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Presenter

Hello, it's now time for our next Keynote, and I'm delighted to introduce Susanne Daniels. Susanne is Global Head of Original Content for YouTube, a company that, as we all know, has totally revolutionised TV, including our whole notion of what TV actually is.

With its new subscription service, YouTube Red, and a growing stable of talent producing multi genre programmes which expand our ideas of what entertainment can be, YouTube is at the very leading edge of TV's future.

Susanne Daniels joined YouTube just about a year ago from MTV, where she was President of Programming. She is also the former President at the WB, now CW, and Lifetime.

Susanne will be discussing the evolution of original programming, and its importance in an age of fragmented audiences, on demand and mobile first viewing. Following her address, she will introduce her special guests; Kevin Beggs, Chairman of Lionsgate Television, and Burnie Burns, co-founder and Chief Creative Officer at Rooster Teeth.

Susanne Daniels

Good evening, everyone. I'm so happy to be here at MIPCOM. Whether you've come from Australia, America, France, the Philippines, we're all here because we share the desire to inform, entertain and inspire audiences around the world.

I've been lucky to be part of the creative industry for over 25 years, heading up programming and networks like MTV, the CW and Lifetime. TV is frankly what I've always known, so when YouTube's chief business officer, Robert Kyncl, asked me to join the company to develop original programming, I didn't really think about what that meant. But, ultimately, all it took was looking at my teenage kids and seeing the world of entertainment through their eyes to make my decision. To them, their phone and laptops are as much a window to their favourite shows as the TV set has been for me, and the celebrities they identify with most aren't necessarily those on the networks I've programmed, but are YouTubers, embracing genres not often seen in traditional entertainment.

YouTube is a place where individualism thrives, diversity flourishes, and where new genres and content formats are launched every single day. It's where a new generation of entertainers share

their personal stories, to a world that is eager to listen and talk back.

I truly believe this is the evolution of television, a platform where distribution is democratised, and where global communities drive what's popular.

Earlier this year, YouTube launched its first subscription service, YouTube Red, where fans can enjoy YouTube ads free, watch videos offline, and get a premium music subscription on top of all that. What the service also offers is access to new original series, and movies. People have asked me, what's our original programming strategy? Are we planning to mirror Netflix or Amazon in bringing TV to digital, or recreate the programming themes of MTV? The answer to all of those questions is "No." Our goal is to be uniquely YouTube and our thesis is simple. Identify YouTube's most engaging stars, and top genres, and invest in the content that fans tell us they want. In other words, let our community drive our content.

So how do we do this? We do it in three main ways. First, the community helps us figure out the right YouTubers to partner with. Being a digital platform, we're able to easily evaluate trends. We can see which creators are growing their fan bases, and see how active and engaged their subscribers are. Based on all these insights, we invite creators to partner with us, so we can support and invest in their creative ambitions. Who are we working with? We're working with folks like PewDiePie, Eva Gutowski, Joey Graceffa, Lilly Singh and Rhett & Link. You might not know them by name, but millions on YouTube do. They've honed their unique brand and their fans can't get enough of everything they do.

Susanne Daniels

The projects highlighted in that video are often the result of collaborations between top YouTubers and some of Hollywood's finest.

We've seated many collaborations for our originals; Lilly Singh partnered with former MTV chairman, Judy McGrath's production company, Astronauts Wanted. PewDiePie with Maker Studios are the creators behind The Walking Dead, at Skybound Entertainment, and Joey Graceffa, with innovative producer Brian Graden, who spent many years as the head of programming at several networks.

As creators, YouTubers are used to doing it all. They're used to directing, editing, producing, even

marketing their own work. They bring the full weight of their abilities to every single project they do, so when we pair them with established Hollywood voices, they're able to sharpen their vision even as they're constantly bringing new ideas to the table.

Now the second way the community is driving our content deals with the topic that I think is incredibly important; diversity. Over the last 11 years, we've seen a rich mosaic of creators emerge, as diverse as the global community who watch videos on YouTube every month.

YouTube creators Philip Wang and Wesley Chan of Wong Fu Productions, were repeatedly told by Hollywood that their ideas wouldn't find an audience with an all Asian cast, but they didn't agree and they turned to YouTube and connected with millions of fans. We worked with them on a romantic dramedy called *Single by 30*, in partnership with Brian Grazer and Ron Howard's production company, New Form Digital. The critically acclaimed series features a largely Asian American cast, and it tells the story of two friends who make a promise to get married if they're still single by 30.

Two weeks ago, we released another series, a series called *Broke*, created by and starring BuzzFeed phenom, Quinta Brunson. It made my day to read a review that praised the series for its authentic African American roles, and early next year we'll debut a feature length documentary about trans-gender fashion and lifestyle star, Gigi Gorgeous, directed by two time Oscar winner, Barbara Kopple. It will take a raw and revealing look into Gigi's transition from male to female, bringing to light a deeper understanding on this important topic.

I'm really proud that YouTube Red is already a place where storytellers of all backgrounds have found a home.

Beyond creators and diversity, the third way our community is driving our original content is by helping us identify genres that are thriving on YouTube. Categories like gaming, dance, music, and even pranks have already served as the foundation for several series and movies on Red. Today, you're going to hear from two top innovators, whose YouTube original projects are great examples of the content we're excited to bring to life.

Later on in the presentation, you'll meet Burnie Burns, a true digital innovator, who has helped shape online video from the very beginning, even before YouTube existed. As the co-founder and

Chief Executive Officer of Rooster Teeth, Burnie's demonstrated just how important it is to build communities, and tell stories around their interests.

Up next though is a long time friend, and one of the most respected executives in the television industry today. As the Chairman of Lionsgate Television, Kevin Beggs has been at the forefront of seemingly every single network or platform that has created award winning and breakthrough original programming. He is truly a great talent himself.

Kevin Beggs

I'm here today for two reasons. One, I'm a huge fan of Susanne Daniels. I've known her for more than 20 years and she's one of the most gifted programmers in the television, long form video space. She's also a wonderful person, and that is rare these days. When we heard she was heading up programming at YouTube we were thrilled, we want Susanne and the platform to succeed. And two, I believe YouTube is embarking on something big. A new chapter in its history that has the potential to change the way people think about its brand, in a way that can benefit all of us here. How do I know that? Well, because I've seen it before.

At Lionsgate, we pride ourselves on going places and forming partnerships that others won't. Time and again, we've been first movers on new platforms. When people were wary of doing original scripted series on cable, we worked with USA Network to produce The Dead Zone, attracting millions of viewers to its premiere, and airing for six successful seasons. Today, USA has completely shifted its identity, from a channel known for network re-runs, to one that's producing some of the most interesting shows on television, including the award winning Mr Robot.

In 2003, Bob Greenblatt joined Showtime, with a mandate to create original series to compete with premium rival HBO. We collaborated with him and writer/producer Ginger Cohen, on the groundbreaking comedy Weeds, to-date, the highest rated comedy to ever air on Showtime, and an eight season 102 episode success story for all involved.

American Movie Classics, known for re-running westerns and other old films, embarked on an original programming strategy in 2006. We partnered with AMC to produce Mad Men, a massive cultural phenomenon widely regarded as one of the best shows in television history, and Mad Men opened the door for Breaking Bad, The Walking Dead, and Better Call Saul, proving that TV

could exist on ad supported cable outside of premium. And when Netflix first decided it was going to get into the original content business, they had trouble creating a business model with traditional studios. But for Lionsgate, working with Netflix was an opportunity to engage a new buyer, and to invent a new way of doing business. We brought them *Orange is the New Black*, the most successful series on Netflix which can be seen around the world.

Following suit, Hulu jumped into the originals game, but found it difficult to secure studio partners. Lionsgate forged a unique business model with Hulu, and together we launched *Deadbeat*, their first higher budgeted original series. And that opened the door to series like *Difficult People*, *The Path*, and our own *Casual* which gave Hulu its first Golden Globe nomination.

So, when I see YouTube go out and recruit an executive like Susanne Daniels, when I see their willingness to embrace funded original programming, and when I see their commitment, it's exciting. It feels like another great opportunity for Lionsgate, as a studio, to help create network defining content and help them launch this capability. It's also great for the audience which is looking for quality content that they can watch on their favourite platform whenever they want. And that's what YouTube is all about.

And here's the thing about new platforms. They're willing to try new things. They're willing to innovate. AMC gave *Mad Men* the room to build an audience, even without a major star attached. Netflix gave us a 13 episode straight to series commitment for *Orange is the New Black*, something you rarely get from an established network. New platforms are out to establish themselves, and as a result, they're willing to give their series a level of commitment that incumbents just won't.

Now the beauty of YouTube is they have some of the most innovative tools in metrics at their disposal. They have insights that over a billion people around the world watch. They also know which genres have managed to thrive on the platform, helping us to understand the potential for a new original series. They're able to tap into a massive community to drive their content, and they know, better than anyone else, which stars have been able to build a loyal following on the platform and which new creators are on the rise.

YouTube has helped launch the careers of some of today's biggest online celebrities, who are expanding their brands from their YouTube channels to traditional media. In the last two years

alone, Lionsgate has worked with YouTube stars in film and television, including Grace Halbig, Mamrie Hart, Hannah Hart, Flula Borg, the Janoskians. Some people learn to programme, others are born to.

Susanne knew what she was doing when she commissioned Step Up. Not only does YouTube have the millennials that everyone wants, dance is an incredibly large and thriving category on the platform. If you're a dancer, whether you're aspiring or established, your clips are up on YouTube. In fact, many of the stars and dances from our films have built communities there and YouTube was willing to be bold. They gave us a full season order when others only offered a pilot. They committed to doing the series the right way, with solid production values, and the budget necessary for excellent choreography. We didn't just want to make a relationship drama in which people happened to dance. We wanted a serious drama, that could benefit from the tremendous dance talent that already exists on YouTube. I'd like to say that we're helping YouTube take a step up, but that's just a little too cheesy. Instead, I'll just say that we believe in Susanne, we believe in YouTube Red. We believe in the community and we think Step Up is just the beginning. Thank you.

Burnie Burns

My journey as a story teller began shortly after I graduated from the University of Texas in Austin, Texas, and this was the time of Robert Rodriguez, Kevin Smith, Quentin Tarantino, these were the masters of independent cinema who shocked Hollywood by having their low budget, or in some cases no budget, movies just catapult to the top of the box office.

These were my inspirations and so, in 1997, me and my best friend, Matt Hullum, we decided to forego film school and instead just get out there and make our first feature film. And that process took about a year, as you can imagine, and by the time we were done, I was very proud and very passionate of the movie that we had made. But then I quickly found myself devastated by the process of trying to get that movie out in front of an audience, just to get it seen. The festival process was tedious, and getting behind the studio gates to get a distribution deal was even worse, as I'm sure most of you can imagine.

Now, around the same time, I was producing videos for the internet. In 2001, this is five years before YouTube even existed, I produced a parody of the Apple Switch ads. I put it up at five pm, after my job because this was a hobby at the time, and by the next day my partner Matt Hullum,

who lived in Los Angeles, called me to tell me that someone I didn't know had shown him the video. Now, today a viral video is a daily occurrence, they happen all the time, but back then in 2001, it was exceptionally rare. And that phone conversation that I had with Matt, that served as our light bulb moment that would forever change our journey as story tellers. Matt and I realised that this worldwide web could in fact be the window to an audience of many, with no festival judge or studio or network head standing between us and our audience. In that one moment, it just felt like all the walls were falling down around us. Today, 13 years later, we have over 200 employees, in a 50,000 square foot production studio in Austin, Texas, and I often get asked what is the secret to our success at Rooster Teeth? To me, it easily comes down to two things. Community, and conversation.

When Rooster Teeth was born, there was no YouTube, and that meant there was no real opportunity in online video advertising, 'cause the online video ads just didn't exist. So we had to engage our audience not only to watch our content, but also to invest in it as well. We learned early on that talking at our audience was not enough. We knew we had to start a conversation, take them from being just viewers to making them fans and friends, and ultimately create an engaged community around which we could build our brand, and then our business could succeed. By having a unique voice, and marrying our communities collective passion for gaming to ours with story telling, we created the foundation for our company that now drives every single thing we do.

To date, we've produced 45 different series. We have three different movies, and seven podcasts. And as our roster of programming continues to grow, our philosophy revolves around not looking at each series as an individual project, but rather, seeing them all as part of a continued dialogue, a conversation with our fans about the genres that they love. Now think about that for a second. That's a very different model than most Hollywood production companies, where different projects of varying genres get distributed through multiple studios or network brands, each with their own inherent audience. Our model revolves around being the home for a core community, and growing it year after year, by making our fans feel like they are part of the company, that they are involved with our production process, and they know that we're going to take them, as we distribute, all along the way as part of our journey.

Here's how we do it. When we're thinking about starting a new show, we're going to build it for the audience. We ask them their opinion. For example, conversations with our community seeded the

idea for our show Ruby which has since become a major global property with a passionate fan base that cosplays Ruby characters at anime conventions all over the globe. When we crowdfund, like we did with Lazer Team, we align fan investments to access to the film. For lower investments, they get swag, they get first looks at key scenes, behind the scenes, that kind of thing. And for higher investments, they get set visits, and in some cases, even producer credits so they can use that to launch their own career.

Before Lazer Team shot its first frame, we were fully funded by fans by raising \$2.5 million on Indiegogo, making it the most successful crowdfunded film that's based on an original non-sequel idea, which is very important to me as a story teller.

When we're thinking about distribution, options beyond the Rooster Teeth hub, or channel on YouTube, our community steps in and tells us where they want us to go. For Lazer Team, our fans rallied together to demand almost 500 screenings across 300 cities. That broke the record for the most money ever raised in a box office for a crowdfunded theatrical release.

Even some of our biggest Rooster Teeth personalities were once fans. Gavin Free, who is well known for his Slo Mo Guys channel on YouTube, he used to watch Rooster Teeth as a teenager in England between his shifts at the local supermarket. Now he's one of our biggest stars. His channel, Slo Mo Guys, has over 8.5 million subscribers, and he has one billion video views of his own. His journey from fan to story teller serves as an inspiration to so many others, myself included.

And, as you saw in the video, our RTX events welcomed over 60,000 attendees across Austin and Australia. Our fans don't see these events as conventions, they see them as reunions, a time when they can see the people they call their friends online. Then, when YouTube Red made its debut, we obviously got a lot of questions as to whether or not people thought our fans would show up to subscribe for 9.99 a month. But for Lazer Team, as well as many other originals on the platform, they absolutely did. So much so that YouTube has already green lit the sequel to Lazer Team, which is now putting us on the path to our first ever film franchise.

In a world where 400 hours' of content are uploaded every single minute on YouTube, and thousands of TV shows and movies are vying for people's attention, the loyalty of a community to spread the gospel of your brand, is absolutely critical. As we look to the future with apps and

platforms growing, and fragmenting the marketplace even more, it's important that we all think about a 360 degree approach to brand building.

At Rooster Teeth, everything we do, every show that we programme, and every place that we go, is because our community asks for it, in some way, shape or form. I love telling stories, and I love connecting those stories with fans, and I feel incredibly lucky that at Rooster Teeth I get to do what I love every single day. Thank you.

Susanne Daniels

So, that's the thinking behind YouTube originals. Fresh new series and movies from diverse top creators, making content that's driven by the community.

But you're probably wondering how are they performing? Well, over the last year we've seen our original series become one of the leading drivers of YouTube Red subscriptions, and viewership that rivals US cable shows.

It's not just what people are watching that's interesting, it's how they're watching. Over half the time people spend watching originals is on their mobile phones, and in the living room, we're seeing Red members watching over 75% more YouTube on their TVs than the average YouTube viewer.

We're also seeing a virtual cycle between YouTube Red and our ad supported experience with creators featured in originals seeing a significant boost in YouTube subscribers and watch time on their main AVOD channels as well, often from new fans.

All of this enthusiasm has led us to accelerate the pace of YouTube originals. By the end of the year, we will have released over 20 new projects. Three of those shows have demonstrated such early success that we've already agreed to renew them. That includes another season of the series Foursome from Awesomeness; the sequel to Burnie Burn's Lazer Team movie, can't wait for that; and season two of Scare PewDiePie. We're gonna scare them all over again.

I'm also excited to announce today that we've just green lit a second season of Joey Graceffa's murder mystery series, Escape the Night, and next year we'll have even more original series.

I hope it's clear that YouTube is all in on originals. We want to invest in the passion of our incredibly talented creators, match them with world class visionary producers, tell stories that entertain a vibrant community. We believe in this business and are deeply committed to supporting the shows, and creative talent that it fuels. Thank you all so much for being here today.