

# FORTUNE

HOW HIGH WILL IT GO?

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JANUARY 2018

# BITCOIN!

WHAT  
COULD BRING  
IT DOWN

WHO'S  
BETTING  
ON IT

ALL THE ANSWERS YOU'LL NEED FOR 2018

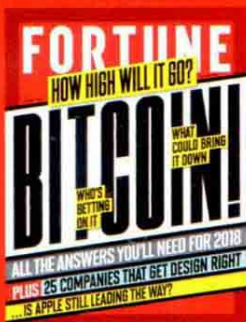
PLUS 25 COMPANIES THAT GET DESIGN RIGHT

... IS APPLE STILL LEADING THE WAY?

ASIA PACIFIC EDITION

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JANUARY 1, 2018



▲ COVER DESIGN BY PAUL MARTINEZ

FEATURES

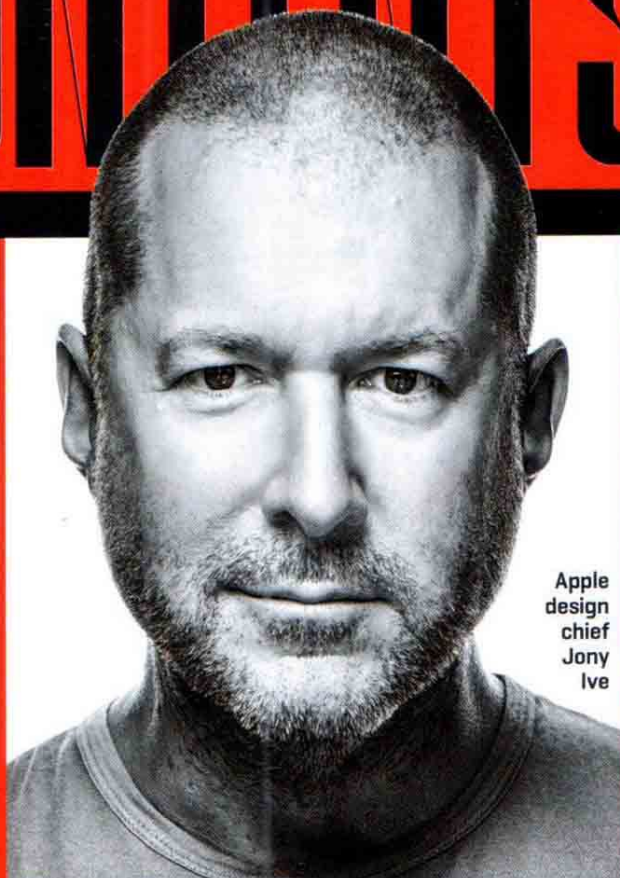
## How High Will Bitcoin Go?

By ROBERT HACKETT and JEN WIECZNER

We've never seen anything like the mania surrounding Bitcoin. What's driving the crypto craze—and how long can it last?

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Apple design chief Jony Ive

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A generation of peerless products made it the world's most valuable company. Now some are questioning if the magic is still there. Don't believe the naysayers.

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## Companies That Get Design Right

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To stay ahead of waves of disruption, smart firms are turning to design to find a competitive advantage. Here are two dozen (joining Apple) in the vanguard.

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Text by BRIAN O'KEEFE;  
graphic by NICOLAS RAPP



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# ELLIOTT OFFERS A NO-HEDGE RESPONSE

**IN THE ARTICLE** titled “Whatever It Takes to Win” [Dec. 15], *Fortune* relayed several instances in which unnamed people allege that the adult children of various executives were contacted by individuals that they assumed to be working for Elliott Management. This assumption and the implicit allegations that Elliott sent anyone to contact the children of these executives are completely false.

Elliott has always behaved ethically in its disputes with corporate managements and boards, and it is regrettable and disappointing that certain parties adverse to us would choose to promote false al-

legations about us rather than engage on the merits of our arguments in good faith.

**Elliott Management Corp.**  
New York City

**EDITOR’S NOTE:** During the reporting of this article, *Fortune*’s Jen Wieczner reached out to Elliott on at least seven occasions to ask for its perspective on the allegations referenced here; the firm repeatedly declined to comment on the record. After the article was published, Elliott responded with a letter, excerpted above.

## MORE ON ELLIOTT

**MOST OF US (INVESTORS)** spend our days ferreting through filings and statements, trying to find clever business models implemented by exceptional managers, understanding that the unexceptional and incompetent will simply wither away over time. Therefore, we pay no attention to these unexceptional pipe dreams; we assume they will struggle, inefficiently consume capital, and eventually evaporate. We get a good night’s sleep and move on.

Elliott is a different animal. They recognize the unexcep-

tional and bloated immediately. They dramatically accelerate and monetize the “withering,” by any means necessary. They fix it (or dismantle it), often before management can even understand what’s happening. Consequently, Elliott can generate a nice return where most fear to tread. The payoff? The value of the “accelerated wither.”

I’d imagine the only downside for Paul [Singer] and Jesse [Cohn] might be an occasional bout of insomnia. As any boxer would tell you, starting fights is a tough way to make a living.

**Bob Wittbrot**  
Cleveland

## A CHAIN OFF THE OLD BLOCK

**RE “THE MARK OF ZOOKO,”** in the Dec. 15 issue, which discussed efforts by programmers to fix a major deficiency in cryptocurrencies like Bitcoin, using a privacy-enhancing technology known as zk-SNARKs: Robert Hackett did an amazing job at communicating this complex, multifaceted topic in an accessible way, elucidating the social importance of the technology, vividly portraying its evolution, and bringing perspectives about promise.

The zk-SNARK technology, which I helped develop, has great potential, and we’re indeed seeing keen interest in its applications by parties ranging from blockchain cypherpunks to the U.S. Department of Defense, national banks, and enterprises.

**Eran Tromer**  
Professor, computer science  
Tel Aviv University

## CORRECTION

A graphic in “Whatever It Takes to Win” [Dec. 15] misstated the title of Jay Y. Lee; he is the vice chairman of Samsung Electronics.