Fox Corp. Completes $22 Billion Deal for Roku

There is a new sheriff in Roku City: Fox has completed its purchase of the streaming and tech company.

The $22 billion deal closed today, combining Fox Corp.’s broadcast, news, sports, streaming, and local news portfolio with Roku’s open connected TV platform and first-party data from more than 100 million global streaming households.

The merged company becomes the third-largest entity in U.S. television by share of viewing. Fox says the addition of Roku will create new opportunities to serve its viewers, advertisers, and partners.

Executive chair and CEO of Fox Corp. Lachlan Murdoch said acquiring Roku advances the media company’s long-term strategy and will continue to “relentlessly serve audiences and partners, while reinforcing the openness and choice that is the essence of the Roku platform.”

Roku will be folded into Fox Digital Platforms, which also houses fellow FAST service Tubi, Fox One, and Red Seat Ventures. The streaming platform’s founder, Anthony Wood, will join Fox’s board of directors and serve as co-chair of Fox Digital Platforms alongside Paul Cheesbrough, the unit’s CEO.

When the merger was announced in June, the companies said they were looking to create a “scaled next-generation media and technology company” to prosper in today’s environment of increasing consumption of live sports, news, and streaming.

Roku stockholders will receive $95.30 in cash and 0.9799 shares of Fox Class A common stock for each share of Roku

Class A and Roku Class B common stock they owned before the deal closed, under the merger agreement.

Separately, Fox shareholders will now own approximately 74% of the outstanding shares of Fox common stock, and the remaining approximately 26% will go to former Roku shareholders.

Reflecting on Roku’s acquisition, Woods said in a statement that he was proud of what his team has built and that combining with Fox provides an opportunity to accelerate its vision, scale faster, and be more aggressive in innovation for its respective audiences.

Woods added, “I couldn’t be more excited about what we’ll accomplish together.”

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