

## **\$75m funding flows to Ustream**

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Chris Nuttall

Ustream, the internet live-video streaming service, has announced a \$75m venture-capital round led by Japan's Softbank, primarily aimed at funding Asian expansion.

The Silicon Valley company said the second-round investment would help to fuel its growth in the US and Asia, specifically in Japan, China, Korea and India.

Giving individuals in China the ability to broadcast their thoughts live to the world sounds a risky business for any startup at present, but John Ham, chief executive, told me they would tread carefully.

"China represents a tremendous market opportunity, we're going to be thinking that through and with our partnership with Softbank, we'll be in a position to be quite smart about that," he said.

"But I think it's only a matter of time before you see people go live - our vision is to bring that to everyone and everywhere and that includes China."

Asia has long been part of Ustream's expansion plans and there has been growth without marketing the service. In the past month, Ustream reached 50m unique viewers, with around 10m of those coming from that continent.

"The hardware there in terms of mobile phones is more advanced, the infrastructure is more robust and the people there are more used to using their cell phones for different things than Americans are," said Mr Ham of the opportunity.

Ustream's \$11.1m first-round funding in April 2008 was led by Doll Capital Management (DCM), a Valley VC firm known for its strong Asian presence.

Ustream said additional funding commitments were also pending beyond the latest round, from US and Asian investors.

The company, founded in 2006, earns revenues from advertising placed around the broadcast channels of users and from supplying its service to the corporate world.

The Shiba Inu Puppy Cam, set up by a San Francisco couple, attracted more than 15m viewers and the company has streamed events such as the red carpet at the American Music Awards and Sony's press conference at the Consumer Electronics Show.

Mr Ham said Ustream was the leader in live streaming in the US and Asia represented a “green field” opportunity.

The startup’s competitors include Justin.tv , Kyte, Mobilus and Qik . YouTube announced a major live-streaming initiative last month to show cricket’s Indian Premier League and streamed President Obama’s State of the Union address last week.

“I think 2010 and subsequent years are going to be fantastic for live streaming with the market continuing to grow,” said Mr Ham.

“\$75m is a lot of money and, with the right plans and the right execution, we’re really going to be able to realize our vision.”