Mea culpa — Twilio CEO assures Jim Cramer ‘simple math error’ won’t happen again

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Twilio is out to shore up support from shareholders after management [made a mistake on its full-year earnings guidance](#) earlier this week.

Shares of the cloud company have fallen about 5.3% since having to offer a mea culpa and correct its 2019 earnings per share forecast to between 12 cents and 13 cents, down from 16 cents and 17 cents as previously stated alongside its [third-quarter report](#).

“The calculation error was a simple math error in the press release for our quarterly earnings,” CEO Jeff Lawson said in a one-on-one interview with [Jim Cramer](#) on “[Mad Money](#).” “We have to make sure to get those things right, and we have instituted additional processes and controls to make sure such an error cannot happen again.”

Lawson did not elaborate on the new processes being put in place, except for saying that he and Chief Financial Officer Khozema Shipchandler would ensure similar errors would not fall through the cracks.

He did blame the misprint on the fast-growing business' "growing pains."

"This incredibly fast growth is fantastic, but it's come with some growing pains and, of course, it's on us to get all that stuff right, but it is a cost of growing as quickly as we have," Lawson said.

Twilio's revenue grew roughly 44% in 2017 and at an almost 63% clip in 2018. The cloud-communications company's sales are expected to reach \$1.1 billion by year-end 2019, which would clock in at more than 71%, of growth, according to analyst consensus on FactSet.

In Twilio's September quarter, revenue jumped more than 74% year-over-year, though the company's profit slipped on a 4 cents basis to 3 cents per share.

The underlying assumptions about the company have not changed, Lawson assured Cramer.

"No assumptions have changed. Nothing about our forecast has changed," he said. It is a simple mathematical error of adding two numbers that was an omission when we were proof reading the press release that got caught, actually, by an investor because all the information was public and was fixed in the revised update."

Twilio, which supplies a text-messaging platform for businesses to communicate with customers, counts Airbnb and Lyft among its 172,000 clients.
