FOR IMMEDIATE RELEASE

Century City—November 18, 2016—O’Melveny represented Warner Bros. in its agreement to acquire Machinima, the global programming service focused on fandom and gamer culture. Upon closing, Machinima will become part of the recently founded Warner Bros. Digital Networks.

The O’Melveny team was led by partners Eric Zabinski and Silvia Vannini and counsel Eric Geffner. Partner Rob Blashek advised on tax matters and partner Jeff Walbridge advised on benefits and employment matters.

About O’Melveny

O’Melveny’s clients shape markets, set precedents, and break boundaries. They are stalwarts and innovators, the names you trust and the next big thing. And for more than a century, O’Melveny has been right beside them, kicking down walls and putting up defenses to help our clients achieve their most important goals. With approximately 700 lawyers in 15 offices worldwide guided by the principles of excellence, leadership, and citizenship, we uphold a tradition of treating our clients’ challenges and opportunities as our own. What do you want to achieve? For the answers, please visit www.omm.com.

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The following press release was issued by Warner Bros.: 

Warner Bros. Entertainment to Acquire Machinima
(November 17, 2016 – Burbank, CA) – Warner Bros. has signed an agreement to acquire Machinima, the global programming service focused on fandom and gamer culture, and it will become part of the recently founded Warner Bros. Digital Networks. The announcement was made today by Craig Hunegs, President, Business and Strategy, Warner Bros. Television Group and President, Warner Bros. Digital Networks.

“Machinima is a strong gamer and fandom content and social brand with enormous reach and high engagement with audiences that play our games and are big fans of DC films and television shows,” said Hunegs. “Machinima also produces great, high quality content for their community, and together we can create an even more compelling experience and do some really exciting things involving our key franchises. This acquisition is another meaningful move forward as Warner Bros. develops more direct relationships with our consumers.”

“Since making their first investment in Machinima in 2014, Warner Bros. has been an active business partner in our transformation, so we already have proof points as to how the companies can work together to accelerate Machinima’s growth plans,” said Chad Gutstein, CEO, Machinima. “We’ll now be able to take full advantage of Warner Bros.’ intellectual property, sales and distribution, while still creating content for social and premium digital platforms that gamers and geeks love. Plus, we’ll be fully embedded and can help Warner Bros. continue their incredible digital marketing successes. It’s honestly a win-win.”

In the past two years, Machinima has transitioned from a YouTube MCN to a global programming service and production company delivering popular programming to millions. Since joining Machinima in 2014, Gutstein revamped the executive team, brand, programming and business strategy. As part of that strategy, the company opened a full-service production studio and executed first-of-its-kind premium content partnerships with platforms, including Playstation Vue, Amazon Prime, Verizon’s go90, China’s Sohu and The CW Network. According to comScore, Machinima is the 10th largest digital video entertainment media company in the U.S. ranked by total unique viewers.

Machinima will operate as a wholly owned part of Warner Bros. Digital Networks, a division founded in June 2016 to grow the Studio’s digital and OTT offerings. As part of Time Warner’s overall strategy to reach audiences directly through company-owned current and yet-be-launched OTT services, WBDN works closely with Time Warner’s divisions Turner and HBO.

About Warner Bros.:
Warner Bros. is a leader in all forms of entertainment and their related businesses across all current and emerging media and platforms. The Studio stands at the forefront of every aspect of the industry, from feature film, television and home entertainment production, animation, comic books and video games. Warner Bros. manages one of the most successful collections of brands and franchises in the world, and has a library of more than 79,000 hours of programming, including nearly 7,500 feature films and 4,500 television programs comprised of tens of thousands of individual episodes.

About Machinima:

Machinima is the most notorious purveyor and cultivator of fandom and gamer culture. The FIRST! Many2Many programing service (M2M), we create, curate and celebrate the best fandom and gamer content across multiple video platforms. As one of the largest online video platforms in the world, Machinima programs to a community passionate about video games, animation, movies, TV, and the other endless forms of pop culture. With a focus on scripted, topical and gaming programing, and a talent network of thousands of programmers, Machinima reaches nearly 150 million viewers each month.