

Giphy sold in \$53m deal to Shutterstock following Meta UK competition law breach

Stock media provider Shutterstock is set to acquire Giphy from Meta in a deal worth \$53m.



Source: © Cartoon Brew [Cartoon Brew](#) Stock media provider Shutterstock is set to acquire Giphy from Meta in a deal worth \$53m

Following the UK's Competition and Markets Authority ruling that Meta has breached competition law, Shutterstock is acquiring the GIF library and search engine.

Meta reportedly paid \$400m for New York-based Giphy in 2020. A year later the deal was challenged by Britain's Competition and Markets Authority and its successful campaign was the first time a regulator had forced a USS tech giant to sell an already acquired company reports [Reuters](#).

Meta lost the tribunal on the ruling last October, forcing it to find a new buyer for the platform.

"We will work closely with the CMA on divesting Giphy," a Meta spokesperson said in October, upon the ruling.

\$53m deal

The deal worth \$53m has been reported in various media. The stock media provider CEO Paul Hennessy has stated that this is "an exciting next step in Shutterstock's journey as an end-to-end creative platform."

In the statement Hennessy says that Shutterstock is in the business of helping people and brands tell their stories.

“Through the Giphy acquisition, we are extending our audience touch points beyond primarily professional marketing and advertising use cases and expanding into casual conversations.”

“Giphy enables everyday users to express themselves in memorable ways with GIF and sticker content while also enabling brands to be a part of these casual conversations,” adds Hennessy.

“We plan to leverage Shutterstock’s unique capabilities in content and metadata monetisation, generative AI, studio production and creative automation to enable the commercialisation of our GIF library as we roll this offering out to customers.”

Shares of Shutterstock, which expects the deal to close next month, rose as much as 4% premarket.

The company says Giphy would add "minimal" revenue this year and it would launch efforts to increase revenue from 2024.

Deal under scrutiny

In 2020 when Meta announced that it had reached a deal worth around \$315m to acquire Giphy, the deal immediately came under scrutiny over claims of being anti-competitive to the UK market.

The finding, upheld by The Competition Appeal Tribunal (CAT), ruled that the takeover could limit other social media platforms from accessing GIFs, which might limit their appeal to users.

Giphy claims to have 1.7 billion daily users working alongside platforms such as Instagram, Facebook, Whatsapp, Microsoft, TikTok, Samsung, Twitter, Slack and Discord.

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