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# Legal, Streaming Music for Business

## *Creating a Category Killer*

## Proven Demand

Growth → now thousands of locations  
50+ chains in test → tens of thousands  
12M+ locations in North America

## Unique B2B Platform

Built for Business  
Online self-serve, sign up  
Legal B2B music with all licenses

## Software IP

Patent pending software  
Unique Enterprise features  
Intuitive to use & scalable

# Addressable Market: \$2.3B



Example Categories	# of Locations	Example Cloud Cover Subscribers
Fast Food	230,000	Taco Bell, Burger King, Subway
Restaurants	1,000,000	Domino's, Pizza Hut
Convenience Stores	150,000	Circle K, am/pm
Coffee Shops	75,000	Dunkin Donuts, Dennys
Auto Dealers + Parts	50,000	Honda, Volvo, Chevrolet
Salons and Spas	1,100,000	Great Clips, Fantastic Sams
Retail	3,800,000	Roche Bobois, Sara Campbell
Hospital / Medical	250,000	Boston Children's Hospital
Banks and Finance	65,000	H&R Block, First Credit Union
Hispanic, Metro, Other	2,000,000	Salvation Army, Rio Ranch Market
Canada	900,000	Scores, University of Toronto
<b>Overall Estimated Market</b>	<b>12,000,000+</b>	<b>50+ Chains in Test</b>



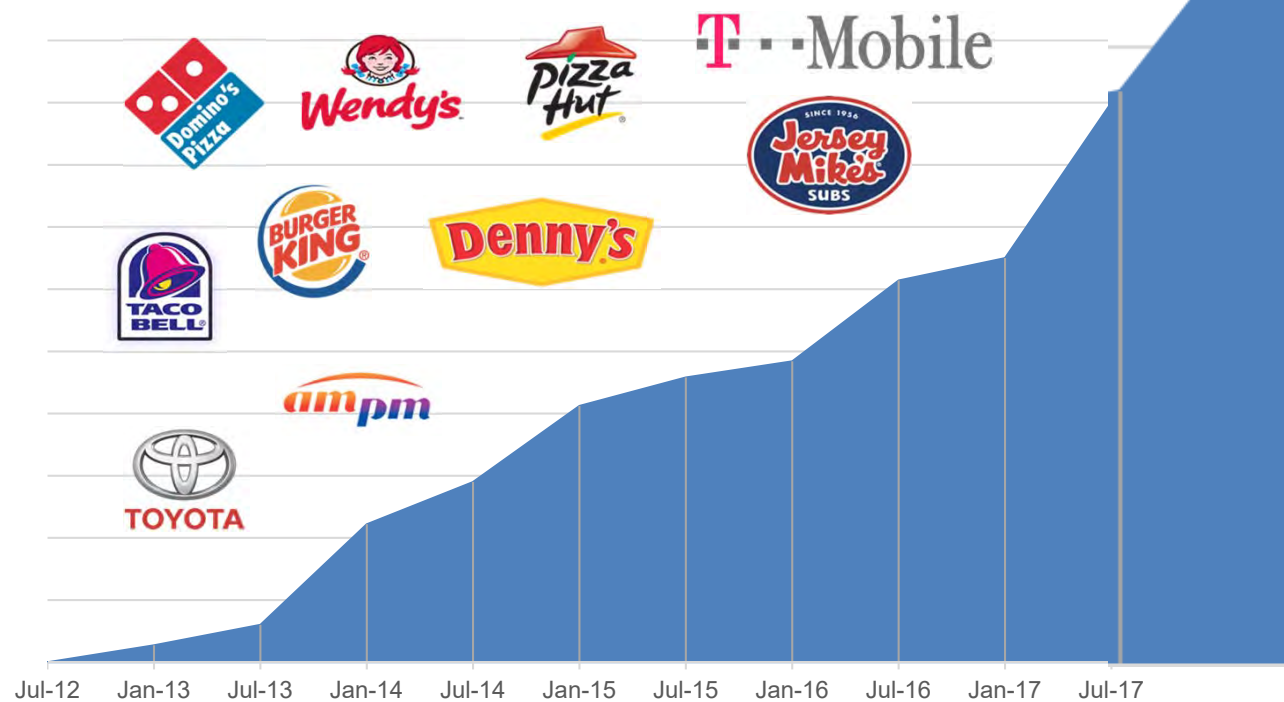
# Proven Demand: CCM Sales



## Initial Sales from Self-Serve Online, Expanding with VARS and Representatives

- Net revenue doubled January-October 2017
- LTV increased 40% from Q1-Q2
- Growth attribution: 59% new business 41% existing customers

*An estimated 4M people now hear CCM music every day*



# Engaged VARs 400,000+ Locations

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## Example Engaged VARs (Value Added Resellers)

**JNTtek**



**Satellites Unlimited**



**Taurus Tech**



**CSI**



**Digital Surroundings**



**AmericaVen (DIY)**



# Engaged Enterprise Accounts with 1000+ Locations Each



## QSR

**Company Owned:** *company controls music RFP process.*  
2000 locations in Southern California alone.



**Preferred Provider -franchisor endorses franchisees:**  
Typically get approval via supply chain structure to accelerate closure of franchise owners.



**Franchisee Groups:** Build on individual locations closed.  
Where needed be approved vendor.



## Other

**Wireless:** *T-Mobile, HQ and Franchisees..*  
T-Mobile has added 1000 stores in US in 2017.



**Convenience:** *Gas/Service and Convenience stores.*



**Grocery:** We are focused on value – low cost for this segment.



**Selling through representative groups now covering the West Coast, Midwest, Florida, New England and Hospitality**

# Differentiation: *Competitive Profile*



	cloudcover MUSIC	PANDORA FOR BUSINESS™	(((SiriusXM))) SATELLITE RADIO	MOOD:	Spotify business
Price per Month	\$17.95	\$26.95	\$24.95	\$34.95 <small>for 12 months</small>	\$34.99
Standalone Player	\$50 <small>+ S&amp;H</small>	\$99 <small>Required</small>	\$70 <small>Required</small>	<b>X</b> <small>Streaming</small>	<b>X</b>
Free Mobile Apps	✓	<b>X</b>	<b>X</b>	✓	✓ <small>iOS only</small>
Promotional Messaging	✓	<b>X</b>	<b>X</b>	\$\$\$	<b>X</b>
Reliable Song Removal	✓	<b>X</b>	<b>X</b>	✓	✓
Enterprise Location Management	✓	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>



# Built For Business

Cloud Cover delivers the best streaming background music for businesses both large and small.

TRY IT FREE




Thousands of customers trust Cloud Cover Music as their business music streaming solution.





# Disruptive Features



SELF-SERVE SETUP	STREAMING	MONITORING
 <p><b>Centralized Control</b></p> <ul style="list-style-type: none"><li>• Stations &amp; Mixes</li><li>• Promotional Messages</li><li>• Schedules</li></ul>	 <p><b>Clean, Compliant Music</b></p> <ul style="list-style-type: none"><li>• Browser</li><li>• Cloud Box</li><li>• iOS/Android</li></ul>	 <p><b>Location Visibility</b></p> <ul style="list-style-type: none"><li>• Music History</li><li>• Message History</li><li>• Usage Analytics</li></ul>

# Low Cost, Scalable Architecture



Managed services integrated for monitoring and automatic scaling



## Streaming Audio Playback Methodology \*



Music Algorithms

Tracking Songs

Ingesting Messages

License Compliance

User Permissions

*\* Utility Patent(s) Pending: Filed May 9, 2013*

# Legal Music: Fully Compliant



## Public Performance Licenses

- Music Societies** – ASCAP, BMI
- Internet Royalties** – SoundExchange
- Canadian Licensors** – RE:Sound & SOCAN



## Unlimited Music Rights

- Genres
- Publishers
- Labels
- Composers
- Artists

*Music rights are difficult to obtain with lengthy lead-time and unpredictable results. Translates to a competitive advantage.*

# CCM Team

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CEO

**MARK  
LEHMAN**

Has Created Multiple  
Liquidity Events



Founder

**JIM  
BIRCH**

Sales, Licenses, Legal,  
Investor Relations



CTO

**STUART  
LARKING**

Architecture, Development,  
IT & Cloud Operations



**RYAN  
KIM**

Software Engineer,  
Product Release



**RYAN  
VIG**

Music Manager,  
Head Curator



**KIMI  
BECK**

Customer Support  
Specialist



**MICHAEL  
WARNER**

Enterprise Support  
Specialist



**CINDY  
SITHI-AMNUAI**

Marketing &  
Social Media