

YouTube to turn profit this year: NY Times

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The YouTube webpage is displayed in Hong Kong 2006. Google-owned videosharing website YouTube is expected to turn a profit this year on revenue of 450 million dollars, The New York Times reported Friday.

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The newspaper, in an article about the rise of advertising on [YouTube](#), said the site's [revenue](#) has more than doubled each year for the last three years.

Google does not release revenue figures for YouTube, which the Internet search giant bought for 1.65 billion dollars in 2006, but senior executives have suggested recently that it is near profitability.

The Times quoted unidentified analysts as saying that this is the year the

video site will turn the corner and make money.

YouTube has been gradually adding professional content such as full-length television shows and movies to its vast trove of amateur video offerings in a bid to attract advertisers.

Annual revenue of 450 million dollars would still only be a drop in the bucket compared to the money Google makes from [search advertising](#).

The Mountain View, California-based company reported a second-quarter net profit of 1.84 billion dollars in July on revenue of 6.82 billion dollars.

"YouTube is a big component of our display (advertising) revenue, and display is our next big business," [Google](#) chief executive [Eric Schmidt](#) said in an interview with the Times.

Schmidt said he asked YouTube's management team about a year and a half ago to start focusing on revenue.

He said the strategy had been to amass "an audience first, then figure out the tools that will create the revenue."

Britain's Financial Times reported earlier this week that YouTube is in negotiations with Hollywood studios to launch a global pay-per-view video service by the end of 2010.

It said viewers would stream rather than download the movies and pay about five dollars for newer titles.

They would be available at the same time as their release on DVD and on Apple's iTunes store and Amazon.com, the newspaper said.

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