

# Media Dojo Tear Sheet

## YuMe

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**Summary:** YuMe is a video advertising technology company for professional online video publishers and advertisers. With 500+ publishers, more than 1 billion video streams and 70 million unique viewers per month, YuMe offers publishers and advertisers reach, brand safety, contextual relevance, controlled syndication, and consistent delivery across all digital media platforms.

**The Problem Being Attacked:** Digital video is assimilating distribution channels and devices like the Borg. The problem is that as online video starts to permeate web sites, live streams, HD downloads, smartphones, iPhone, apps, IPTV, Roku boxes and so forth, monetization platforms haven't kept up. The variety of delivery and devices is enticing for premium publishers and advertisers for differentiation but at the cost of turning a cross platform video media buy into a hairball.

**The Approach to the Problem:** YuMe spent almost all of 2005 and 2006 building an online video ad platform that would work across all different channels and devices for premium professional content. The end result was ACE, which is the company's ad serving and management platform. ACE offers what you'd expect in terms of video ad optimization, inventory forecasting, behavioral targeting etc. In addition to those features, YuMe has created a video ad gallery of different formats to get publishers and advertisers thinking beyond the pre-rolls, overlays and post-rolls that dominate today.

**Customer Base:** YuMe works at the top tier on both the publishing and the advertising side. The company made a conscious decision to skip long tail markets. Representative clients on the advertising side include Ford, Jaguar, Kelloggs, Marriot while publishing clients span Glam Media, NBC, MSN etc.

**Ownership:** Private, with investment by Accel, Khosla Ventures, BV Capital, DAG, Menlo Ventures. Latest round of \$25 million in February 2010. Total of \$35 million + raised in several rounds.

**Unique Point:** YuMe started in late 2004, pre-YouTube. Initially, the company pitched itself at the intersection of Silicon Valley, Madison Avenue and Bollywood. After a year, they changed direction to focus on video monetization and had their 1.0 platform more or less complete right when YouTube hit the online video world like a meteor strike. Aside from fortuitous timing, YuMe has also differentiated by creating a palette of different video ad templates/designs that publishers and advertisers can use off the shelf or customize.

**Cloud Angle:** The ACE ad management platform is a cloud-based system. YuMe does operate a data center that has software sitting on top for special jobs and for product development. But at the production level, publishers and advertisers access all the horsepower and smarts from the cloud.