

## CEO: Hulu to reach million subs by end of summer

*Michelle Clancy ©RapidTVNews / 07-07-2011*

Touting what he called "a big quarter," OTT online TV portal Hulu.com CEO Jason Kilar has revealed growth on pace to surpass 1 million users by the end of the summer. It also expects to reach a half-billion in revenue.

Hulu, which is owned by News Corp., Disney and Comcast-NBCUniversal, was originally intended to broadcast TV programming online for free. But last November, the site launched a premium subscription service, Hulu Plus, and it is here that most of the growth can be seen.

"We just closed our biggest month in Hulu Plus paid subscriber net additions by a healthy margin; we added more paying subscribers in June than we did in April and May combined," said Kilar who used his blog to report the private company's quarterly metrics,

When it comes to revenue, the key, he said, was "delighting the content owners."

To wit: "Hulu Plus is already revealing our ability to compensate content owners at the high end of the market for a given body of content," he noted. "Today, we proudly and profitably pay the content community approximately \$8 per subscriber per month for the content offering you see today on Hulu Plus. A portion of the \$8 payment to the content community comes from our \$7.99 subscription fee; the balance comes from the revenue we generate through advertising."

In Q2, Hulu remained the leader in U.S. online video advertising with the largest market share by revenue. Hulu serves nearly twice the number of video advertisements of the next largest advertising service, according to comScore, and Nielsen IAG measures the efficacy of Hulu's video advertising service at nearly twice that of linear video advertising services.

Like Netflix, Hulu recognizes that broadening the subscriber base in a multiscreen world comes down to embedding the service on as wide a range of devices as possible. In the past 90 days, Hulu Plus has become available on Xbox 360 and Kinect, some Android smart phones, TiVo Premiere DVRs and select Samsung Blu-ray players. "Collectively, this means an additional 25 million devices are capable of accessing the Hulu Plus service," said Kilar. "Hulu Plus is now accessible on leading consumer electronic devices and mobile operating systems with a combined installed base of more than 100 million. Expect that number to grow aggressively over the balance of 2011."

The content library on Hulu Plus has also grown considerably. Since the launch of Hulu Plus in November, the number of total hours of content on the service has grown 67 percent, from 9,000 to 15,000. The total number of full episodes on the service has grown 115 percent, from 13,000 to 28,000. The number of TV series on the service has grown 129 percent from 950 to 2,180, which includes 76 series from Viacom brands like MTV, Comedy Central, and VH1. The number of

clips has grown 85 percent from 13,500 to 25,000, and the number of movies has grown 222 percent from 450 to 1,450, including hundreds of Criterion Collection and Miramax titles. All 15 seasons of South Park, including the current season, were added to Hulu Plus in June, along with a rotation of episodes appearing on the free, ad-supported Hulu service. Hulu also exclusively premiered the U.K. hit Misfits on June 20th.

Amidst the rosy outlook, Hulu is reportedly up for sale. Rumours continue to swell that Google, Microsoft and Yahoo! are all potential suitors for the service.

[http://www.rapidtvnews.com/index.php/2011070713444/ceo-hulu-to-reach-1m-subs-by-  
summers-end.html](http://www.rapidtvnews.com/index.php/2011070713444/ceo-hulu-to-reach-1m-subs-by-<br/>summers-end.html)