



**A. Name of project and Project URL on Ideascale/Fund**

Decentralized Music Platform

Project ID: 800139

Project URL: <https://cardano.ideascale.com/c/idea/396558>

**B. Name of project manager.**

Project Manager: Session Cruz

Project Manager Email: [session@demu.pro](mailto:session@demu.pro)

**C. Date project started**

June 29th, 2022

**D. Date project completed**

November 28th, 2022

**E. List of challenge KPIs and how the project addressed them**

Our vision is to create a music rights protocol, where record labels and other rights holders can upload their music content and make it available to any music app developers who want easy access to licensable music.

By choosing Cardano, we both attract to the Cardano blockchain the music business who need better accounting of their music royalties, but also, to music apps being built who need access to licensable music and don't have either the time, money, or relationships with the music industry to obtain these licenses one record label at a time.

Using DEMU, record labels and their artists are given complete control & transparency over the monetization of their music catalogs, while giving music apps an automatic & direct way to pay for the content being monetized on their platforms.

Our first step towards our goal is to build a Proof-of-Concept that will demonstrate to the record labels that the auto-distribution of music royalties is even possible. Our accompanying video will demonstrate that this goal has been achieved. We will use this PoC to build support for our

protocol in the music industry, and fundraise the money we need to take this from a testnet PoC to a finished product on the Mainnet.

We've received commitments from several music apps to sign a Letter-of-Intent (LOI) expressing their interest in building their app atop our protocol, with the challenge of paying music royalties already solved for them. As the apps in our ecosystem grow, it will bring massive value to the music industry and to the Cardano blockchain, which facilitates these payments.

#### **F. List of project KPIs and how the project addressed them**

1. **Company formation** - Our first step was to determine how to form our company. After weeks of research, we decided to form a C-Corp based in Delaware, USA. This company will be the first to build the protocol. Eventually, it will be one of many. This is similar to IOG, which builds the Cardano blockchain.
2. **Tokenomics** - To ensure our Tokenomics/business model was rock-solid, we enlisted the help of IOG's Professional Services Group (PSG) to help us design our Tokenomics. From this valuable work we have a very clear understanding of how value will flow in & out of the protocol, to facilitate the actions necessary to produce the desired results.
3. **Protocol Vs Music player** - One of our biggest insights gained over months of research and conversation was the idea of decoupling the Jukebox Music Player we pitched in our proposal, from the underlying protocol that underpins its automatic music royalty distribution capability. Our team did not want to be on the hook for building the multitude of music apps that can be built, so instead, we focused on building a music protocol that any music app developer can connect to, with the challenge of paying for music royalties already solved for them. This allows DEMU to grow exponentially faster.

#### **G. Key achievements (in particular around collaboration and engagement)**

With DEMU's early Proof of Concept demo, we prove that the auto-distribution of music royalties is possible, to the music professional who still doesn't understand the full potential of the blockchain. This is a huge achievement that unlocks deeper conversations with the music business professional towards onboarding a viable collection of music and making it available to music apps seeking to monetize this content.

#### **H. Key learnings**

We've learned so much during this initial phase of DEMU development. And we continue to learn daily. The key learning that comes top of mind is that major record labels that I've spoken to aren't necessarily interested in selling their own music. They wish to support their retail & music distribution partners instead. This was very insightful and resulted in our pivoting towards decoupling of the protocol from the music player. Now, any company can connect to the protocol and become another "partner" of the music industry. And our Jukebox music player is simply one of these "partners".

### **I. Next steps for the product or service developed**

Our next step is to demonstrate this PoC to all sides of this multi-sided platform (record labels, intermediaries, artists, & app developers who need licensable music content). From the record labels, we hope to obtain LOIs, investment, and access to their music catalog. From app developers, we hope to build on our list of interested companies via LOIs. Our hope is that these materials are enough to raise the funds we need to hire the team necessary to build out our PoC into a finished product running on the Cardano mainnet.

### **J. Final thoughts/comments**

Deeply appreciative of this experience. It's been one of personal growth and learning. It is very difficult to do the thing that we're trying to do, and every day we improve. Our passion for helping to improve how & how much artists are paid for their work drives us towards building a protocol that is more of an *evolution*, than a complete revolution.

**K. Links to other relevant project sources or documents. Please also include a link to your video here.**

<https://youtu.be/ezuxLO-09Zg>