

Lakeba Group Invests in LÜM

Fintech and music combine to create fandom for finances

Lakeba Group has invested in Madison-based startup, LÜM, in the company's recent \$3 million Seed II round of funding. Lakeba intends to be an active investor in LÜM, providing its knowledge and experience in commercialising businesses to help LÜM scale.

Currently only available on iOS in the United States, LÜM is an ad-free social media, music discovery and streaming application. It enables emerging artists the ability to circulate their music and grow their fanbase. The LÜM platform focuses exclusively on emerging artists, increasing artist-to-fan and fan-to-fan engagement.

"Almost everyone at one point has the dream of becoming a Rockstar. But, achieving that dream is only a possibility for the very few, with so many local talents going undiscovered and unfunded. LÜM provides a new model that opens up new pathways for emerging artists to turn their dream into a living," says Giuseppe Porcelli, CEO at Lakeba Group.

For creative artists, the music industry remains dominated by major record labels, which clusters music earnings to a few global artists. In the music streaming industry, less than 1% of artists earn any real income from fans streaming their music.

"Even before COVID-19, the world was at risk of losing its creative talents. Major music streaming services are not geared toward helping emerging and local artists get discovered, grow their fanbase or fund their musical endeavours. This leaves many to take up alternative vocations to survive," said Max Fergus, CEO at LÜM.

"COVID-19 has accelerated the demise of the existing model, closing the doors to discoverability and profitability on artists the world over. Live music venues remain closed, limiting their potential of discovery and ability to connect with fans. With Lakeba, we aim to quickly scale our platform across operating systems and countries. We want to give this generation of artists and fans a new digital community based on human connection and reciprocity."

Recently, LÜM launched its in-app currency – Notes – which enables fans to support their favourite emerging artists directly. Within the first two months since the launch of LÜM's virtual currency, over 13,000 artists have received direct support from fans. Over 20,000,000 Notes have been gifted to artists. As such, LÜM has conceived, created and commercialised a connected community of emerging artists, listeners and music curators.

The next phase of growth for LÜM is to open up the platform to the more than 2.5 billion active Android devices, and to continue to pursue additional tools for artists to monetize and grow a dedicated base of fans.

"We're already seeing the power of connection between fans and artists transform the music discovery experience in the US. Now, we're excited to scale the platform across the globe, after all, music has no borders giving our platform exponential growth potential," says Fergus.

"It's a massive deal. One of the most diverse collaborations happening in the world of fintech. LÜM is removing the frictions between artists and their fans. Lakeba eradicates the frictions from financial transactions that make the world go around. Combined, there's an opportunity to realise fandom for finances, enriching the connections between brands and customers," concludes Porcelli.

For more information, visit www.lum.fm and www.lakeba.com.

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