

Hearst pays \$81.3M for stake in AwesomenessTV

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Hearst Corp. is betting \$81.3 million that Internet video network AwesomenessTV will live up to its name.

The investment announced Thursday gives Hearst a 25 percent stake in AwesomenessTV, which DreamWorks Animation SKG Inc. acquired in May 2013.

The deal is the latest to underscore the growing popularity of Internet video services. Glendale-based DreamWorks bought AwesomenessTV, or ATV, at a price that could exceed \$100 million if certain financial targets are reached. Just 19 months later, Awesomeness TV has now been valued at \$325 million, based on Hearst's investment.

ATV, which tailors its videos for teens, got its start with a small piece of the \$100 million that Google Inc.'s YouTube doled out to about 100 programmers in 2012.

New York-based Hearst, which owns 29 traditional television stations, hopes to help ATV expand its audience beyond the viewers who watch the network's clips about 800 million times per month. Among other things, Hearst is allowing ATV to use its video-on-demand technology to expand.

"For us, it's very important to make a bet on the future of how content is created," said Hearst CEO Steven Swartz.

ATV's stable of talent includes Cimorelli, Miss Glamorazzi, Tyler Oakley, Cameron Dallas and Nash Grier.

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