



Velocity Finances Generate, A Professional Studio for Online Video Content

Mark Hendrickson

March 4, 2008

Velocity Investments has continued its roll of putting money into digital media by leading a \$6M Series A round for Generate.

Generate is a studio with a focus on developing professional video content for the web that, if successful, could be parlayed into shows broadcasted through more traditional methods, most notably TV. Its target demographic consists of so-called "Millenials" or those belonging to Generation Y.

The studio will produce the next installment of a web-based show called "Pink - The Series" (a clip of which we have embedded below). The series has already experienced four million views since debuting in September. Generate also plans on developing two comedies for the web.

Ross Levinsohn, the co-founding partner of Velocity, is quoted as saying that "Generate represents the wave of the future for production and management companies." What do you think? Do you hope the clip below is representative of the professional content that will increasingly emerge online?

VentureBeat

Generate, a video creation shop, joins Velocity's digital media portfolio

By Eric Eldon

March 4, 2008

Generate is a two year old effort run by executives who have left their big companies for the startup life. The company creates compelling short videos on small budgets, that are distributed across the web, television and mobile devices.

The Santa Monica, Calif.-based company has just raised \$6 million from Velocity Interactive Group

— this is also another move by Velocity to assemble a portfolio of complementary media companies. More on that in a minute.

Generate's model is one sense a "throwback to the early days of Hollywood," Velocity's Ross Levinsohn tells me. Like in the old days, Generate handles nearly every aspect of production and distribution for the 100-some its actors, writers and directors it counts as partners. For example, it will produce and distribute the next 25 episodes of "Pink: The Series," a series of short videos featuring a female assassin, that has been viewed more than four million times since it launched last September (see below). Other Generate shows you may have heard of include comedy the "Home Purchasing Club" for VH1's Vspot, as well as TV series like "The Andy Milonakis Show" and "Wonder Showzen."

Generate was founded by a group of executives including Jordan Levin, its new chief executive. He left a successful, decade-long career at The WB to start the company, bringing along contacts in media and advertising.

The company has been finding success selling video advertising, with the pitch that they offer premium content that highly targeted groups of users like, that advertisers can feel comfortable associating their brands with. Ad formats range from pre-roll, mid-roll and post-roll to overlays and other forms of video advertising.

Although there's no formal agreements between Velocity's portfolio companies, here's how they are positioned to work together. First, Generate creates the content and cuts deals with advertisers. Then, Broadband Enterprises, a company that distributes videos and video advertising to many other partners (our coverage), helps Generate to distribute its content across the web, mobile devices and TV networks. Meanwhile, widget company Mixercast (our coverage) offers a way for Generate to get its content to spread virally among social network users, as they add and share widgets that feature its artists' works.



Generate Gets \$6 Million Funding From Velocity And MK

By Rafat Ali

March 4, 2008 9:00 PM PST

Generate, the Santa Monica-based multi-platform video production and talent management firm co-founded by Jordan Levin, the former CEO of The WB, has received \$6 million in its first round of funding. The round was co-led by Velocity Interactive Group, the digital-media investment firm headed by Ross Levinsohn and Jonathan Miller, and MK Capital.

The firm, which has been billing itself as the next version of a talent-agency-crossed-with-a-digital-production-studio, will use the money to move beyond its current exclusive deal with MTV Networks (NYSE: VIA). It was founded in 2006, and has been working on a slate of self-financed online series includes the comedy Home Purchasing Club for VH1's Vspot and TV series like "The Andy Milonakis Show" and "Wonder Showzen." The company is currently prepping the first season of "Somebodies," BET's first original scripted series.

As part of the financing, Levin, till now a partner, will become CEO of Generate. Founding partners Dave Rath and Kara Welker will continue to run the management arm of the company, along with partner Jared Hoffman who joined Generate last January from CAA. Partner Ivana Ma will be President, New Media, overseeing all digital activities.

The company competes against the likes of other hybrid digital studios which also work as financiers and/or managers of talent. Certainly 60Frames, also based here in LA, is one. To some extent, Deca, also based in LA, is somewhat competitive, so is ManiaTV, which moved recently from Denver to LA. Only Generate is not trying to build a destination site and the talent management side is something others don't dabble in that much.

I spoke to Levin a month or so ago, right before the writers' strike ended, where he talked about how audiences are moving online, and the next generation of online entertainment.

Generate gets Velocity funding

By Alex Woodson

March 5, 2008

NEW YORK -- Generate, the digital production studio run by former WB Network CEO Jordan Levin, has secured \$6 million in financing from Velocity Interactive Group, the new-media investment group run by former News Corp. and AOL execs.

Generate, which manages clients and creates original content, was founded two years ago by Levin and had an exclusive production contract with MTV Networks, which yielded Web series "Home Purchase Club" on VH1's Vspot among other offerings. That agreement, though, ended last fall, and the studio is looking to spread its content through different Web destinations or traditional media.

"We're talking with all platforms," said Levin, Generate's CEO. "We view our job as creating quality content that uses digital primarily to incubate and feed ideas and tying advertisers in as partners to ride alongside that distribution strategy."

Former Fox Interactive Media president Ross Levinsohn, a partner at Velocity along with former AOL CEO Jonathan Miller, said Levin has proved that he's able to "produce cheaply and manage efficiently," a must in the Internet world, as evidenced by the relatively small \$6 million investment.

"It could set a new model for all media, and he's willing to try that," Levinsohn said. "He's a risk-taker, and in any industry that's trying to reinvent itself you need risk-takers."

Levin's management team includes former CAA executive Jared Hoffman and "Bernie Mac" producer Pete Aronson.

Velocity also recently invested in online video ad company Broadband Enterprises. Levinsohn said that stake, along with the one in Generate, "certainly resonate together."

Generate also unveiled a new production slate. "Pink -- The Series" is a follow-up to a Web show that bowed in September and has garnered more than 4 million views; "LaQuisha" is based on a character created on L.A. radio station KROQ-FM; and "Knockers" is a comedy show from sketch group Good Neighbor.

Generate's clients include Andy Milonakis and Trevor Moore from Whitest Kids U Know, a comedy troupe with a show on Fuse.



Generate taps Levin for CEO
Company also secures \$6 million in financing

By Marc Graser
March 4, 2008

New media production and talent management shop Generate has secured \$6 million in financing and tapped former WB network topper Jordan Levin as its CEO.

Levin has been with Generate as one of its co-founders since the company was formed in 2006, but a CEO post had not yet been created.

Funding comes from Velocity Interactive Group, the digital media investment firm headed by former News Corp. and AOL executives Ross Levinsohn and Jonathan Miller, respectively, and MK Capital, led by Mark Terbeek.

Generate will use the coin to expand and create entertainment programming across all media platforms, but with a focus on the Internet and mobile devices. Its content targets younger viewers.

"It's important for us to remain independent, because our business model is about trying to syndicate out to as many sites as possible and at the same time allow an advertiser or sponsor to travel with that content as it migrates across platforms," Levin said.

Company's Web slate includes the next installment of "Pink: The Series," about a female assassin, that's shot as a live-action graphic novel; as well as comedies, "LaQuisha," based on a character created by Ralph Garman of KROQ's "Kevin and Bean" radio show; "Knockers," from sketch comedy group Good Neighbor; and "Home Purchasing Club," for VH1's Vspot.

Offline, Generate's behind the TV series "The Andy Milonakis Show" and "Wonder Showzen," and is prepping the first season of "Somebodies," BET's first original scripted series. It produced the Comedians of Comedy and SF Sketchfest.

It's also produced a comedy tour for American Eagle Outfitters and is working with Fremantle and Ogilvy & Mather on other branded entertainment projects.

Upon its formation, Generate had an exclusive content pact with MTV Networks to produce content for basic cable, broadband and mobile. That includes programming for MTV, Nickelodeon, VH1, Spike TV, Comedy Central and the company's other properties.

Free agent

But with that deal having ended in October, Generate is now looking to become an independent player in the Web-content-creation space.

"The investment will enable us to grow beyond our initial vision, and execute on our plan to offer creators the opportunity to use the web as a cost-effective place to develop, test and incubate ideas that have potential for other revenue generating platforms," Levin said.

Under the company reorg, founding partners Dave Rath and Kara Welker will continue to run the management arm of the company along with partner Jared Hoffman, who joined Generate in January from CAA.

Clients include Patton Oswalt, Janeane Garofalo, Fred Savage, Brian Posehn, Al Madrigal, Adam Rifkin, Dave Reynolds, Chatman & Lee, Christian Finnegan, Arj Barker and Jon Reep.

Founding partner Pete Aronson serves as head of creative affairs responsible for the company's development and production activity across all distribution platforms. Partner Ivana Ma is head of new media.

Rounding out the ranks, Matt Winslow, who joined Generate from ad agency Ignited Minds in summer, serves as VP of marketing. Anne Hong has been upped to manager.



Generate Raises \$6M for Web Stars' Shows

By Liz Gannes

Posted Tuesday, March 4, 2008 at 9:01 PM PT

Generate, a talent management and production startup focused on online video, has raised \$6 million from Velocity Interactive Group and MK Capital. The two-year-old company, which was previously self-funded, has an impressive roster of web stars signed, among them the Blame Society (*Chad Vader*), Clark Duke (*Clark and Michael*), Improv Everywhere, and Kathleen Grace (*The 'Burg*, *The All-for-Nots*).

Santa Monica, Calif.-based Generate has acquired female assassin series *Pink*, a success in its own right with 4 million views under its belt (first episode embedded above), and is producing a reality television recap show *LaQuisha* as well as a comedy show called *Knockers* (promo embedded below).

Generate just got out of an exclusive deal with MTV Networks and is ready to explore the promise of broad syndication on the Internet, said CEO Jordan Levin, who was previously CEO of the WB Network. "We're big believers that the model that makes the most sense, for Generate, at least, is to monetize around content, not around a specific channel, and to get as wide a reach as possible," Levin said.

Levin is looking to use Generate's new funding to finance production of shows and build direct inroads to advertisers who will sponsor and integrate their products into its shows. The company will offer a greater ownership stake and a greater share of shows' profits to its talent than competitors such as Vuguru, which is behind Grace's *All-for-Nots*, Levin said. After digital, he hopes that deals in TV, film and publication await.

And as distribution and monetization improve online, said Levin, "The talent will become the scarce resource."



Generate Lands \$6 Million in Funding

By Daisy Whitney

March 4, 2008 10:10 PM

New-media production studio and talent management shop Generate said it has secured \$6 million in its first round of funding. The round was co-led by Velocity Interactive Group and MK Capital.

Generate will use the cash to fund new productions and to hire employees.

Specifically, the company is looking to expand its sales staff and to hire a director of sales, as well as business affairs and legal executives, said Jordan Levin, CEO of Generate.

In addition, the money will help fund new digital production, including the second installment of the popular Web series "Pink," about a female assassin. The show drew 4 million views in its first season, although Generate was not involved with it then.

"We think it's a concept that can extend beyond broadband," said Mr. Levin. "We are not shooting to be the highest volume supplier, but we want to be the highest-quality supplier of content."

With the new funds, Generate is producing two Web comedies, "LaQuisha" and "Knockers."

MEDIAWEEK

Generate Buys, Launches Series

Generate has snagged the rights to Pink The Series; and has green-lit two series, Knockers and LaQuisha.

By Mike Shields
MARCH 05, 2008

Generate, the digital content production company headed by former WB Network CEO Jordan Levin, has announced plans to acquire one Web series and launch two other originals.

The company, which was formed in 2006 behind an exclusive production deal with MTV Networks, is moving towards becoming more of an independent content producer and distributor, one with its own ad sales capabilities, said Levin.

To kick start that endeavor, Generate has snagged the rights to Pink The Series, an adventure/graphical novel series that debuted on the Web last September.

In addition, Generate has green-lit two series that will employ lesser known comedic talents, including Knockers, which features the sketch troupe Good Neighbor (according to Levin, it has recently been building a following on the Internet); and LaQuisha, which features a character based on Los Angeles radio personality Ralph Garman – who has done voice work on Fox's The Family Guy.

To fund these new series, Generate announced that it has secured \$6 million in financing, including an investment from Velocity Interactive Group, a firm headed by former Fox Interactive Media president Ross Levinsohn and AOL CEO Jonathan Miller.

While Levin credited the company's relationship with MTVN – which included the launch of the series The Andy Milonakis Show and Wonder Showzen - for putting Generate on the map, its focus in the near future will be to capitalize on the emerging appetite for original, high production value content on the Web, which allows for a variety of distribution and business models. Plus, Generate will look to create content that travels well across media platforms.

"The MTV deal allowed us to produce diverse content and grow the company," said Levin. "It allowed us to test our theory [that Web distribution was about to catch fire]. Now is the appropriate time to get the right amount of funding and continue to expand....it's our first opportunity to be independent. That's sort of comes pretty close to what we envisioned for Generate."

And now, Levin says more a-list brands are willing to take his calls about sponsoring original Web content. "What I've seen and what we believe is that there is this obvious emergence of professionally produced content," he said. "As professional content emerges, it makes things more acceptable for advertisers."

THE BUSINESS OF TELEVISION



Jordan Levin-Led Generate Generates \$6M in Financing Former CEO of The WB Named CEO of Production and Management Studio

By Ben Grossman
March 5, 2008

Production and management studio Generate secured \$6 million in its first round of financing and announced that cofounder and former The WB CEO Jordan Levin will assume the role of CEO.

The financing came from Velocity Interactive Group, a digital-media-investment outfit run by former News Corp. executive Ross Levinsohn and former AOL executive Jonathan Miller, as well as from venture-capital fund MK Capital, led by Mark Terbeek.

“Generate represents the wave of the future for production and management companies,” Levinsohn said. “The management team led by Jordan has been able to successfully build upon its traditional media track record to score in the digital-media world with original Web hits like *HPC*, as well as innovative work for brands like American Eagle Outfitters.”

The company subsequently unveiled several new projects for its digital-production slate, including the next installment of *Pink-The Series*, a Web series about a female assassin that has racked up more than 4 million views since its launch last September.

Also in tap is Web comedy *LaQuisha*, based on a character made popular on the *Kevin and Bean* radio show, as well as *Knockers*, from sketch-comedy group Good Neighbor.

With Levin becoming CEO, the management arm will be run by founding partners Dave Rath and Kara Welker, as well as Jared Hoffman, who joined the company last January from CAA.

Founding partner Pete Aronson will serve as head of creative affairs, Ivana Ma becomes head of new media and Matt Winslow serves as vice president of marketing.

Formed in 2006 with private funding and a deal with MTV Networks at launch, Generate has focused on producing original content for digital distribution, as well as talent management. Its original Web series have included *The Andy Milonakis Show* and its management clients include Janeane Garofalo and Fred Savage.

“Between production efforts and management clients, we think we can say we are one of the leading suppliers of comedy content across the Web,” Levin said.

He added that the next step for the company is to staff up in both development and production, and that a large portion of the new influx will go toward funding and financing original productions. Those could be a full series or, in some cases, a few sample episodes that could be taken to advertisers to solicit partnerships.

Generate's focus is on monetizing around content and pushing what it develops as wide as possible using multiple sites, as opposed to one channel or destination.

"Our bet is that in a world of increasingly commoditized distribution, where there is more demand on content, professionally produced content in the digital space will attract some of those blue-chip advertisers that have been reluctant to jump into this space," Levin said. "Our first two years were about testing the thesis -- the next two years are about diving in deeper and testing these models."