

## PRESS RELEASE

## Bertelsmann Digital Media Investments Acquires a Stake in Video Creation Start-up Wibbitz

- Bertelsmann fund will support the company's further business and artificial intelligence technology expansion
- Wibbitz software uses artificial intelligence to create news video clips from text
- Investment round raises \$20 million

Gütersloh/New York, October 24, 2017 – Bertelsmann is investing in the digital start-up Wibbitz. The international media, services and education group's Bertelsmann Digital Media Investments fund (BDMI) is leading a \$20 million round of financing for the young company. The other Series C funding investors include media companies The Weather Channel Television Network and The Associated Press.

Wibbitz distributes software that enables news publishers to convert texts into high-quality videos in a matter of seconds through the use of artificial intelligence. The startup specializes in the production of short news clips, and its customers include the media companies Bloomberg, Reuters, Forbes, Hearst, Time Inc., and CBS Interactive. Wibbitz employs a total of 60 people at offices in New York, Tel Aviv and Paris.

Urs Cete, Managing Partner of BDMI, says: "Videos are essential for news pages – from both a content and a financial perspective. Wibbitz already supports renowned news producers worldwide with the automatic creation of video content. The demand for video will continue to grow, and BDMI is accordingly excited to support Wibbitz as it pursues its further expansion."

"Today's funding not only underscores the rising value of video, but also the power of AI and automation technologies to reduce tedious, production-related processes. Our publishing partners spend under six minutes, on average, producing original videos that drive four times the engagement of text-only content," said Zohar Dayan, Co-founder and CEO of Wibbitz, and added: "It's humbling to secure funding from such amazing partners so that we can expand our product capabilities, our team, and the global reach of Wibbitz in the years ahead."

Bertelsmann Digital Media Investments is Bertelsmann's strategic investment platform in the U.S. and Europe. The fund is currently involved in around 50 young digital companies. The focus of the participations is in the fields of online video, ad tech, software as a service (SaaS) and publishing. Together with Bertelsmann Asia Investments (BAI), Bertelsmann India Investments (BII) and Bertelsmann Brazil Investments (BBI), BDMI is part of a global fund network which has comprised the Bertelsmann Investments division since 2016.

### **About Bertelsmann**

Bertelsmann is a media, services and education company that operates in about 50 countries around the world. It includes the broadcaster RTL Group, the trade book publisher Penguin Random House, the magazine publisher Gruner + Jahr, the music company BMG, the service provider Arvato, the Bertelsmann Printing Group, the Bertelsmann Education Group and Bertelsmann Investments, an international network of funds. The company has 116,000 employees and generated revenues of €17.0 billion in the 2016 financial year. Bertelsmann stands for creativity and entrepreneurship. This combination promotes first-class media content and innovative service solutions that inspire customers around the world.

### **About Bertelsmann Investments**

Bertelsmann Investments unites Bertelsmann's start-up investments around the world. In focus of its activities are the strategic growth regions Brazil, China and India, as well as the United States and Europe. Shareholdings are acquired through the strategic investment funds Bertelsmann Brazil Investments (BBI), Bertelsmann Asia Investments (BAI), Bertelsmann India Investments (BII) and Bertelsmann Digital Media Investments (BDMI). Bertelsmann owns stakes in approx. 150 innovative companies via these funds.

For further questions, please contact:

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