

Tencent investment in Reddit sparks censorship worry

February 12 2019



Chinese technology behemoth Tencent is investing \$150 million as part of a new funding round in Reddit

Reddit confirmed Monday a new funding round that included a \$150 million investment by Chinese technology behemoth Tencent, prompting

concerns that "the front page of the internet" might wind up censored.

San Francisco-based Reddit raised a total of \$300 million at a \$3 billion valuation, with investors including Andreessen Horowitz, Fidelity, Sequoia and Tencent, the company's CEO told CNBC.

The TechCrunch website reported about the funding round last week, but that information was unconfirmed until now.

Reddit said it planned to use the money for international expansion and to enhance its digital ad platform to better compete in a market where Facebook and Google currently take in most of the revenue.

"We are the only company at our scale that is still a [private company](#), so we have had a lot of investor attention in the last year," Reddit chief executive Steve Huffman told CNBC.

News of Tencent buying into the popular social news website, which is banned in China, prompted concerns by some users that the platform could be vulnerable to the kind of online censorship that takes place in that country.

Reddit users protested, some posting pictures known to be banned in China, such as cartoon character "Winnie the Pooh."

A "Pooh" picture voted to near the top of the Reddit home page bore the caption: "Since Reddit took a \$150 million investment from Chinese Censorship company Tencent, please welcome our leader President Xi."

Images of the storybook bear were reportedly banned online in China after bloggers used them to represent President Xi Jinping in posts.

Reddit was co-founded by Alexis Ohanian, husband of tennis superstar

Serena Williams. Reddit is ranked among the most visited US websites, and has more than 138,000 "communities" for discussions on various topics.

The site boasts that, on average, more than 330 million people use it each month, contending that half of those users range in age from 18 to 24 years old.

Reddit is also known for ask-me-anything (AMA) sessions with well-known people such as Microsoft co-founder Bill Gates and former US president Barack Obama.

Tencent has invested in a broad array of companies, including Tesla, Snapchat-parent Snap and Epic Games—the maker of popular video game "Fortnite."

© 2019 AFP

Citation: Tencent investment in Reddit sparks censorship worry (2019, February 12) retrieved 20 September 2024 from <https://phys.org/news/2019-02-tencent-investment-reddit-censorship.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.