

YouTube Videos Pull In Real Money

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*Christopher Capozziello for The New York Times
Michael Buckley, YouTube host, at home in Connecticut.*

Making videos for YouTube — for three years a pastime for millions of Web surfers — is now a way to make a living.

One year after YouTube, the online video powerhouse, invited members to become “partners” and added advertising to their videos, the most successful users are earning six-figure incomes from the Web site. For some, like Michael Buckley, the self-taught host of a celebrity chatter show, filming funny videos is now a full-time job.

Mr. Buckley quit his day job in September after his online profits had greatly surpassed his salary as an administrative assistant for a music promotion company. His thrice-a-week online show “is silly,” he said, but it has helped him escape his credit-card debt.

Mr. Buckley, 33, was the part-time host of a weekly show on a Connecticut public access channel in the summer of 2006 when his cousin started posting snippets of the show on YouTube. The comical rants about celebrities attracted online viewers, and before long Mr. Buckley was tailoring his segments, called “What the Buck?” for the Web. Mr. Buckley knew that the show was “only going to go so far on public access.”

“But on YouTube,” he said, “I’ve had 100 million views. It’s crazy.”

All he needed was a \$2,000 Canon camera, a \$6 piece of fabric for a backdrop and a pair of work lights from Home Depot. Mr. Buckley is an example of the Internet’s democratizing effect on publishing. Sites like YouTube allow anyone with a high-speed connection to find a fan following, simply by posting material and promoting it online.

Granted, building an audience online takes time. “I was spending 40 hours a week on YouTube for over a year before I made a dime,” Mr. Buckley said — but, at least in some cases, it is paying off.

Mr. Buckley is one of the original members of YouTube’s partner program, which now includes thousands of participants, from basement video makers to big media companies. YouTube, a subsidiary of Google, places advertisements within and around the partner videos and splits the revenues with the creators. “We wanted to turn these hobbies into businesses,” said Hunter Walk, a director of product management for the site, who called popular users like Mr. Buckley “unintentional media companies.”

YouTube declined to comment on how much money partners earned on average, partly because advertiser demand varies for different kinds of videos. But a spokesman, Aaron

Zamost, said "hundreds of YouTube partners are making thousands of dollars a month." At least a few are making a full-time living: Mr. Buckley said he was earning over \$100,000 from YouTube advertisements.

The program is a partial solution to a nagging problem for YouTube. The site records 10 times the video views as any other video-sharing Web site in the United States, yet it has proven to be hard for Google to profit from, because a vast majority of the videos are posted by anonymous users who may or may not own the copyrights to the content they upload. While YouTube has halted much of the illegal video sharing on the site, it remains wary of placing advertisements against content without explicit permission from the owners. As a result, only about 3 percent of the videos on the site are supported by advertising.

But the company has high hopes for the partner program. Executives liken it to Google AdSense, the technology that revolutionized advertising and made it possible for publishers to place text advertisements next to their content.

"Some of these people are making videos in their spare time," said Chad Hurley, a co-founder of YouTube. "We felt that if we were able to provide them a true revenue source, they'd be able to hone their skills and create better content."

In a time of media industry layoffs, the revenue source — and the prospect of a one-person media company — may be especially appealing to users. But video producers like Lisa Donovan, who posts sketch comedy onto YouTube and attracted attention in the fall for parodies of Gov. Sarah Palin of Alaska, do not make it sound easy. "For new users, it's a lot of work," Ms. Donovan said. "Everybody's fighting to be seen online; you have to strategize and market yourself."

Mr. Buckley, who majored in psychology in college and lives with his husband and four dogs in Connecticut, films his show from home. Each episode of "What the Buck?" is viewed an average of 200,000 times, and the more popular ones have reached up to three million people. He said that writing and recording five minutes' worth of jokes about Britney Spears's comeback tour and Miley Cyrus's dancing abilities is not as easy as it looks. "I've really worked hard on honing my presentation and writing skills," he said.

As his traffic and revenues grew, Mr. Buckley had "so many opportunities online that I couldn't work anymore." He quit his job at Live Nation, the music promoter, to focus full-time on the Web show.

There is a symmetry to Mr. Buckley's story. Some so-called Internet celebrities view YouTube as a stepping stone to television. But Mr. Buckley started on TV and found fame on YouTube. Three months ago, he signed a development deal with HBO, an opportunity that many media aspirants dream about. Still, "I feel YouTube is my home," he said. "I think the biggest mistake that any of us Internet personalities can make is establish ourselves on the Internet and then abandon it."

Cory Williams, 27, a YouTube producer in California, agrees. Mr. Williams, known as smpfilms on YouTube, has been dreaming up online videos since 2005, and he said his big break came in September 2007 with a music video parody called "The Mean Kitty Song." The video, which introduces Mr. Williams' evil feline companion, has been viewed more than 15 million times. On a recent day, the video included an advertisement from Coca-Cola.

Mr. Williams, who counts about 180,000 subscribers to his videos, said he was earning \$17,000 to \$20,000 a month via YouTube. Half of the profits come from YouTube's

advertisements, and the other half come from sponsorships and product placements within his videos, a model that he has borrowed from traditional media.

On YouTube, it is evident that established media entities and the up-and-coming users are learning from each other. The amateur users are creating narrative arcs and once-a-week videos, enticing viewers to visit regularly. Some, like Mr. Williams, are also adding product-placement spots to their videos. Meanwhile, brand-name companies are embedding their videos on other sites, taking cues from users about online promotion. Mr. Walk calls it a subtle "cross-pollination" of ideas.

Some of the partners are major media companies; the ones with the most video views include Universal Music Group, Sony BMG, CBS and Warner Brothers. But individual users are now able to compete alongside them. Mr. Buckley, who did not even have high-speed Internet access two years ago, said his YouTube hobby had changed his financial life.

"I didn't start it to make money," he said, "but what a lovely surprise."

New York Times, New York, 11 dez. 2008, Media & Advertising, online. Disponível em <www.nytimes.com>. Acesso em: 15 dez. 2008.

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