

Fhits.TV is the first fashion and beauty multichannel network (MCN) in Brazil

Brazilian YouTube MCN launches company with 32 channels and more than five million subscribers

Fhits.TV (<https://www.youtube.com/user/FHitsTV>), a Grupo F*hits company led by fashion and technology entrepreneur Alice Ferraz in partnership with Webrock, a Swedish investment fund, has been licensed by YouTube to be the first MCN dedicated to fashion and beauty in Brazil.

The news was expected by the partners, who have specialized in digital business for over five years with the network and blogs that involve over 250 digital influencers.

The MCN is another step by the group in the YouTube universe with international visibility for investors. A similar business, **Maker Studios Inc.**, in the USA, was sold to The Walt Disney Company for \$ 950 million. Other success stories are to be found in the US and Europe.

An MCN is a key part in the success and prosperity of content producers and a centerpiece in a strategy for YouTube, the world's largest video distributor, with more than 1 billion users. The network provides services to vloggers, ranging from revenue generation, content opportunities, soundtracks, and best practices to optimize SEO - through to the protection and monetization of proprietary content in third-party videos. Fhits.TV starts its MCN with 32 channels and 5.5 million subscribers and by the end of the year the company expects to have 10 million subscribers.

"For consumers of video over the Internet it means sustainable content, continuity and a solid structure. For advertisers, an MCN with the profile of Fhits.TV is key in choosing a content space that is curated, safe and professional, with multiple possibilities to insert a brand message in this peer-to-peer conversation which is trusted and engaged with," says Alice Ferraz.

MCNs have become big business in recent years

Some successful MCNs include the sale of Maker Studios to Disney for US\$ 950 million, the sale of a controlling stake in StyleHaul to the RTL Group for US\$ 107 million (valuation of US\$ 151 million) and a US\$ 42 million investment by Warner Bros. in Machinima.

The online video market reaches 87% of Internet users in Brazil, of which 60% prefer videos to other online media content. Brazil is the fifth largest online video market in the world, with each user consuming 15 hours of video per week, or 266 videos per month *. "In this universe, our position is niche. Our goal is to strengthen our share of mind, in which when you think about fashion, beauty and women's videos, you think of Fhits.TV - so we will invest heavily in content production. We will investment over 3.5 million in the next 12 months," adds Alice.

* *Data source:*

- *Thinkwithgoogle*

- *Comscore*

- *IDC International Data Corporation*

- *Interactive Advertising Bureau (IAB)*

About Fhits.TV

A Grupo Fhits company, which includes the first and largest platform of digital influencers in the world - Fhits - Fhits.TV now has 15 channels and 5 million subscribers. Led by fashion entrepreneur Alice Ferraz, the company started out online and is focused on the production of fashion, beauty and lifestyle content. Further information

<https://www.youtube.com/user/FHitsTV>