

# BuzzFeed shares surge 120% on plans to embrace OpenAI

January 27 2023, by Alicia Diaz, Gerry Smith

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BuzzFeed Inc. shares surged by a record on news that the digital-media company plans to use OpenAI to bolster some of its content creation.

The stock rose by 120% Thursday, bringing BuzzFeed's market value to nearly \$300 million, in its biggest gain since going public via a blank-check merger in December 2021. The [news](#) sparked a trading frenzy

with more than 190 million shares changing hands.

"AI inspired content" will become "part of our core business" this year, including enhancing the company's famous quizzes, BuzzFeed Chief Executive Officer Jonah Peretti said in a memo to staff seen by Bloomberg News. He added that breakthroughs in [artificial intelligence](#) will be "opening up a new era of creativity."

BuzzFeed will use OpenAI's publicly available application programming interface, according to a spokesperson.

The move toward AI-assisted content comes as OpenAI's viral chatbot faces a barrage of critics and believers alike.

ChatGPT, OpenAI's artificial intelligence tool, has lit up the internet since its introduction in November, amassing more than a million users within days and touching off a fresh debate over the role of AI in the workplace. Earlier this week, Microsoft Corp. said it's investing \$10 billion in OpenAI.

BuzzFeed's stock move Thursday is reminiscent of the crypto and blockchain craze five years ago when shares of a company would surge when it announced a potential partnership or entry into the popular sector.

OpenAI wasn't immediately available for comment.

Cowen analysts say in a Thursday note that the incorporation of AI can lower the cost of content, but "timing and impact of their growing adoption of AI is unclear at this point."

BuzzFeed's plans for OpenAI were reported earlier by The Wall Street Journal, which also said that the [media company](#) is working with creators

to produce content for Facebook parent Meta Platforms Inc. as part of a deal valued at almost \$10 million, according to people familiar with the situation. Meta and BuzzFeed declined to comment on that report.

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Citation: BuzzFeed shares surge 120% on plans to embrace OpenAI (2023, January 27) retrieved 8 April 2024 from <https://techxplore.com/news/2023-01-buzzfeed-surge-embrace-openai.html>

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