

Naver launches \$43 million fund to seek content for Snow

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Kim Chang-wook, chief of Naver's wholly owned subsidiary Snow, answers a reporter's question during a media conference in Seoul, South Korea, Monday, Nov. 14, 2016. South Korean internet giant Naver Corp. has unveiled a \$43 million fund with Softbank to invest in content and technology startups. (Rye Hyo-rim/Yonhap via AP)

South Korean internet giant Naver Corp. has launched a \$43 million fund with Japan's Softbank to invest in content and technology startups.

The investment fund will scout for new technology and talent for Naver's mobile services with global ambitions, the company said Monday.

Naver spun off its video communications app Snow into an independent unit in August, hoping that it could replicate the success of its Line messenger app. Akin to Snapchat, Snow has been one of the most popular social media apps among young Asians since it was launched in September last year.

Chiefs at two of Naver's popular mobile services, Snow and Naver Webtoon, will join the investment fund as advisers. Softbank Ventures will run the fund, to which Naver will contribute \$34 million.

Kim Chang-wook, chief of Naver's wholly owned subsidiary Snow, said that he will seek technology companies that can add fun and creative twists to its video app.

The fund will support creators of videos, concerts, games and online cartoons using virtual reality or other technologies, said Lee Joonpyo, a director at Softbank Ventures Korea.

Lee said one of the companies that he is reviewing for a potential investment offers a high-level voice changer. Just as Snow offers creativity with its face-changing software, the voice-changing technology will provide a new twist, he said.

Naver is the parent company of the Line mobile messaging app, which netted \$1.1 billion in an initial public offering in July.

But Naver is struggling to find its niche and appeal to global audiences as it competes with better known entities like YouTube and Facebook.

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