

Testimony of Chad Hurley,

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House Subcommittee on Telecommunications and the Internet

“The Digital Future of the U.S. – The Future of Video Technology”

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Chairman Markey, Ranking Member Upton, members of the committee.

It’s a great pleasure to be with you this morning to talk about the future of video technology. My name is Chad Hurley, and I’m the CEO and co-founder of YouTube.

I’m here specifically to talk briefly about our company and about three of YouTube’s goals: promoting community, advancing democracy, and driving economic growth.

I also want to spend a few moments talking about the online video revolution and what’s coming next.

## YouTube: Facts

Let me start with a few facts about YouTube.

YouTube is the world's leading online video community. YouTube allows people to discover, watch and share originally created videos. In keeping with a Silicon Valley cliché, we started the company after realizing there was no easy way to share homemade videos with our friends. Thanks to the open Internet, we were able to launch with little but credit card debt backing our plan.

That first month, about **30 videos were uploaded** onto the site. Eight months later, when we launched the full-fledged site in December of 2005, 3 million videos were being watched, and 8,000 videos uploaded, on a daily basis. Today, only two years later, things have changed a bit.

Here are a few facts to give you an idea of what our users have created:

- Every day, YouTube viewers watch hundreds of millions videos.

- Every day, hundreds of thousands of videos are uploaded onto YouTube.
- We are ranked as the 9<sup>th</sup> most visited site in the U.S., according to Nielsen NetRatings, with more than 45 million unique users per month.

The way YouTube works is simple by design. An individual or group of friends creates a video and then posts it to our site. They create these videos with their camcorders, digital cameras, and mobile phones. Videos cannot be more than 10 minutes long.

The community of viewers then decides what rises to the top. They connect and engage around videos that inspire them, teach them, or make them laugh or cry. These videos are the ones you've maybe seen and heard about. They create their own momentum and speak to millions of people around the world -- sometimes in just a matter of minutes.

We are now seeing broad adoption of our service with adults of all ages. One of our most popular users, who calls himself Geriatric 1927, is 79 years old and has more than 41,000 subscribers to his channel. Videos that are less compelling to the masses, for example a video about how to make an omelette in a Ziploc bag,<sup>1</sup> still find a niche audience on the site.

Videos that include unauthorized copyrights are removed as soon as we are made aware by the rights holder. Those that violate our Community Guidelines come down minutes after our users flag them. As a father of two, that last part is particularly important to me.

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<sup>1</sup> <http://youtube.com/watch?v=NJ2NfUbbQWE>

YouTube is helping a wide range of video producers reach a vast, new audience, promote their work, and stay relevant in a marketplace that is changing quickly. For example, we currently have more than 1,000 partnerships with content-creating organizations ranging from the BBC, the NBA, and the Sundance Channel, to 10 Downing Street and the State Department.<sup>2</sup>

### **Promoting community**

Now let me turn to our goal of promoting community.

YouTube is much more than a library of video clips or an entertainment destination. It's also a community made up of people who are engaging with short-form video in a brand new way. Our vision is to create meaningful human connections through original video among people and communities worldwide. And there is something for everyone on the site.

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<sup>2</sup> BBC: [www.youtube.com/bbc](http://www.youtube.com/bbc)

NBA: [www.youtube.com/nba](http://www.youtube.com/nba)

Sundance Channel: [www.youtube.com/sundancechannel](http://www.youtube.com/sundancechannel)

10 Downing St: [www.youtube.com/downingst](http://www.youtube.com/downingst)

U.S. Department of State: [www.youtube.com/statevideo](http://www.youtube.com/statevideo)

Content creators such as entertainers, educators, authors, medical students and the U.S. military are building audiences on YouTube; meanwhile, millions of people including readers, home buyers, travelers and art enthusiasts are watching videos on YouTube. We have seen a vast increase in the number of videos that offer recommendations, remedies, and other how-to's. Far more than a trend, YouTube has become a resource where people can learn new skills or simply share experiences with others. You can learn how to remove tree roots from your sewer drain by tuning in to "Ask the builder."<sup>3</sup> You can get European travel secrets from a user who calls himself, "Dr. Chuck."<sup>4</sup>

Then there are the stories like that of Leigh Buckley, a mother of two from Derry, New Hampshire, who discovered that she was suffering from leukemia. A family friend made and posted a video<sup>5</sup> about Leigh's search for a bone marrow donor on YouTube; that video helped draw more than a thousand people to a registry drive. A donor was found, in Denmark, and Leigh began treatments last Friday to prepare her for the transplant. Through the power of video, people came together to help a complete stranger.

### **Advancing democracy**

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<sup>3</sup> <http://www.youtube.com/watch?v=ep6wQqSXSyk>

<sup>4</sup> <http://www.youtube.com/watch?v=CmV78Fj6PeY>

<sup>5</sup> <http://www.youtube.com/watch?v=i1azm1oNRbk>

Now I'll turn to advancing democracy.

YouTube is a new platform for putting democracy in action—a great forum for the free exchange of ideas where everyone is provided equal opportunity to be widely heard.

YouTube is a shared megaphone in the 21st century public square, where our First Amendment rights are most precious.

On a more concrete level, our new You Choose '08<sup>6</sup> platform – built specially for the 2008 campaign – essentially creates the “World’s Largest Town Hall.” Seventeen presidential candidates are currently on YouTube, and already they've combined to post over 500 videos that have been viewed millions of times. In addition, many Members of Congress have an active YouTube presence that they use to educate and interact with voters.

We're helping bring a level of authenticity to politics that both voters and candidates are thirsting for, leveling the playing field for political dialogue in this country by connecting voters and candidates in new ways. YouTube is a campaign game-changer, shifting the dynamics of how to reach voters and build intimate relationships.<sup>7</sup>

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<sup>6</sup> <http://www.youtube.com/youchoose>

<sup>7</sup> Political video content on YouTube is highlighted at: [www.youtube.com/citizenutube](http://www.youtube.com/citizenutube)

On a global basis, we are working toward building a community where people from around the world can broadcast and express themselves by sharing their ideas. We believe that YouTube provides another way to promote the values of freedom and liberty, to strengthen new democracies, and to let citizens from other countries give an authentic voice to their most urgent needs and common dreams.

### **Driving economic growth**

Turning to economic growth, new stories are emerging every day about the positive impact our service has on promoting creative and entrepreneurial talent.

YouTube has created a new forum for filmmakers and video bloggers who previously had few distribution options. For example, many of our users have signed contracts with TV networks, film studios and advertisers. These include YouTube users like Brooke Brodack (aka "Brookers"<sup>8</sup>), who signed with TV personality Carson Daly; Joe Bereta and

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<sup>8</sup> <http://www.youtube.com/brookers>

Luke Barats (aka "Barats and Bereta"<sup>9</sup>), now with with NBC Universal; and Lisa Donovan (aka "LisaNova"<sup>10</sup>), who now appears on the popular MadTV.

Musicians are selling their own CDs and, in some cases, signing with record labels, as Youtube user Terra Naomi did with Island Records, a division of Warner Music Group. And owners of small businesses, such as real estate agents<sup>11</sup> and music teachers<sup>12</sup>, have a significantly less expensive way of finding new customers who would not have known about their services prior to YouTube.

Since its inception, YouTube has been focused on growing its community and fostering creativity. I spoke about our partnerships with many companies and users who create content. Most recently we announced that we have elevated several of our most popular users to partner status. We've seen the videos of many of these creators evolve to become elaborately developed series, concept videos, and sitcoms with tens of thousands of subscribers. Many of these users have gone from creating a single video to becoming YouTube celebrities with fans and audiences all over the world.

Let me make two more general observations about YouTube and economic growth.

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<sup>9</sup> <http://www.youtube.com/BaratsAndBereta>

<sup>10</sup> <http://youtube.com/lisanova>

<sup>11</sup> <http://www.youtube.com/profile?user=HamptonHomeTours>

<sup>12</sup> <http://www.youtube.com/profile?user=pianovillage>

First, YouTube and many other successful new Internet businesses would never have launched had it not been for this country's commitment to an open Internet. We share with many the belief that access to the Internet must be open to all users and services on fair and equal terms.

Second, we see originally-created content and free online expression as competitive advantages for American business. Companies large and small, such as Dove, Nike, Coca-Cola, Blendtec, The Travel Linguist and 1-800-FLOWERS<sup>13</sup> are all harnessing the power of YouTube to connect and engage with consumers.

We hope to see the U.S. government become more engaged in protecting free online speech as a core component not just of our democratic ideals, but also of the global economy.

## **What's Next**

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<sup>13</sup> Dove "evolution" campaign: <http://www.youtube.com/watch?v=iYhCn0jf46U>  
Nike: <http://www.youtube.com/profile?user=Nikesoccer>  
Coca-cola's holiday wish cast: [http://www.youtube.com/greeting\\_browser](http://www.youtube.com/greeting_browser)  
Blendtec: <http://www.youtube.com/profile?user=Blendtec>  
Travel Linguist: <http://www.youtube.com/profile?user=travellinguist>  
1-800-Flowers: <http://www.youtube.com/profile?user=1800flowers>

So where is online video headed next? The bottom line is no one knows for sure where the medium is going. After all, a couple of years ago the idea of millions of people using an Internet video platform seemed more than a little far-fetched.

However, if I had to identify a few trends to watch for the future, I would point to the following:

- First, originally-created video content will continue to establish itself as a new form of communication. Just as blogs and e-mail transformed written communication, sites like You Tube are creating new opportunities in the world of video. What blogs and e-mail did for text, services like YouTube are now doing with richer and more immediate forms of expression.
- Second, a critical mass of content will continue to be built from small, niche communities online, allowing nearly ubiquitous coverage of the world we live in from many unique perspectives.
- Third, digital media will increasingly empower users to take control of *what* they watch, *where* they watch it, *when* they watch it – and *how* they make media.. Busy consumers want to access media on their own schedules, and in shorter increments. They also want to share their own creativity in quick, convenient

ways. We aim to make it easier for people to upload video to YouTube from their mobile devices, in order to capture timely videos that document events ranging from Hurricane Katrina to a high school graduation.

One final point about the future of video. As YouTube expands globally, I believe there is tremendous potential for video to enhance public diplomacy. Already, the content on our platform demonstrates the freedom of expression that exists within our borders. As more and more countries utilize YouTube, citizens from around the world will have the opportunity to communicate across borders. Even when nations disagree, video brings a human element to our dialogue that enhances understanding.

Mr. Chairman and members of the Committee, thank you for letting me appear here today. I look forward to answering your questions.

ADDENDUM:

**A "Snapshot" of YouTube: Additional Video Links**

- Ask the Decorator: How to Make Stencils

<http://www.youtube.com/watch?v=gvYU3bqlwH8>

- Ignite Learning Channel: <http://www.youtube.com/profile?user=ignitelearning>
- US Coast Guard: Largest Maritime Drug Seizure in World History  
<http://www.youtube.com/watch?v=fuGBSARNYtc>
- Ford Models: Arm balancing with Tara  
<http://www.youtube.com/watch?v=PHdqJgtUE2c>
- Video blogger Jacquelyn Mitchard:  
<http://www.youtube.com/profile?user=HopeShay>
- Val's Art Diary: <http://www.youtube.com/watch?v=zZ-jLh4NEKo>
- US Army: Finally... Back Home  
<http://www.youtube.com/watch?v=EVPMCrtRPJ0>
- Videos from the Multi-National Force in Iraq: [www.youtube.com/mnfiraq](http://www.youtube.com/mnfiraq)
- Videos depicting life in Baghdad: [www.youtube.com/chattheplanet](http://www.youtube.com/chattheplanet)