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Rob Ellin is the Founder, CEO, and Chairman of <u>LiveOne, Inc</u>., driving the company's overall strategy and leading both the LiveOne and Slacker business units.

Rob Ellin developed the concept for LiveOne and founded the company in 2015, raising the initial capital and negotiating festival and distribution rights. He led the acquisition of Slacker Radio and took LiveOne public in December 2017. Rob is also the founder and managing director of Trinad Management, a Los Angeles-based hedge fund. A long-time believer – and investor – in transformative digital technology and media, Rob has launched, sold, and taken public dozens of ventures, and overseen investments in gaming companies Majesco and THQ, as well as Jaxx Pacific and many others. Prior to founding LiveOne, Rob was the Chairman of Digital Turbine, where he worked with business partner Peter Guber to successfully take the company public. He also ran, and then sold, Internet media company iWon to Barry Diller's IAC. Rob began his career in finance, working at Eli Rothschild in institutional sales before moving to Lombard Securities. A New York native, he is a graduate of Pace University.

Rob recently spun out <u>PodcastOne</u>, making it the first stand alone public podcast company.

Rob Ellin is also featured on our premiere <u>Features Page</u>, and you can read his <u>podcast interview</u> <u>transcript</u>.



Rob Ellin Podcast Transcript

Rob Ellin joins host Brian Thomas on The Digital Executive Podcast.

Welcome to Coruzant Technologies, home of The Digital Executive podcast.

Brian Thomas: Welcome to The Digital Executive. Today's guest is Rob Ellin. Rob Ellin is the founder, CEO, and chairman of <u>LiveOne</u>, driving the company's overall strategy and leading both the LiveOne and Slacker business units. Rob developed the concept for live one and founded the company in 2015, raising the initial capital and negotiating festival and distribution rights.

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Well, good afternoon, Rob. Welcome to the show.

Robert Ellin: Good afternoon.

Brian Thomas: Great to meet you, Rob. Appreciate you making the time. I know sometimes calendars and syncing and traversing the globe, which I've done with this podcast to 50 countries, but appreciate you hailing out of California at the moment and chatting with me here in Kansas City.

So, Rob, let's jump right into the questions here. We've got some amazing questions for you. We want to get out to our audience, but Rob, what was your initial vision when creating LiveOne? And how did you see it unifying the world around live music?

Robert Ellin: Great question. So, originally after building my last company, Digital Turbine, and the huge success of that, right?

We had a, you know, you know, 12 billion valuation at the height of it and, you know, and so just really from a startup to that was really exciting. You know, I was trying to figure out what I was going to do next. And one of the things that, you know, was passionate about, I have four children, was about building a social message.



Right. And something that I can leave his legacy behind, not just the economic side of it, but the emotional side of it and music uniquely, and obviously this is, this is when I started, this was way before COVID and way before, you know, many of the movements are out there and many of the, many of the things that we've watched happen in this country and around the world and those concerns around, around all of those, right.

And antisemitism and racism, so on. It was that at live music events, right. Right. During that live music event, there is no color, there is no race, there is no religion. There's just love and passion. So, the original, the original thesis on this was, was there an opportunity to jump on this massive music wave, right?

They're going to be 1. 7 billion ping subscribers to music by 2027. If we could jump on that wave and create Our own universe in that what I meant by that was is to create a really unique experience that really hasn't existed since MTV, a newsroom that authentic voice and music that that voice and music that was 24 seven around the clock and both audio and video.

And so that was the vision around it. And we collected and partnered with everyone from Live Nation, AEG to iHeart. And we acquired over 2500 of the biggest live music events in the world to stream globally, both audio and video. And you know, very, you know, uniquely positioned, we streamed over 5 billion engagements, right?

And that's just live streams, but actual engagements. And we had over 3000 artists on our platform. And so we continue to build that. And we've been fortunate enough to build a unique, unique methodology of bringing people together for that big social message. And if you've got a big social message, it's easier to build that big financial message.

Brian Thomas: Absolutely. Love that. Love the story. And you know, to me, just talking about live one and you talked about how bringing people together, I think of one love, like the Bob Marley song. So, I don't know, it just resonates with me, but I love it. Love the story. And Rob jumping into the next question, you mentioned the potential for consolidation in the industry.

How do you see live one fitting into this landscape and what are your strategies for growth through mergers and acquisitions?

Robert Ellin: Well, you know, you learn from your mistakes, right? And so I owned Kazaa years ago and it turned out to be a successful public company off the other assets. But what we learned is, is that the B2C model, trying to acquire customers and spending 80 a sub when you are paying such a large piece to the record labels and the record publishers, well, it was a very difficult model model.

So, we, we focused our energy on the B2B model and really partnering with those distributors and partners that already had a large audience. Right. And we can convert in conjunction with their help.

Brian Thomas: Thank you. And I do appreciate the direction you went with your model, obviously to make that work and, and make it not just work for you, but for, really, the people that listen to the music.



So, thank you. And Rob. With the spin out of Podcast One, which I'm really interested in, and Live One's focus on podcast, podcasting, how do you envision building a robust platform for content creators, and what unique opportunities does Live One offer to podcasters?

Robert Ellin: Right. So, part of that consolidation was the acquisition of Podcast One from Norm Paddix, right?

One of the great geniuses and pioneers in both radio and really with the help of Kit Gray, my president, started the podcast industry, right? And started that movement. And why Norm and I came together was because we focused on the same thing, which was creator first. Talent first, right? If you could give a full 360 experience for those, for those creators and really help them through the process and give them everything from marketing, the sales, the products, really, you know, everything that they needed across the board and the real handholding, real white glove experience was, was really the methodology to doing that.

And that's, I think, the reason that we have proven to be extremely successful. You know, EBITDA positive, we've grown our subscription substantially. We grew from 400, 000 subscribers to over three and a half million, right? In a four-year period and our podcast, we've now grown our podcast. We added 24 podcasts alone this year, right?

And our year end is March 31st. So we'll continue to grow that number to close to 30 by year end. Thank

Brian Thomas: you. And I love that, you know, really kind of spinning off and focusing on the podcast side of things again, as I mentioned interesting to me, but. I just love what you're doing with this. I really, really do.

And Rob, the next question for you is live. One's mission is to be authentic voice and music, right? How have you pursued this mission and what strategies have you employed to achieve significant subscriber and sponsorship growth over the years?

Robert Ellin: We'll start, start with our partnerships, right? So, we're, we, we built our subscription off B2B model, right?

Number one model is we partnered with Elon Musk and Tesla to become the, the music, the default radio in every single Tesla car in North America, right? And growing every day. All right. Number two is we partnered with the likes of Verizon and T Mobile and other distributors. And we've just announced that we have over 35 B2B deals in the pipeline right now.

To go to everything from genres, from verticals like social media, right. To additional automobile companies, to retailers, right. Everyone from Walmart and Costco's and best buys and targets of the world. Right. We believe that everyone should have a music subscription as part of their loyalty programs, right.

As part of their offering. And then second is, is by partnering with those creators, as I said before, we've had 3000 artists. Perform on our platform, the live stream in our platform, and all 3000 of those



have hit their social media and told their fans, come listen and watch on our platform, right? And by doing that and creating those relationships, we've had over 5 billion engagements.

And what I mean by engagements is engagements more than just a live stream. It means not only did the consumer engage, but they actually repurposed it and put that out back out across the social media to their friends. So really building a. Community, right, of super talents, right, and super fans.

Brian Thomas: That is so powerful. You know, I caught it when you first mentioned it early about the five billion engagements. Like, what does he mean by that? Love, I love how that works, right? 3, 000 artists, they share it with their large followings, but not just impressions. You actually have engagements. Like, comment, reshare, that sort of thing, and that, that's just, that's huge.

And I, I like the, the way that you were very strategic in partnering, partnering with B2B, on the B2B business side, right, B2B, like, with the Elon Musks of the world, to kind of have that as a standard. Default player, as you said, in his cars for North America, which is awesome. So, thank you. And Rob, last question of the day.

Considering your extensive experience in digital technology and media, what future trends or innovations do you anticipate in the entertainment industry? And how is Live One preparing to be at the forefront of these changes?

Robert Ellin: I think we've already proven that we're, you know, from day one, we've been in the forefront.

We were the first, first ever company ever to stream an entire music festival in VR, right? So, we look at, we look at where the market is going, but we intellectually lies and financially, because we're a small company, we nimble. We'll go and partner. So, in VR, we partnered with Samsung, and we partnered with Facebook, right?

And each gave us, you know, substantial amounts of money to stream a music festival in VR. All right. The same thing as we looked at the NFT market, right? We partnered with Polygon, right? And we utilize their muscle and their financial background to be able to do that and their skills to do it. And the same thing we're looking at in AI right now.

Al is a very important ingredient to where music is going. Music discovery. Across all of our platforms, our publishing, our radio, we believe we can build channels with Al. We believe with the in conjunction, that Al in conjunction with human behavior. Meaning that as we build those channels, our hosts and our anchors will still choose the final music, but that Al will save us a lot of money and a lot of time and a lot of energy to give the consumer more and more channels and more and more roadblocks information.

And we've just increased our number of channels. We have over 500 channels on Slacker radio now.

Brian Thomas: Amazing. Love that. Gosh, the growth behind this all Rob is just. really mind boggling for me. As I dove into researching you and the company before the podcast you know, you've kind of all brought it together for me and our audience here this evening.



So, I appreciate that. And Rob, it was such a pleasure having you today. And I look forward to speaking with you real soon.

Robert Ellin: Thank you so much. And I look forward to our next quarterly numbers coming out. You know, as you talked about growth. We pinch ourselves, right? This is a team that really had to get into the bunkers and fight after COVID hit because we lost our live partners, right?

And so, and somehow, we've grown the business from 38 million. We said this year we'll do about 120 million, which is March 31st. And for next year, which starts March 31st, we said we're going to do 140 to 155 million in revenues. And over 17 million in operating cashflow. So really proud of this team and really proud of what we put together here.

And I think we have another digital turbine. I think we have another, I won, I think very much in line with the digital technology companies that built, we're going to go through some ups and downs as a startup, but we're going to show that consistent ability to fight through tough times and be able to survive and come out of even bigger than ever. Brian. Thank you. Appreciate it.

Brian Thomas: Bye for now.

Interview: <u>https://coruzant.com/profiles/rob-ellin/</u> Interview Transcript: <u>https://coruzant.com/transcripts/rob-ellin-podcast-transcript/</u>