

Video Game Network Launches With \$17M In Funding And Backing Of Riot, Twitch And Blizzard Cofounders

The Video Game Entertainment & News Network (VENN) is looking to build the MTV of gaming, and the new venture has attracted some big names to make it happen.

VENN, set to launch in 2020 with live studios in New York and Los Angeles, announced today that it had attracted \$17 million in a seed funding round led by esports investment fund Bitkraft and private investment firm Eldridge Industries, which manages Valence Media properties, the parent of the *Hollywood Reporter*, *Billboard* and Dick Clark Productions.

Founded by Ben Kusin, formerly the global director of new media at Vivendi Games, and Ariel Horn, the former head of Riot Games' esports productions, VENN will broadcast 24/7 with more than 55 hours of original gaming-focused content each week on video platforms like Twitch and YouTube. Content will include reality series, documentaries and shows based around streamed gameplay.

"There's a huge chasm between Twitch and YouTube and ABC, ESPN, Turner and those kinds of networks," Kusin tells *Forbes*. "And we want to fill that space."

The funding round also included major players across the esports field:

- Marc Merrill, a cofounder of Riot Games, which created the world's most popular sport, *League of Legends*;
- Kevin Lin, a cofounder of the lead streaming platform for games, Twitch, which is now owned by Amazon;
- Mike Morhaime, who helped start Blizzard Entertainment in 1991 and launched groundbreaking titles in gaming and esports, including *Starcraft*, *Warcraft* and *Diablo*, most recently developing a franchised competitive league around the first-person shooter *Overwatch*;
- Axiomatic Gaming, a conglomerate of sports executives like Ted Leonsis and Peter Guber who own Team Liquid, one of the [most valuable esports teams](#) in the world.

Horn brings credibility to the project, having helped develop Riot's esports business from a few scattered tournaments at game conferences into a juggernaut that filled Beijing's Bird's Nest stadium in 2017 and broadcasts events internationally. According to the company, 99.6 million unique viewers tuned in to watch last year's World Championship Finals between China's Invictus Gaming and Europe's Fnatic.

Despite the huge potential audience for video game broadcasts, though, "it's pretty fragmented," says Kusin, the VENN cofounder. "Twitch is thousands of streamers every day doing their thing without an enormous amount of discovery. We're looking to fundamentally

go in there and curate that content ... for core gamers and for casuals.”

The network will look to partner with both popular streamers and game publishers, with a focus on boosting the signal for niche content like speed-running and turning them into more polished and produced shows. “You usually have ... cameras where you’re staring at someone’s hands or someone’s face,” Kusin says of the typical streamer broadcast. “There’s a way to really elevate that format.”

It’s a big bet, especially considering new questions concerning [inflated viewership numbers throughout the industry](#). Still, it’s an increasingly attractive avenue to get in front of a younger demographic for advertisers like Chipotle, which is sponsoring esports organization TSM, and Honda, which was the exclusive partner of the *League of Legends* North American summer playoffs. VENN will similarly look to sign exclusive sponsorships, as opposed to 30-to-60-second ad spots.

Other investors in the round include: BDMI, the investment segment of German mass media company Bertelsmann; AM and FM radio operator Cumulus Media; YuChiang Cheng, a cofounder of *World Golf Tour* and president of Topgolf Media; and Reimagined Ventures, the private capital group of Magnetar Capital founder Alec Litowitz.

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