



MUSIC TRAVELER



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MISSION

Music has always been important to humankind. Darwin theorized language itself originated from music, and scientific studies have shown cognitive/psychological benefits of music. With that in mind, Music Traveler's mission is to...

1. Promote participation, creation and education
2. Reduce barriers and facilitate access
3. Aggregate resources

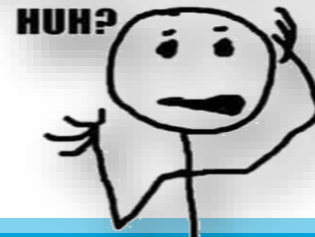
Whenever we want to improve something, we add music to it.

A movie, we add music. A Dining experience, we add music.

A sporting event, music. Political gathering, music.

But when it comes to our educational system, we take music away to improve it?

Yeah ... that makes sense.



THE PROBLEM AND OPPORTUNITY

For **musicians**, practice is essential regardless of genre or skill level. Since there is no centralized way to search, book, and pay for practice rooms, finding spaces requires significant legwork.

For **space owners**, empty spaces mean lost opportunity. Costs for running their business can be high, and there is no simple way to market to appropriate audiences.

For music related **service providers**, similar market fragmentation and lost opportunities exist for services such as music instruction, instrument rentals, and instrument repairs.



Opportunities exist to aggregate these markets,
creating an **ECOSYSTEM** for **MUSICIANS**.



ANALYSIS: the Music Traveler Ecosystem

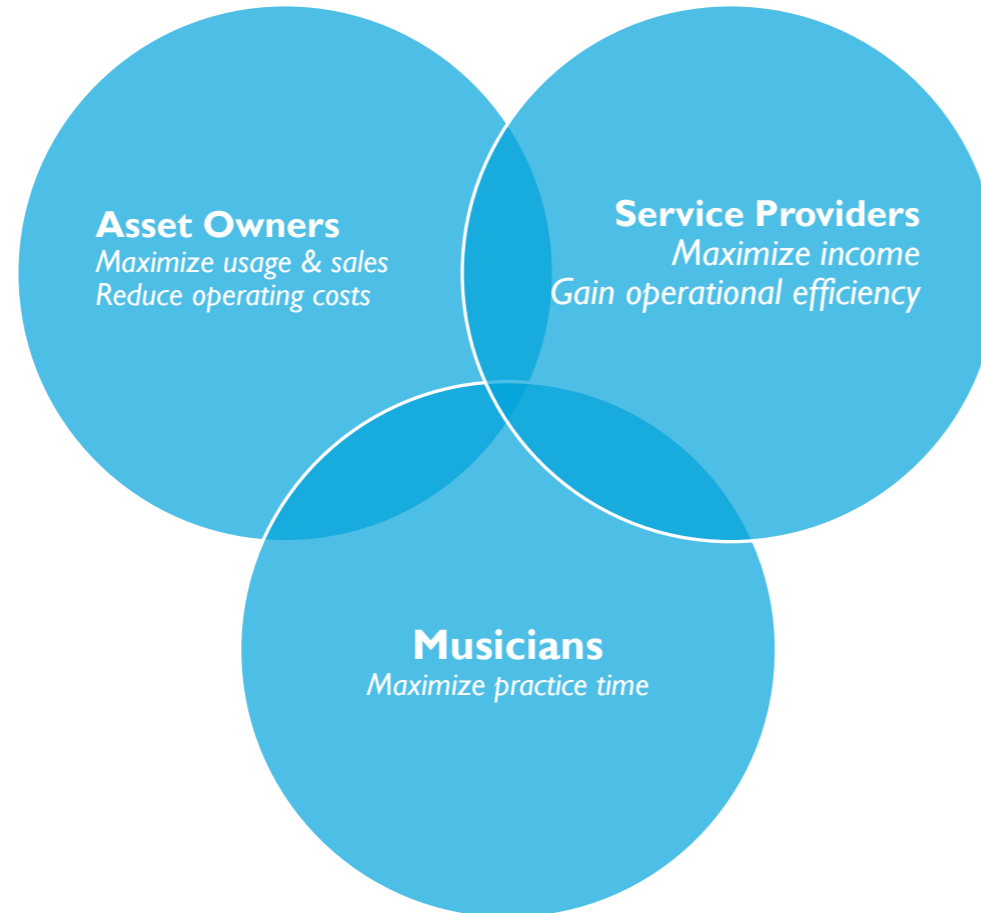
How music is appreciated, shared, and learned has seen a paradigm shift toward a peer-to-peer model. Yet, traditional music businesses have struggled keep up.

Music Traveler will facilitate and capitalize on this new economy, providing practice rooms, instrument rentals, instruction, and any ancillary services / products musicians need by becoming **the Ecosystem for Musicians.**



ANALYSIS: the Music Traveler Ecosystem

There are three target groups that constitute the Music Traveler Ecosystem:



Asset Owners (supply)

- Practice space owners
- Instrument/equipment owners
- Instrument distributors and manufacturers
- Retailers of instruments, sheet music, accessories

Service Providers (supply)

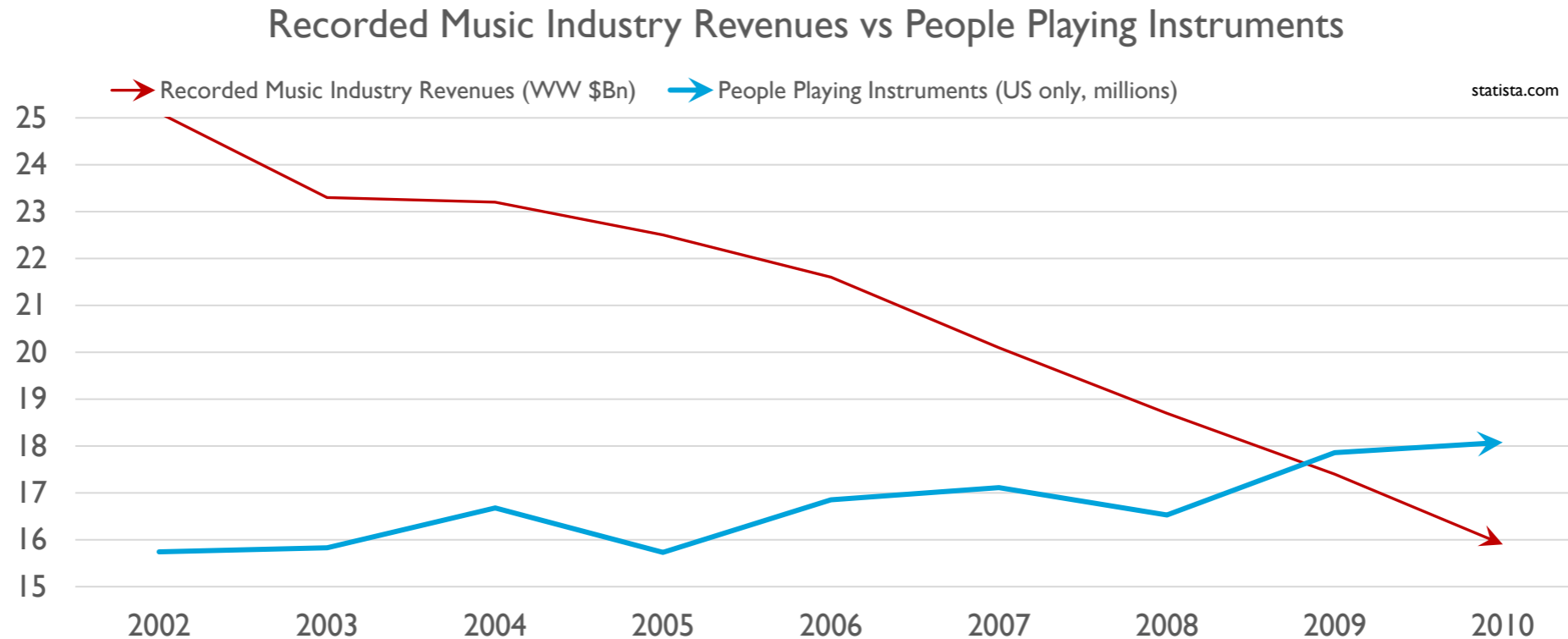
- Instructors
- Instrument repairers/tuners
- Musician agents, representatives

Musicians (demand)

- Professional and semi-professional musicians
- Full-time and part-time music students
- Vocational/amateur musicians

Music Traveler addresses key goals of each group by facilitating **interactions**, **monetizing** on the transactions and added **value**.

ANALYSIS: Market Trends

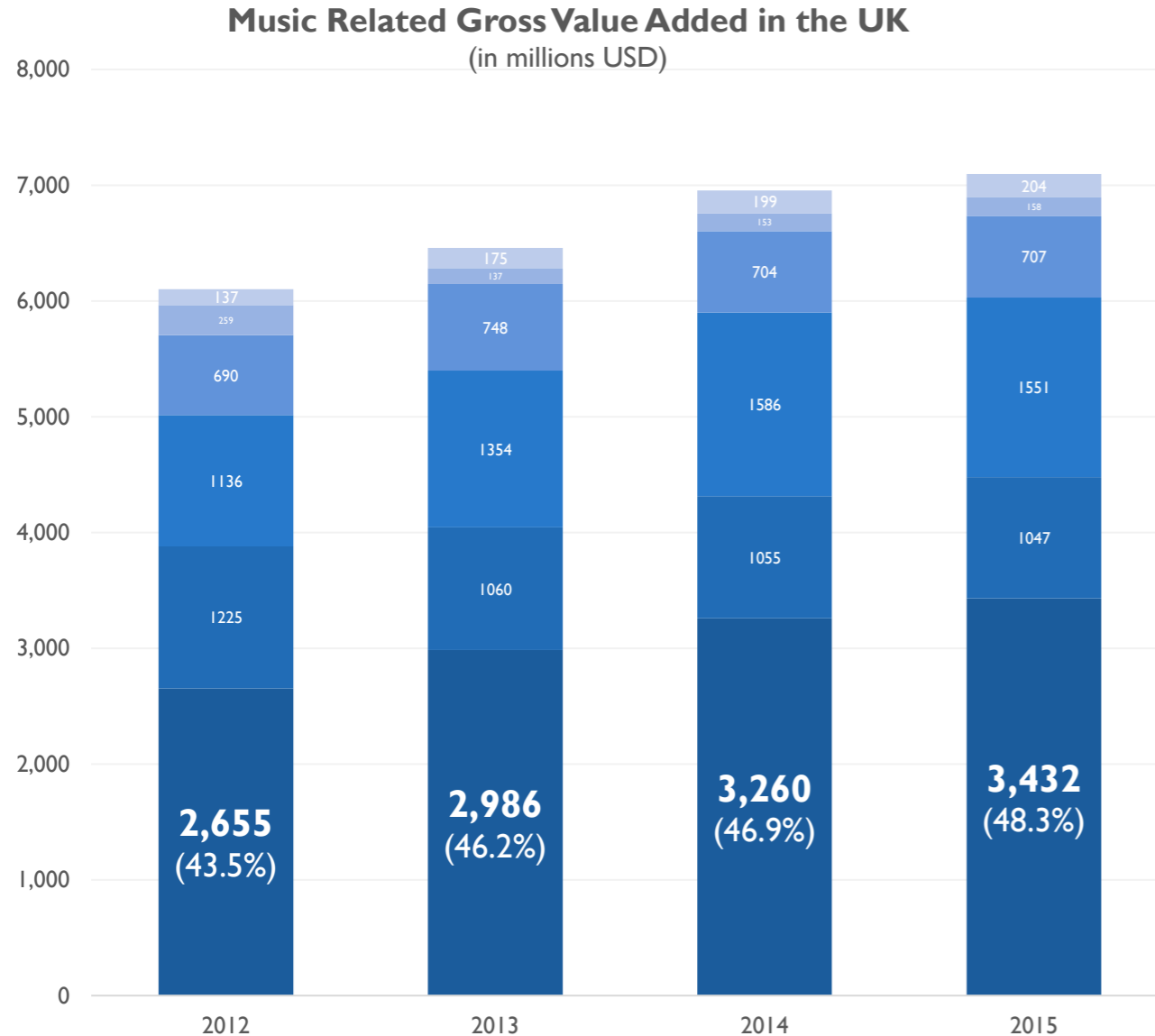


It is no secret that the recorded music industry has been shrinking rapidly.

Yet, more and more people are playing instruments.

In other words, interest in music is actually **INCREASING**.

ANALYSIS: Market Size



Although similar numbers do not exist at a global level, the gross value added in the UK for musicians is estimated to be at **\$3.4 Billion**, more than 3 times the recorded music industry (often referred to as the “music industry”).

This disparity will continue to get bigger, as musicians’ GVA continues to grow (7% CAGR) while recorded music’s GVA continues to shrink (-4% CAGR).

Yet, this sector is also highly fragmented: compared to 35,000 employed in recorded & live music businesses in the UK, versus 70,000 professional musicians – **12 million+ musicians** if vocational musicians are included.

- Music producers, recording studios, and staff
- Music representatives
- Music publishing
- Live music
- Recorded music
- **Musicians and singers, composers, songwriters, and lyricists**

ANALYSIS: Musicians

The exact number of musicians worldwide is difficult to attain: the definition of a musician can be broad, and there is no worldwide organization for all musicians.

However, US, UK, and German polls show 58% of U.S., 47% of U.K., and 26% of German households have at least one musical instrument player; while 43% of U.S. and 8% of German households reported two or more.

Assuming the US and German households who have two or more musical instrument players only have two, there are **a minimum of 118.72 million instrument players in the U.S., 12.44 million in the U.K., and 12.77 million in Germany, and this excludes vocalists.**

Estimated Number of Musicians: Households with Musical Instrument Players (in millions)

	USA	UK	Germany	Austria
Population	318.9	64.1	80.6	8.4
Households	117.5	26.5	37.6	3.8
% Households with 1+ instrument players	58%	47%	26%	44% <i>Average</i>
% Households with 2+ instrument players	43%	No Data	8%	No Data
Households with 1+ instrument players (A)	68.17	12.44	9.77	1.66
Households with 2+ instrument players (B)	50.54		3.01	
Estimated Total Instrument Players*	118.72	12.44	12.77	1.66

* assumes just two musicians per household, calculated by: (A-B) + (B * 2). **EXCLUDES VOCALISTS**

ANALYSIS: Supply & Demand

Given the highly fragmented markets and the lack of data, sizing the total supply of services is very difficult.

However, sizing the demand is simpler: a US Census study of adults 18+ who have played a musical instrument in the previous year provides a breakdown of how frequently they play their instruments.

According to this, **musicians play a minimum of 950 million hours per year in the US – this excludes musicians younger than 18, and excludes vocalists.**

Estimated Number of Hours U.S. Adults 18+ of Age Play a Musical Instrument Per Year

Plays a Musical Instrument:	Adults 18+ *	% of total	Assumed Frequency	Multiplier for Annual	Total Hours
Two or more times a week	7,435,000	41.13%	2	52	773,240,000
Once a week	2,096,000	11.59%	1	52	108,992,000
Two to three times a month	1,959,000	10.84%	2	12	47,016,000
Once a month	1,211,000	6.70%	1	12	14,532,000
Less than once a month	5,377,000	29.74%	1	1	5,377,000
*Excludes vocalists					949,157,000

1 hour(s) per occasion

ANALYSIS: Estimated Music Related Service Spend

Based on those hours, across just three music related services, **musicians spend a minimum of \$9.45 billion per year in the US – excluding vocalists.**

Conservative Estimates of Three Music Related Services Annual Spend in the U.S.

Category	Estimated Total
Music Product Accessories, Maintenance, and Repairs *	\$ 1,736,192,930
Rehearsal and Recording Studios ** <small>Sharing Economy: Trends in overall funding [1]</small>	\$ 1,536,685,183
Music Instruction ***	\$ 6,173,200,800
Total	\$ 9,446,078,913

* Four accessory categories only. Assumes just one instrument per household that reported having at least one instrument. Excludes vocalists.

** Assumes “two or more times a week/month” is just twice in those periods, and “less than once a month” means once a year. Excludes vocalists.

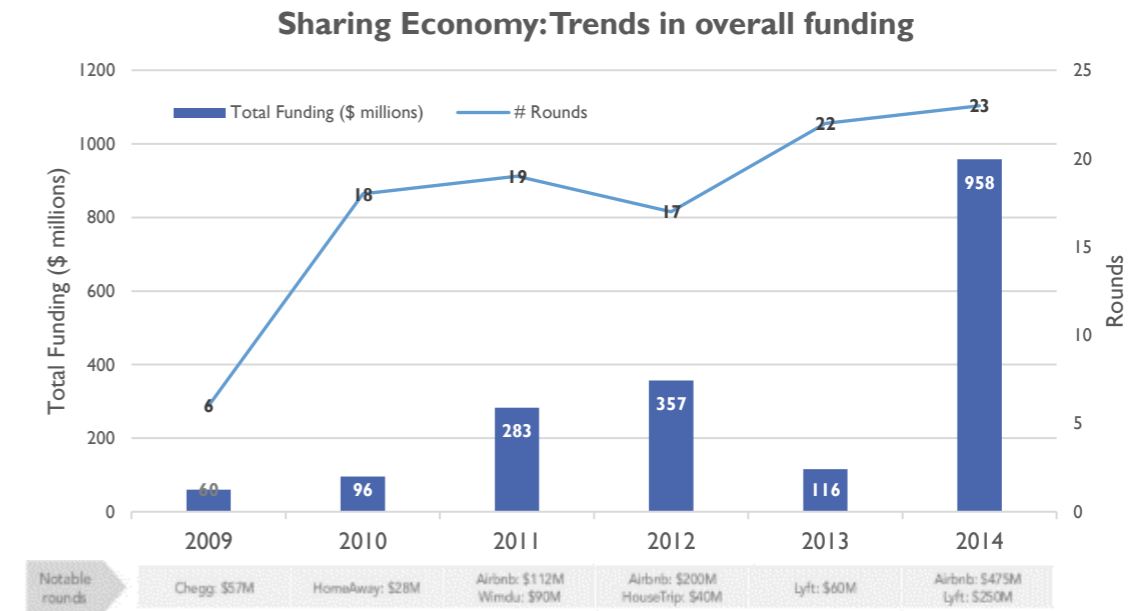
*** Excludes vocalists and lessons taken on borrowed or rented instruments

ANALYSIS: Sharing Economy Trends

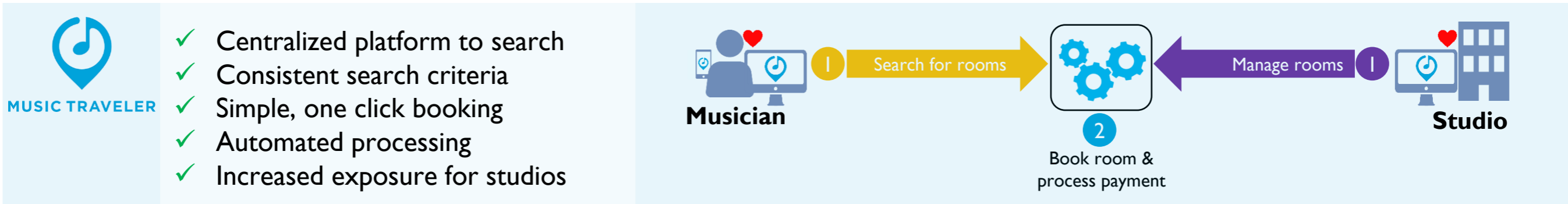
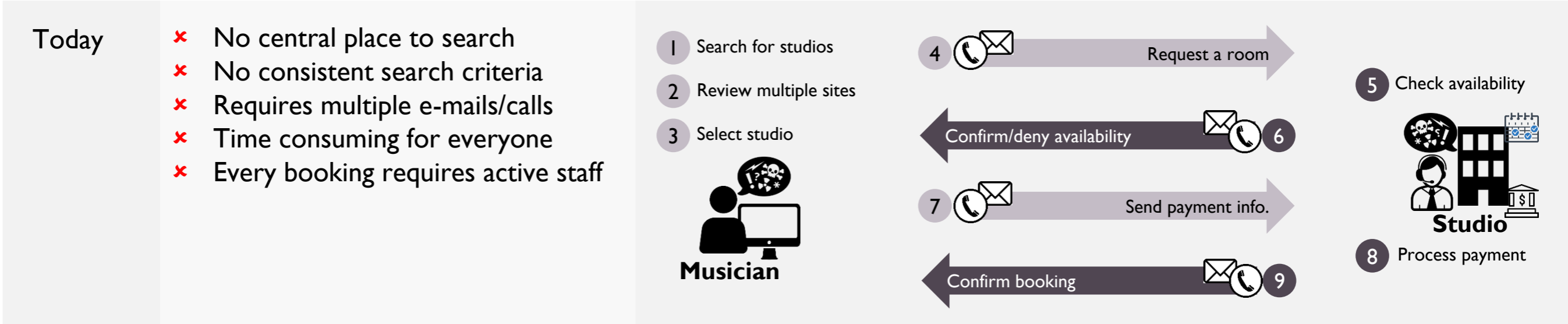
Sharing Economy overview/trends.

Had AirBnB or Uber defined their market sizes based entirely on existing supply, they would have never grown to the multi-billion dollar businesses they have.

By addressing the needs of Demand, they have grown the Supply, and capitalized on their markets.



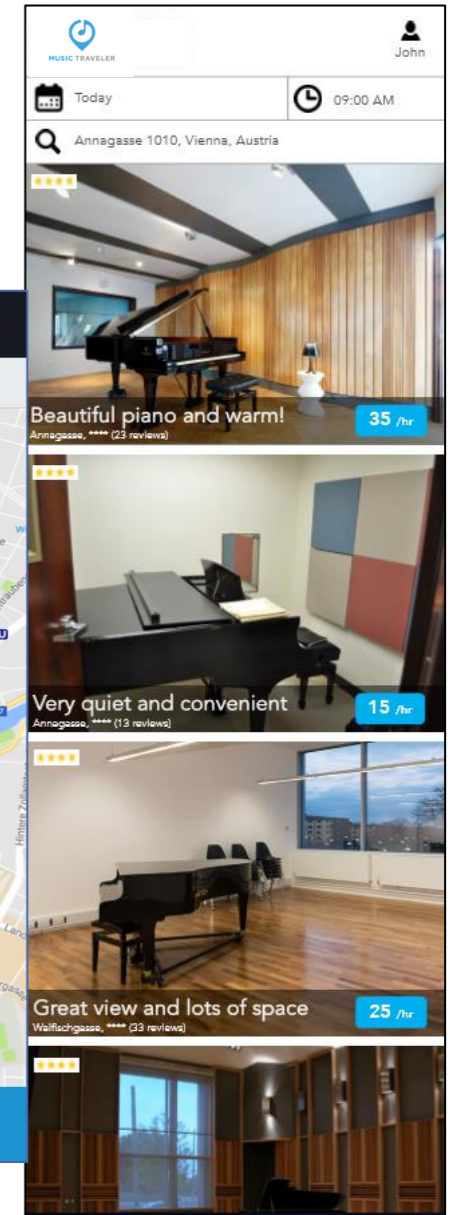
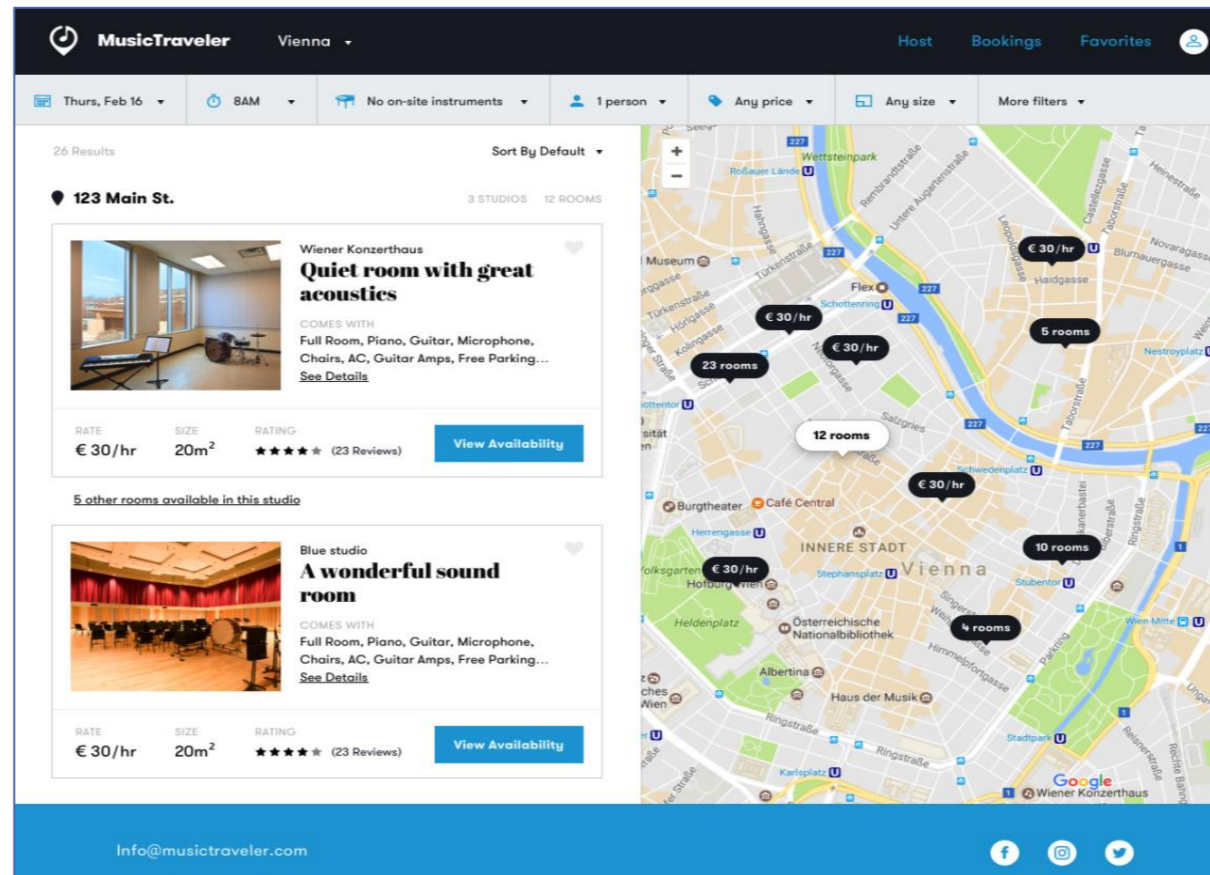
PRODUCT: Practice Room Booking Process



PRODUCT: Features for Musicians

Key Features

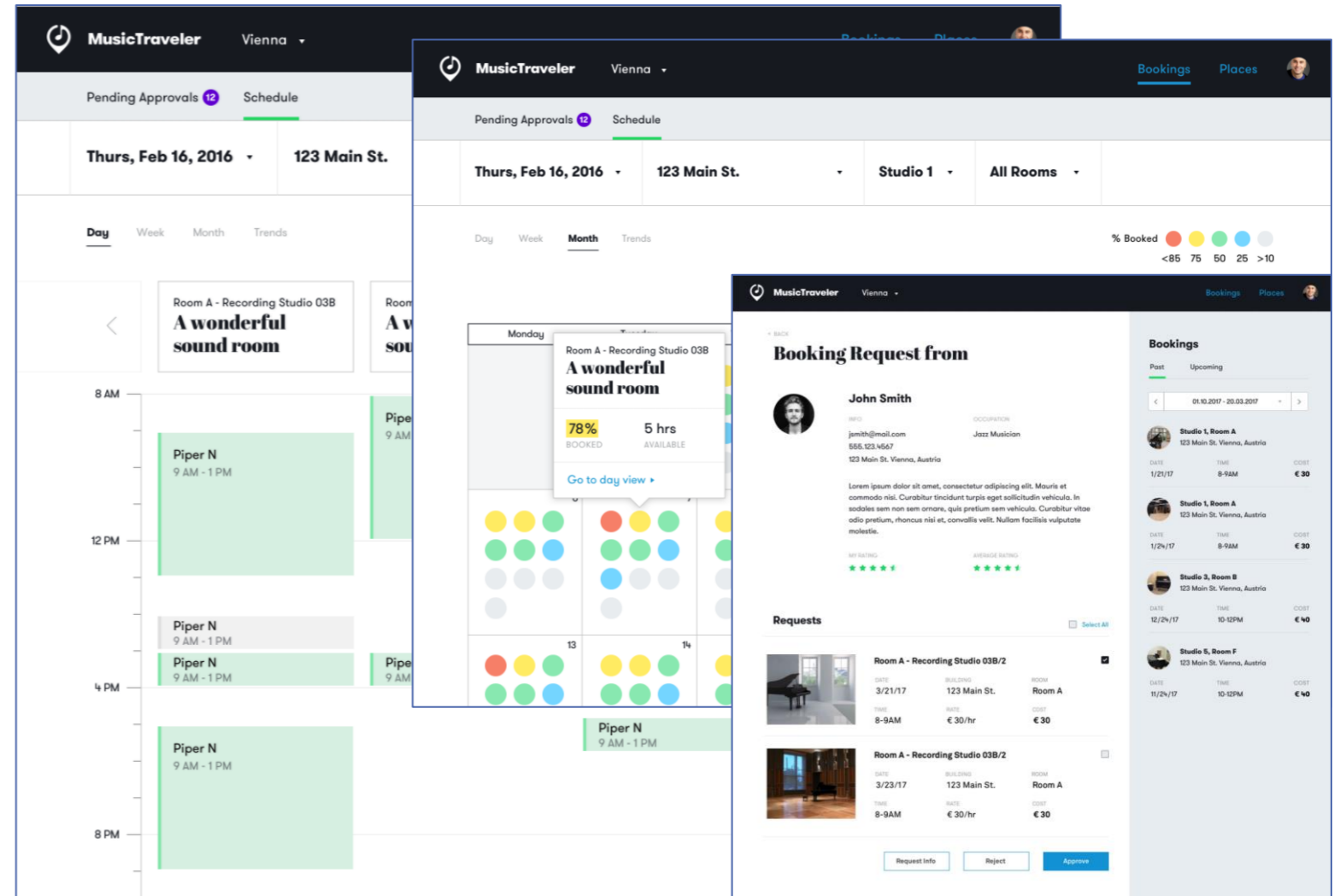
- ✓ Geo-located room searches
- ✓ One click Quick Book
- ✓ Book an instructor/lesson
- ✓ Favorites
- ✓ Rate and review
- ✓ Get insurance
- ✓ Rent instruments
- ✓ Record sessions



PRODUCT: Features for Asset Owners/Service Providers

Key Features

- ✓ Integrated calendar for tracking bookings
- ✓ Utilization dashboard
- ✓ Operational reporting
- ✓ Centralized Payment Processing
- ✓ Customer profile data
- ✓ On-line security/customer screening
- ✓ Marketing/promotion tools



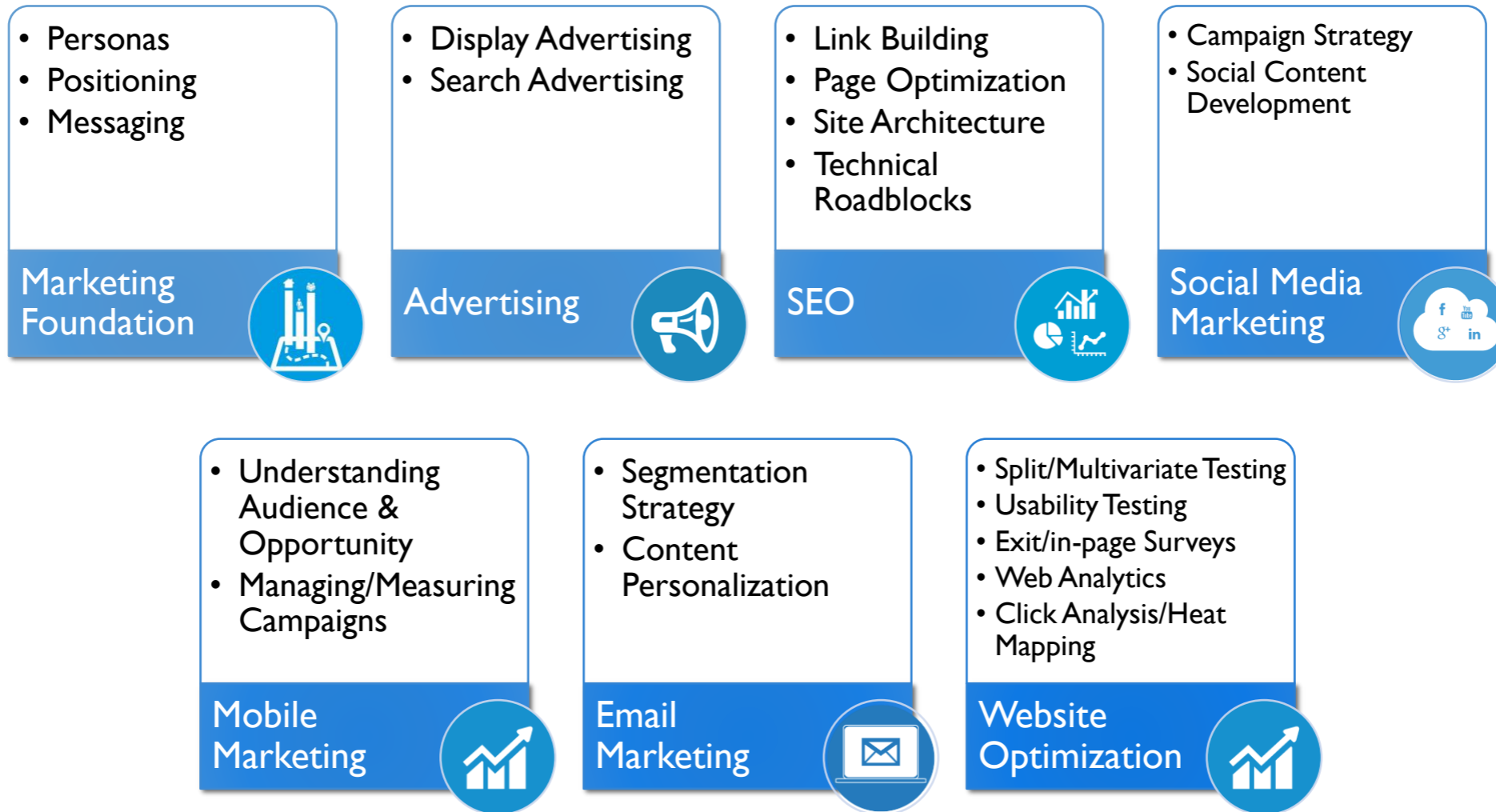
The image displays three overlapping screenshots of the MusicTraveler web application interface, illustrating key features for asset owners/service providers.

Top Screenshot (Calendar View): Shows the 'Schedule' view for 'Thurs, Feb 16, 2016' at '123 Main St.'. It features a calendar grid with a 'Day' view selected. A booking for 'Piper N' is visible from 9 AM to 1 PM. A tooltip for 'Room A - Recording Studio 03B' shows 'A wonderful sound room' with a '78% BOOKED' status and '5 hrs AVAILABLE'.

Middle Screenshot (Booking Request): Displays a 'Booking Request from John Smith', a Jazz Musician. It includes contact information (jsmith@mail.com, 856.123.4567, 123 Main St. Vienna, Austria), a profile picture, and a 5-star rating. The request details show 'Room A - Recording Studio 03B/2' for '3/21/17' from '8-9AM' at '€ 30/hr' for 'Room A'. There are 'Request Info', 'Reject', and 'Approve' buttons.

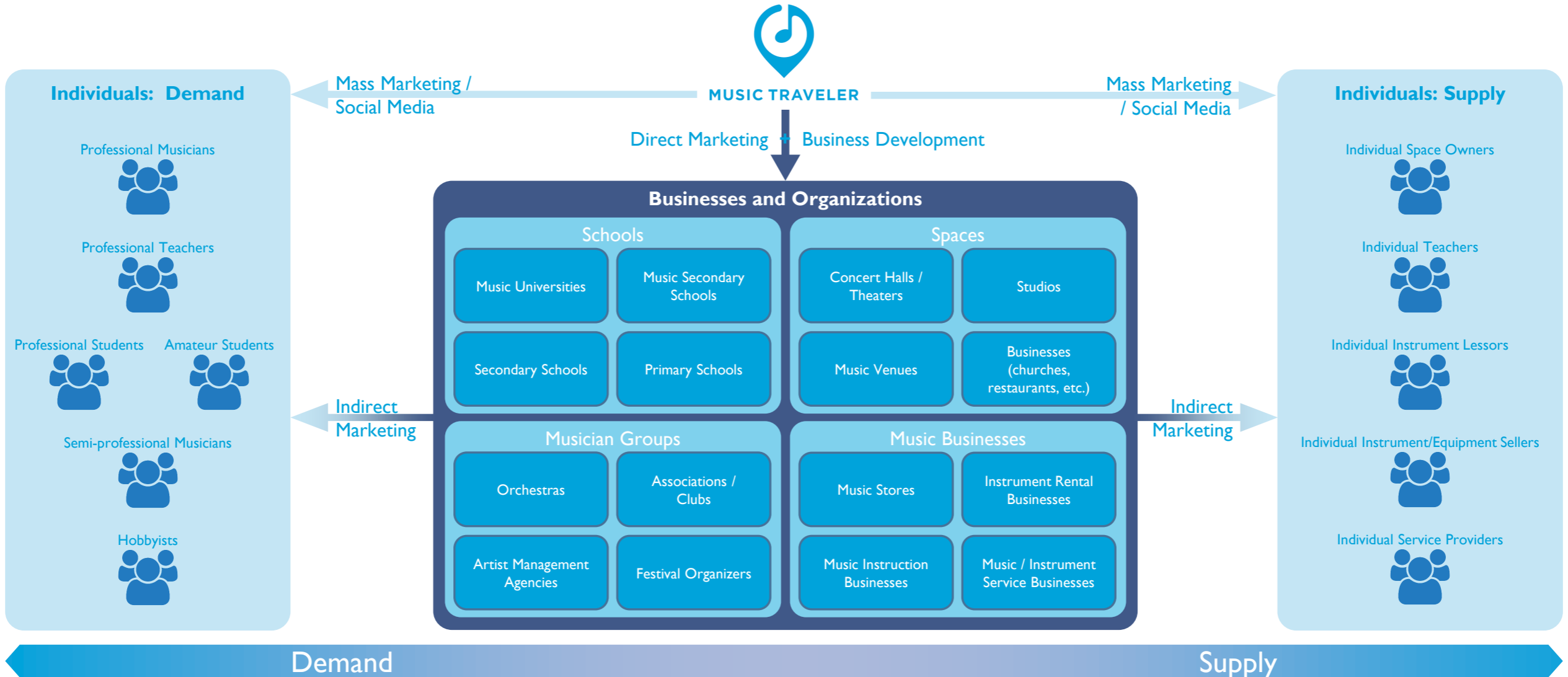
Bottom Screenshot (Bookings List): Shows a list of bookings for 'Studio 1, Room A' and 'Studio 3, Room B'. The list includes columns for 'DATE', 'TIME', and 'COST'. For example, 'Studio 1, Room A' has bookings on 1/21/17 and 1/24/17, both from 8-9AM for € 30.

MARKETING: Strategy



MARKETING: Segmentation

Music Traveler’s customers can be segmented as below. Each requires specific messaging to address their wants and needs:



BUSINESS MODEL: Value Proposition

In addition to these customers, we will be targeting festival runners, private homes, auditions, agencies and orchestras in future phases.

Musicians



- Easier to...
 - find/book rooms
 - find/book lessons
 - get insurance
 - rent/buy instruments

Studios/Space Owners



- Easier to manage room bookings
- Get increased / new occupancy and revenue
- Better advertising to targeted audiences
- Simplified screening process
- Cheaper insurance

Instructors



- Easier to manage lesson bookings
- Get increased exposure and revenue
- Better advertising to targeted audiences
- Simplified screening process
- Get insurance

Stores



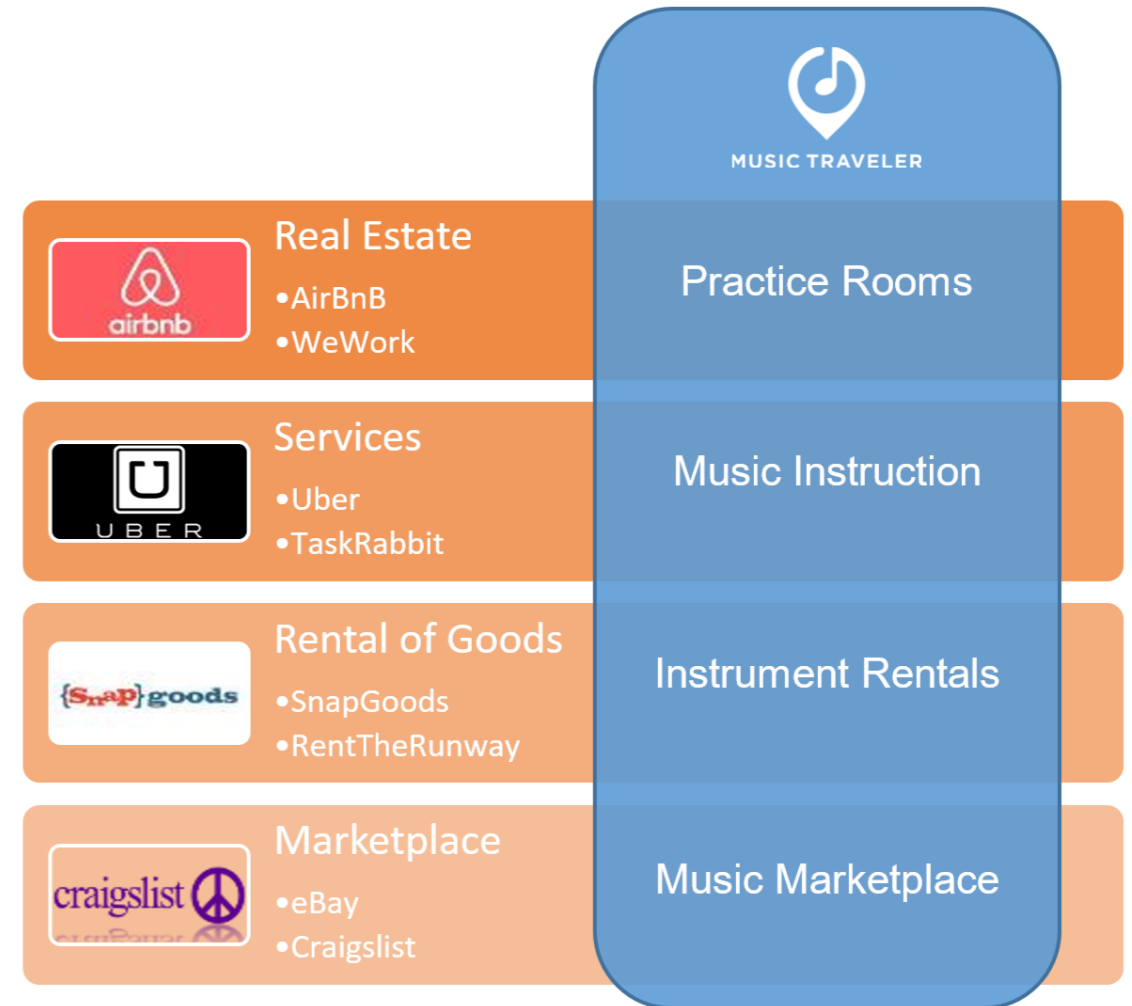
- Easier to manage rental bookings
- Get increased exposure and revenue (buy/sell)
- Better advertising to targeted audiences
- Cheaper insurance

BUSINESS MODEL: Competitor Analysis

Music Traveler distinguishes itself by catering to a specific group of users, packaging services in a way that appeals to that market.

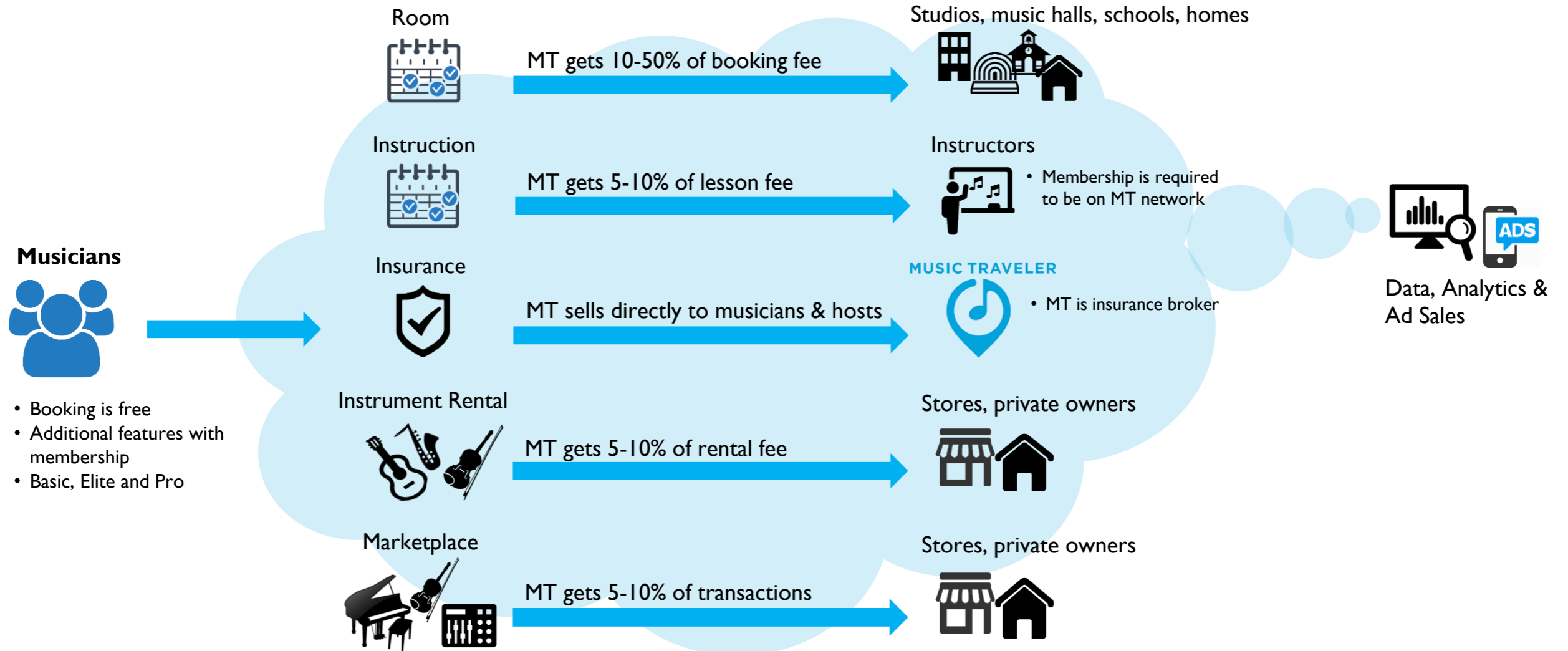
Rather than addressing a specific need of a broad user base, Music Traveler addresses a broad need of a specific user base.

This allows Music Traveler to establish deep expertise and “stickiness” with a niche market that does not exist with any of the incumbent sharing economy businesses.



BUSINESS MODEL: Revenue Model

Music Traveler's revenue sources consist of transaction fees, memberships, data sales, and ad sales.

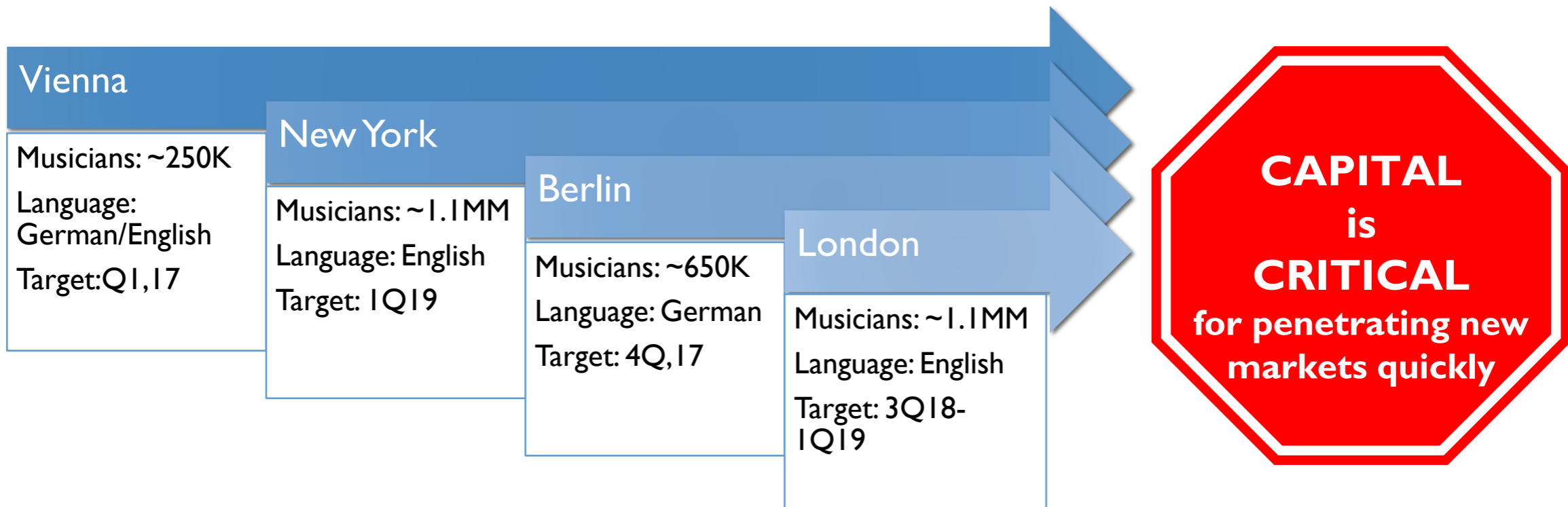


BUSINESS MODEL: Expansion Targets and Timeline

Target geographical markets are prioritized according to:

1. Music Traveler’s depth and breadth of network within the market
2. Market size and population density
3. Language and regulatory concerns
4. Logistical and operational concerns

Music Traveler must penetrate markets quickly to gain and maintain competitive advantage.



BUSINESS MODEL: Expansion Targets (Provisional)

Launch: Vienna

Wave I: New York, Berlin, London

Wave IIa: Munich, Zurich, Cologne, Antwerp, Hamburg

Wave IIb: Boston, Philadelphia, Toronto, Detroit, Chicago

Wave IIIa: Glasgow, Copenhagen, Liverpool, Amsterdam, Dublin, Manchester, Stockholm, Edinburgh, Sheffield, Oslo, Goteborg

Wave IIIb: San Francisco, Los Angeles, Vancouver, Austin, Nashville, St. Louis, Cleveland

Wave IV: Singapore

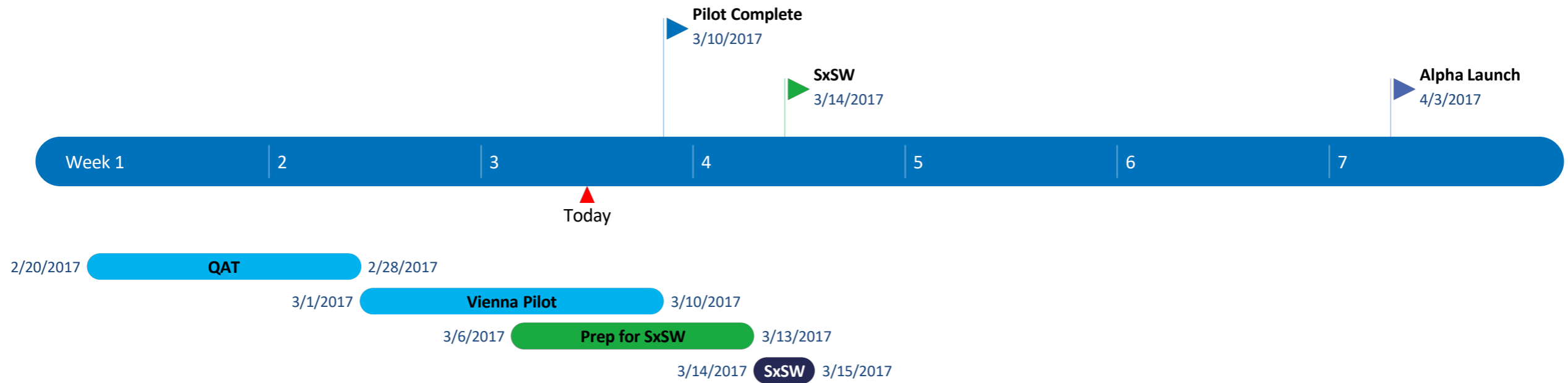
Wave IVa: Moscow, St. Petersburg, Madrid, Barcelona, Paris

Wave IVb: Miami, Seattle, Portland, Mexico City

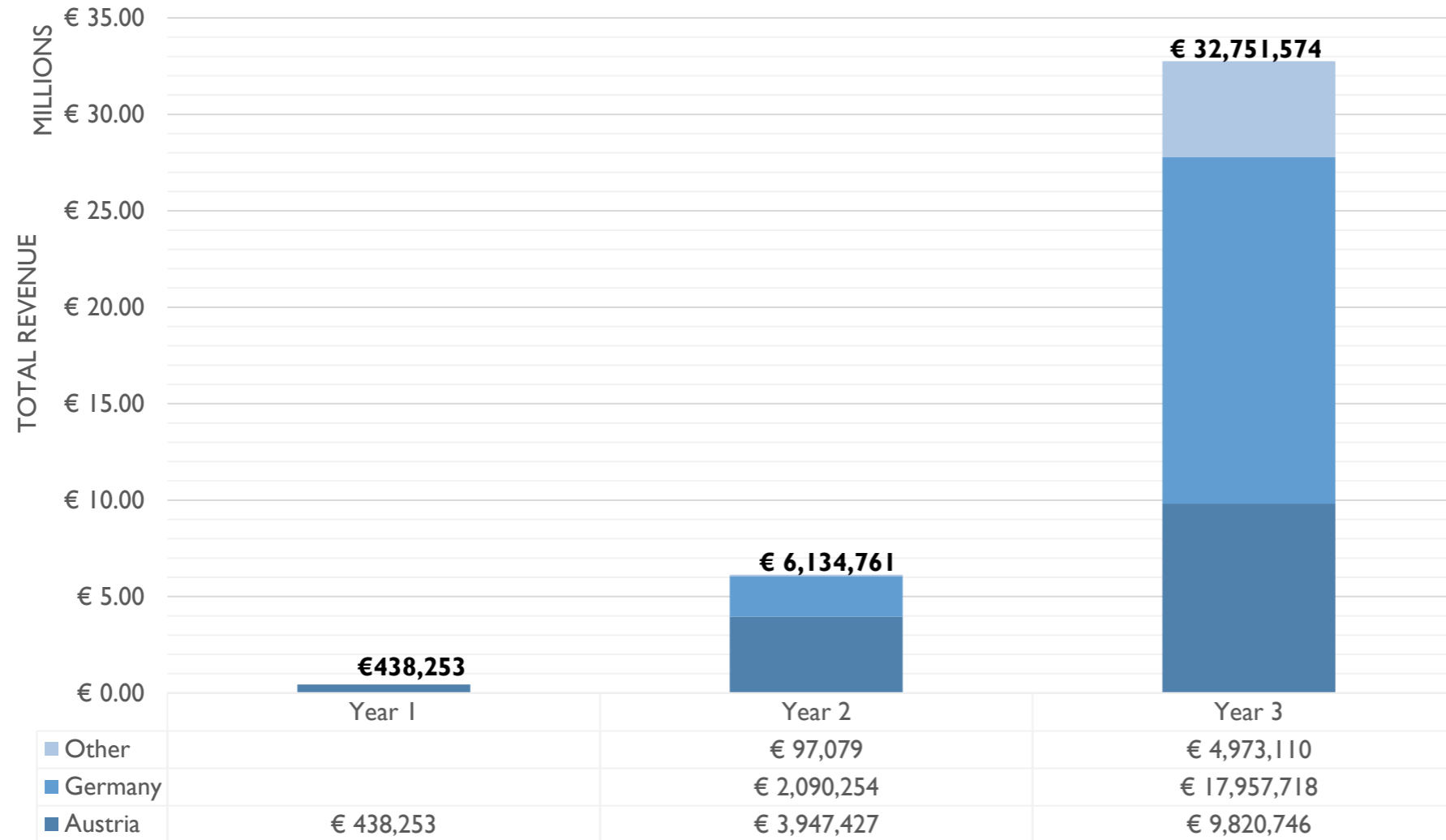


BUSINESS MODEL: Initial Timeline

Expansion Timeline



FINANCIALS: Revenue Projections, Vienna



FINANCIALS: Budget Needs for German Speaking Markets

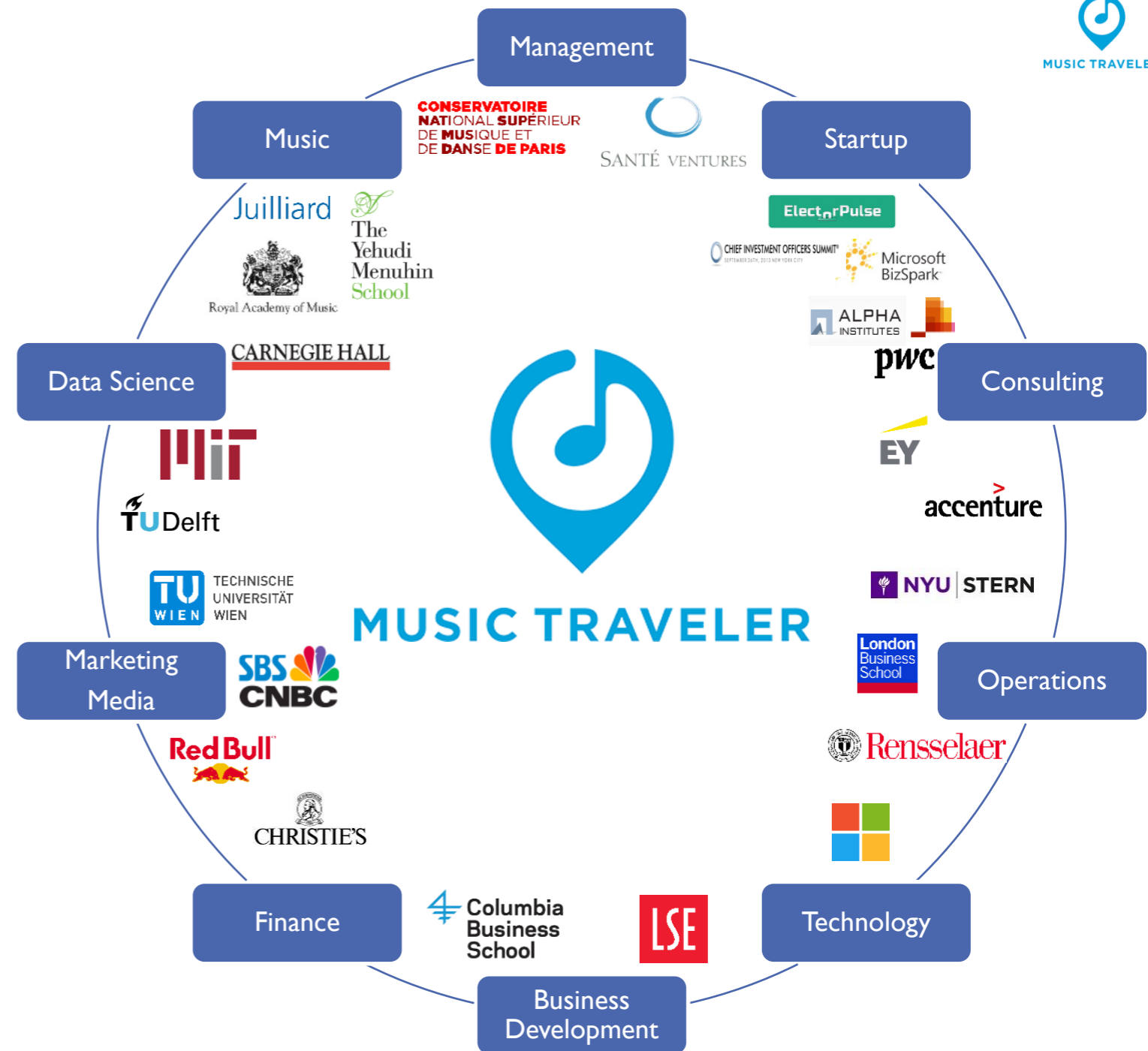
Music Traveler was self-financed by two of its co-founders until August 2016. In September 2016, €200k pre-seed convertible notes were issued and completed with external investors followed by €150k grant from Vienna Business Agency. The co-founders' capital and the pre-seed capital raised have been solely dedicated to the upcoming soft-launch of the product in April 2017.

An additional €5.5m is currently targeted to support 16 months of OPEX and CAPEX to rapidly expand into additional markets and fully on boarding core team members, commencing 3Q2017.



TEAM: Management

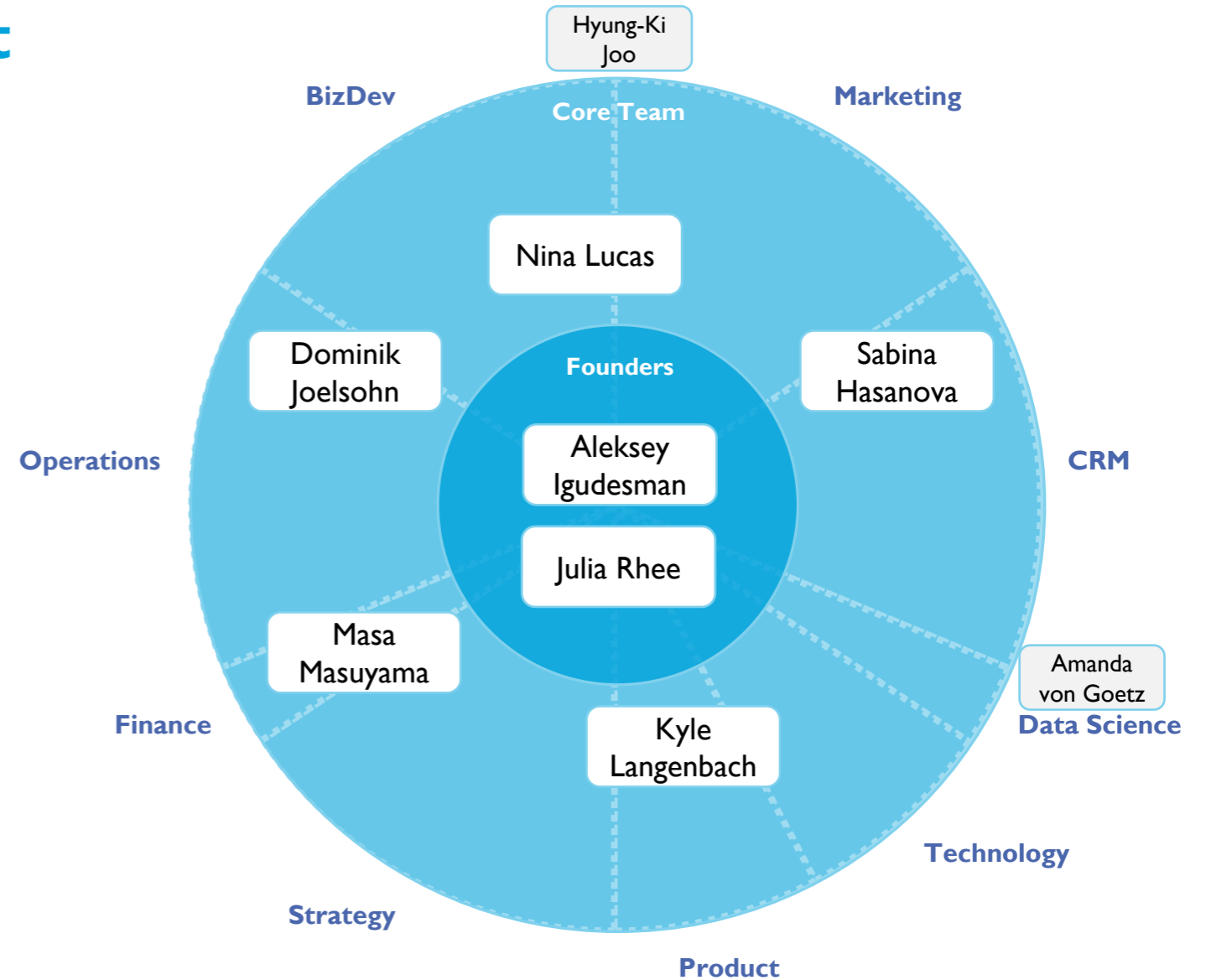
The management team has a diverse set of experience and skills across a wide array of disciplines. This ensures we are able to drive all the key areas which are crucial in building and running a successful business.



TEAM: Organizational Chart

At this early stage, all team members are working in multiple functional areas, which include:

- Product
- Marketing
- Business Development
- CRM
- Strategy
- Operations
- Finance
- Technology
- Data Science



TEAM: Board Members

Board Directors



BILLY JOEL



HANS ZIMMER



JULIAN RACHLIN



SEAN LENNON

TEAM: Advisors

Andrew Litton: Advisor
Gabriela Monterro, Advisor

Emanuel Ax, Advisor
Olga Scheps, Advisor
Yuja Wang, Advisor

Michel Camillo, Advisor
Yefim Bronfman, Advisor

TEAM: Strategic Partners

Music Traveler has established key partnerships – some exclusive – with world-renowned organizations to deliver and bolster various aspects of the business model.





MUSIC TRAVELER



www.Music Traveler.com
info@Music Traveler.com



A service offered by
the City of Vienna



TEAM: Management Bios

ALEKSEY IGUDESMAN

CO-FOUNDER

Aleksey Igudesman is internationally known as a violinist, composer, conductor, actor and film maker. His numerous compositions are published by Universal Edition and are performed worldwide by soloists, ensembles and orchestras, such as the New York Philharmonic, the Chicago and the Pittsburgh Symphony Orchestra, often with Igudesman himself as solo violinist and conductor. Igudesman has written for and performed as a soloist on numerous movie soundtracks and has worked with Academy Award winning film composer Hans Zimmer on movies such as “Sherlock Holmes” which was nominated for an Oscar for best original score. In 2012, Igudesman directed, produced and starred in the feature length mockumentary “Noseland”, featuring John Malkovich, Sir Roger Moore and Julian Rachlin.

AMANDA VON GOETZ

MANAGING DIRECTOR, CMO, Data Science

Amanda von Goetz was a professional pianist by the age of 14, represented exclusively worldwide by ICM Artists (now Opus 3). Later transitioning into web technology, she founded online publishing platforms. In 2014 she completed her graduate studies with a concentration in early-stage ventures, software systems and data science. While at MIT, von Goetz served as the CEO of Thyme Labs, which produced a software platform that optimized the process of scheduling meetings and social engagements. Currently a private equity and venture capital professional in New York, von Goetz is also a founder, advisor, board member and coder for various early-stage tech-driven firms. Von Goetz holds a bachelor's degree from The Juilliard School and a master's from the Massachusetts Institute of Technology. In 2016, she was appointed a Guest Lecturer at MIT's Sloan School of Management.

JULIA RHEE

CO-FOUNDER

Julia Rhee joined Sante Ventures as director in 2009 and founded Alpha Institutes, in 2008. In addition, she is the creator of The Chief Investment Officer Summit® conference series in partnership with CNBC Asia. Prior to Sante Ventures, she was with equity centric hedge fund division of Dominion fund management. Her entrepreneurial and creative career started at age 16 as a classical pianist in Vienna and later transitioned into the world of asset management and venture capital after her departure from the music industry. Julia earned her undergraduate degree from the Universität für musik und darstellende kunst Wien, and a postgraduate degree in Performing Arts from Conservatoire National Supérieur de Musique Paris, joint masters in business administration from Stern School of Business, HEC Paris and London School of Economics and Political Science.

KYLE LANGENBACH

MANAGING DIRECTOR, CPO/CTO

Kyle Langenbach is a co-founder and Chief Strategy Officer for ElectorPulse, a startup for political campaign management. Prior, he was a Director and senior leader of the US east region emerging technology team at Microsoft, driving software partners to develop, innovate and get to market/go to market with their products using emerging Microsoft cloud and mobile technologies. He also held senior level posts at Ernst and Young in their internet strategy advisory services practice, and at PwC in business intelligence. Kyle's first startup experience came when he left E&Y to head up the NE regional office of a CA-based startup (\$100M funding/175 employees) focused on enterprise and B2B portal consulting. He currently sits on the Board of TrySome, a startup focused on selling responsibly made goods. Kyle holds an MBA from the NYU Stern School of Business, and a BS in Engineering from Rensselaer Polytechnic Institute. He also writes, produces and edits film in his spare time.

TEAM: Management Bios

NINA K. LUCAS

HEAD OF MARKETING

Nina Lucas is a classically trained pianist and a digital strategist, founder of Tunes & Stories, a brand consulting company. Her passion for multimedia, business and merging the old with the new to create new and innovative approaches led to her working in companies such as RealNetworks, where her (B2B) role as Content and Marketing Editorial Manager for Austria and the Balkans successfully launched the AI Music Store with her team (biggest mobile provider in Austria) and gain insight into the mobile music and record industry. During her time at Red Bull International Headquarters in Fuschl-am-See, in the role of Junior Culture Project Manager, she was able to learn a unique approach to branding and story-telling as well as oversee and assist the project development of many culture concepts that the brand is so famous for. In 2014 Nina joined Bernhard Kerres and his team as Community Manager of www.hellostage.com - the world's largest network connecting classical music professionals. Nina holds a Bachelor in Piano Pedagogy with a Major in Multimedia, Masters in Music and Movement and studied Internet & Digital Marketing at London Business School. She is fluent in Serbian, German and English.

DOMINIK JOELSOHN

HEAD OF OPERATIONS

Dominik Joelsohn studied architecture at Vienna University of Technology. He graduated with distinction and won various competitions. While studying, he worked for several architectural offices and gained experience in other various fields such as 'Porsche Holding', 'Unicredit' and 'Wiener Wohnen'. Since 2010, he has been managing Igudesman and Joo's company "Only Hands Small" – as the General Manager for Europe he has gained considerable insider knowledge within the music community as well as music business affairs.

MASA MASUYAMA

MANAGING DIRECTOR, COO/CFO

Masa is a strong believer in the motto: "think and do." His insatiable appetite for knowledge combined with his adaptability has allowed Masa to gain expertise in a variety of industries over his 20+ year career including Art Auction, Startups, Private Equity, Media & Entertainment, Healthcare, Hospitality, and Management Consulting. Masa's breadth of experience enables him to "connect the dots" in unique ways, and he enjoys the process of generating new approaches or insights from fresh perspectives. However, Masa values action equally as ideas. A pragmatic leader, Masa is experienced in leading international, cross-functional teams – he has a track record of successfully delivering mission-critical multi-million dollar strategic global initiatives with C-level sponsorship. With the core belief that strategy is a living organism, Masa ensures that the strategies he devises continue to achieve their goals long after they have been implemented. Masa earned an MBA with a focus in Strategy from Columbia Business School and London Business School, and a Bachelor of Science in Engineering Psychology & Human Factors from Tufts University. He completed coursework at the School of the Museum of Fine Arts, Boston.

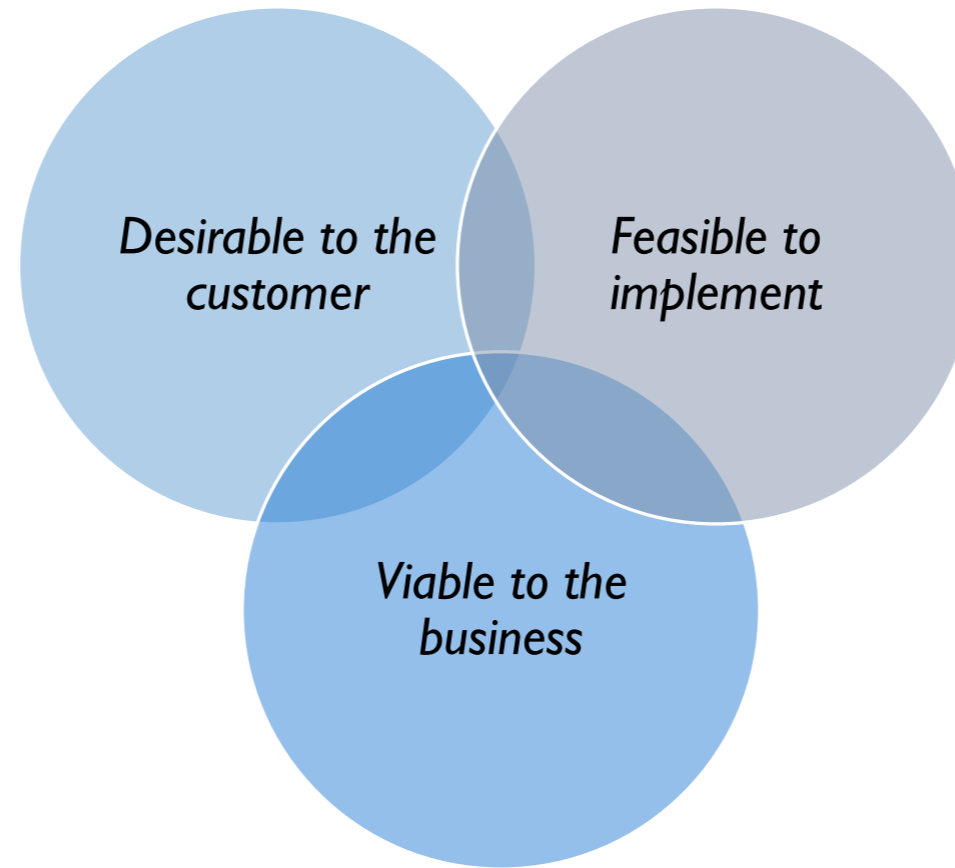
HYUNG-KI JOO

CHIEF ARTIST RELATIONS

Hyung-Ki Joo is a pianist and composer, loved and known all over the world. Fans include the "Piano Man" himself, Billy Joel, who asked Joo to arrange and record Joel's solo pieces for piano. The CD was #1 on the Billboard Charts for eighteen weeks. His videos with his duo, Igudesman & Joo, have become viral sensations on the Internet, with over 40 million views. He has performed at the White House, is a Steinway & Sons Artist, and a recipient of the English-Speaking Union Award. His music is published with Universal Edition and Modern Works.

PRODUCT: Design Approach

When designing and building the application, the process of prioritizing the features for a given release requires a delicate balance of the following three aspects:



PRODUCT: Tech Stack Overview

Our technology platform was selected to ensure 5 key principles are met:

- 1. Scalability.** We are deploying on Heroku, a cloud service provider with a proven track record to scale up (clients include Macy's, DocSend and Citrix). For additional content we are using Amazon AWS, which is the market leader. The code stack combination of Python/Django, with Postgres as the database, is also proven to scale well to thousands of users.
- 2. Reliability.** It is imperative that uptime be maximized and Heroku had a 99.98% average for 2016, which is at or near the top of the major cloud service providers. In addition it has a wealth of tools and add-ons to help monitor and track down any issues with our app.
- 3. Extensibility.** Python/Django have an expansive ecosystem from which to draw upon when trying to rapidly build applications. That helps tremendously with time to market, and our model is designed to effectively leverage the platform to handle future enhancements and third party integrations.
- 4. Manageability.** Heroku provides PaaS services, which takes care of managing the cloud infrastructure layer. As a result we don't need dedicated DevOps resources to setup and manage it. Also, Python is a very dev friendly language so ramping up new devs is made less painful, less costly and turnover risk is mitigated given the wide availability of Python resources in the market.
- 5. Security.** We will be employing SSL security to create a secure transmission of data between the browser and the cloud servers. Heroku also has built in analytics to help with breaches and other issues.



PRODUCT: Mobile Strategy

Given limited time and funds, we are implementing a responsive web design and using mobile web for the beta. This approach requires the least amount of up front coding, time, and avoids the high cost of developing and supporting native applications for iOS and Android.

While native is a desirable option, the feature set for the initial release is not complex enough to require native code. The primary goal is to make sure the performance and usability of the mobile web experience are at a high level, so that it is as smooth, fast and enjoyable as a native app.

Once additional funding is obtained, we will revisit the plan and at that time determine if it would be beneficial to move forward on building and supporting native versions, based on the feedback and adoption of the mobile web version. In that case, we will release on iOS first, and then Android shortly thereafter given the demographics of our user base.

PRODUCT: Feature Release Roadmap

We are currently focused on releasing the beta in Q1 2017. Future releases beyond 2.0 will include a strong focus on becoming a data provider to customers interested in the data we will be collecting and analyzing.

Beta/Version 1

- Ability for students, hobbyists and professional musicians to book a practice room at studios, concert halls and music schools

Version 1.x

- Teacher network to allow students to book lessons with teachers along with the rooms
- Credit system for parents to pre-buy credits for their kids to use on booking rooms, lessons, etc.
- Ability for festival runners/auditioners (non-hosts) to book blocks of rooms, and then allow their participants to book slots from those pre-bought rooms
- Coach network for mentoring, personalized guidance, and other services related to music
- Insurance offering for musicians, teachers, venues
- Enhancements to the venue management dashboard (e.g., scheduling, screening, operations, etc.)

Version 2

- Comprehensive BI/reporting for venue operators (e.g., revenue trends, utilization, demo trends, etc.)
- Ability for musicians to record their practice sessions to the cloud and share with others
- Ability for musicians to rent/buy instruments (B2C/C2C)
- Ability for musicians to book a practice room at private households (C2C)
- Exotic instrument rentals and experiences

PRODUCT: Beta Release Timeline

- ✓ Complete the development of the beta
- ✓ Test with closed pilot group (“Pioneers”)
- ✓ Obtain feedback, process and analyze it
- ✓ Make changes as needed per priority and impact
- ✓ Perform additional iterative tests w/ the Pioneers
- ✓ Open the beta up to a wider but still targeted audience
- ✓ If established KPIs are met, move to next phase