

Investors bet on e-sports wagering startup Unikrn

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Unikrn co-founder Rahul Sood (C) is flanked by Bryce Blum (L) and Stephen Ellis as members of the e-sports wagering platform team stop for a picture at the Electronic Entertainment Expo in Los Angeles, California on June 16, 2015

Start-up Unikrn on Tuesday announced a fresh round of funding that valued the e-sports wagering company at \$40 million.

A group of investors led by Jonathan Teo and Justin Caldbeck of Binary Capital bet \$7 million on the Seattle-based startup behind a platform for wagering on the outcomes of video games played as spectator sports.

"Millions of people watch competitive gaming globally, we believe the industry has hit an inflection point and this is just the tip of the iceberg for where this new sport can go," Teo said in a release.

More than 21 million people tuned into Twitch broadcasts from the Electronic Entertainment Expo (E3) [video game](#) industry extravaganza that took place mid-June in Los Angeles, according to the Amazon-owned company.

The overall time spent at Twitch viewing video streamed from E3 totalled nearly 12 million hours.

"We continue to be both appreciative and awe-struck by the support we get from our passionate community," Twitch programming director Marcus 'djWHEAT' Graham said.

Unikrn is turning up the heat on tournament-level video games with an online platform for [betting](#) on who will be victorious.

In the booming trend known as "e-sports," video games are increasingly watched and played as spectator competitions.

Unikrn launched its e-sports betting arena in Australia about two months ago in a partnership with Tabcorp, a wagering specialty firm with global reach.

The startup expanded to Britain and Ireland in May, accepting bets on the outcomes of team combat in "League of Legends," "Dota 2" and "Counter-Strike: Global Offensive."

At the E3, Unikrn co-founder Rahul Sood told AFP that he hoped to crack the US market.

Shooting for the US

Betting on e-sports is not legal in the United States, but Sood and his team are eager for wagering to be pulled from the shadows and into the light where measures can be taken to keep it honest.

Unikrn is preparing a version of its service for the US market, where Sood predicted e-sports betting would be legal in two years or so.

"There is no better way to heighten interest than betting on the outcome," Sood said.

Unikrn calculates odds and takes bets online and through an app for mobile devices. Game play is streamed at Unikrn using Twitch, and people can watch betting odds change in real-time.

Unikrn received \$3 million in funding out of the gate from a group of investors that included Mark Cuban, Advancit Capital, and Tabcorp.

"As a sports fanatic and owner of the NBA's Dallas Mavericks, I'm excited to be involved with a new sport just as it's poised for huge growth," Cuban said, referring to his team in the US National Basketball Association.

Sood left an investing arm of Microsoft late last year to start the betting website with co-founder Karl Flores.

Sood is also the founder of Voodoo computer company, known for high-performance machines coveted by hard-core gamers. Hewlett Packard bought Voodoo in 2006.

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