

Goldman Sachs Talks
Melanie Perkins, Co-founder & CEO, Canva
Ryan Nolan, Moderator
Recorded: November 15, 2023

Melanie Perkins: Communication is such a universal need. It's across every profession. It's across every industry. That's where we're truly investing.

Ryan Nolan: Ladies and gentlemen, Melanie Perkins, so good morning.

Melanie Perkins: Good morning. Thanks for having me.

Ryan Nolan: Thank you. This has been a multiyear quest to have you as a keynote speaker here for our Private Company Conference. I think all of us in this room have so many things we could ask you and start off with. I'll start with -- I have a keen ear for accents, and I can tell you're not from Las Vegas. Talk about, first off, where you're from, your background, and some of that inspiration that actually led to the founding of Canva.

Melanie Perkins: Yeah, absolutely. So I'm from Perth, Western Australia, which happens to be the most isolated

city in the world. Perfect spot to start a tech company, of course. Actually, it's booming now. But I was at university, and I was teaching design programs and thought they were ridiculously complicated. It would take a whole semester to teach people where the buttons were, let alone how to design something that actually looked good. So I set out on a bit of a quest to change that over the last 15 years now.

Ryan Nolan: Amazing. When I think about how you started the company and where it is today, your vision has always stayed true and it's constant. Maybe for the one or two people in the room, talk about the vision and overall how you describe the Canva platform today.

Melanie Perkins: Absolutely. So there were a few things, there were a few beliefs that we had right at the start. And when I was teaching the design programs, I was teaching a different program. It was Dreamweaver for websites and different programs for videos and a different program for graphic design, a different program for brochure design, a different program for literally every single thing that people wanted to design. And so the patterns between those programs were completely different.

And so not only were the programs complex, it was a different one every time. But then you'd also have to go to different programs to get the photos and different programs for the illustrations and different programs for the videos and then different programs for the fonts. And so the only people that could navigate all this incredible complexity were people that spent years upon years learning and then designing those things.

And so then, at the same time, I could see that some people were jumping the line and using things like Facebook at the time and MySpace and all those sorts of things, and they weren't having to go and study for years in order to do so. They could just jump on and use it immediately. And so I was like, well, could we do the same thing for design? Enable you to jump on, be online, be collaborative, be really simple, and not have to take years to invest to actually get started?

So set out on that journey many years ago. Our first company was actually the same concept but for school yearbooks. And so Cliff and I -- over there, my cofounder -- set to work in my mom's living room and converted that

into our office. And that became our -- and we started a company called Fusion Books, that was taking the concept of online collaborative design and applying it to school yearbooks.

We then turned that into a factory. So we had printing presses going in there, and we were actually then printing those books and sending them to their school. And then made that profitable and we had 15 schools then 80 schools and kept on growing from there. And then wanted to take that to the bigger market of designing everything for everyone. And so set to work on Canva after I met an investor in San Francisco. So yeah.

Ryan Nolan: Amazing, amazing.

Melanie Perkins: Quick journey in a nutshell.

Ryan Nolan: What I think is interesting about what you've achieved is the scale and prominence around the world is extraordinary. And when I think about the audience members of so many founders, I think, you know, so many have that moment in their either history or hopefully in their future of, "I've got this. We've made it. This is going

to be incredible." Was there that moment for you in Canva where you knew this was going to be special? Is there some moment where you kind of look back and say that was the turning point that you could share with others in the room?

Melanie Perkins: Yeah, so I wouldn't say there's been one specific moment, but there's been lots of little moments that are kind of like, "Oh, it's coming together." So after the yearbook company, moved on to Canva. It was years of trying to pitch investors and getting rejected, a year of development, and then finally, after all of that time, all of that, "Oh my gosh, we're making it. It's going to launch after all this time." We launched and the first article that came out said that Canva wasn't very good, and they actually broke the embargo. So all of the journalists were actually really annoyed with us, and it didn't seem like, after all that effort of recruiting people from big tech companies, didn't seem like it was going very far.

But then the community started to comment on how much they loved Canva. And once the community voice started to come in -- like, we'd spent so long architecting -- so when people came into Canva, within 5 minutes, they'd

learned to use it. They'd have a fun little challenge to work on. They then wanted to share that with other people. And they started doing exactly that.

And so as soon as we started, we launched, we started to grow and we started to grow quite rapidly. So now Canva is being used by 165 million people in pretty much every country around the world. And it's growing extraordinarily rapidly. And so while it was a bit of a rough start to get things moving, I think since, our numbers and our metrics have just been growing pretty exponentially in the right direction.

Ryan Nolan: Amazing. And we're going to touch more on that because I think part of what's amazing is the scale you're at now and the growth pace that you're operating at. I want to touch on the. Before I get there, one of the things I think is incredible is your ability and velocity to ship product. And one of the things that I would love to talk to people about is the visual suite and how important that was for your not only marketing and your brand but the market you were going after. So explain a little bit about what that meant for you and the company to ship that.

Melanie Perkins: Yeah. So really, the visual suite was the combination of ten years of hard work, and it was exactly what we had imagined and dreamed of. You can now design presentations. You can design videos. You can design printed products, websites, marketing materials, whiteboards, the full suite of products that are all interoperable. So you can take a presentation and turn it into a website, and it's done incredibly quickly.

And really what that represents for us is a culmination of all of our hard work now in people's hands and being able to be used in workplaces around the world. And we're certainly seeing that. We're in 90% of Fortune 500 companies are now using Canva. Just, really, the full spectrum. We've got 50 million students and teachers using Canva as well. So really embedding Canva in that next generation as well.

Ryan Nolan: That's amazing. No, I have shared this story with you. I have family that are teachers that are saying their kids wouldn't know anything else to design with or to do their homework on other than Canva, which I think is extraordinary in terms of just the lexicon of what people are using.

It's hard to have breakfast with my family nowadays without talking about AI. You stand in such an important place in the world of technology in terms of where AI is going. Describe what that impact has been for you as a company, as a founder, and how you've embraced that technology over time to really put you in the position you are today.

Melanie Perkins: So I guess Canva, our whole premise was built on the idea that we would make design simpler and more accessible and that we would enable you to get to your goal and have as little friction between those two points as possible. What we've been really excited to see with AI is how that truly accelerates us towards that mission and that customer promise, frankly.

And so many years ago, we actually launched something called Magic Resize. It was actually back in 2015. And that basic premise of enabling people to achieve their goal really rapidly was something that obviously resonated because that's a promise. And so a few years ago, we actually acquired a visual AI company called Collido [sp?], and they've been pioneering a lot of that AI at Canva.

We launched Magic Studio that you saw a little preview of just before. And really embedding it across the entirety of the Canva visual suite. So if you're designing a presentation or a website or a video or whatever it might be, that you have AI at your fingertips. And so for each of those different use cases, there's different AI that you want. So it might be video editing. It might be photo editing. It might be one-click background remover.

It might be, you know, one of the demos you might have seen briefly there was Magic Switch, which was one of my favorites. So often people create a whiteboard but then don't do very much with that information. But now with Magic Switch, you can turn that into a blog post with just a click.

And so really excited about the way AI truly accelerates everyone towards their goals. And just the huge amount of possibilities that are unlocked. We call it Magic Studio because we want it to feel like magic in our customers' hands. They don't necessarily care about the underlying technology quite as much as we do, but they do care about achieving their goals and they do care about -- they're

really reducing their busywork so they can just concentrate on achieving whatever it is that they want to.

Ryan Nolan: As a technologist and as a visionary founder, I want to follow that answer up with just the opposite of the question, which is: Is there anything that scares you about AI?

Melanie Perkins: I think there are a lot of things to be cautious of in the world. AI being applied to all sorts of industries, and we need to be going extremely carefully into some of those areas. I think in our own domain, we have a large trust and safety team and we invest really heavily in ensuring Canva is very verified and that trust and safety is at the core of everything that we're doing.

So in our own world, I think we can control it and we think we can put it into a really good place that means that it's ready to be used by the millions upon millions of people that are using Canva now. But I think in other areas in particular, there's a lot of areas that need to be deeply thought through.

Ryan Nolan: Let's turn back to Canva and the story of

your journey. I know that the B-to-B side of your business has always been there and been a very important driver of your business. But when I think about Canva, what's so extraordinary is this community bottoms-up viral adoption model. And now I know you are turning your attention and pivoting in many ways to focusing on an enterprise deployment wall-to-wall usage. Talk to me about what that means and how you're changing your business and your focus to achieve those goals.

Melanie Perkins: Yeah, it feels like the last decade, we've really focused on empowering every person. And we feel like we've done a pretty good job. We're not quite there at every person yet. We would like to get to a billion monthly active users. We're at 165, so moving in the right direction.

But as we look at this next decade, we're really excited about taking that same focus and empowering organizations. So we've had 20 billion designs created on Canva now, and they are in organizations across the globe. And from the tiniest company to the largest one. And we know that organizations have a lot of complexity to deal with, as they have so many different tools and so many products and their IP spread out all over the place. And

they're really wanting to consolidate spend and consolidate all of that tooling as well and consolidate their IP.

And we think we're in a really great place to help service their needs. And we're really excited to do so over the coming decade. And I think that as we look at the way visual communication is applied at our own company, it's so extraordinarily powerful. We actually use vision decks in Canva to obviously rally everyone around the next big thing that we're creating and to really bring it to life. We use it to onboard new people. We use it to tell our vision to investors. So visual communication is really permeating every single industry and every single profession, and so we're really excited about being able to empower everyone across the world to do so going into this next decade.

Ryan Nolan: I can speak with some experience that I think many in the room would also agree. People don't think of enterprise software as being fun.

Melanie Perkins: We hope to change that.

Ryan Nolan: How do you balance going into the enterprise, building those technologies, having your

engineers focus on those features and functionalities with still maintaining the roots and the DNA that's so uniquely Canva that drives that viral adoption?

Melanie Perkins: Well, what I think is fun is solving problems and solving people's problems. And so something that might not be that fun but we made into a whole program that actually has become a really cool part of our culture is something we call "closing the loop." And closing the loop means that when someone complains about something, we then go and resolve that thing. But then we actually tell them we have resolved that thing. And we've got this whole program at work that people now get really excited about. We had donuts and all sorts of things playing on the closing the loop.

And actually the same applies in enterprises. They've got all sorts of loops, like problems, that they're bumping into that we then want to go and resolve. We then want to be able to go and close the loop with those people as well. And just that focus on delivering amazing products that delight people, that applies if you're a small company, that applies if you're a huge company, that applies if you're an end user.

And I think everyone has that creativity in their bones. We're really excited to be able to unleash that for everyone across the world.

Ryan Nolan: And I can say with truth you've done that for bankers at Goldman Sachs, so that speaks to something in terms of your ability to bring out that side of us all. You know, I think a lot of people in the room focus on what kind of culture they're trying to build for their companies, and I can say, having experienced so many moments with you and your team and your company, you have such a unique culture. Talk first broadly about what your philosophy is on driving culture, what you sought out to build, where it is today, and where you want to take it.

Melanie Perkins: So one of the things that we've always wanted to do was to build a company that we wanted to work at. And so it feels like every brick of the house that we've built over the last decade has really been doing exactly that. I love working at Canva, and I love getting to create with the most creative, motivated, talented team ever. And so choosing the people that we want to be working with, people that are actually passionate and

motivated and care about their end user has certainly been something that has been very intentional with every single hire that we've made of our team of 4,000 people now around the globe.

I think something that we've been also really intentional about is dreaming big. And so one of our values at Canva is to set crazy big goals and make them happen. And we did that in the earliest of days where we had this crazy big goal. We had nothing to show for it. And it was just truly, like, what would be the future of design and publishing? And it was an outlandish goal. And, you know, over the last decade, we've brought that to life.

But the importance of dreaming has stayed with us until today. We're still dreaming way bigger dreams. And I think that that helps to carry the whole company because, as they're dreaming together and we're all dreaming about what is that next big thing, how can we truly empower the next group of users, I think that's really exciting and motivating because people want to be part of something that's bigger than themselves. People want to contribute to something in a positive way.

I'd say another really important part of our culture, we've got this thing we call our 2-step plan, which is, step one, build one of the world's most valuable companies and, step two, do the most good we can do. And I think that that has been a really unifying force for our company as well because it means that people are coming to Canva who actually care about having a positive impact and care about, I think, again, things that are bigger than themselves.

Ryan Nolan: I want to stay on culture for one moment because so many in the room are also, candidly, probably based in Silicon Valley. And we think about that as the technology epicenter, if you will, of culture. What has it been like for you and Cliff to have founded this technology company in Australia and try to really bring that culture around the world, including in Silicon Valley? Talk about the benefits and the cons, so to speak, of being on an island far, far away?

Melanie Perkins: I feel like we have had the best of both worlds. So we've been able to come here, and we've been able to talk to the most amazing investors and, you know, you learn from some of the brightest minds in the world.

And then we've also been able to go to Australia and build an incredible team. And we've got a bunch of them actually sitting at that table right there. And start to get really not be too worried about the latest buzz words and the latest, flashiest, coolest thing that everyone leaves the company and goes to this new, flashy thing. I think we've been very fortunate to be able to build that incredible team.

And now we have teams all over the world, including in Silicon Valley, including in Austin. But I think that that centering hub at the start was extraordinarily helpful.

There are a lot of people on our team who have been there right from the start. We've had a lot of people just stay all the way through this journey. And I think that that sort of foundation as well has been extraordinarily helpful.

In the early days, we didn't have our values written down. We just kind of, you know, we were sitting around the table and everyone could talk to each other and everyone kind of knew what everyone else was doing at all times. On Friday, we'd get off and we'd do a show and tell, and everyone would show everyone what they'd been working on. And it was a lot of fun. Engineers would turn their computer around and show what they'd been working on. And Cliff

and I were showing our latest pitch to investors and our products. I adore product.

But then what we needed to do once we grew from everyone being around the same table and understanding what everyone's working on implicitly was we needed to cement those values into something that everyone could see and feel. So the day that someone starts, they'll know that we've got their back if they make a decision that's in line with our values. And so we went through a bit of a process to ensure that we actually wrote those things down.

Someone told me during that process that a values is only as good as something that could be prepared to spend money to uphold. And I thought that was a really interesting insight because anyone can write a value on the wall, but would you actually spend money, like, very significant amounts of money to ensure that actually happened and is brought to life? I thought that was a really helpful way of thinking about it.

Ryan Nolan: Amazing, amazing. I want to pay due to the fact that we've got a lot of investors in the room and talk a bit for a moment on metrics and where you are at a

company. And what's extraordinary is your scale now is bigger than many public companies in technology, and yet, knowing the things I know, many of your metrics are accelerating. And yet you're profitable and I think of all of that as just extraordinary. Talk about, first off, what's driving the acceleration at this point in your life and your scale as a company? And talk about that in the context of where you want to take the company as well.

Melanie Perkins: So I think one of the most fortunate things about where we're at right now is we've got 165 million people that we really consider our advocates. And so we've invested very heavily in making sure Canva has a really valuable free product, a really valuable pro product, a really valuable teams product. And it ensure that, what that means, is that, when people are using the product, they're then telling other people about it and are really excited to share it with their colleagues and their friends and their family.

So every time we launch something now, we've figured out ways that we can help engineer it so then they want to will everyone about it. And I think we've really cracked that formula in the last couple of years. And I know it's pretty

atypical to be accelerating in growth at this scale. So, yeah, we're pretty -- I think there's been a number of things that we've really been able to unlock over the last couple of years. Launching of the Visual Suite, launch of Magic Studio, launch of every single -- we launched the app platform, developer platform, earlier this year.

So all of these things I think coming together, it's really been the culmination of a decade of work and some very significant long-term investments.

Ryan Nolan: And you said you like, as a company, to set great big goals. What's the next big goal that you're talking to people about?

Melanie Perkins: So our mission is to empower the world of design. You probably gathered that one by now. And we said every person's been the last decade, and we're adding on "and every organization." So we truly mean that. We want to empower literally every person to design literally everything with every ingredient in every language on every device and they're what we're going to be working towards for the decade to come.

But we're really excited about what that really means. Like, helping people to achieve their goals, having no friction between those two points. So there's a couple things to do. But we're very excited about where we are going into this next decade.

Ryan Nolan: Amazing. Speaking of decades, you just celebrated your 10-year anniversary.

Melanie Perkins: We did, yes.

Ryan Nolan: When you look back -- and I've kind of asked this question in different ways, but I'm going to ask it in a more qualitative way now, which is, when you look back, what are some of the most important decisions that you and Cliff and your team made that you look at and you say, "Boy, those were the seminal moments that really set us on a path to where we are now today"?

Melanie Perkins: One of the hardest things that we did was we actually didn't ship product for two years. You should talk about enterprise not being fun, which I think is very fun, but not shipping product for a product company is very un-fun. But what that really did was set the

foundations of our technology platform, that we've really been able to capitalize upon. We've been able to develop so much more rapidly. So it was two years in setting the foundation for things like simultaneous collaboration across all of our adopt types. Getting the interoperability piece really into a great spot. Getting the code base set up to be able to scale our development team.

At that point in time, we could only have a small number of people working in the editor at any point in time. And now we have a dev team of 2,000. So it's been a huge journey, but that two years was probably the least fun thing that we did but a really important foundation for what we're being able to do today. We're being able to deploy across all devices at the same time. It was a huge technology investment.

Ryan Nolan: One of the things that I think is different for the things that you try to tackle than a lot of those in the room is that you truly are global, and yet you're also localized. Which means you take the brand, you take the product experience, you take the language all into a very deep localized strategy. Talk about how you execute on that, and how does it prevent both advantages and

disadvantages in terms of your ability to scale?

Melanie Perkins: So we've been mentioning about mission and goals, so I will speak in that language for a moment. So our mission, "empowering the world to design," needs to be in every language because, of course. And so that was the big mission. But then what we have done is take little step after little step for the last decade to do so. So we launched in Spanish. Then we launched in 20 languages. Then we launched in 100 languages. Then we launched in hard languages like Arabic and Hebrew and Urdu. Then we went truly local and we started to ensure that all of the different things from content to all the many aspects have been localized. And that's still a continuous journey that will never be done. We're going to be continuously making it more and more feel like a very local company wherever you are in the world.

So it's been a long investment, and it will be a continuous investment going forward. But what that really means is that visual communication is such a universal need. It's across every profession. It's across every industry. But it's also across every language, every country. And so that's where we're truly investing because we want Canva to be

empowering every single person in the world to design.

Ryan Nolan: I love it. One of the things that -- I'm going to turn to a different topic now -- but I think is so unique about your company and your culture is the focus on philanthropy. And you've done the 1% Pledge. There's a lot of things out in the press of all the things you guys are focused on. But in my experience, you guys take it to really extraordinary levels of focus and prioritization. Talk about just broadly what your approach has been to philanthropy as a company and how that's impacted the culture and your ability to recruit and retain people.

Melanie Perkins: Yeah. The 2-step plan is sort of like the guiding framework that we have. So for those of you that don't know about the 1% Pledge, I totally recommend it if you have the possibility to do so. So 1% Pledge is 1% of product which you give away to people. So for example, we give it to nonprofits for free. We also give it to education institutions for free and students and teachers.

1% of your company's time. So every year, our team get time to actually go and do things that have a positive impact in their local community. We have a whole range of

programs set up to do so. And it's great team bonding as well for your team.

And then 1% of profits and then 1% of equity. And so these were really -- it was really important steps to us getting started on that philanthropy journey that we took most early on in the piece. But to do the most good we can do, it was something that Cliff and I believed in right from the start, was, well, who needs billions of dollars? Like I don't know that you can do much with billions of dollars. What are you going to do with that?

But there are people in the world that are living on less than \$1.90 a day, people living in extreme poverty. And so what Cliff and I did a number of years ago was we took our equity, which is 30% of Canva, which has amounted to quite a large amount.

Ryan Nolan: Congrats.

Melanie Perkins: Thanks. And we're going to be using that to be having a positive impact in the world. And we've started our first programs in Malawi. And we're giving money directly to people who are living in extreme poverty.

The end goal is how do we uplift a country from extreme poverty? And it's been fascinating learning about all the many factors that go into it. But we knew that the very first step to get started that, after a lot of research, a lot of discussion, was that giving cash is a really great, empowering way to help people because it means that they can use it on what matters to them most.

And so for some people, that is getting a tin roof because then you're not going to be having floods in their little, tiny mud hut. Or it might mean, you know, one little girl was able to get a surgery and can walk again. And another can get enough, they bought a bag of maize and can eat. And just, like, all of these incredible -- going to school. Like, all of these basic human rights. And so having that money in their pocket, being able to be spent in a way that is most meaningful for them is the best money I could possibly imagine spending.

And so we're just getting started on that journey. We did a \$10 million pilot, and we then just did a \$20 million one. But we're really just getting started. And if Canva does become one of the most valuable companies in the world, which is certainly our intention, we then hope that we're

going to be able to truly achieve some of these crazy big goals over the years to come.

Ryan Nolan: I love it. So special. And I'm going to end with my last question, which hopefully hits the heart and the soul of what you guys have built and accomplished but combines so many of my other questions, which is I have the benefit -- and if any of you haven't seen it, definitely watch the Canva season openers. They're incredible. They're entertaining. They're fun. They teach about the product. But I've had the benefit of watching the Canva Awards. Talk about your favorite example of that person, that team, and an amazing place in the world that's built a business, that's changed their lives because of Canva.

Melanie Perkins: Every single time I hear a Canva story or someone using Canva to achieve their goals, I am extraordinarily touched. In fact, who was in my workshop yesterday? Raise your hand if you're here. Excellent. We had a bit of a workshop yesterday, which was a lot of fun.

Seeing people just use Canva, seeing people get delighted. People that you might say aren't necessarily getting to use creativity in their day-to-day basis, but actually being able

to use Canva, be excited about being able to create something, I think is extraordinarily exciting.

You know, we've had so many different stories over the years. A lady found her birth mother by creating a story on Canva. Sheriffs have caught criminals, creating wanted posters. Students are doing so many assignments. People are achieving jobs. People getting their company up and running.

Someone told me that they grew up on Canva because they'd actually used Canva in primary school and secondary school and high school. It's like, "Whoa, I feel old." You know, there's just so countless stories, which I absolutely adore hearing people using Canva to help achieve their goals.

Ryan Nolan: Amazing. Well, I want to end where I started, which is a huge thank you for being here. This has been a long-time wish for Goldman Sachs. I think all of us in the room just appreciate all your insights. And so please join me in thanking Melanie for her time this morning.

Melanie Perkins: Thanks for having me.

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