

AI-powered Music Royalty Exchange

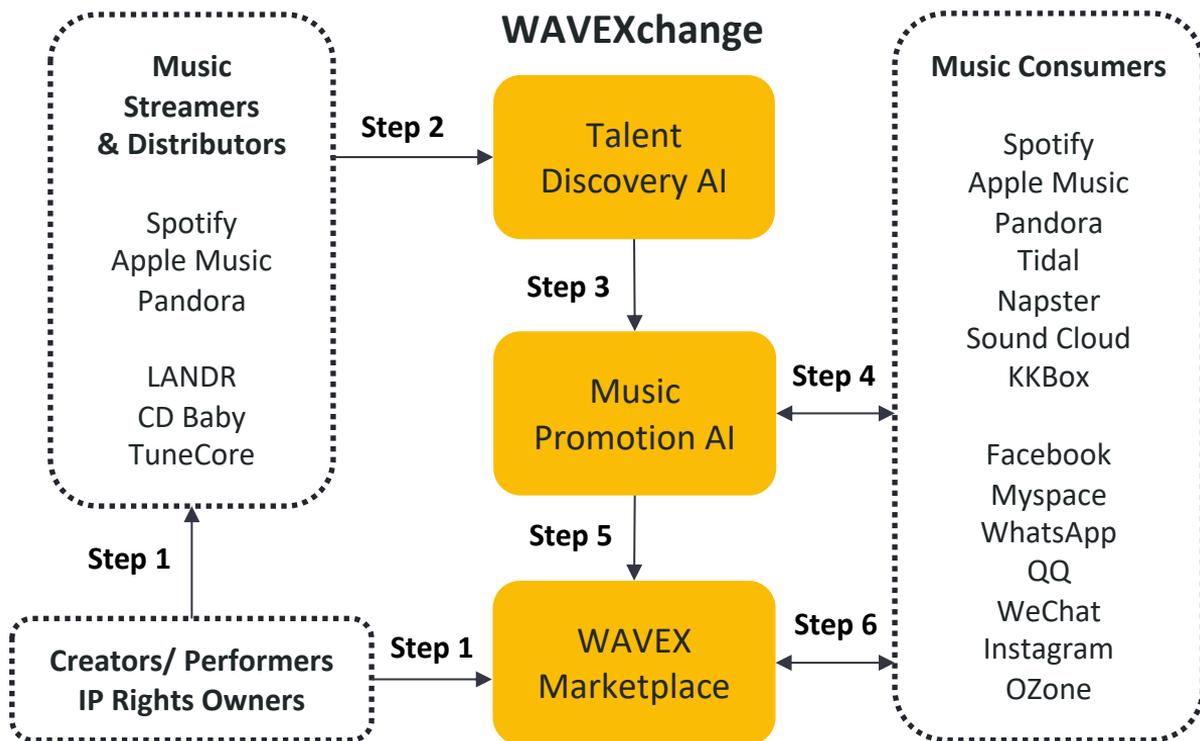


Platform Lifecycle

discovery → promotion → moneymaking

WAVEXchange Marketplace: main use case

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Step 1: Creators and their IP rights owners submit music to the market.

Step 2: Talent Discovery AI Engine receives play count over streamers' APIs and discovers promising tracks and artists.

Step 3: Promising artists are submitted to Music Promotion AI Engine to establish perfect match with music consumers' taste.

Step 4: Music consumers receive matching recommendations and exchange received music with their peers programmatically, thus generating a **WAVE** of popularity.

Step 5: The IP rights for the new emerging music items above are placed for trading on WAVEX Marketplace.

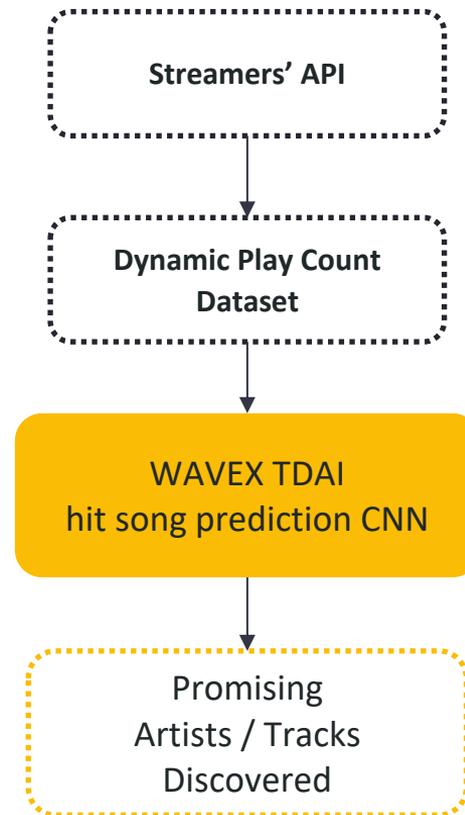
Step 6: Fans and retail investors make profits and support the emerging artists by buying and selling their IP rights on the exchange.

how does WAVEX do it: **discovery**

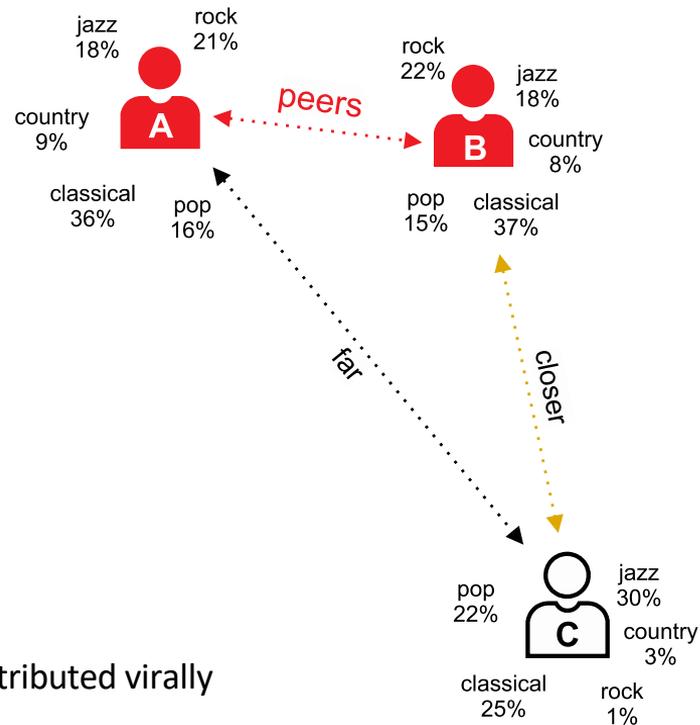
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WAVEX TDAI provides proven hit song prediction to identify emerging artist trends and discover **promising artists** and songs.

While most previous models formulate hit song prediction as a regression or classification challenge, WAVEX TDAI is a Convolutional Neural Network (CNN) that treats it as a **ranking challenge**.



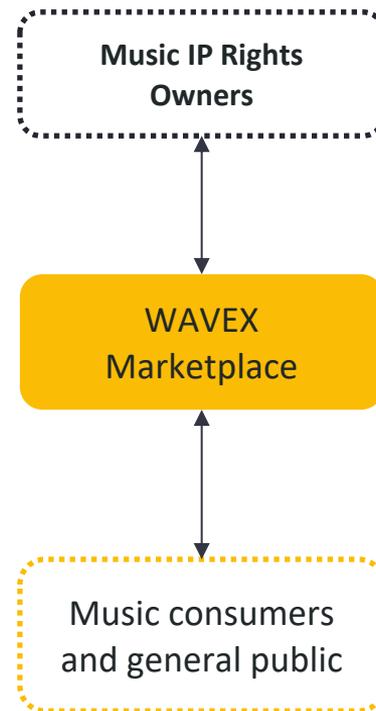
- **WAVEX MPAI** considers each person as a point in a multidimensional music space. The person's "**position**" in this space is precisely defined by a computed set of coordinates derived from the music choices made by the person within **streaming services** and **social media**.
- MPAI registers individual music choices such as Likes, Shares and Downloads, analyzes **music tags** and computes unique positions for all persons in the space.
- MPAI computes **distances** between individual persons' positions and defines the **peer group** made of the like-minded people.
- As a result, the most suitable music **recommendations** are being distributed virally through the streaming communities and social media.



how does WAVEX do it: **moneymaking**

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- **WAVEX Marketplace** is open for a broad range of independent and corporate music **IP rights owners**: artists and record labels; big players such as TuneCore or Warner Music Group; as well as for fans and general public of all ages*.
- WAVEX Marketplace makes it possible for **music consumers** to support their favorite artists by buying equity in their IP rights portfolio as a **commodity** and receive **revenue from the royalties** paid by music distributors.
- The royalty market volatility on WAVEX Marketplace is derived from the fact that the music streaming/listening time is a **finite value**, so the new hits are displacing the older ones while any older one can come back in popularity at any time, thus making it attractive to **speculatory investors** and **day traders** to buy and sell shares in music IP rights.
- Empowered by unprecedented talent discovery and music promotion mechanisms (TDAI & MPAI), WAVEX Marketplace provides IP rights owners, music consumers and speculative investors with the turn-key **solution to capitalize** on the music market.



***Note:** Underage investors are allowed by law to conduct financial transactions through their respective Custodial Accounts.

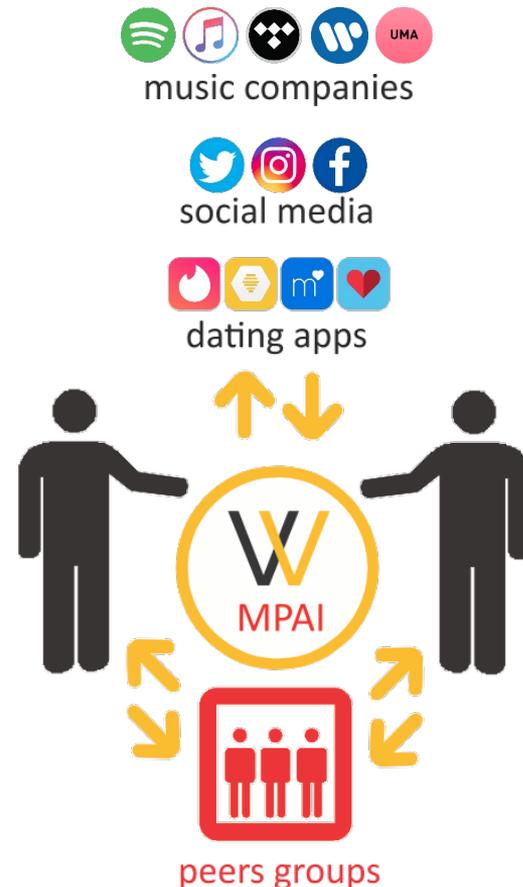
WAVEX MPAI solutions are available on a **Platform-as-a-Service** (PaaS) basis.

WAVEX revolutionary data analysis and music routing platform consists of the **cloud-based application** responsible for computations and data routing, accompanied by a **data mining API** for music listening data.

The API allows music streamers and distributors, as well as social media and dating apps to perform the following sequence of operations:

- Step 1:** Push user activities such as **Likes** and **Shares**, as well as the hits on **Play** or **Purchase** buttons to the WAVEX MPAI cloud over API.
- Step 2:** Compute the users' **music genomes** and **peer groups**.
- Step 3:** Propagate the user activities to other members of the peer group in the form of **music recommendations**.

Then, how does the WAVEX Platform apply to music industry professionals?



Being employed by music streamers such as Spotify, YouTube, or Apple Music, WAVEX MPAI API will enable the music streaming subscribers to:

- Receive **always relevant** and personalized music recommendations from their **peers** – the people who feel the same.
- Send **always acceptable** music recommendations to their virtual peer group, thus getting **recognized** for their expertise in music.
- Make **friends** with their peers, talk to them, engage in discussions, exchange opinions and even **date** them.

The most valuable effect in this case is the highly increased level of user's **acceptance** of the music offers routed by WAVEX MPAI – people **trust** their **peers** much more than advertisers!

Besides, streaming users will have real opportunities to make new friends, thus increasing the user-to-user traffic, which improves the **engagement**, and thus the **effectiveness** and **profitability** of advertising.



B2B use case 2: precise music targeting

Being employed by large music IP holders such as UMG, Sony Records, Warner Music as well as by the music promoters such as LANDR, CD Baby, TuneCore, WAVEX MPAAI API will provide the **perfect match** between the music content and its audience:

- Applying WAVEX MPAAI algorithms to the social media and music consumers' community, the music suppliers will be able to select the **most appropriate** segment of target audience for a given music, thus **lowering the costs** of advertising.
- By examining through WAVEX MPAAI a particular geo or demographic segment of social media users, they will be able to outline the music content most suitable to a given audience, thus **optimizing expenses** in production and IP rights buy-outs.
- Music suppliers will also be able to **route their music content** to appropriate WAVEX MPAAI **virtual peer groups** through their affiliated retailers such as Spotify, YouTube and Apple Music.

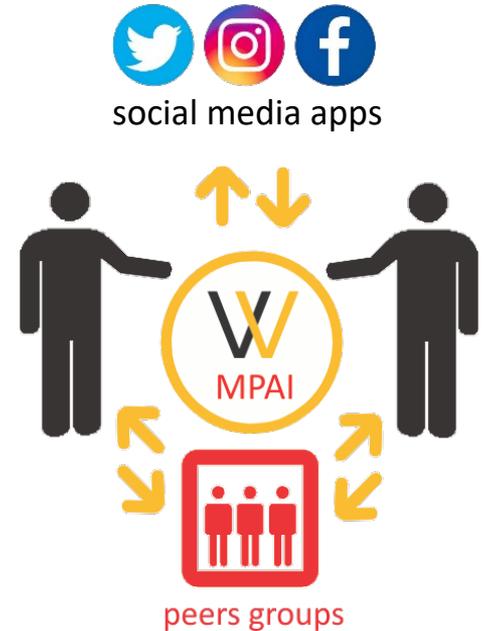


B2B use case 3: increased social engagements

To boost advertising exposure, social media apps such as Facebook, Instagram and Twitter should increase the in-network timespan of their subscribers.

Each new engagement between previously unfamiliar users yields these apps about **\$80** of additional annual CPM revenue.

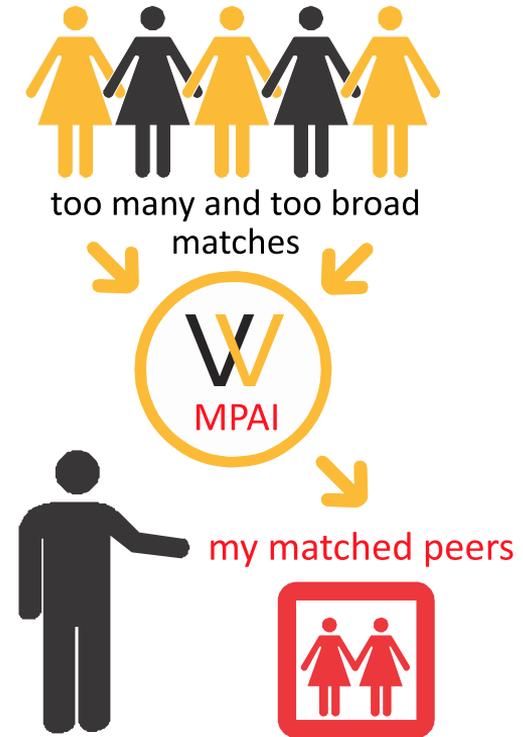
By employing WAVEX MPAI API, the social media apps will exchange the personified fresh music recommendations between their previously unfamiliar subscribers, thus generating billions of new user engagements.



Being employed by dating services such as Bumble, Hinge, or Tinder, WAVEX MPAI will enable their users to:

- Narrow down generic match results through applying their music genome, thus **saving time** and eliminating frustrating communications with “bad” matches.
- Getting to better know the matched person before hand, thus **getting prepared** accordingly.
- Creating an instant **rapport** and common ground with vis-à-vis due to guaranteed shared music interests.

The most valuable effect in this case is the elevated level of user’s **satisfaction** with the dating service. Utilizing the power of **virtual peer groups** dating apps will improve upon their existing matching methods, thus **increasing their user base** and getting a **competitive advantage**.





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WAVEX is brought to you by a team of music industry insiders, business management professionals and top software engineers from New York with 20+ years' experience in innovative business solutions.

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