

BMTY7006

Student Number – 1902904

Lecturer - Steve Cole

Assignment Title – Creative Business Project

Component 1 – Presentation





Rytex

Invest in your favorite music.





Problem

Many artists struggle to fund their career.

Royalty revenue is slow and inconsistent.

No easy way exists to invest in music.





Solution



An open market and crowd financing platform where investors can purchase royalty backed securities.



Artists can crowd finance unreleased projects and sell portions of their released catalogs royalties.



Artists have the ability to cash in on future earnings by selling the future revenue of their already released back catalogue on the open market.



Market Validation

The number of "top tier" artists, who make over \$50,000 per year from streaming, is growing rapidly. This figure grew by 43% between 2019-2020.

16.90 million people have backed projects on Kickstarter.

At their peak pledge music successfully funded approximately 7,000 projects per year.

Based on recent market research approximately 68% of online trading application users between the ages of 20 to 65 years old would purchase shares of music rights.





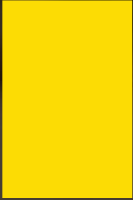
Market Size

The total value of recorded music worldwide \$20.2 Billion.

There are currently 43,000 "top tier" artists.

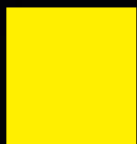
We aim to capture 30% share of the market (55,789 "top tier" artists) by 2027.





Open Market





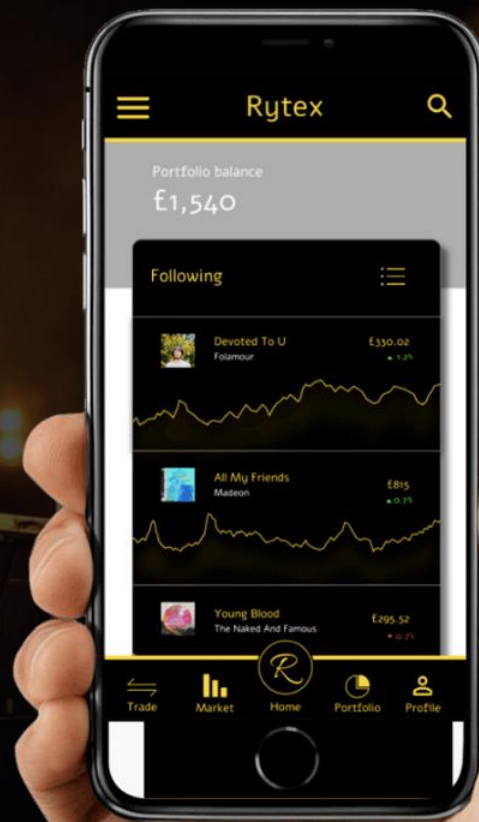
Open Market

Search by artist.

Review and invest in initial royalty offerings.

Trade existing securities.

Subscribe to your favorite artists for exclusive content.

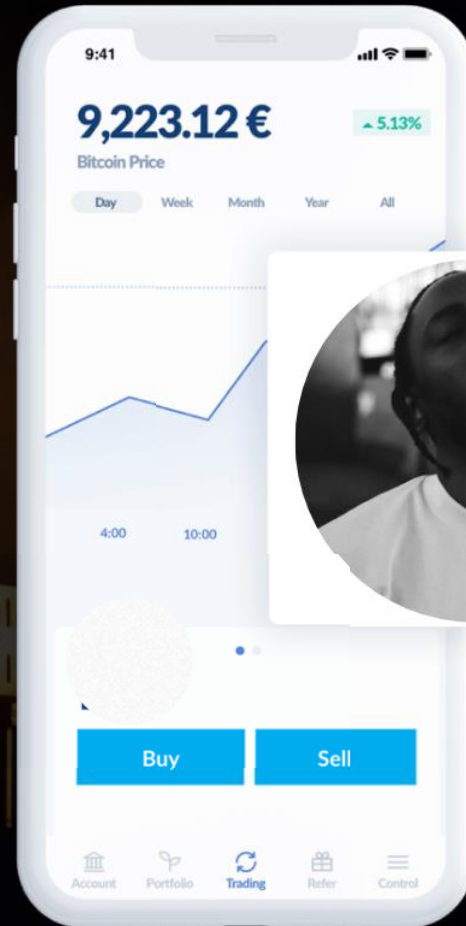




Research potential investments using our royalty analytics dashboard



Track your
portfolio growth





Crowd Financing



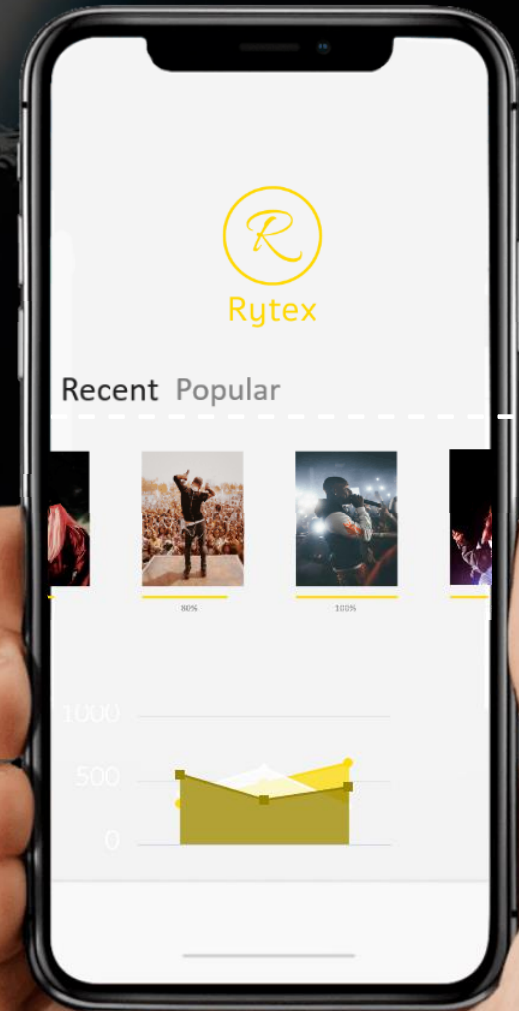


Crowd Financing

A fundraising campaign is set up by an artist.

Fans and investors give money in return for a portion of the future royalty revenue.

Upon campaign completion a new security is released on the open market and can be traded.





Business Model

We take a 5% commission on all initial offerings and subscriptions while taking a 1% commission on distribution and all open market trades.

£413 Million in royalty offerings, 30% of the market.

Approximately £40,744,139 In Revenue at 30% of the market.





Market Adoption



TARGETED MARKETING:

We will conduct various social media and digital marketing campaigns targeted at fans of the artists who use our platform



ARTIST PARTNERSHIPS:

We hope to attract a number of major high-profile artists as early adopters in order to grow our business rapidly



INFLUENCER MARKETING:

We will recruit a number of music/investing related influencers to promote our brand in order to build up a sense of trust between Rytex, artists and investors.



Competition



ROYALTY BACKED SECURITY MARKET



ANote Music



Corite

CROWD
FINANCING
PLATFORM



Patreon

MEMBERSHIP
PLATFORM



Rytex

Rytex



Competitive Advantage



First to Market: for all encompassing open market music trading/crowd financing/subscription platform.



Artist Incentive: artists can make more money while retaining ownership over their rights.



Investor Incentive: investors have access to a new alternative asset class that regularly provides returns above the market average.



Ease of Use: search by artist, review offerings, invest in 3 clicks.





Team



Callum Finlay: Business Development,
Investor Relations



Elliot Devine King: Marketing & Artist
Relations



Key Employees

“ Our Chief Financial Officer will help us to meet all financial regulatory obligations and will help us develop our unique royalty backed security.

CFO



“ Our CTO will recruit and build our core development team.

CTO



“ We will build a small team of highly skilled developers with varied experience.

Development Team



Financial

£400K: Angel investment opportunity for 10% of our company.

We are looking for 24 months financing in order to acquire 326 artists users and oversee the initial launch of our crowd financing and open market platform.



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