

Architecting the Decentralized Workforce of the Future

July 2022



Today's workforce is increasingly global and decentralized. For many companies, the remote work necessitated by the COVID-19 pandemic is here to stay. According to projections from Gartner, [nearly 50%](#) of employees will continue to work remotely post-COVID-19.

This remote work revolution is contributing to higher turnover among employees as workers leave their current jobs for positions with more flexibility and better work-life balance. On the flip side, fully-remote employees have fewer social ties in the workplace, and could be quicker to jump ship when the next best position comes along. According to [a poll by PwC](#), 88% of executives say they are experiencing higher turnover than normal, and this volatility is [expected to remain](#) through 2022.

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In this unsteady business environment, [Firstbase](#) is telling a different story: one of nimble, global entrepreneurship growth. Firstbase makes it simple for anyone in the world to launch and run a business in the United States. Entrepreneurs are able to incorporate their companies in the U.S., then manage them from anywhere in the world using a single platform. This growth is fueled by companies that are built for the long haul, which is representative of the businesses that Firstbase serves—they are mostly bootstrapped, not necessarily mega venture-backed entities.

“Fostering startups' ability to create a U.S. business entity is the gateway to our lifelong journey with companies,” said Firstbase CEO and founder Mark Milastsivy. “Our entire all-in-one platform allows companies to grow their business from anywhere in the world, and with employees no matter where they live. Along with our partners, we are creating the decentralized architecture that is fueling the future of work.”

After just two and a half years in business, Firstbase has incorporated more than 15,000 businesses across more than 185 countries in 40+ industries. Internal research conducted by us at Firstbase showcases that companies using our platform save an average of 55 hours. How? Instead of double data entry, Firstbase companies only need to input data once during incorporation. Then the system securely transfers that data across all Firstbase Loop partners. Firstbase is a one-stop-shop for entrepreneurs that saves them the time and effort of incorporating with a lawyer, incorporating on their own, manually onboarding a banking partner, and more.

Marc Wesselink co-founded Venturerock (Amsterdam, Netherlands) in 2018 based on his decades-long expertise in building businesses and investing in startups. After founding 12 of his own companies and investing in 150 startups via Venturerock, Wesselink understands that starting a company requires a marathon-mindset, especially in those critical early years.

“We built Venturerock to speed up fundraising and give time back so founders can actually build and connect with customers,” said Wesselink in a Firstbase [case study](#). “What I really enjoyed with Firstbase was the streamlined, responsive communication throughout the entire incorporation process, making it automated and easy.”

As Firstbase closes in on its third year in operation, here's a look at our numbers:

Growth

Firstbase is charting a growth rate of 20% month over month, and we are on pace to incorporate 25,000 companies in 2022. That's about two and a half times as many as we incorporated in 2021.

This growth is driven in part by our constant drive to create innovative solutions for remote businesses. On June 9th, we launched Firstbase Agent, a concierge-like service that automates everything a company needs to stay 100% legally compliant. In less than a week, we became the compliance solution for more than 500 companies.

By creating solutions to run remote businesses around the globe, we expect this strong track record of growth to continue, despite current market conditions.

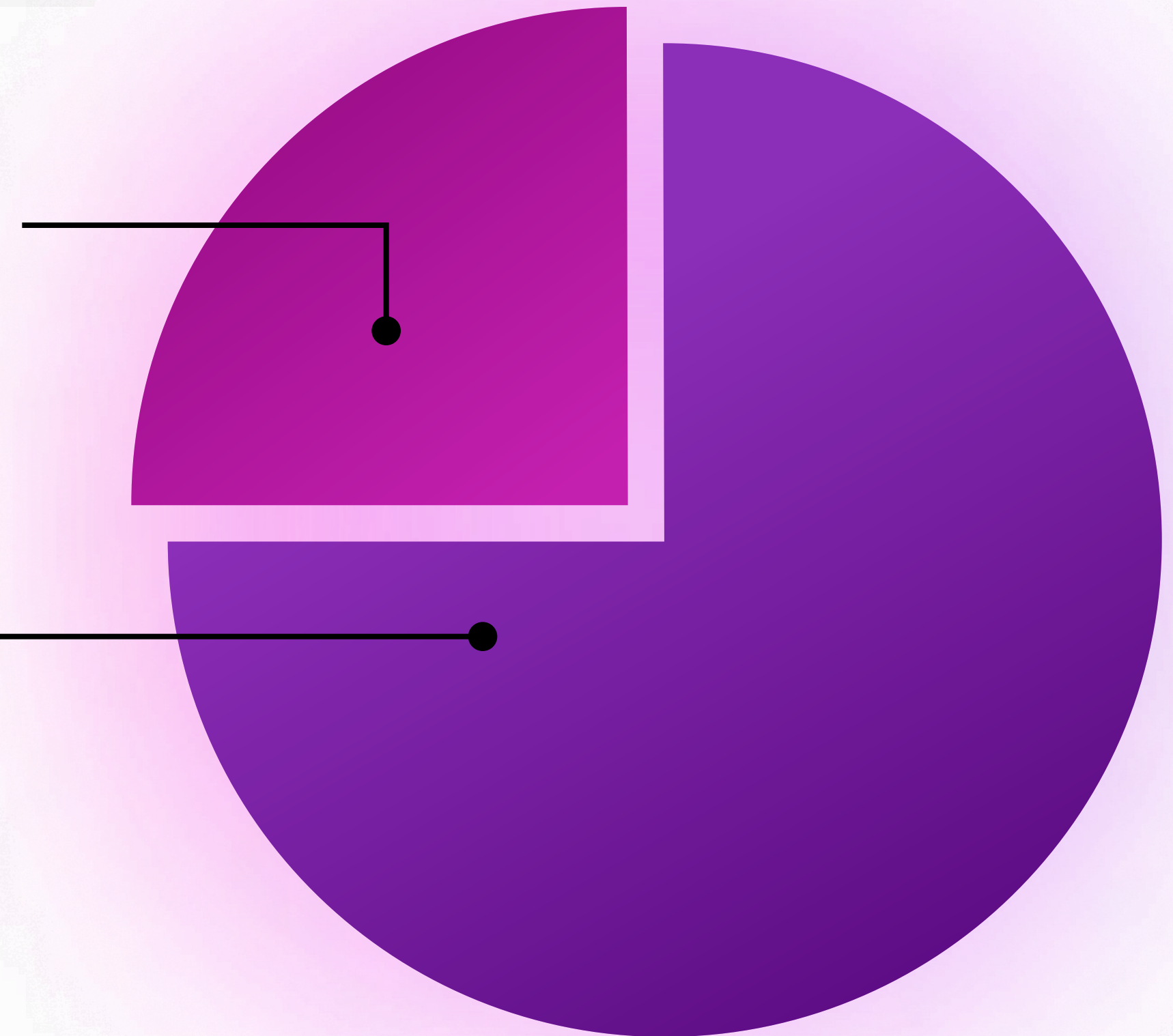
Firstbase is a truly global company, incorporating companies from 185 countries and counting.

Total Companies Incorporated
Lifetime on Firstbase

15,000+

25%
C-Corp

75%
LLC



India and the United States top the list of Firstbase's top 10 countries. This isn't surprising: the IMF [projected](#) India to be the world's fastest-growing major economy in 2022. And U.S. entrepreneurship experienced a boom in 2021, with new business applications [increasing by 20.6%](#). As of 2022, new business applications were still up compared to pre-pandemic levels, according to the [U.S. Census Bureau](#).

Top 10 Countries Incorporating with Firstbase

1  India

2  United States

3  United Kingdom

4  Nigeria

5  Pakistan

6  Canada

7  Australia

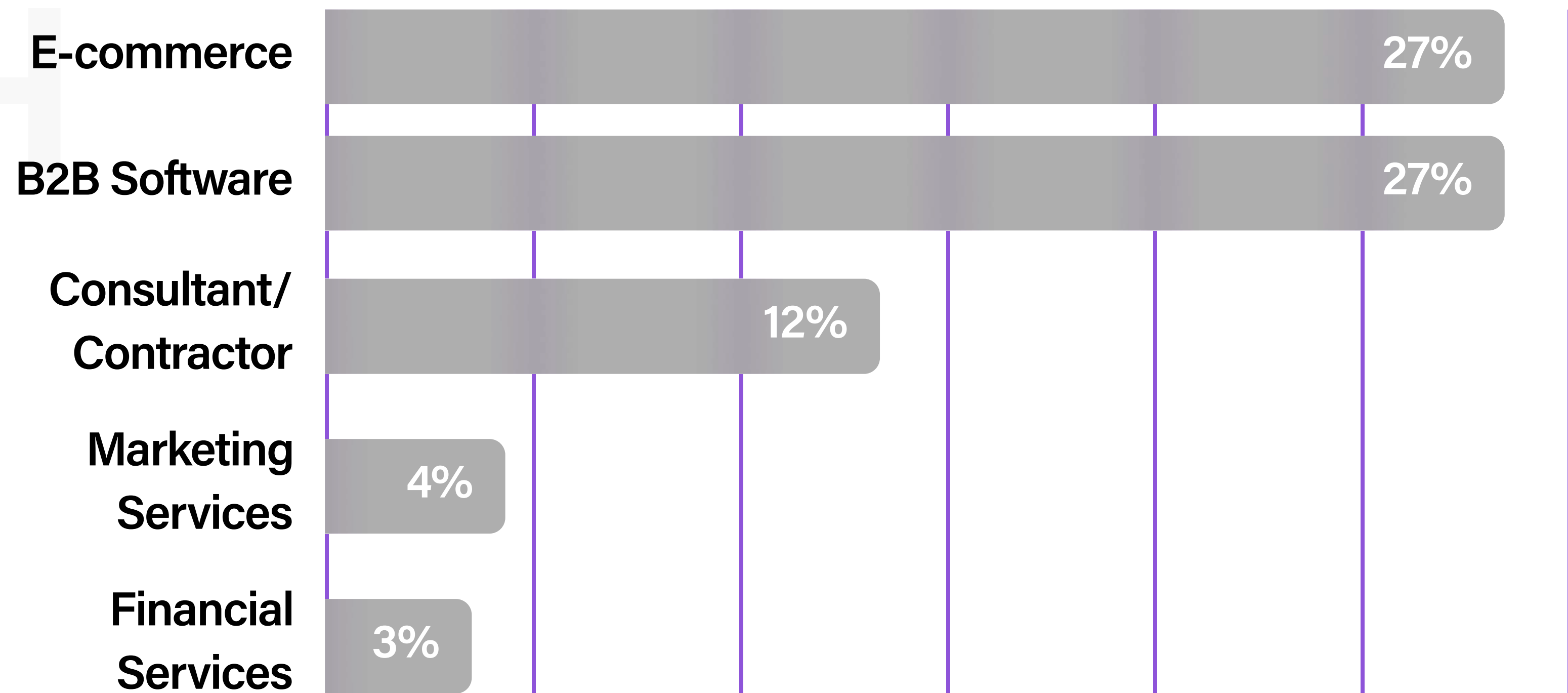
8  United Arab Emirates

9  Argentina

10  Mexico

In the United States, the e-commerce industry [grew 50%](#) during the pandemic. Meanwhile, worldwide, the B2B/e-commerce industry is [projected](#) by Research and Markets to reach \$18.7 billion by 2027.

Top 5 Industries Incorporated with Firstbase



While the incorporation industries stayed consistent in 2022, a look at the top incorporation origin countries changed:

2022 Top 10 Countries (Jan-June)

1  **United States**

2  **India**

3  **Nigeria**

4  **United Kingdom**

5  **Pakistan**

6  **Canada**

7  **United Arab Emirates**

8  **Argentina**

9  **Australia**

10  **China**

Here are a few additional trends we've been seeing through June of this year:

Fastest growing sector
Financial Services (21%)

Biggest incorporation origin nation jump
 China (#8 in 2022 from #10 in 2021)

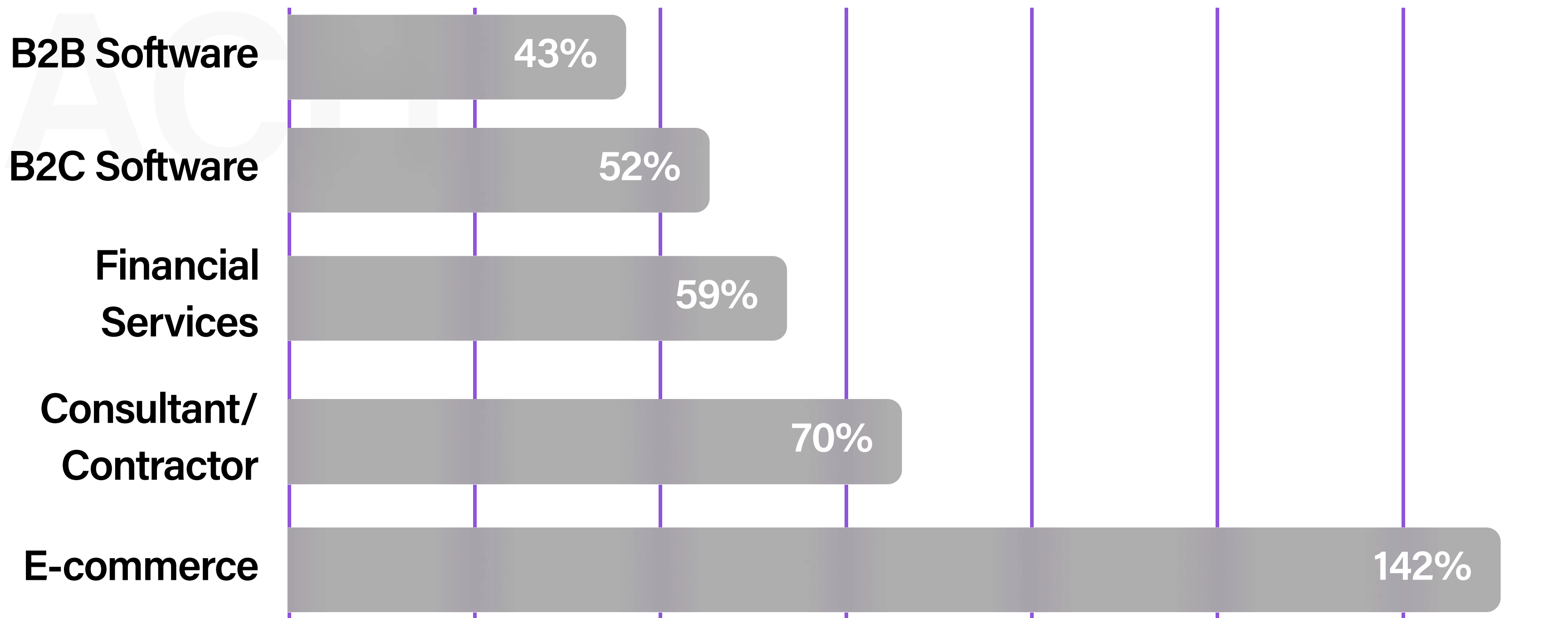
Biggest incorporation origin nation decline
 Australia (#7 in 2021 to #9 in 2022)

Fastest growing origin incorporation nation 2021-June 2022
 Nigeria: 41% growth

Nigeria is Africa's largest economy, and its GDP [grew](#) 3.4% in 2021, surpassing forecasts. In 2021, Firstbase [enabled](#) Nigerian fintech company Friendsvow, Inc. to apply for a US-based accelerator. "Everything with Firstbase was fast, smooth, and pleasing because we got the service we paid for and it was delivered with the same excellence it was advertised with," [says](#) Colyns Ehys, Co-Founder & CEO of Friendsvow Inc.

For a more granular look into Firstbase's Nigerian ascendance, here is a list of the fastest growing Nigerian industries incorporating with Firstbase:

Top 5 Fastest Growing Industries in Nigeria



Blockchain/Crypto Companies Rise

The Blockchain and Crypto sector is booming, and Firstbase is helping facilitate growth in this exciting new market. In 2022 alone, Firstbase incorporated more than 80 blockchain and crypto companies, and we're continuing to see those numbers rise.

Here are the top countries where we're seeing crypto and blockchain companies incorporate using our services:

 United States

 India

 Brazil

 United Kingdom

Blockchain and crypto are exploding in India and Brazil: According to the Economic Times, India's crypto market [grew](#) by 641% from July 2020 to June 2021. And Brazil is [ranked fifth in the world](#) for on-chain value received, according to the Chainalysis Global Crypto Adoption Index. Crypto is also growing as a form of payment: according to [Deel](#), workers in Latin America and Africa are increasingly taking part of their paychecks home in crypto.

Y Combinator is an intensive program that helps startups get off the ground. As the gold standard in accelerators, YC hosts two three-month programs for startups each year. Firstbase was [selected](#) for YC's Winter 2021 batch, so we know first-hand how beneficial these programs are for entrepreneurs. Now, companies can turn to Firstbase to help create their Delaware C-Corp—a requirement for participating in the accelerator. **To date, approximately 200 YC companies have incorporated with Firstbase.**

In [Winter 2022](#), YC funded 414 companies out of 17,000 applicants. Of those companies:

- 42 countries were represented
- About 50% of the companies were based outside the U.S.
- New Zealand, Sudan, Uganda, and Costa Rica were represented for the first time
- The top countries represented, excluding the U.S., included: India (32), Nigeria (18), Indonesia (16), Canada (16), U.K. (13), Singapore (10), Mexico (10), Colombia (7)

Excluding the United States, Firstbase's 2022 top rankings—India and Nigeria—line up directly with YC's. The U.K. incorporations are trending third with Firstbase, and Canada is sixth. When extrapolated out to the last two and a half years, India is Firstbase's absolute number one incorporation country, the U.K. third, Nigeria fourth, Canada sixth, and Mexico tenth.

How Firstbase leverages partnerships

In addition to our strong growth trends over the last two and a half years, a record number of the companies who choose our incorporation service also choose to engage with our channel partners—including Brex, Carta, Deel, and more—so they can run their entire decentralized business from our dashboard.

For instance, a **staggering 95% of companies that incorporated with Firstbase onboard a business banking product as their first add-on service.** Firstbase partners with a range of businesses to help make the business operations process as smooth and streamlined as possible. This positive trend suggests that companies don't just need our help with incorporating in the U.S.—they want our services for the long haul of their business operations.

Take Zilla, a firm based in Lagos, Nigeria that provides African merchants affordable and convenient financial services, including “buy now, pay later” tools. Zilla's CEO, Tolu Abiodun, recognized that his company had the potential to make a significant impact on African merchants but lacked both capital and logistics in order to accomplish this task. By incorporating Zilla via Firstbase, the company was able to raise \$300,000 from American VC firms and angel investors, apply to U.S.-based startup accelerators (which ordinarily require a Delaware C-Corp for eligibility), and take advantage of tax benefits available for foreign-owned companies in the U.S. As it continues to grow, Zilla also uses partner services from Firstbase.

“Through Firstbase partner services, I use AWS, Notion, and Freshworks. They were all very easy to onboard through the founder dashboard as well as helpful in running my company.

— Tolu Abiodun

Here's a look at a few of our key partners supported through our platform:



Brex, a fintech company that provides the services and software companies need to scale quickly—including access to business credit cards, cash management, and more—is one of Firstbase's largest Loop channel partners.

“Because we (Firstbase) are the first service provider that a company deals with, it's really important to give our customers the right tools for them to scale. A lot of our customers struggle with establishing business credit and accessing great financial tools—especially when they're first-time founders. We recommend Brex because it makes it easy and sets our customers up with the tools for success.

— Mark Milastsivy, Founder and CEO of Firstbase, [full press release](#).



Carta

Carta is a software platform that allows founders, investors, and employees to manage equity and ownership. By partnering with Carta, Firstbase users are able to quickly and easily manage their cap tables, valuations, portfolio investments, and equity plans.

Time and cost savings are critical factors to business's success along the entire growth cycle, especially during the early stages. In Carta's most recent report, [The state of startup compensation, H1 2022](#), out of state hiring grew to 62% this year—up from 35% in 2019. Another [study by Carta](#) estimated that their tools save early stage businesses \$15,000 in potential administrative fees for cap table clean up. This can be related to data entry errors, which are streamlined with Carta Launch API and Firstbase. These resources, which ordinarily equal a substantial amount of early-stage companies' administrative bills, are reclaimed for more productive uses.

Carta cont.

According to Carta's head of insights, Peter Walker, [9,406 companies passed through Carta's free Launch program](#) and raised nearly \$1B since the program's inception around one year ago. Most compelling? Founders are still starting companies, with nearly 500 businesses joining Launch in June 2022 alone.

There is so much to tackle as a founder, and it's no secret that creating a cap table—a process that can be opaque and messy—isn't always a founder's favorite project. This partnership makes creating a cap table so incredibly simple from the moment of incorporation, allowing companies to ensure they are set for the road ahead. Firstbase Loop is our first Carta Launch API partner and a perfect example of how two companies can come together to make it easier for founders to succeed.

— Reed McBride, Head of Business Development for Carta



Deel

Deel allows business owners to quickly and easily hire anyone in a new country. To date, Deel has helped thousands of companies hire, pay and stay compliant with workers in more than 150 countries.

This service is critical, as international hiring is booming. For its [2021 State of Hiring Report](#), Deel analyzed data from more than 100,000 work contracts, along with 500,000 third-party data points, to track trends in the workforce from July - December 2021. The report showed a 200%+ rise in international hiring in every major region around the world. Deel found that hiring by Latin American companies is growing the fastest, followed by Europe, Middle East, and Africa. Hiring in Israel, Argentina and the Dominican Republic is also gaining in popularity.

Deel cont.

[Change.org](#), the world's largest tech platform driving people-powered social change, leverages Deel to save [300 admin hours each month](#) when paying their contractors across more than 25 countries. For our part, [Firstbase uses Deel](#) to work with more than 16 contractors hired in 12 different countries by automating over 40 HR-related processes.

The way people work is fundamentally changing, and it's never going back. We founded Deel because we didn't want hiring or payments to prevent businesses from building the best global teams and finding the best global talent. We're going to keep challenging the norms of how global companies operate and continue building tools that shape the future of work.

— Alex Bouaziz, CEO and Co-founder of Deel

Contributors



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