

(WASHINGTON STATE LEGISLATURE / RCW 23B.25.150)

Introduction

SUBJAM, SPC is a Washington State (US) Social Purpose Corporation. Our mission is to cultivate positive music culture starting with providing valuable resources to local music communities.

SubJam's Articles of Incorporation specify 3 social purposes that help accomplish this mission; that we:

- Shall support independent music communities, musicians, music fans throughout the world
- Shall strive to positively affect the global music culture
- Shall promote music and other digital content under free, libre, or low cost licenses

These purposes are foundational to our existence as an SPC. We recognize that the above mission and purposes are important to sustain a thriving and healthy music culture locally and globally in the long term. As we understand the benefits of thriving communities of all shapes and sizes, we focus on the art of music to build a better, more creative, expressive and inclusive world for everyone.

2023: Development

Not gonna lie. This has been our most difficult year.

The development obstacles that have not been overcome are held over our heads only by funding we simply don't have access to. It's poetically tragic, really— like a key on a string, hanging *just* above reach to escape this cage of stagnation.

Even with 2023 startup expenses modestly totaling in the tens of thousands of dollars USD, it was a Hail Mary move to keep development moving at all. SubJam's corporate charge card is maxed out with that never having been the intention, but only a fail safe to get a functional MVP out to users and obtain additional funding with our early adoption KPIs to show investors.

I personally have loaned SubJam, SPC over 1/4th of my total income in 2023. My employment this past year has been a major issue for self-funding due to what I can only describe as an unfortunate combination of a transient health issue and 2 less-than-reputable employers. The painful truth is I can't afford to continue to loan SubJam funds to pay for the basics: hosting, development and the very basic of business expenses. Without these things paid for, SubJam can't continue. We're in an incredibly difficult situation right now.

All three separate development contractors who assured SubJam of a completed Apple iOS app MVP between 2022-2023 have underestimated its requirements. The Ogg/Opus media codec integration with Apple's iOS has been a specific pain point. This requirement fulfills our third corporate bylaw that we "Shall promote music and other digital content under free, libre, or low cost licenses." Ogg/Opus is a royalty free, open source media codec developed by Xiph.org, a non-profit which stands up for open media online. Not only does the implementation of this codec in SubJam align with our corporate values, but it's a *massive* technological benefit as Opus is incredibly versatile and fits our use case

perfectly. We use Icecast, an HTTP-based open source streaming media server, as our livestreaming backend. Icecast is also developed by Xiph.org. The open sharing of content with open source and royalty free codecs is as fundamental and integral to SubJam's mission as is supporting local, original, independent music.

In an effort to gain some short-term income, we ventured outside of our first offering of a mobile livestreaming app to a hardware livestreaming solution for independent music venues, made from Raspberry Pi computers in an all-enclosed, touch-screen tabletop kiosk. Unfortunately, the response to our offering was met with less than optimal enthusiasm by those who cared to respond to our outreach. On the request of my first pilot venue's co-owner, SubJam spent roughly \$1,300 in legal fees to have a mutually beneficial venue contract created that fully respects the venue, the performing artists, and SubJam. This was unfortunately only be met with a continued and unexplained reluctance to move forward. We still believe our hardware streaming solution is an incredible initiative and look forward to deploying it wherever we can.

Unfortunately, due to our lack of funds, we had to halt our monthly contributions to Xiph.org. This was particularly morally devastating to us as it was one of the only ways we have been able to support the organizations that support us as well. Certain members, in their personal time, have done more than their lion's share of helping us move our social purpose forward. We're forever grateful to those who share our vision and have worked with us in 2023, especially those who have sacrificed personal time and little/no pay because they believe as much as we do in what we're working toward—a better future for global music culture, starting at the root with supporting local music communities fairly through offerings that encourage support that far exceeds today's music industry standards.

Obviously, we haven't been able to donate to charities that align with our mission nearly as much as we would have liked to in 2023. However, in April we *were* able to make a small donation of \$50 to Make.Shift, a Bellingham, WA local community non-profit art space which offers practice and rehearsal space, audio/video services, live concerts, a terrestrial and streaming radio station, and music community outreach. We're grateful to have been able to help in the small way could, as Make.Shift is a pretty amazing organization that benefits the local community greatly.

If you've read this far, thank you. If you haven't yet, please <u>subscribe to our newsletter</u> for updates. We cannot guarantee we'll be around next year for our 2024 Social Purpose Report, but if you'd like to help keep us moving forward, <u>consider supporting us</u> so we can continue development and other progress with SubJam, and move to the next phase of user adoption.

Sincerely,

Jordan Erickson Founder/CEO <u>SubJam, SPC</u>