



TechMutiny

new thinking new technology for the creative sectors
A MediaTainment Finance supplement

ISSUE NO. 5 October 2013

www.mediatainmentfinance.com; email: jaykaymedia@btinternet.com; Twitter: @TechMutiny

N ews Analysis

Financiers toss Bitcoin virtual currency: heads - buy games; tails - buy cocaine

To paraphrase a biblical saying, the virtual currency called Bitcoin could turn out to be the root of all evil. And, based on recent news events, the highway to hell just might be the notorious Bitcoin-funded website called Silk Road.

Most online currencies are used for buying virtual goods on Internet-based casual games, social games, multiplayer role-playing games and virtual worlds like Second Life, the youth-oriented Habbo, South Korea's Cyworld and the very innocent kids' universe of Moshi Monsters.

CONTENT

News Analysis:

Why Bitcoin has changed virtual currencies into lethal money - **page 1**

Mobile advertising is growing into the belle of the marketing ball - **page 3**

Microsoft buys Nokia's devices but not to ring creativity's home - **page 4**

Disruption Directory (tech impacting the creative sectors):

advertising/marketing; architecture/design; books/print media; film/video; games; music; social media; television; extra - **pages 6-15**

Numbers that Count: AudienceNet data on music and the UK youth of today; Why streaming music should not dismiss Google - **page 16-19**

Start-ups' Standpoint: Q App Mobile (UK); 51Degrees.mobi (UK); Mobiloud (UK) - **pages 20-22**

About TechMutiny - page 23

For advertising/sponsorship opportunities, please contact:
info@jaykaymediainc.com

NEWS ANALYSIS

Bitcoin is a more complex version known as cryptocurrency. Its underlying encrypted technology gives users the ability to carry out transactions while remaining totally anonymous.

Some Bitcoin subscribers, however, started committing deadly sins on Silk Road, a black-market website that has earned the wrath of US regulators. After a long-running investigation, it was seized by the FBI in October.

Although it sold legal goods, Silk Road was also allegedly used to sell cannabis, heroin and other illegal drugs, as well as launder money. And its operator Ross William Ubricht (nicknamed Dread Pirate Roberts for a character in the movie The Princess Bride) has been arrested for, reportedly, hiring an assassin to murder someone threatening his profitable operation.

Between February 2011 and July 2013, more than 1.2 million Bitcoin transactions took place on Silk Road, according to documents filed at the Southern District of New York. They generated US\$1bn-plus in revenues and earned Silk Road nearly US\$80m in commissions. Silk Road has been popular with Bitcoin users for the sophisticated technology that made the website undetectable, until now.

According to the Weusecoins.com website, Bitcoin has revolutionized banking the way Amazon.com did in the retail business. It is a decentralized peer-to-peer currency that individuals can transfer to each other without going through banks or clearing houses. It can be used in any Internet-wired country.

And because it can be issued by anyone tech-minded, the system relies on trust and self-regulation. Encrypted codes, created with open-source software, identify and verify the account owners when Bitcoin money is spent. The amounts used are kept in another app called a Bitcoin wallet. Additionally, this Internet money can be converted into traditional currencies, including the US dollars and the euro.

Bitcoin has been working its way very slowly into mainstream usage. Customers can buy beer at a bar at the Old Fitzroy Hotel in the Sydney suburb Woolloomooloo, Australia, in

in Bitcoin currency.

A 28 September PRNewswire press release with a Toronto dateline reported the launch of Satoshi Live, the first live online casino to allow gamblers to play with Bitcoins.

The US' SecondMarket, the stock exchange for trading illiquid assets that are not easily converted into cash, launched the Bitcoin Investment Trust in September. This enables investors to acquire shares in the trust without actually owning Bitcoins.

CoinX was launched this month in the US city Atlanta to help individuals convert their traditional cash into Bitcoins and vice versa.

And a Venturebeat.com article points out that, as Bitcoin accounts cannot be frozen, it became a very popular way for taking money out of Cyprus during the recent banking crisis that severely restricted the free movement of cash on the Mediterranean island.

Bitcoin's ability to offer anonymity has also led to some questionable uses. The UK city of Birmingham is claiming to be home to the world's first Bitcoin brothel, the local Passion VIP Escorts Agency.

During August, Australia's Commonwealth Bank shut down accounts linked or belonging to the founders of CoinJar, which processes Bitcoin wallets on behalf of vendors or retailers, because of suspected (but still unproven) fraudulent transactions.

So is Bitcoin inherently evil and can its abuse hurt real-world international finance the way the illegal use of peer-to-peer file-sharing decimated the traditional recorded-music business?

Following the raid of Silk Road by US crime authorities, the value of Bitcoin in traditional currency terms fell on Mt Gox, the world's largest Bitcoin exchange.

It immediately dropped to US\$110 per Bitcoin from US\$140. The value started to rally, but very slowly. It is now up to the international financial community to assess whether or not the abuse of the technology outweighs a long-term positive potential.

###

NEWS ANALYSIS

Mobile advertising is growing up nicely; but do advertisers get this young upstart?

The reports of the death of mobile advertising have been greatly exaggerated, based on recent authoritative growth forecasts and investors' interests.

Figures recently published by ZenithOptimedia and eMarketer indicate that Internet-delivered ads on smartphones and computer tablets via search engines, rich-media display, geo-targeting, social media, audio and video apps have a healthy future.

This should be good news to advertisers, advertising agencies, and ad networks. They spent the 1990s watching mobile advertising being hailed as the Great Wireless Hope. Yet, as traditional-media marketing slowed down, digital advertising failed to compensate with a faster growth rate.

And as smartphones effectively accessed the Internet, it was difficult to know whether mobile ads were any different from desktop ads, apart from the difference in sizes.

Yet, in its annual predictions, ZenithOptimedia is confident advertisers' expenditure on mobile will grow to US\$33.1bn in 2015. Mobile will account for more than 25% of total digital advertising that year from 9.5% in 2012. It will also represent a respectable 6% of total advertising spend in two years' time.

eMarketer is equally optimistic. Globally, mobile-advertising spend will be 25.6% of total digital advertising in 2015, growing to 36.3% in 2017.

North America will be the most mobile-friendly advertising market in 2017. The region will record mobile ads representing an estimated 49.1% of total digital advertising in 2017.

eMarketer is also predicting that smartphone penetration should account for nearly 50% of all mobile subscription worldwide by 2017. No wonder that media-technology companies are shifting their attention to mobile advertising as a stronghold of future revenue sources. Social-media groups would like to use their popularity among consumers

to also grab a share of the still huge amount of broadcast-TV ad dollars.

IPO-ready social-media group Twitter, which has more than 200 million registered subscribers, has been working with the TV industry and brands to prove TV ads can be effective on its platform.

The 140-character blogging site is scheduled to list on the New York Stock Exchange to raise US\$1bn later this year, much earlier than expected as experts had predicted a 2014 IPO. And mobile advertising is key to its revenue-earning strategy. It snapped up MoPub, the US start-up specializing in the management of advertising on mobile-media publishing sites, for an estimated US\$350m in September.

In addition to having mobile-games firm Ngmoco and the mobile unit of blogging platform WordPress among its clients, MoPub's founders bring essential expertise. They include former executives at AdMob, the mobile-ad network that has turned into an essential revenue source for search-engine group Google, AdMob's parent company (and Twitter rival).

With more than 1 billion registered users, Facebook is another leading social-media network relying on mobile advertising. It has assured investors that mobile marketing will guarantee the dividends promised during its controversially hyped IPO on NASDAQ in May 2012.

Facebook is keeping to its word as the number of active mobile subscribers has grown to more than 800 million. eMarketer calculates that its revenues from mobile-Internet advertising will account for nearly 16% of global mobile ads this year, compared to just over 5% last year.

Facebook has a long way to go to catch up with Google's predicted 53%-plus mobile-advertising market share in 2013, but is far ahead of the 2.4% share for its other nearest rival, music-streaming service Pandora.

CEO Mark Zuckerberg and his team are coming up with new formats to encourage advertisers to use Facebook's mobile services. They are adapting auto-play videos, currently common on desktop Internet advertising, to mobile devices and media, including the photo-sharing Instagram app Facebook paid almost US\$1b for last year. And Facebook recently bought US mobile

NEWS ANALYSIS

analytics firm Onavo for a reported US\$200m.

Apple is hoping its thousands of millions of iPhone and iPad customers will use their portable devices to listen to the new advertising-funded iTunes Radio service unveiled in September. This is another tech giant depending on growth in mobile ads.

And Microsoft is said to be focused on making it easy for developers to deliver ads to their mobile apps on Windows Phone 8 devices.

Meanwhile, mobile ad networks have been feverishly expanding their resources to meet the expected future growth. US/UK mobile video ads network Vungle raised US\$6.5m from private investors in August. Videology, the international online and mobile-advertising service provider, walked away with a cool US\$60m in a Series D round of funding earlier this year.

The New York Stock Exchange-quoted Millennial Media and rivals like Tapjoy and Airpush are constantly unveiling new developments to make mobile advertising easier and more exciting for marketers to adopt.

What remains unclear is whether advertisers and their agencies will know how to make use of these new technological resources. The objective will be to ensure that when they spend on mobile, mobile advertising does not turn out to be a temporary novelty.

###

Microsoft gobbles up Nokia's devices after both lose their way creatively

In September, Microsoft Corporation agreed to buy the mobile phones made by Finland's Nokia for €5.44bn. The world's biggest computer-software corporation had voted to put the struggling former No. 1 mobile-phone handset maker out of its misery.

Microsoft is doing so by buying Nokia's devices and services division, and the right to license the patent to the related technologies. Microsoft will also own Nokia's licensing

agreement with US digital-wireless giant Qualcomm.

The transaction is expected to be completed during the first quarter of 2014. Once finalized, the deal should trigger many queries among industry observers. The biggest should be why multi-billion dollar tech corporations seem unable to buy their way and sustain their presence in the creative sectors. It is a synergy that should make sense. Making billions out of developing and selling media technology must make it easier to understand the content to be carried by those systems.

Yet, the results of Microsoft's attempts to use that clout to enter the consumer end of digital media and entertainment have been mixed, at best.

Apart from its popular Xbox, the Xbox games and the Xbox Live online multiplayer platform, everything else seems to have missed Microsoft's goals. The MSN web portal has been buried by the might of the younger social-media networks like Facebook and Twitter; the Bing search engine still cannot catch up with the behemoth Google; the Yammer enterprise social network bought for US\$1.2bn last year is searching for its place on the Microsoft landscape; the long-established Hotmail email service has had to be rebranded as Outlook.com; and the Zune digital-music player never made an impression on music fans.

Acquiring Nokia's mobile devices should give Microsoft the chance to make money from digital hardware. The software giant's efforts to enter the computer-hardware space with the Surface RT tablets for its Windows 8 operating system have been lackluster.

Nokia was unable to capitalize on consumers' global demand for digital devices. Apple, Samsung and search-engine giant Google and its open-source Android software swooped in and snapped up the consumer-friendly smartphone and touch-screen tablet sectors.

It was also Apple's iPhones and iPads, Samsung's Galaxy devices and other Android-powered smartphones that killed Nokia's dominance as the world's biggest mobile-handset maker between 1998 and 2012. Its valuation fell 88% during the last 10 years.

Along the way, Nokia made various attempts to become an online media-and-entertainment service provider. It was among the first tech brand owners to commit resources to selling the mobile phone as the route for consumers to access emails, the Internet, maps, games (N-Gage), photos, and other small-file content like ringtones.

NEWS ANALYSIS

Its foray into digital music is now legendary. After paying the then princely sum of US\$600m for digital-music distributor LoudEye Corp in 2006, it hoped to use music to sell more mobile handsets, emulating Apple's current strategy for the iPod, iPhones and its iTunes music store.

In 2007, Nokia accelerated its ambitions to enter the e-commerce business with the digital store Ovi. While e-commerce pioneer Amazon.com was selling physical products online, Nokia wanted Ovi to sell digital products and content, including music.

Also available through Ovi would be Comes with Music, a digital-music service offering songs from the then four multinational major labels (EMI Music, Universal Music Group, Warner Music Group, Sony BMG Music Entertainment), and the independent labels and aggregators. Consumers purchasing the Comes With Music-branded Nokia phones could download an unlimited number of tracks from more than 3 million songs. The tracks were free and could be stored and played on the mobile handset and one selected PC. Although available internationally, the take-up was small and Comes With Music effectively died in 2011. It is hard to believe Nokia, which effectively invented the mobile phone as we know it, was submitting to another failure. Next to Microsoft's Xbox Music, its current Nokia Music service's fate is unknown should the takeover go through. But Microsoft will re-brand the acquired Nokia phones and market the hell out of them. And, instead of positioning itself as a content creator, Microsoft should design the phones for third-party creative businesses to use. The software colossus, which had been licensing its Windows Phone operating system to Nokia smartphones in an exclusive partnership, will also use the acquisition to enter the growing tablets and phablets businesses, which are driving global computer sales to new levels. Nokia itself will stop being associated with making mobile phones, but retain its successful Nokia Solutions & Networks division, its respected research-and-development unit, and its technology for HERE, the digital mapping service provider offering consumer and commercial services in more than 200 countries.

Neither Nokia nor Microsoft is currently destined to be an influential creator of media and entertainment. And things look set to stay that way for many years to come. ###

Promotion
Publisher of MediaTainment Finance
and TechMutiny
www.jaykaymediainc.com

Jay

Kay

Media

inc

D

isruption Directory

Thumbnail outline of the latest in ground-breaking technologies

ADVERTISING/MARKETING

Product: AOL, the international digital-media conglomerate
Need to know because its portfolio of website properties was ranked as having the most viewed video advertisements for the first time ever during the month of September. Research group comScore reported that AOL's websites (from the AOL web portal to the tech blog networks TechCrunch and Engadget) reported 3.7 billion video-ad impressions during that month. Google, normally No. 1, dropped to second place with 3.2 billion followed by US video-ad network Brightroll (2.8 billion).
Creative function: Since acquiring and merging with blog network The Huffington Post in 2011, AOL has provided a platform for numerous ad-funded digitally delivered news and information services
Creative target: Content creators
Company: AOL Inc, based in New York City, US
Key executive/s: Chairman/CEO Tim Armstrong;
Investors/Owners: New York Stock Exchange-listed
Distribution platform: online; mobile apps
Launched: 1983
URL: www.corp.aol.com
 ###

Product: Digital Generation Inc (DGIT), online and TV ad-management and distribution service provider
Need to know because DGIT has sold its TV-advertising distribution and production business to Extreme Reach, which delivers video ads to traditional TV and digital channels, as part of a package worth US\$485m in cash. The deal is scheduled to be completed early next year.
Creative function: Deliver and measure the same 30-second TV commercial to online, and mobile channels effectively
Creative target: Content distributors; content owners; advertisers

Company: Extreme Reach, based in Needham, Massachusetts, US
Key executive/s: Extreme Reach co-founder/CEO John Roland
Investors/Owners: Extreme Reach management; Spectrum Equity
Distribution platform: TV; online; mobile
Launched: 2008
URL: www.extimereach.com
 ###

Product: Groupon Partner Network, proprietary marketing platform for affiliates of e-commerce networks
Need to know because its launch confirms Groupon, the daily-deals group that gives users access to digital-coupon discounts local and national retailers, remains a major force in the e-commerce space. Groupon has been by negative media coverage after poor fiscal results, the loss of its CEO and collapse of its shares' value in the past 12 months.
Creative function: e-commerce; e-marketing
Creative target: online and mobile stores
Company: Groupon, based in Chicago, US
Key executive/s: Chairman Ted Leonsis; co-founder/CEO Eric Lefkofsky
Investors/Owners: NASDAQ-listed
Distribution platform: online; mobile apps
Launched: 2008
URL: www.GrouponWorks.com
 ###

Product: MoPub, a leading ad exchange for mobile publishers
Need to know because the start-up was snapped up by micro-blogging giant Twitter for US\$350m in September. Twitter is scheduled to float on the New York Stock Exchange later this year, and this acquisition is expected to spur its ambitions for a major share of the international mobile-advertising business (see this issue of TechMutiny's News Analysis section).
Creative function: Enabling advertisers to reach and hit the right mobile consumer
Creative target: Ad agencies creating content, buying and selling space for the mobile screen
Company: MoPub, headquartered in San Francisco, US
Key executive/s: Co-founder/CEO Jim Payne; co-founder/CTO Nafis Jamal
Investors/Owners: Twitter

DISRUPTION DIRECTORY

Distribution platform: social media; online

Launched: 2010

URL: www.mopub.com

###

ARCHITECTURE/DESIGN

Product: **Leap Motion**, a motion-sensing technology
Need to know because Elon Musk, billionaire inventor and co-founder of PayPal and Tesla Motors electric cars, and founder of SpaceX, has developed a SpaceX software that combines Leap Motion and CAD (computer-aided design) systems to allow designers to use only their hands to control or change 3D shapes on computer screens. The Leap Motion element effectively helps combine wireframe modeling, virtual reality, 3D printing, and motion capture. Designers can view, re-shape or modify the design for an engineering tool or device by molding the image the way they would sculpt clay with hands.

Creative function: Interactive digital design

Creative target: Technology and engineering designers

Company: SpaceX, based in Hawthorne, California, US

Key executive/s: CEO/CTO Elon Musk

Investors/Owners: SpaceX

Distribution platform: proprietary network

Launched: 2010

URL: www.leapmotion.com

###

BOOKS/PRINT MEDIA

Product: **Wordery**, a global online bookstore
Need to know because after trading only as a business-to-business venture serving third-party book retailers, including Amazon.com, Wordery has relaunched itself as the world's first truly independent international direct-to-consumer online bookstore as well; it is currently in more than 100 countries; it is joint venture of Bertram Books and former Book Depository executive Will Jones

Creative function: online book retail

Creative target: book publishers; authors; readers

Company: Wordery, based in Pirbright, Surrey, UK

Key executive/s: Wordery managing director Will Jones; Bertram Books managing director Graeme Underhill

Investors/Owners: Bertram Books; Will Jones

Distribution platform: online

Launched: 2012

URL: www.wordery.com

###

FASHION

Product: **Hyetis Crossbow**, a limited-edition luxury smart watch
Need to know because only 500 are being made in time for Christmas this December; at US\$1,200, it will be the most expensive smart to go to market and orders had to be in place by August.

Creative function: the pre-installed 41 megapixel camera should appeal to affluent photographers; also has traditional mechanical movements that accompanies the Wi-Fi, Bluetooth and GPS features; the manufacturers are using the website to invite developers to create dedicated apps

Creative target: wealthy early adopters

Company: Hyetis, based in Geneva, Switzerland

Key executive/s: Designer Arny Kapshitzer

Investors/Owners: Hyetis

Distribution platform: online; mobile network; wristwatch

Launched: 2013

URL: www.hyetis.com

###

Product: **Joor**, online fashion wholesale marketplace
Need to know because it recently raised US\$15m in a Series B round of funding led by Canaan Partners and Advance Publications. Its ambitions are to build up a venture that brings together designer labels and retailers that might be interested in taking orders for fashion items online. It currently has offices in the US and Italy. It is seeking further expansion in Europe, Asia and Brazil. It currently hosts 40,000 retailers, including US department stores Barneys and Bloomingdale's, and high-end fashion brands like Chloe and Alexander McQueen.

Creative function: fashion designers seeking retail outlets

Creative target: fashion retailers and designers

Company: Joor, based in New York, with offices in Los Angeles and Milan

Key executive/s: Founder/CEO Mona Bijoor

Company: Joor, based in New York, with offices in Los Angeles and Milan

DISRUPTION DIRECTORY

Key executive/s: Founder/CEO Mona Bijoor

Investors/Owners: includes Canaan Partners; Advance Publications; Landis Capital; Lerer Ventures; Great Oaks Venture Capital

Distribution platform: online

Launched: 2010

URL: www.jooraccess.com

###

Product: JustFab, the subscription-funded ladies shoes' e-commerce site

Need to know because the company raised another US\$40m in a Series C round of funding in September, taking total financing to almost US\$150m. The new round of funds was led by Hong Kong-based Shining Capital. The funds will be used to expand into Europe and target new acquisitions to join recent purchases, which include FabKids, ShoeDazzle, and The Fab Shoes.

Creative function: e-commerce

Creative target: fashion designers; designer labels; fashionistas

Company: JustFab, based in Los Angeles, US

Key executive/s: President/creative director Kimora Lee Simmons; co-CEO Adam Goldberg

Investors/Owners: Shining Capital; Intelligent Beauty; Matrix Partners; Technology Crossover Ventures; Rho Ventures

Distribution platform: online; mobile app in the pipeline

Launched: 2010

URL: www.justfab.com

###

Product: Samsung Galaxy Gear, a computerized smart watch

Need to know because the hybrid mobile phone/wristwatch is one of the few wearable technologies everyone has been talking about to go mass market; designed to look like a wristwatch, it is synchronized with Samsung Galaxy Note 3, one of the large-sized mobile phones (or phablet smartphones) made by the Korean electronics giant.

Creative function: voice-activated device, hands-free and touch-screen controls; notifies user of phone messages, and shows the message immediately; takes quick photos; shares photos, videos, music and documents with friends; takes voice messages; features a pedometer and a weather app; you can listen to songs installed on your phone

Creative target: consumers; content rights owners

Company: Samsung, based in Seoul, South Korea

Key executive/s: Samsung's head of think tank/director of research Pranav Mistry

Investors/Owners: Samsung

Distribution platform: online; mobile network

Launched: 2013

URL: www.samsung.com

###

Product: Stitch Fix, an online personal shopping service

Need to know because US venture-capital firm Benchmark has led a US\$12m Series B investment in the start-up, which will use the funds to expand the service that makes the normally exclusive nature of personal-stylist services more accessible to consumers. The company has more than 50,000 customers on its books.

Creative function: fashion design; e-retail

Creative target: fashion designer; fashion brands

Company: Stitch Fix, based in San Francisco, US

Key executive/s: Founder/CEO Katrina Lake; chief merchandising officer Lisa Bougie; vice president of styling Meredith Dunn

Investors/Owners: Benchmark; Western Investment Technology; Baseline Ventures; Lightspeed Venture Partners

Distribution platform: online

Launched: 2011

URL: www.stitchfix.com

###

Product: Wool and the Gang, maker of eco-friendly hand-made woolen garments

Need to know because it snatched US\$2.8m in finance led by Wellington Partners and Index Ventures; instead of using factories, the company employs a network of individual knitters in different countries, who are supplied with the raw materials and tools. The funds will be used for international growth.

Creative function: creating original fashionwear

Creative target: fashion designers; knitters

Company: Wool and the Gang, based in Dalston, London, UK

Key executive/s: CEO Lisa Rodwell; co-founders/creative directors Aurelie Popper and Jade Harwood

Investors/Owners: Wellington Partners; Index Ventures; MMC Ventures

Distribution platform: online

Launched: 2008

URL: www.woolandthegang.com

###

DISRUPTION DIRECTORY

FILM/VIDEO

Product: **AMC Entertainment**, North America's second biggest cinema chain

Need to know because the company that trades as AMC Theaters has filed to float on the New York Stock Exchange to raise up to US\$400m. It will be AMC's third attempt to list on the stock exchange. It hopes to use the funds raised to reinvest in the company. When its 343 theaters are combined with those belonging to Chinese parent company Dalian Wanda Group, AMC will be part of the world's largest cinema chain.

Creative function: Cinema entertainment

Creative target: Film distributors

Company: AMC Entertainment, based in Leawood, Kansas, US

Key executive/s: Dalian Wanda Group's chairman Wang Jianlin

Investors/Owners: Dalian Wanda Group

Distribution platform: cinema theaters

Launched: 1920

URL: www.wanda-group.com

###

Product: **CinemaxX**, German cinema multiplex group

Need to know because it is now 100% owned by UK cinema group Vue Entertainment after it acquired the remaining 2.5% it did not own. The biggest chunk bought by Vue was the 84.6% stake acquired for €147m in 2012. The latest deal expands Vue's pan-European reach with 119 cinema theaters in total. Vue itself was bought by Canada-based Alberta Investment Management Corporation, and OMERS Private Equity for £935m from private-equity group Doughty Hanson.

Creative function: Movies distribution

Creative target: Film producers and distributors

Company: CinemaxX, based in Hamburg, Germany

Key executive/s: CinemaxX CEO Christian Gisy

Investors/Owners: Vue Entertainment

Distribution platform: cinema theaters

Launched: 1998

URL: www.cinemaxx.de

###

Product: **FilmTrack**, film and TV content rights-management company

Need to know because it was gifted with a US\$20m private-equity investment in August. The funding was led by Insight Venture Partners. The funds will be used for international expansion, a move that makes copyright management a more complex activity

Creative function: Copyright management

Creative target: Film, TV and video rights owners; production studios; TV broadcasters; digital-platform operators

Company: FilmTrack Inc, based in Studio City, California, US

Key executive/s: Co-founder/CEO Jason Kassin; co-founder/president Stephen Kassin

Investors/Owners: Founders; Insight Venture Partners

Distribution platform: the cloud; proprietary software

Launched: 1990s

URL: www.filmtrack.net

###

Product: **Matcha.tv**, a second-screen TV/video viewing-guide app

Need to know because it is now a subsidiary of Apple Inc, which agreed to acquire the company for an undisclosed sum in August. Media reports indicate Apple paid more than US\$1m for the firm. The acquisition is intriguing, however, because Matcha.tv had shuttered in May. Could the acquisition signal the confirmation of long-running rumor that Apple plans to enter the streaming-TV space?

Creative function: TV networks' program guides

Creative target: TV networks; content distributors

Company: Matcha.tv, based in

Key executive/s: Matcha.tv CEO Guy Piekarz

Investors/Owners: Apple Inc

Distribution platform: online

Launched: 2011

URL: www.apple.com

###

Product: **Viki**, the multi-platform film/TV/video streaming service specializing in foreign films

Need to know because Japan's biggest e-commerce operator Rakuten has agreed to take over Viki for US\$200m. Previous investors included Horowitz Andreessen, The Raine Group, Greylock Partners and BBC Worldwide (the commercial arm of the UK public broadcaster. Viki's unique selling point is that it invites its own viewers to offer the sub-titles

DISRUPTION DIRECTORY

to its library of foreign movies and TV programs. To date, the dialogs have been translated into 150-plus languages and the service has viewers in 50 countries.

Creative function: TV and movie production and marketing

Creative target: TV and film producers; video rights owners

Company: Viki, based in San Francisco with offices in Seoul and Singapore

Key executive/s: Rakuten CEO Hiroshi Mikitani; Viki CEO Razmig Hovaghimian

Investors/Owners: Rakuten

Distribution platform: online; mobile network; smart TV; set-top-box

Launched: 2010

URL: www.viki.com

###

GAMES

Product: AppLift, mobile games digital-marketing platform

Need to know because European venture-capital firm Prime Ventures has agreed to invest US\$7m in the social-marketing platform that helps games publishers introduce a potential global audience to their new releases. The US\$7m follows the US\$13m Prime Ventures delivered to AppLift earlier this year.

Creative function: marketing games brands

Creative target: digital games publishers and distributors

Company: AppLift, based in Berlin, Germany, with offices in San Francisco, Paris and Seoul

Key executive/s: AppLift managing director/COO Hendrik Harren; AppLift managing director Asia Stephen Chung; HitFox Group CEO/co-founder Jan Beckers

Investors/Owners: HitFox Group; Prime Ventures

Distribution platform: mobile networks; apps

Launched: 2011

URL: www.hitfoxgroup.com

###

Product: Avatar Treasures of Pandora, a movie-themed 3D casino slot machine

Need to know because slot-machine maker International Game Technology has joined forces with 20th Century Fox Consumer Products (the merchandise arm of the Hollywood studio) to produce

gambling machines designed with the theme of Avatar, the pioneering blockbuster 3D movie that got producer/director James Cameron a pile of Oscar nominations and awards. Scheduled to launch in 2014, Avatar machine features a large 42-inch screen that will screen 3D images, animation and video clips from the film. Alternative screen sizes include 70-inch and 103-inch.

Creative function: brand licensing

Creative target: Games developers; entertainment-brand owners

Company: International Game Technology (IGT), based in Las Vegas, US

Key executive/s: IGT CEO Patti Hart; chief creative officer Darrell Rodriguez

Investors/Owners: Quoted on the New York Stock Exchange and S&P 500

Distribution platform: Slot machines

Launched: 1981

URL: www.igt.com

###

Product: E-Home Entertainment Development, a new games-development venture

Need to know because it is a joint venture between US software giant Microsoft and China-based BesTV New Media Company (a subsidiary of giant media conglomerate Shanghai Media Group). BesTV New Media and Microsoft are committing US\$237m together. Analysts have concluded that the move aims to have E-Home ready to capitalize on the predicted boom in business when the Chinese government removes the current ban of video consoles in the country.

Creative function: Games development and publishing

Creative target: Games developers and distributors

Company: BesTV New Media Company Ltd, based in Shanghai, China

Key executive/s: BesTV will appoint the chairman; Microsoft will appoint the CEO

Investors/Owners: BesTV New Media Company; Microsoft

Distribution platform: Games consoles; online

Launched: 2013

URL: www.bestv.com.cn

###

LIVE ENTERTAINMENT

Product: King.com, mobile-games publisher

Need to know because the UK-based King.com has applied to the US' Securities and Exchange Commission to file for a stock-exchange flotation in the US. It is reportedly using the US' Jumpstart our Business Startups Act, the legislation designed to encourage investors to work with start-ups. King.com's portfolio includes 150 games in 14 languages, which are played more than 30 billion times monthly.

Creative function: games development

Creative target: Investors

Company: King, based in London with offices in San Francisco, Hamburg, Stockholm, Malmo, Barcelona, Malta, Bucharest

Key executive/s: co-founder/CEO Riccardo Zacconi; co-founder Thomas Hartwig; co-founder/managing director Lars Markgren

Investors/Owners: Apax Partners; Index Ventures

Distribution platform: online; mobile networks; social media

Launched: 2003

URL: www.king.com

###

Product: Overwolf, social-games designer and software developer

Need to know because the start-up collected US\$5.3m in cash from angel investors, including former Vivendi Games and Activision senior executive Bruce Hack. The proceeds will be used to create a service that provides hardcore games players with the means to create and integrate their own (user-generated) game functions and virtual goods.

Creative function: user-generated content

Creative target: players

Company: Overwolf, based in Tel Aviv, Israel

Key executive/s: Overwolf CEO/co-founder Uri Marchand

Investors/Owners: Angels; founders

Distribution platform: proprietary software client

Launched: 2009

URL: www.overwolf.com

###

Product: Virtual Greats, developer of digital avatars licensed from major-brand owners

Need to know because it was bought in September by digital marketplace operator IconicFuture for an undisclosed sum. Virtual Greats has a library packed with virtual products based on famous brands, from US rap artist Snoop Dogg (aka Snoop

Lion to Hollywood studios; IconicFuture then sells them to games developers or animation producers who might want to include the avatar images of the rich and famous in their content.

Creative function: creating original content with virtual branded products

Creative target: brand owners; marketing agencies

Company: Iconicfuture, based in Hamburg, Germany

Key executive/s: Iconicfuture CEO Ze'ev Rozov; Iconicfuture managing director Christian Weddigen; Virtual Greats CEO Dan Jansen

Investors/Owners: Iconicfuture management; Creathor Venture Management

Distribution platform: sss

Launched: 2011

URL: www.iconicfuture.com

###

MUSIC

Product: Beats By Dr Dre, maker of high-end head phones and audio equipment

Need to know because investment giant The Carlyle Group has stepped in to acquire a minority stake in the now iconic company co-founded by recorded-music impresario Jimmy Iovine and legendary producer Dr Dre for an undisclosed amount. The Carlyle Group will be replacing previous investor HTC, the Chinese mobile-devices manufacturer, which paid US\$300m for a 50.1% stake in 2011.

Creative function: Musical recordings

Creative target: Recording studios; music fans; artists

Company: Beats Electronics, based in Santa Monica, US

Key executive/s: Co-founder/CEO Jimmy Iovine; COO Luke Wood; co-founder Dr Dre

Investors/Owners: Founders; The Carlyle Group

Distribution platform:

Launched: 2008

URL: www.beatsbydre.com

###

Product: iTunes Radio, free advertising-funded Internet radio network

Need to know because it launched in September after a very long period of watching the music industry ask whether Apple, pioneer of digital-music players like the iPhone, iPod and iPad and the iTunes music store, will introduce its own music-streaming service to compete against Pandora, Spotify, Deezer, Rdio and their ilk.

DISRUPTION DIRECTORY

Creative function: digital-music distribution

Creative target: artists, labels, music-rights owners

Company: Apple Inc, based in Cupertino, California, US

Key executive/s: Apple's senior vice president of Internet software and services Eddy Cue

Investors/Owners: Apple Inc

Distribution platform: sss

Launched: 2013

URL: www.apple.com

###

Product: **Napster**, the music-streaming platform

Need to know because via its current owner Rhapsody International, Napster is expanding its reach from the US into Latin America. Telefonica Digital, part of the Spanish telecoms giant, will replace its Sonora digital-music service with Napster from 1 November. Sonora is currently distributed by Telefonica subsidiary Terra in Mexico, Argentina, Peru, Brazil, Chile and Colombia. As Telefonica has 200 million subscribers in Latin America, growth opportunities exist there for Napster. Napster recently widened its reach in Europe, while Rhapsody has Columbus Nova Technology Partners as a new investor.

Creative function: Digital-music distribution and marketing

Creative target: artists; music labels; music-rights owners

Company: Rhapsody International, based in Seattle, US

Key executive/s: Rhapsody senior vice president/global head of product Paul Springer; Telefonica Digital CEO of new business ventures Stephen Shurrock

Investors/Owners: Rhapsody International

Distribution platform: Internet; mobile networks; apps

Launched: 2001

URL: www.rhapsody.com

###

Product: **Playlister**, digital-music discovery service based on radio listeners' playlists

Need to know because the beta version was launched in October by UK public broadcaster BBC, which has already had massive success with its catch-up TV platform iPlayer. It enables music fans to tag any music they hear on the BBC

station, add to a personal playlist and listen to at their own leisure after. The move gives the BBC, known by several generations of British consumers for championing artists, an opportunity to enter the popular music-streaming space. It also means its radio stations' output has opportunity to reach wider audience in fragmented digital-media space.

Creative function: music streaming; music discovery

Creative target: music fans; record labels; music marketers

Company: BBC, the UK public-service broadcaster

Key executive/s: BBC controller for multi-platform radio and music

Investors/Owners: BBC

Distribution platform: online

Launched: October 2013

URL: www.bbc.co.uk

###

Product: **Rdio**, subscription-funded music-streaming service

Need to know because Rdio has formed a partnership with Cumulus Media, the US network of 525 broadcast-radio stations which already operates streaming services for third-party radio services. The agreement includes Cumulus investing in Rdio's parent company Pulser Media. The cross-platform merger will increase both parties' audience reach, making them more attractive to advertisers. Rdio boosts its brand profile in the US among Cumulus listeners and gains access to Cumulus' content.

Creative function: Online and offline radio distribution

Creative target: artists; labels; music-rights owners

Company: Pulser Media, based in San Francisco, US

Key executive/s: Rdio CEO Drew Lerner

Investors/Owners: Rdio co-founders Adam Carter; Niklas Zennstrom; Janus Friis

Distribution platform: Online, mobile, offline, broadcast airwaves

Launched: 2010

URL: www.rdio.com

###

Product: **Songza**, a music-streaming platform and recommendation engine

Need to know because the venture has secured US\$4.7m from investors that include Amazon.com, Deep Fork Capital, Lerer Ventures, Metamorphic Ventures, and William Morris Endeavor. The cash will be used to boost resources for selling advertising. The service is currently restricted to North America where it is

DISRUPTION DIRECTORY

competing against Pandora and iTunes Radio.

Creative function: Music distribution and marketing

Creative target: Music-rights owners; labels; artists

Company: Songza, based in Long Island City, New York, US

Key executive/s: CEO Elias Roman

Investors/Owners: The original founders of Amie Street, which was later sold to Amazon.com and since been shut down.

Distribution platform: online; mobile apps

Launched: 2008

URL: www.songza.com

###

Product: **SourceAudio**, an online music-licensing service provider

Need to know because it clinched seed funding worth US\$1.2m from Emerson Investment Group in September to develop and grow its online marketplace, where music rights owners can sell their works to media companies requiring music.

Creative function: Music licensing

Creative target: Music publishers, rights owners, composers, recording artists; labels

Key executive/s: Co-founder/CEO Geoffrey Grotz; co-founder vice president of tech Ryan Cramer; co-founder/vice president of sales & business development Dan Korobkin

Investors/Owners: Founders; Emerson Investment Group

Distribution platform: Proprietary cloud platform

Launched: 2007

URL: www.sourceaudio.com

###

Product: **Udiscover Spotify**, the mobile for curating and discovering music on Spotify

Need to know because its launch in September enhances the service available with Udiscover, international music-curation and discovery digital service created by multinational music company Universal Music Group (UMG). Udiscover was set up to develop initiatives that help music fans discover music recorded by UMG labels. The new Spotify app will enable fans to build personalized playlists from UMG's enormous archive of musical recordings.

Creative function: Playlists curation; music discovery

Creative target: Universal Music labels and artists

Company: Universal Music Group, based in Santa Monica, California, US

Key executive/s: Head of digital for Universal Strategic Marketing

Geoff Smith

Investors/Owners: Universal Music Group

Distribution platform: mobile app

Launched: 2013

URL: www.udiscovermusic.com

###

PHOTOGRAPHY/ART

Product: **Tapastreet**, photo and video discovery app

Need to know because investors have committed €300,000 into the start-up that uses geo-location technology to help multi-media producers using social-media to access a growing archive of photos and video clips supplied via crowdsourcing worldwide.

Creative function: Multi-media content production; social-media content

Creative target: Multi-media content producers

Company: Tapastreet, based in Dublin, Ireland

Key executive/s: CEO Joseph Mitchell; COO Dave Johnson; chief marketing officer Kathryn Tunney

Investors/Owners: Founders; Enterprise Ireland; Kernel Capital

Distribution platform: iOS and Android apps

Launched: 2012

URL: www.tapastreet.com

###

Product: **ReadyMade**, the first Tumblr section dedicated to the art world, galleries and museums

Need to know because until now, art galleries and museums had shunned Tumblr because of the amateurish look of the images hosted on the website. With ReadyMade, the social-media website has been customized to meet the needs of professional and commercial arts organizations and ventures.

Creative function: fine-art marketing and monetization

Creative target: art lovers; galleries; museums; art fairs

Company: Pixel Union, based in Victoria, British Columbia, Canada

Key executive/s: Pixel Union creative director Liam Sarsfield;

Tumblr art evangelist Annie Werner; Fitz & Co media strategist Susi Kenna

Investors/Owners: Pixel Union; Fitz & Co

Distribution platform: online; mobile

Launched: 2013

URL: www.pixelunion.net

###

DISRUPTION DIRECTORY

Product: **Amazon Art**, an online art marketplace

Need to know because the world's biggest online store Amazon.com has launched its own web gallery. Launched in August, Amazon Art has had interests from more than 1,000 galleries globally; 40,000 works of art, including some by Andy Warhol, Claude Money, and iconic 20th-century illustrator Norman Rockwell, have been listed.

Creative function: fine-art retail

Creative target: artists; art dealers; fine art experts

Company: Amazon.com, based in Seattle, US

Key executive/s: CEO Jeff Bezos

Investors/Owners: Amazon.com

Distribution platform: online

Launched: 2013

URL: www.amazon.com/art

###

SOCIAL MEDIA/INTERNET

Product: **Cocaine**, a free and open-source mobile app engine

Need to know because it has been launched in October by Yandex, Russia's largest search engine and Google's biggest rival in that market. Industry observers says Cocaine, which provides developers with a dedicated platform for building and hosting their apps, is set to become Google App Engine's main competitor too. Cocaine is accessible on www.github.com.

Creative function: Platform for developing mobile apps

Creative target: app developers

Company: Yandex, based in Moscow, Russia

Key executive/s: not applicable

Investors/Owners: Yandex

Distribution platform: the cloud

Launched: 2013

URL: <http://api.yandex.com/cocaine/>

###

Product: **Onavo**, a mobile-analytics apps developer

Need to know because it is now a subsidiary of Facebook.

The social-media giant, under pressure to come up with more effective mobile-distribution strategies, reportedly paid US\$150m-US\$200m for Onavo. The acquisition also gives Facebook its first subsidiary with a research-and-development center in Israel.

Creative target: Website owners; mobile networks; app developers

Creative function: tracking and measuring Internet use on mobile devices

Company: Onavo, based in Tel Aviv, Israel; and Palo Alto, California, US

Key executive/s: CEO/co-founder Guy Rosen; co-founder/CTO Roi Tiger

Investors/Owners: Facebook

Distribution platform: mobile apps

Launched: 2010

URL: www.onavo.com

###

Product: **Trendrr**, a social-TV tracking service

Need to know because it is now a subsidiary of Twitter, which has been investing its time and money to position itself as a viable media platform for TV advertisers. Twitter, which is scheduled to launch on the New York Stock Exchange later this year, is keen to boost its revenue source by appealing to TV advertisers. Video clips of TV shows featured on Twitter or tweeted by fans can be advertising-supported. With Trendrr, Twitter hopes to measure how its users are interacting with the TV content for advertisers.

Creative function: Measuring second-screen activity via mobile devices and connected-TV sets

Creative target: TV advertisers; ad agencies; broadcasters

Company: Trendrr, based in New York, US

Key executive/s:

Investors/Owners: Twitter

Distribution platform: proprietary network

Launched: 2007

URL: www.trendrr.tv

###

TELEVISION

Product: **GetGlue**, the social-TV and second-screen service provider

Need to know because it has joined forces with Mass Relevance, to deliver content via Mass Relevance's platform. Technically, Mass Relevance's more than 300 clients can access the social-chat and sharing that takes place around entertainment, movies and sports on TV by GetGlue's 4 million-plus subscribers. GetGlue's users can receive discount coupons plus other online rewards for checking in to discuss their favorite TV shows. More than 75 North American TV networks and 10 movie studios use the platform to promote their shows and programs.

Creative function: TV-content marketing

Creative target: TV networks and broadcasters; movie production houses

DISRUPTION DIRECTORY

Company: GetGlue, based in New York City, US

Key executive/s: Founder Alex Iskold

Investors/Owners: Founders; Time Warner Investments; Union Square Ventures; RRE Ventures; Angels, among others

Distribution platform: online; mobile

Launched: 2010

URL: www.getglue.com

###

Product: Skype, the freemium voice-over-Internet-protocol service (VOIP)

Need to know because the international service, which includes the ability to make free long-distance video telephone calls via a PC, is reported to be developing 3D video calls.

Creative function: communications

Creative target: consumers; office workers;

Company: Skype, based in Luxembourg

Key executive/s: Microsoft corporate vice president for Skype Mark Gillett

Investors/Owners: Microsoft

Distribution platform: VOIP

Launched: 2003

URL: www.skype.com

###

Product: TLC iQIYI TV+, an Android-powered smart-TV device

Need to know because TV+ signals the ambitions of Baidu, the NASDAQ-quoted Chinese Internet service provider, web portal and search-engine giant, to enter the emerging connected-TV space and become China's largest online video provider. The sets will be manufactured by electronics-goods maker TCL Multimedia Technology Holdings. The move is part of Baidu's plans to be a major player in online video-content distribution. Baidu recently bought the peer-to-peer online-video service PPStream for US\$370m, which it plans to distribute via iQiyi, its own online-video platform. iQiyi and PPStream will be integrated into TV+.

Creative function: online-video production and distribution

Creative target: Video producers; video rights owners

Company: Baidu, based in Beijing, China

Key executive/s: Baidu CEO Robin Li; iQiyi CEO Gong Yu

Investors/Owners: Baidu

Distribution platform: online; set-top-box

Launched: 2013

URL: <http://ir.baidu.com>

###

EXTRA

Product: Braintree, the online-payment and credit-card processing portal

Need to know because it has been acquired by giant rival PayPal for US\$800m in cash. The finance will be used for global expansion and the opportunity to make use of PayPal's larger resources. The takeover bid was accepted in September and the sale completed is expected before this year ends.

Creative function: online commercial transactions

Creative target: e-commerce merchants; online vendors

Company: Braintree, based in Chicago, US, with offices in Palo Alto, San Francisco and New York

Key executive/s: Braintree CEO Bill Ready; COO Amit Jhawar

Investors/Owners: PayPal (a subsidiary of eBay Inc)

Distribution platform: online; mobile

Launched: 2007

URL: www.braintreepayments.com

###

Product: Hyperloop, futuristic supersonic transport system

Need to know because the train-like transport service that will travel at the record speed of 760 miles per hour is being proposed by billionaire inventor Elon Musk. This means passengers will be able to travel the 400 miles from Los Angeles to San Francisco in 35 minutes. Currently, the concept is only a theory which Musk hope will attract the attention of private investors to become a reality. The estimated cost is between US\$6bn-US\$7.5bn.

Creative function: consumer transport

Creative target: commuters traveling between San Francisco and Los Angeles

Company: Elon Musk, owner of electric cars makers Tesla Motors, based in Palo Alto, California, US

Key executive/s: Tesla Motors co-founder Elon Musk

Investors/Owners: not applicable

Distribution platform: solar-powered capsule traveling via a steel tube built over-ground or underground.

Launched: Alpha-design in a white paper published in August

URL: www.teslamotors.com

###

N

umbers that count

The statistics illustrating technology's influence on media and entertainment's evolution

The battle for the UK teens' attention: Music wins their hearts and minds

UK digital-media research company AudienceNet has some good news for record labels.

Despite the massive fragmentation of today's media landscape by digital technology, online music has captured the attention of most of the next generation of music fans.

Digital music is competing against streaming movies, TV shows, console and online video games, plus social media for the minds of the fickle youth of today.

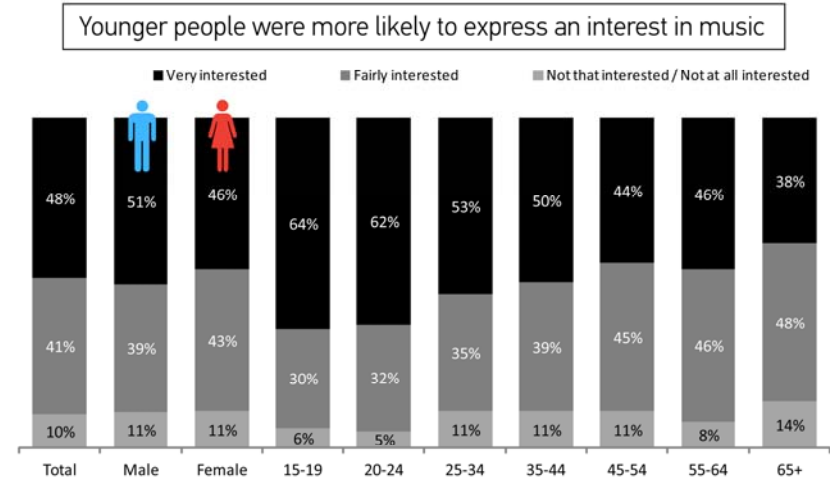
Yet, but the March 2013 snapshot survey for AudienceNet's UK Audio Consumption report concludes that most Internet-connected 15 to 19-year-olds in the country love their music.

About 64% of them said they were very interested in music, and the same went for 62% of 20 to 24-year-olds. Only between 5% and 6% of both groups respectively did not seem to give a damn about music. (IMAGE 1)

"Despite a decline in interest, amongst teenagers, in traditional radio relative to online audio consumption, they remain extremely engaged with music, per se with their general level of interest eclipsing that of any other demographic," says David Lewis, AudienceNet's managing director. "Just 3% of UK teenagers counted the traditional radio as their preferred device when it came to consuming audio."

IMAGE 1

Interest in Music (UK Online Population)

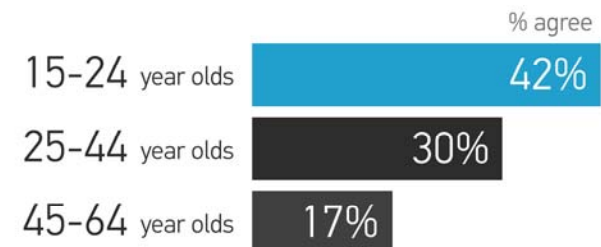


AudienceNet

IMAGE 2

The Need To Own Music (UK Online Population)

"If I can obtain my favourite music via streaming services, I do not need to own it"



The report also indicates a large section of Britain's young music fans believed there is no need to own music as the popularity of streaming-music services and live concerts continues to grow, according to the AudienceNet figures.

They show that 42% of 15 to 24-year-old Internet-connected Brits believed they don't need to own their music in the form of digital downloads or physical record collections. This compares to 30% of 25 to 44-year-olds, who felt the same way. **(IMAGE 2)**

And only 17% among 45 to 64-year-olds, the older generation that grew up boasting to friends and colleagues about their personal libraries of CDs and vinyl records, felt they do not need to own the music they listen to.

Equally important to today's young consumers in the UK are live concerts. The study shows that 63% of 15 to 19-year-olds are very interested in seeing live shows. The share of concert-loving fans rose to 68% among 20 to 24-year-olds. **(IMAGE 3)**

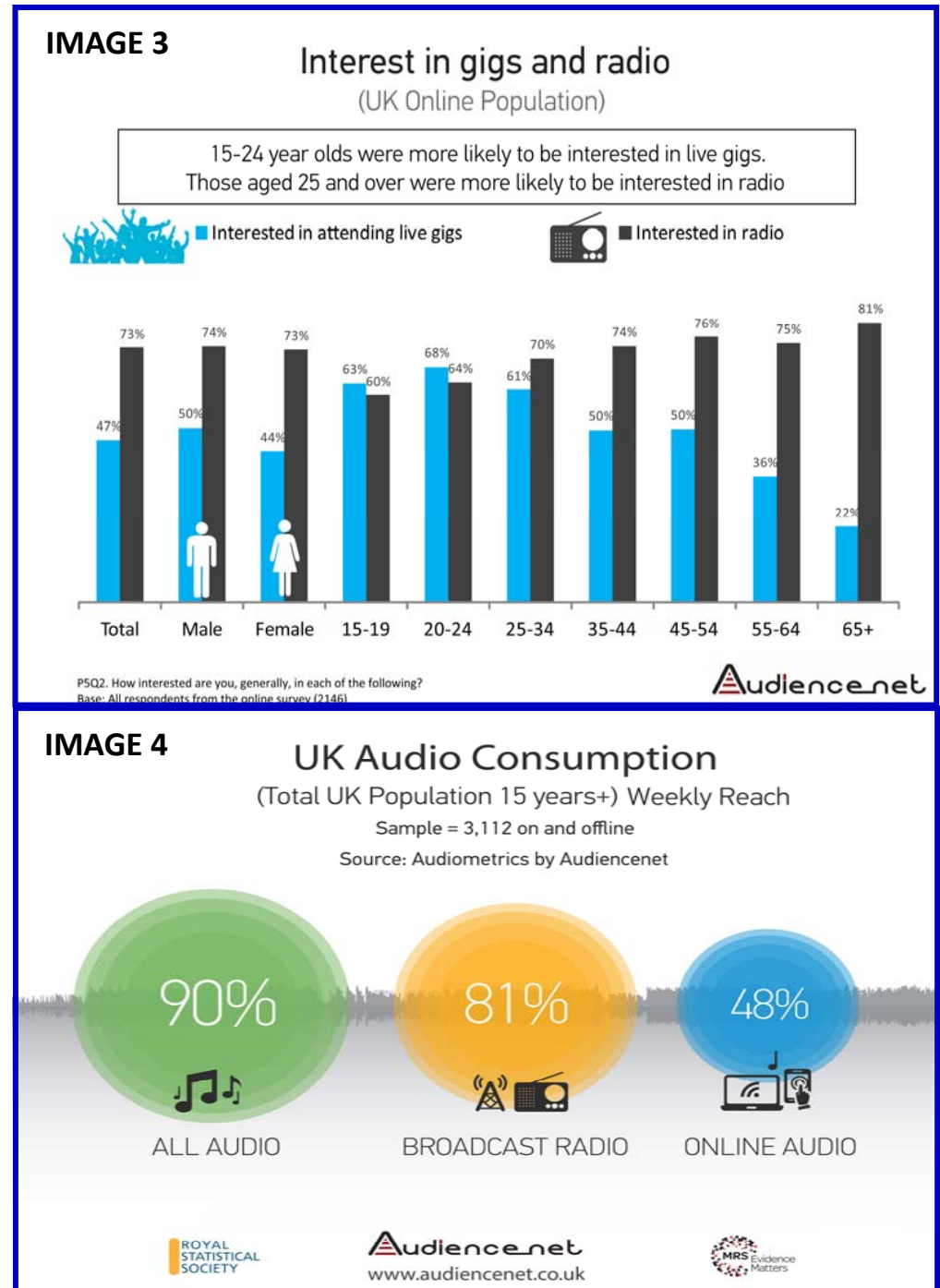
The study is based on interviews with 3,112 consumers representing the total UK population (15 years old-plus), and 2,146 Internet subscribers weighted to represent the UK's online population.

It also noted that at least 90% of the total population listened to some kind of audio media, including broadcast radio, audiobooks and podcasts, every week. **(IMAGE 4)**

Although 25% of the total population listened to audio content via their mobile handsets, including smartphones, 56% of them said they still owned a traditional radio receiver.

Among 15 to 24-year-olds in the whole UK, the proportion listening to content on mobile handsets jumped to 51%. But no teenager appeared to be listening to CDs at all.

###



Why Are Music Streaming Services Ignoring Google?

By Marcus Taylor, Venture Harbour, the international digital music and marketing agency (www.ventureharbour.com)

For years, it's puzzled me why the major music streaming services, such as Rdio, Spotify, and Deezer, have ignored Google as a source of potential users. Each month, there are approximately 25,000,000 music download related searches made in Google, and yet all of the major streaming services either gate their content off from being found in search engines, or make it incredibly hard for Google to index and rank it.

To the right are some popular music related search terms, along with how many times they're searched for per month in Google.

It's [reported](#) that Spotify have 24m active users. That's less than the total number of searches Google receive for "music download" queries in one month. With such a high demand of people going to Google in search of music, surely this is something that streaming services should be taking seriously?

Having posed this question to some of the streaming services, their responses come down to the following:

1. Music streaming is focused on social discovery, not search discovery.
2. When their platforms were built, SEO wasn't taken into account, and now it's "too late" to change.
3. There may be potential licensing issues with indexing content in territories that the service does not own licenses for.

They were not aware of the magnitude of this opportunity.

I can agree that focusing on social discovery makes sense. But neglecting search discovery at the expense of this is, in my opinion, a huge mistake. In many cases, social discovery leads to someone *searching* for a song. Social and search should be symbiotic.

The three remaining reasons suggest a lack of insight. To say it's 'too late to change' is a poor excuse when the opportunity at stake could not only bring in millions of extra visitors, but also help to solve the issue around Google's unethical positioning of illegal download results in search results.



Source: Google Adwords Keyword Tool (phrase match global search volume)

Google's music search results are currently no man's land

This is not just a marketing opportunity for the streaming services to jump on. As Google's search results page are essentially no man's land (no major streaming service has claimed the opportunity), Google is forced to serve up the most relevant second best result, which currently looks like this:

[Alkaline Trio Mp3 Download](#)

[mp3skull.com/mp3/alkaline_trio.html](#) ▾

Alkaline Trio Mp3 Download. order by bitrate ▾. 128 kbps 5:28 5 mb. **Alkaline Trio - Alkaline Trio - Radio mp3. Download.** Play. Embed. Send Ringtone(ad).

[Alkaline Trio - Radio - MP3 Download, Play, Listen Songs - 4shared](#)

[www.4shared.com/mp3/EUzN8_G7/Alkaline_Trio_-_Radio.html](#) ▾

Alkaline Trio - Radio - download at 4shared. **Alkaline Trio - Radio** is hosted at free file sharing service 4shared. Tags: **Alkaline Trio - Radio mp3.** Mp3 Info: Title: ...

[Alkaline Trio – My Shame is True \(2013\) » download by ...](#)

[newalbumreleases.net/53723/alkaline-trio-my-shame-is-true-2013/](#) ▾

1 Apr 2013 - New Album Releases – **download** full albums, daily updates!

[Download alkaline trio Torrents - KickassTorrents](#)

[kat.ph](#) ▸ Music ▸ Mp3 ▾

Results 1 - 25 - Come and **download alkaline trio** absolutely for free.

- | | | | |
|----|--|--------|----|
| 3. | Alkaline Trio - My Shame Is True (Deluxe Edition) [ChattChitto ... | 124.66 | 20 |
| 3. | Alkaline Trio - My Shame Is True (2013) [FLAC] | 292.76 | 14 |

[Alkaline Trio - discography \(16 albums\) \(download torrent\) - TPB](#)

[thepiratebay.sx/torrent/.../Alkaline_Trio_-_discography_\(16_albums\)](#) ▾

Artist - **Alkaline Trio** Album - Various Genre - Punk Label - Epic, V2, Vagrant, Asian Man Year - 1996 - present Tracks - n/a Playtime - n/a File Type - .mp3 Size ...

[Alkaline Trio download mp3 free. Alkaline Trio - songs and albums.](#)

[mp3lemon.org/artist/18450/](#) ▾

Welcome to the section of **Alkaline Trio** music on this website mp3lemon.org. On our mp3 website you can **download** for free all **Alkaline Trio** songs and Alkaline ...

The UK government has [tried to pressure Google](#) into ranking legal download results above illegal results, but if the legal music streaming services aren't built to enable this on a technical level, how are Google supposed to list them? Well, one solution would be to build [their own platform](#), of course.

Google has made no secret of the fact that they want Google Play Music All Access (GPMMA) to appear prominently in the search results. GPMMA has marked up its song pages with [Schema.org structured data](#), which serves the purpose of making pages stand out and contain extra information in the search results. Below is an example of a GPMMA search results with structured data being shown.

Do Google really want to build a Spotify rival?

[John Mayer: Paradise Valley - Music on Google Play](#)

https://play.google.com/store/music/.../John_Mayer_Paradise_Valley?...

The excerpt from the page will show up here. The reason we can't show text from your webpage is because the text depends on the query the user types.

Track	Duration	Album
Wildfire	♫ 4:13	Paradise Valley
Dear Marie	♫ 3:42	Paradise Valley
Waitin' On The Day	♫ 4:33	Paradise Valley
Paper Doll	♫ 4:17	Paradise Valley

I don't think so. In Google revenue terms, music streaming is not a particularly profitable industry to expand into. Google's previous acquisitions include [insur-ance](#), [property](#), and [credit cards](#). All of which are enormously profitable in comparison to music. So why is Google going after music?

In my opinion, GPMMA is about improving Google Search and preparing the infrastructure for Google's future ventures in social products. Over the next few years, Google will likely be pushing Glass and Google+ harder and harder. Google already seem to be [making moves](#) to integrate music more heavily into their social products, so I suspect GPMMA has a role to play in improving these products, and reducing Google's need to rely on third parties for content sharing via their social products.

What next for the streaming services?

The opportunity is open to any one of the major streaming services right now, and I suspect that whoever takes it the most seriously will win the search land-grab over the long term.

[This article was originally published in [MediaTainment Finance](#), Issue No17 [www.mediatainmentfinance.com](#)]

S

tart-ups' Standpoint

The challenges start-ups face the moment they go public with their visions

Product/Service: Q App

Developer: Q App Mobile Ltd (London, UK)

When launched: Soft launch - March 2013
Full launch - June 2013

Targeted users/sector:

On the business side, entertainment venues where users have to queue to place an order; originally focusing on six core segments - bars/pubs; fast food outlets; coffee shops; theatres/cinemas; sports grounds; music/entertainment venues

On the consumer side, anyone attending the above venues

How will your technology change the industry you are in; what gap is it filling; what is the unique selling point? Q App removes the need for customers to queue to make an order. **For customers**, this means the convenience of not joining the scrum at the bar, then waiting 10 minutes to get served. Using Q App, they browse the menu, make and pay for the order from their phone and simply collect it from a dedicated 'fast lane' when ready, - or even have it delivered to their table/seat (where applicable). **For venues**, the benefits are both commercial and strategic. Commercially, Q App allows them to process more orders at busy times, effectively up-sell additional products and promote high-margin items. But it also provides a seamless mechanism for collecting rich customer data (who they are, how often they come in, what they buy, how much they spend) and provides a loyalty platform that drives repeat visits and purchases. **For advertisers**, it offers an extremely potent way to reach their target customers. Q App provides real-time access to users when they are at a point of purchase, enabling advertisers to influence their purchasing decision - based on time, location, gender, previous purchasing history.

How did you or the founders overcome your biggest fear when you realized the concept was becoming a business reality? As always, the key to turning a concept into a successful business starts with a detailed understanding of the

problem it is trying to solve, followed by creation of a product that delivers on this, followed by the effective execution. Each of these steps has its own risks, but having a very clear vision, assumptions and metrics mean that a lot of the guesswork is minimized. With Q App, we originally created an MVP (minimum viable product), which helped us test the key assumptions before we moved on to the next stage. Having this stage-by-stage process allowed us to be very effective with our product development and avoid going down 'blind alleys' based on gut feel. Customers often have a nasty habit of behaving in a different way to the one you expect them to. Most start-ups will need to "pivot", or change strategic direction, several times in their lifetime, so it is important to a) expect this and b) have the discipline to ensure any pivot takes the company in the right direction.

Any recent developments to announce? Q App has recently attracted a number of major venues on to their platform, including pub chains Glendola Leisure Group and ETM Group, bakery and coffee shop group Konditor & Cook, West End theatre chain Nimax Theatres, Southbank Centre in the Waterloo area in London and is in advanced discussions with several leading brands in the bar/pub, sports, theatre, coffee shop and entertainment segments. In addition, Q App has just announced closing a seed round with high-profile investors (see below), which will allow it to accelerate its aggressive expansion plans.

Current Investors:

Alex Chesterman (founder/CEO Zoopla.co.uk, co-founder LOVEFiLM)
Paul Ettinger (co-founder, Caffe Nero)
Ed Martin (co-founder, ETM Group)

URL: www.dontqapp.com

Facebook: <https://www.facebook.com/QappMobile>

Twitter: <https://twitter.com/TimBichara>

###

Product/service(s): Device Data, Framework, Mobile Analytics

Developer: 51Degrees.mobi Limited (Reading, UK)

When launched: April 2009

Targeted users/sector: Anyone with a website, large or small

How will your technology change the industry you are in; what gap is it filling; what is the unique selling point? Many of the websites we use today were created for the big screen of a laptop or desktop computer. These devices have

START-UPS' STANDPOINT

screen sizes typically in excess of 100 sq in. They use a mouse and keyboard for input and assume a high bandwidth network connection. As a result, the original page design and navigation does not translate well to the small screen, typically the 6 sq in of a mobile phone. The navigation links are too small for fingers to touch and the experience is poor. Over 22% of web traffic globally is now originating from such small screen devices. Also, these devices are powered by small batteries. Therefore, they'll shut down radios when not in use to save power. This can happen within a few seconds of data being sent or received. But it can take up to two seconds for a data connection to be established. Therefore, a web page will have only a few seconds to appear before users start to become impatient and leave the website. Additionally, mobile networks are increasingly congested and don't provide consistent and reliable bandwidth. As such, high performing websites now need to assume very little bandwidth is available to transmit content. This can often mean videos or large images must be avoided until the available bandwidth has been established. We founded 51Degrees.mobi to provide a set of tools to website owners to simplify the process of addressing the aforementioned problems cost-effectively.

How did you or the founders overcome your biggest fear when you realized the concept was becoming a business reality? Many of the tools are available under open-source licensing allowing commercial use. Open-source licensing was a significant factor in the setup of the business as investment could be delayed until the solutions had been proven and costly commercial contracts could be avoided. We were able to prove the ideas and market demand before committing entirely to it. We also gained a ready base of businesses to promote an enhanced premium product to in 2011, which provided revenue. Over 900,000 websites globally now use 51Degrees.mobi to optimize for multiple device types. The tools enable the website to understand the precise capabilities of the accessing device including screen size, available bandwidth, input methods, and supported video formats, plus many more. This information can then be used to display an optimized website. For example, 24.com, a leading African network of popular digital publishing brands and online services across the Internet, mobile applications and interactive TV, optimized content and navigation depending on the type of device accessing the websites. We now employ 10 people and are growing at an average rate of 21% per month so far in 2013. As a by-product of providing the original service, we've been able to gain fascinating insight into web usage and the types of devices being used in different countries. We provide this aggregated insight freely via our website enabling anyone to understand device trends by country and month. As multi-screen content consumption and second-screen access become more significant, advertisers, content producers and networks will need to ensure their content works on a wide range of devices.

Any recent developments to announce? In September 2013, 51Degrees.mobi added support for over 120 new web-enabled TVs to a solution that already handles games consoles, mobile phones, tablets and eReaders.

Current Investors:

Founders: James Rosewell
Ruth Rosewell
Business angel

URL: <http://51degrees.mobi>

Twitter: @51degreesmobi

###

Product/Service: Mobiloud

Developer: 50pixels (London, UK)

When launched: July 2013

Targeted users/sector: Online publishers and pro bloggers

How will your technology change the industry you are in; what gap is it filling; what is the unique selling point? Mobiloud makes publishing content-based mobile apps easy and affordable. With Mobiloud, publishers, bloggers and small businesses with a WordPress site or blog can design and build beautiful native mobile apps for their content, in five minutes, with no coding and at a fraction of the cost a developer would charge. By publishing their own branded apps, clients can offer the best mobile user experience available. They get an opportunity to get closer to their audience, bring readers back to their content more often and monetize the traffic generated. Unlike our competitors, we have based our platform on native mobile apps for both iOS and Android (and soon Windows Mobile). The choice of using native technologies instead developing hybrid apps (which are essentially a mobile site wrapped in a native container) lets our customers publish apps which are fast, smooth and easy to use, as they follow the design guidelines of each platform.

How did you or the founders overcome your biggest fear when you realized the concept was becoming a business reality? We started working on Mobiloud about a year ago, with a small number of initial customers. The feedback we received was very positive and their apps were generally successful on the App Store. Still, we feared the market was too competitive and there was no space for another mobile app builder solution. We kept developing the product on the side, unconvinced whether it had the potential to really pick up and grow big. We kept adding customers, improving the product to the point where customers can customize an application on their own, using a simple online configurator. We kept receiving very positive feedback from customers. We found the greatest advantage

START-UPS' STANDPOINT

of our solution is the focus on a specific customer, online magazines and pro blogs, and the quality of the applications we let them build. Ultimately, we figured we can stop worrying about competitors and simply focus our attention on building a high-quality solution which makes our customers happy. That simple recipe is working well for us, as the business is growing quickly.

Any recent developments to announce? We're about to extend our solution with support for Android and are working to expand the opportunities for our customers to customize their applications. After winning Techpitch 4.5 in September, we're preparing to raise a seed round of financing. We have self funded the business so far and we're close to breaking even, but we're looking for partners to help us grow faster.

Current Investors:

Co-founder: Pietro Saccomani

Co-founder: Alvise Susmel

URL: <http://www.mobiloud.com>

Twitter: @mobiloudapp

###

Promotion

JayKay Media Pix

Photography-Design Gallery @

www.jaykaymediainc.com

Jay

Kay

Media

inc

ADVERTISEMENT



The team that bring you events and networking for creative and start-up companies in tech, music and media.

www.2pears.com



Inspiring entrepreneurial ideas and insight, delivering return-on-investment, and innovation by disruptive technologies and businesses.

www.4pt5.com



Brings together tech startups, investors and entrepreneurs for an evening of business idea pitching by startups and productive feedback from experts

www.4pt5.co.uk



Series of events that bring together music tech start-ups, serial entrepreneurs, investors, artists, band managers and key industry players

www.music4point5.com

ABOUT TechMutiny (www.jaykaymediainc.com)

The quality quarterly newsletter that keeps track of technology breaking the boundaries surrounding traditional media and content platforms, and the technologists making a difference. Our **News Analysis** covers tech activities in the international media, entertainment and creative businesses. Our **Disruption Directory** lists technology products that have been announced or developed for specific creative sectors. Our **Numbers That Count** page features statistics illustrating technology's influence on media and entertainment's evolution. Our **Start-ups' Standpoint** section gives emerging technology-service providers a platform to state the differences they hope to make and the challenge of fulfilling those ambitions.

TechMutiny is a sister publication of **MediaTainment Finance** (www.mediatainmentfinance.com), the business journal that covers financial investments in the international creative, media and entertainment industries. **TechMutiny** and **MediaTainment Finance** are JayKay Media Inc publications.

TechMutiny readers:

Media, entertainment and tech decision makers seeking a snapshot of the new developments catapulting the creative businesses further into the 21st century.

Contact details for all enquiries:

Editorial Director/Publisher Juliana Koranteng

Web: www.jaykaymediainc.com

Email: jaykaymedia@btinternet.com

Twitter: @TechMutiny

LinkedIn: Juliana Koranteng

Advertising: info@jaykaymediainc.com

Reproduction in whole or part without written permission is strictly prohibited. All prices quoted in articles are correct at time of going to press, but subject to change. Currency is based on the exchange value the day before publication date. Reprints can be used for marketing purposes. Contact editorial for permission.