Who Is RayWJ? YouTube's Top Star

Earning an Estimated $1 Million a Year, a Foul-Mouthed Comic Shows the New Rules of New Media

By EMILY GLAZER

Ray William Johnson's raunchy riffs have made him the latest sensation on YouTube, and thanks to his cut of his shows' ad revenue and merchandise tied to his persona, he's taking home about $1 million a year. Emily Glazer has details on Lunch Break.

It doesn't take the media to make a media star any more.

The new economics of entertainment have enabled a foul-mouthed performer working on his own to carve out a very lucrative business. He doesn't have the backing of a traditional media conglomerate. He's a lone comic with a YouTube channel.

Ray William Johnson curses constantly, often gives his audience the finger and sometimes dresses up as a penguin, but he is attracting more than five million regular viewers to his twice weekly video commentaries, making him the biggest draw at Google Inc.'s online-video outlet.

Known as RayWJ, the 30-year-old has morphed into an idol of the teen set at home and abroad by ranting about others' viral YouTube videos on subjects ranging from a hippopotamus defecating to people who staple the heads of co-workers.

These days, YouTube's audience easily dwarfs the viewership for traditional TV networks, drawing more than 780 million unique visitors a month globally, according to comScore's most recent data. That audience is fragmented among 30,000 channels and millions of videos, but a handful of personalities like Mr. Johnson are drawing significant audiences,
according to traditional media benchmarks.

"Look at some of these major YouTube stars, [who] aggregate two, three, four million views of their content. That rivals second- and third-tier cable networks," says David Cohen, the global digital officer of Universal McCann, a media-buying agency owned by Interpublic Group of Cos. "This is a microcosm of what's going on in the overall media landscape. We're moving from a scaled mass media to more hyper-local, niche media."

Mr. Johnson, who spikes his dark-brown hair two inches high, is the poster child for how some performers can harness the viral power of the Web to build a career, bypassing traditional media. The Oklahoma native earns an estimated annual income of around $1 million, say two people familiar with the situation, partly by participating in YouTube's Partner Program, which gives him a cut of the ad revenue generated by his video commentaries. In addition, he sells merchandise like Ray William Johnson bobbleheads and mobile applications for the iPhone. His "Pimp Hand Strong" app, for example, sells for 99 cents on iTunes, where it's described as "your chance to finally slap Ray."

"I produce a few shows. I'm also sexually attracted to women who look like Abraham Lincoln," Mr. Johnson's @RayWJ Twitter bio informs his more than 800,000 followers. Recently, one of his 2:26 a.m. Facebook posts notched more than 42,000 likes. "LOL," it read. "TRY THIS IT ACTUALLY WORKS! :) 1. Hold your breath for 20 minutes. 2. Die."

Thirteen-year-old Bliss D'Andrea of South D'Africa, Australia, says she has never missed Mr. Johnson's YouTube show. She especially enjoys it, she says, when Mr. Johnson says "Geezus!" or "Zing!" during his raunchy riffs. "He may be inappropriate at times, but that's what makes it funny," she says.

Mr. Johnson has been reluctant to confirm or deny information about himself. Some media outlets have described him as 23 years old. But he admitted that he is 30 after The Wall Street Journal confirmed he graduated from Norman North High School in Oklahoma in 1999. He later attended Columbia University's School of General Studies, where he was a history major, but didn't graduate, Columbia says.

Mr. Johnson, now based in Los Angeles, declined multiple requests for an interview, but he did respond to some emailed questions. Asked about his career, he wrote, "Maybe someday, if I work hard enough, entertainment will be a career for me, but right now making videos and uploading them to the Internet is just a hobby." He also disputed the idea that he is making a lot of money. "I run advertisements and sell T-shirts to cover overhead costs and pay the few people who help me out behind the scenes," he says. "Anything left over is spent on production costs, animation costs, etc."

People associated with YouTube, who have signed nondisclosure agreements, are tight-lipped about how much top performers are paid. But people familiar with the matter say that for every two million views, performers who have partnered with YouTube receive $3,000 to $9,000, depending in part on the country and the platform where the video is viewed. To put that in perspective, Mr. Johnson has more than 1.5 billion total views.

A Google spokeswoman says that "several hundred" of its partners made more than $100,000 in 2011, up 80% from the "couple of hundred" partners who made more than that in 2010. YouTube partners have also increased to 30,000 in 2011 from 20,000 in 2010, says Tom Pickett, YouTube's global director of content, operations and online creators.

Ads from major marketers like McDonald's Corp. pop up during the videos of YouTube partners, including Mr. Johnson. The ad revenue is then shared between YouTube and the partner. "McDonald's wants to be where our customers are," a spokeswoman says. "Video is important to us, and YouTube is one of the many engaging digital platforms in our marketing mix."

Other YouTube stars leverage their YouTube followings to sell music, get on television or produce movies. Kevin Wu (kevjmumba on YouTube) has more than 2.2 million regular viewers and 56 million total views. Last year he collaborated with YouTube star Ryan Higa, whose channel has five million regular viewers, to make the song "Nice Guys." It eventually became one of the top 50 songs on iTunes alongside songs by Justin Bieber and Jay Z. Mr. Wu says with a laugh.

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He was also a contestant on CBS’s “The Amazing Race” with his father, toured in Australia twice and is wrapping up a feature film that he plans to charge for, a strategy pioneered by comedian Louis C.K., an early YouTube star. People familiar with the matter estimate that Mr. Wu makes hundreds of thousands of dollars a year. Mr. Wu wouldn’t comment on his earnings, but his YouTube channel is the Houston native’s full-time job.

"Every waking moment of my life is thinking about how to build this empire," says Mr. Wu, who is now based in Los Angeles. "I’m sharing a personal connection with [my two million subscribers] so they feel like I’m their friend. Anything I do, they want to support."

Some of the most successful Web comedian channels realannoyingorange and ShaneDawsonTV have secured partnerships with retail stores such as J.C. Penney and Hot Topic, respectively.

"Lots and lots of money is moving into this space," says Michael Green, chief executive of The Collective, an entertainment management and production company that represents the YouTube channels freddiew and realannoyingorange.

"If it really works, if it really goes," he says of his clients, "it could end up being worth millions and millions and millions of dollars."

Corrections & Amplifications
A graphic that appeared with earlier versions of this article was removed because it didn’t meet the Journal’s standards for acceptable content.

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