

Sound Llama

Investor Packet

The Sound Llama Canvas



## Sound Llama - Business Model

<p><b>PROBLEM</b></p> <p>Local music is not well publicized or well connected.</p> <p>Local artists need more publicity.</p> <p>Venues and listeners/fans need new talent.</p> <p><b>EXISTING ALTERNATIVES</b></p> <p>Reverbnation</p> <p>Jambase</p> <p>Gigmasters</p>	<p><b>SOLUTION</b></p> <p>A website that provides listings/pages (subdivided by area and genre) of local musicians and venues to help connect 3 aspects of local music, (artists, venues, listeners) by displaying artist/venue information, photos, event calendars, etc.</p>	<p><b>UNIQUE VALUE PROPOSITION</b></p> <p>Only website that focuses on all 3 local music aspects and effectively connects the live music scene.</p> <p><b>HIGH-LEVEL CONCEPT</b></p> <p>Fandango for local music</p> <p>Virtual Booking Agent</p>	<p><b>UNFAIR ADVANTAGE</b></p> <p>The Musicians</p>	<p><b>CUSTOMER SEGMENTS</b></p> <p>People who listen to music (User)</p> <p>Local artists (User/Customer)</p> <p>Music Venues (User)</p> <p>Event/Venue Advertisers (User/Customer)</p> <p><b>EARLY ADOPTERS</b></p> <p>Chicagoland musicians and music venues.</p>
<p><b>COST STRUCTURE</b></p> <p>Fixed- Cost of website design, Domain, Hosting</p> <p>Variable- Advertisements, Potential Updates, Marketing</p>	<p><b>REVENUE STREAMS</b></p> <p>Advertisements</p> <p>Gig Matcher \$9.99/mo.- Matches people looking to book artists for live events with Sound Llama Artists.</p>			
<p><b>KEY METRICS</b></p> <p>Number of website views (unique and total)</p> <p>Number of venue accounts and number of artist accounts</p> <p>Number of active accounts</p>	<p><b>CHANNELS</b></p> <p>Word of mouth</p> <p>Social Media</p> <p>Advertising at music festivals/venues</p> <p>Radio commercials</p>			

## Funding

### Four Questions Answered by Sound Llama:

**Market Size:** Hundreds of potential venues, thousands of potential artists, hundreds of thousands of listeners

**Growth Potential:** Online access to music is experiencing growth, as well as the live music scene

**Competitive Landscape:** There is no fundamental competitor meeting the local online needs for this market

**Profit Potential:** There is strong profit potential in this market for the primary online delivery system for listeners who want to collect music and see bands

- We have multiple, proven revenue streams that increase our market size and profit.
- We already have 19 artists and 3 venues.
- No other website has effectively connected the local music scene.
- We are experienced musicians with knowledge of the creative mind.
- You are investing in one of the most well-organized, hardworking, and business savvy teams around.
- We have passion for our idea and love the local music scene.
- Your investment in us will lead to success in connecting the local music scene.

## Finance

We have 4 different revenue streams that are proven to be profitable. These include: the Gig Matcher, the advertisements, the Tech Package, and the Band Member Matcher.

Year 1 Revenue Total: \$9,039 (ads/gig matcher)

Year 1 Income Total: \$1,454

Year 2 Revenue Total: \$43,956

Year 2 Income Total: \$24,682

Year 3 Revenue Total: \$139,766

Year 3 Income Total: \$92,689

### **Amount of Capital Required**

- Sound Llama is seeking \$42,105

### **Uses of Capital**

- The capital will be used for startup costs, maximum cumulative losses, liquidity cushion, and equipment.

### **Proposed Structure**

- In exchange for \$42,105, the company is proposing 25% ownership in the business based on a Post-Money Valuation of \$168,420

### **Exit Strategy**

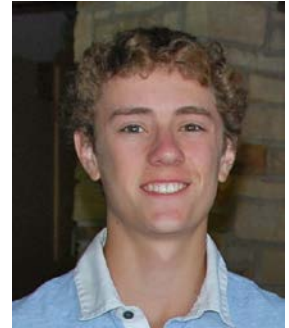
- The current plan is to achieve an exit for the investor by selling the company at the end of 5 years through a strategic buyer, a financial buyer, or through an IPO.

## The Team

### Drew Tippet

**Duties:** As the Chief Executive Officer, I specifically work on the external aspects of the company. I handle the majority of press engagements as well as Sales and Marketing.

**Interests:** Soccer, tennis, business, money, sales, and music.



### Blake T. Kotel

**Duties:** As the Director of Operations I work to make sure all aspects and members of the company are working toward a common goal so we can meet and exceed all of our goals. I specifically focus on the internal aspects of the company.

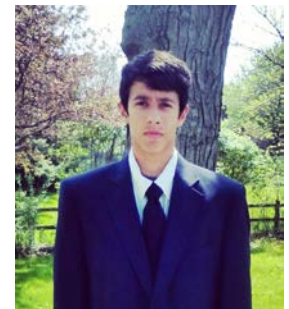
**Interests:** Business, winning, profits, closing, and growing your investment.



### Alex Paschal

**Duties:** As the Chief Information Officer, I maintain account records and update our website. I survey our web presence, user trends, and monitor site feedback.

**Interests:** Science, business, soccer, track and field, ultimate Frisbee, and psychology.



### Jay Koh

**Duties:** As the Chief Financial Officer, I develop and implement financial goals, ensure adequate cash flow to meet the needs of Sound Llama, and improve profitability.

**Interests:** Guitar, basketball, crunching numbers, and making money.



## Appendices

### Our Products and Future Products

Sound Llama Standard Products- We provide two different accounts to our users. These include the Artist Account and the Venue Account. The Artist Page includes samples of their music, their contact information, and their upcoming shows/event calendar on their page. The Venue Page includes their contact information, their shows, and etc.

This is offered completely free to Artists and Venues.

Sound Llama Ad Space - We sell ad space to venues to advertise their upcoming shows/events. Our current standard prices are \$.50 for each click and \$.75 for 1,000 views. Eventually, the pricing will depend on the location of the ad on our site.

Sound Llama Gig Matcher - The Sound Llama Gig Matcher is designed to help show and event planners find new musicians and bands to play at the event, as well as helping musicians and bands find shows to perform at. Venues/private shows do not pay to see artists for their shows.

Artists will pay \$9.99 a month or until their first booked show.

Sound Llama Tech Package (Future) - This is an add-on to the Artist and Venue Account pages. This allows artists and venues to increase their storage size on their page. Thus, giving the freedom to upload more photos, songs, and etc.

Offered at \$9.99/mo. for 6 months

Sound Llama Band Member Matcher (Future) - A person looking for a band will be listed on the website that they are looking for one. A band looking for a band member can sign up to be listed that they are searching or view prospects secretly.

Offered at subscription \$9.99 for 6 months

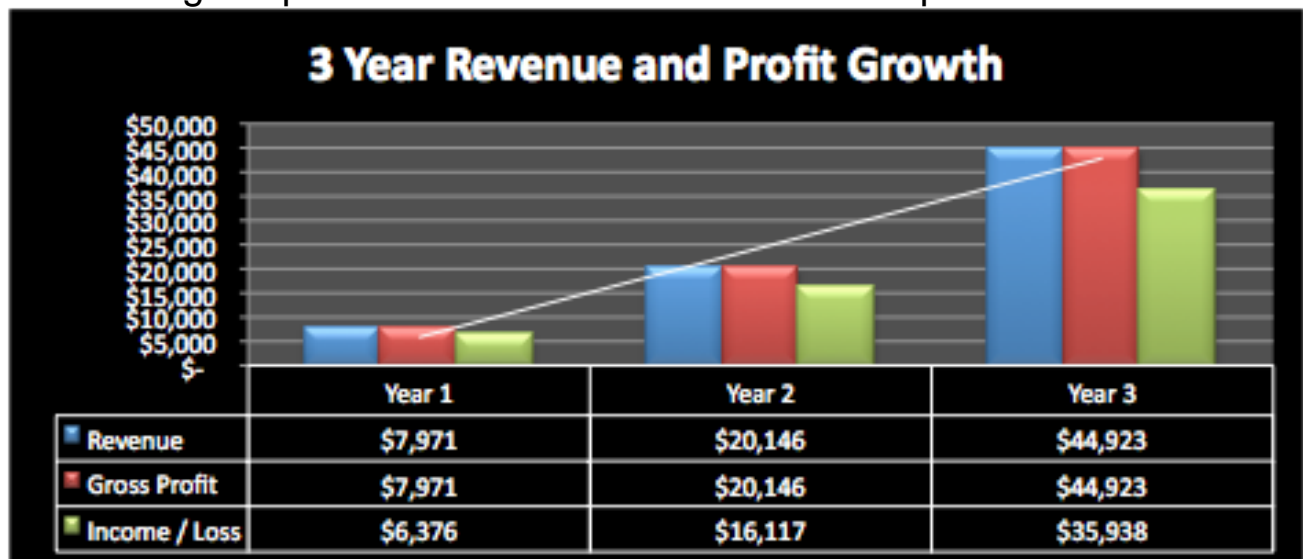
## Strategic Growth Our Goals

Year 1 Artist Accounts- 600  
 Year 2- 2,500  
 Year 3- 7,000  
 Total- 10,100

Year 1 Venue Accounts- 150  
 Year 2- 350  
 Year 3- 750  
 Total- 1,250

Year 1 Gig Matches- 300  
 Year 2- 750  
 Year 3- 1,500  
 Total- 2,550

Advertising Graph- Based on our low costs for Ad Space



## Our Plan

### Year 1-

Secure the majority of Chicago's venues and artists in Year 1. (300 artists/50 venues)

Continue on current sales model: calling on artists, visits to specific venues, and radio ads.

Slowly move to entire Midwest area and target big cities, such as Milwaukee, Minneapolis, Detroit, St. Louis, and Indianapolis. (300 artists/100 venues)

We would target specifically using radio ads, trips to the cities' venues, and contacting artists personally.

### Year 2-

Continue to find artists/venues in Midwest and Illinois. (2,000 artists/250 venues)

Use targeted Internet ads, radio ads, as well as social media. Take trips to the venues in the specified cities.

Target specific areas we have based on analytics. (500 artists/100 venues)

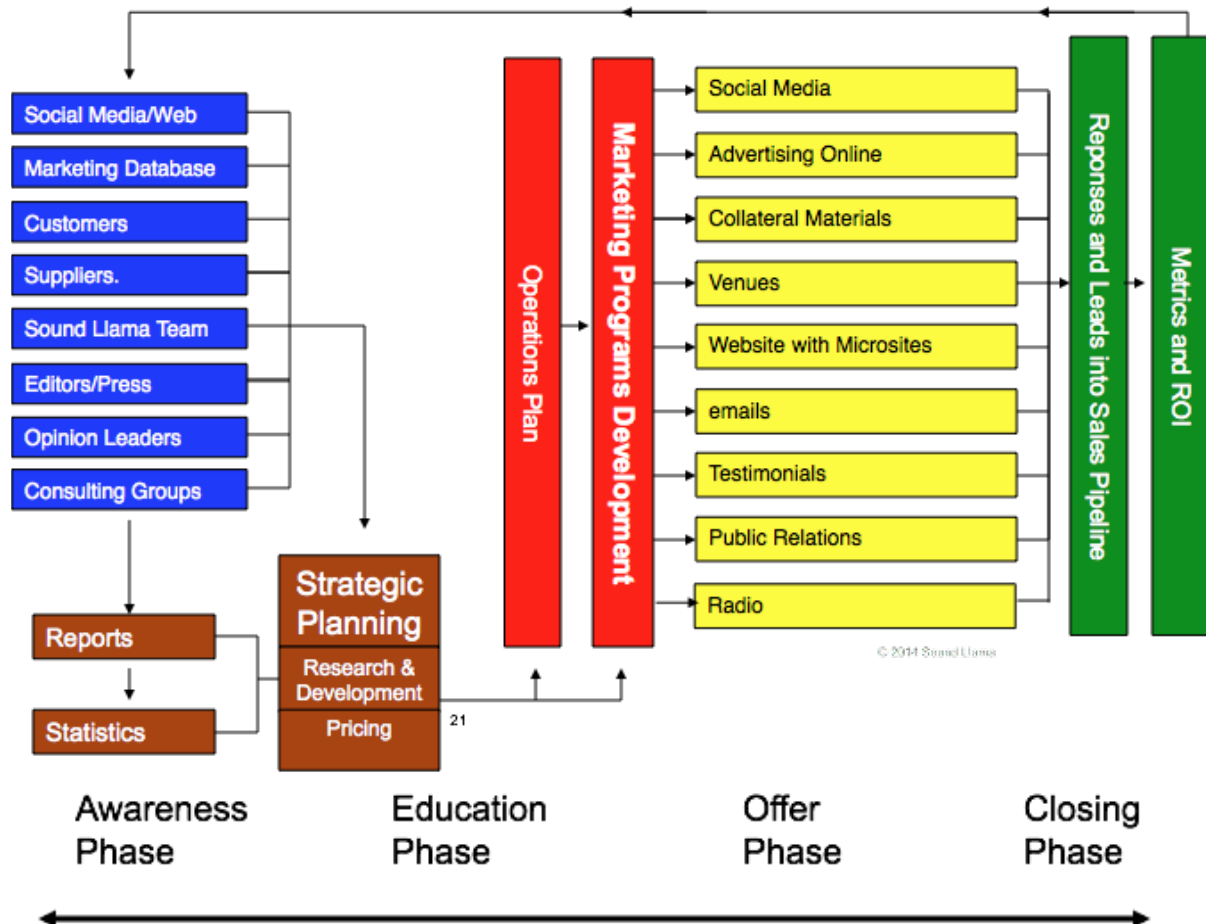
### Year 3-

Continue recruiting in various cities. Consider moving focus to entire U.S. and areas we have not fully explored, (New Orleans, Miami, San Francisco, and etc.) (7,000 artists/750 venues)

Move our focus off of specific targeting and move towards national Internet ads for widest reach.



# Our Marketing Plan



© 2014 Sound Llama

Awareness Phase      Education Phase      Offer Phase      Closing Phase

- |                    |                  |                    |                 |
|--------------------|------------------|--------------------|-----------------|
| Social Media       | Social Media     | Events             | Proposal System |
| Online Advertising | Public Relations | Sales Collateral   | Events          |
| Public Relations   | PPTs             | Web Pages          |                 |
| Internet           | Sales Collateral | Telemarketing      |                 |
| Radio              | Web Pages        | eMail              |                 |
|                    | Events           | Online Advertising |                 |
|                    | Sound LLAMA Team | Microsites         |                 |

## Site Stats (Constantly Changing)

Site views- 6,379

Average session duration- 3:39

Viewed in ten states

- Illinois
- Michigan
- Colorado
- Alabama
- California
- Florida
- Hawaii
- Kentucky
- Ohio
- Oregon

Viewed in seven countries

- United States
- Kosovo
- Brazil
- India
- Netherlands
- Romania
- Argentina

Viewed in four different languages

- English (United States)
- “C” (ISO)
- Portuguese (Brazil)
- Rumanian (Romania)

Average Pages per Visit- 6

New vs. Returning Visitor- 56% vs. 44%

Desktop vs. Mobile- Desktop (66.26%), Mobile (29.67%), Tablet (4.07%)

Artists on our site- 19

Venues on our site- 3

Goals for Year 3 Site visits per day- 10,000 re-visits/unique per day