

Yahoo! sets event amid Tumblr talk

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Yahoo! has begun talks with the popular blogging platform Tumblr about an acquisition or strategic alliance, the technology website AllThingsD reported Friday.

Yahoo! scheduled a news conference Monday amid reports it was in talks on with the popular blogging platform Tumblr about an acquisition or strategic alliance.

The California tech giant offered no details of the event, set for New York, but invited reporters to "join us as we share something special."

Tumblr, a fast-growing blogging platform popular with young Internet

users, is headquartered in New York.

The Dow Jones-owned website AllThingsD reported Friday that Yahoo! is eyeing the move to attract more users from the key 18- to 24-year-old age bracket, and that the Internet pioneer sees Tumblr as one of the "coolest" sites.

The report said talks between the two firms were "serious" but that nothing had been finalized.

Yahoo! has been looking at a range of acquisitions since Marissa Mayer took over as chief executive last year and vowed to revive the company, which has faded in the face of competition from Google.

AllThingsD said Tumblr could fetch as much as \$1 billion, and that its current valuation based on investments is believed to be in the range of \$800 million.

The report said Tumblr is interested in "strategic" investments, which could mean some kind of alliance.

Forbes magazine meanwhile reported that Facebook and Microsoft were also interested in Tumblr but that Yahoo! was negotiating under a "lockup" that would prevent other offers unless a deal with Yahoo! fell through.

Yahoo! recently failed in a bid to take over the online video site Dailymotion after the French government, which owns a stake, quashed the deal. The California firm is now reported to be interested in another video website, Hulu.

Tumblr has grown into one of the most popular social media sites since its founding in 2007, but has also been dogged by copyright issues.

A 2012 lawsuit from Perfect 10 claimed Tumblr allows its users to post and "reblog" content from the adult magazine.

Tumblr's says it has more than 107 million blogs, 50 billion postings and 175 employees.

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