

INVEST IN ZENCASTR

Zencastr is an all-in-one podcasting platform focused on podcaster success



zencastr.com Delaware Ohio

LEAD INVESTOR

Gavin Christensen Founder and General Partner Kickstart Fund

Kickstart is proud to be the lead investor in Zencastr. We love the deep technical ability of this team and the bootstrapping DNA that got them to the point where we first invested. These are creators building for creators. They have worked very hard to build an incredible suite of products. From high-quality recording to transition to hosting to the ability to be found and market your podcast. Their best-in-class set of tools allows creators at all levels to create amazing work, increase engagement and monetize. Now its time to really go to market!

Invested \$50,000 this round & \$3,250,000 previously

Highlights

- 1 Podcast market is white hot
- 2 Zencastr is already a dominant player with 15% of active podcasters using our platform

Our Team



Josh Nielsen CEO
Bootstrapping Zencastr to 1.7m ARR



Adrian Lopez CPO

Pitch



The market: Podcasting is exploding. Revenues are forecasted to grow to \$150B by 2030

41%
Percent of US population 12+ who listened to a podcast this month

100%
Podcast advertising was the fastest growing digital advertising channel in 2021, beating out every other channel by 100%



2019
 The first year that more minutes per user of audio were listened to via digital audio instead of radio
 -11%
 Radio listenership decline from 2016 to 2020



Zencastr
 Makes it easy to create, grow, and monetize a podcast.

- Remote recording HD audio/video
- Automatic editing
- Audio Hosting
- Monetization
- All covered growth and targeting

Revenue	\$24 ARR + \$200k Advertising YTD
Model	Recurring SaaS & Advertising
Avg Session Duration	42 minutes
Market Penetration	15% of active podcasters
People participating on podcasts	~20k,000
# of podcasters on the platform	~3k
Paid Users	\$47k
LTV	\$789
Coolist Guest Recently	Matthew McConaughey

Sam Harris
 Host of the "Making Sense" podcast
 Zencastr allows me to record 70% of my podcast on mobile devices in a way that ensures that they actually happen in what I'm doing. My dependence on my second internet connection is gone. I can imagine podcasting without it.

Tim Ferriss
 "The Tim Ferriss Show" Podcast
 Tim Ferriss reviews books (20 episodes in 10 weeks) "Tools of Titans"

Babak Nivi
 Founder of AngelList
 If you're the smart quality on the first then I should be the one. It's great to get control of my business and have paid subscriptions to my website.

Podcasting is **not** a winner take all market

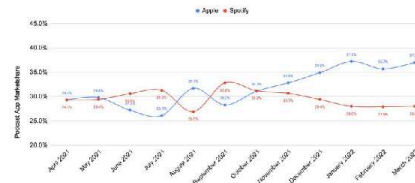
So who wins podcasting?



Spotify is a billion dollar internet company competing against 100 billion dollar media companies. Spotify spent over \$1B on podcasting only to secure the #2 player behind Apple.



Apple has shown it will have against almost all players on the platform who threaten their business model. I.C.S. is which showed 20% of of iTunes revenue.



The future of podcasting won't be a single consumption platform. It will look like the unbundling of TV into streaming apps.

In a fragmented distribution market it is the content networks that thrive



Today, 100% of the top 100 podcasts are produced by networks



September 2022 U.S. Podcast Report
TOP 100 PODCASTS

Based on Average Weekly Downloads in the USA

Rank	Podcast	Sales Network	Sales Representation	# of new episodes	Rank Change
1	SPR News Now	SPR	National Public Media	821	-1
2	Conan O'Brien	audioCheck	Spotify Media	7	-1
3	Meathead	Shondery	Mercury Sound Partnerships	19	-2
4	The Ben Shapiro Show	Cumulus Podcast Network	Cumulus Podcast Network/Westwood One	27	-1
5	Conan O'Brien	ESQ Cumulus News Group	Spotify Media	12	-1
6	Up First	SPR	National Public Media	35	-
7	The Fun Things Show	Procast Procast Network	Procast Procast Network/Westwood One	53	-
8	Big Friends Music with Raine Elgert and George Hertzik	Shondery	Mercury Sound Partnerships	11	-
9	FRSH.FM	SPR	National Public Media	30	-
10	Shondery	Shondery	Shondery Sound Partnerships	8	-1
11	The SPN Podcast	SPR	National Public Media	25	-1
12	Pod Save America	Spotify Media	Spotify Media	19	-1
13	I and Fear on The Left	Spotify Media	Spotify Media	13	-
14	The Charlie Kirk Show	Salem Podcast Network	Salem Media Group	84	-1
15	Conan O'Brien Needs A Friend	Spotify Media	Spotify Media	70	-1
16	Spideology	SPR	National Public Media	12	-1
17	Hilarious Real	Holburn-Bush Media	Spotify Media	5	-1
18	Q&A with	Procast Procast Network	Procast Procast Network/Westwood One	24	-1
19	Mark Levin Podcast	Cumulus Podcast Network	Cumulus Podcast Network/Westwood One	21	-3

Why do podcasters join networks?
Creating a successful podcast is a massive investment of time and money



Pre-production	Script Production	Scripting	Script Revisions	Script Preparation	Equipment Setup
Production	Equipment Check	Content List	Script List	Script Prep	Script Prep
Post-production	EQ Audio	EQ Video	Transcribe	File	Deliverables
Marketing	Research Audience	Engage Community	Content Strategy	Social Promotion	Content Distribution
Advertising	Find Advertisers	Set Ad Rates	Content Creation	Content Distribution	Content Distribution
Monetization	Subscription Management	Partnership Management	Merchandise Management	Merchandise Management	Merchandise Management

6 hrs to publish a single episode + \$190 Expenses per month + 14+ tools used + 10 Skill Sets

The Problem: Traditional podcast networks are human powered and cannot scale.

\$30K - \$100K
Top Network's
Cost Per Episode

0.8/1
Network's Headcount
to Show Ratio

The solution: Zencast's scalable all-in-one platform

Creation

Growth + Monetization

15px
Podcast
Player

10px
Navigation

10px
Podcast
Editing

10px
User
Analytics

10px
Video
Player

10px
Content
Manager

10px
Social
Sharing

10px
Payment
Integration

10px
Custom
Analytics

10px
Event
Setup

ZEN.AI

Tens of Thousands of Creators

Hundreds of Millions of Listeners

Zen AI's AI pipeline can match entities with a high degree of confidence on these vectors:

- Context, Sentiment, Location, Date
- Category, Speaker Gender, Engagement

Traditional Podcast Networks



Human Powered
Expensive and limited to dozens of podcasts.

Zencast Creator Network



Automated
Tens of thousands of podcasts
Tens of thousands of investments

Within one year our network has grown to 5.5M monthly downloads

We are already the #16 Network in the world!



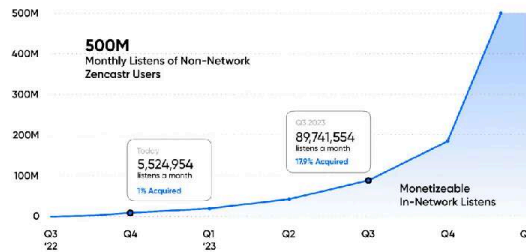
September 2022 U.S. Podcast Report TOP 20 SALES NETWORKS

Based on Average Weekly Downloads in the USA

Rank	Sales Network	Genre	Podcasts	Average Weekly Downloads	Average Weekly Downloads	YoY Change
1	Apple Podcasts	Podcasts	1000000	1,200,000,000	1,200,000,000	0%
2	Spotify	Podcasts	1000000	1,100,000,000	1,100,000,000	0%
3	Amazon Music	Podcasts	1000000	1,000,000,000	1,000,000,000	0%
4	YouTube	Podcasts	1000000	900,000,000	900,000,000	0%
5	Google Podcasts	Podcasts	1000000	800,000,000	800,000,000	0%
6	Overcast	Podcasts	1000000	700,000,000	700,000,000	0%
7	Podcasts	Podcasts	1000000	600,000,000	600,000,000	0%
8	Podcasts	Podcasts	1000000	500,000,000	500,000,000	0%
9	Podcasts	Podcasts	1000000	400,000,000	400,000,000	0%
10	Podcasts	Podcasts	1000000	300,000,000	300,000,000	0%
11	Podcasts	Podcasts	1000000	200,000,000	200,000,000	0%
12	Podcasts	Podcasts	1000000	150,000,000	150,000,000	0%
13	Podcasts	Podcasts	1000000	100,000,000	100,000,000	0%
14	Podcasts	Podcasts	1000000	50,000,000	50,000,000	0%
15	Podcasts	Podcasts	1000000	20,000,000	20,000,000	0%
16	Zencast Creator Network	Podcasts	1000000	15,000,000	15,000,000	0%
17	Podcasts	Podcasts	1000000	10,000,000	10,000,000	0%
18	Podcasts	Podcasts	1000000	5,000,000	5,000,000	0%
19	Podcasts	Podcasts	1000000	2,000,000	2,000,000	0%
20	Podcasts	Podcasts	1000000	1,000,000	1,000,000	0%

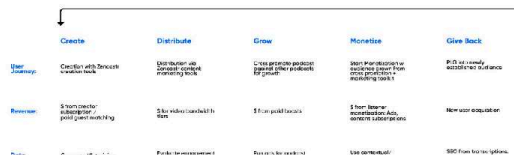
We are on track to become the #4 network

Monetizable In-Network Listens



This slide contains forward projections which cannot be guaranteed.

Flywheel



Direct Sold Ads

We work with the top brands in podcasting

10x
YOY Growth

\$203K
Year To Date

25%
of Zencastr's monthly revenue

Paid Podcast Growth

Zencastr paid podcast promotion grows podcasters audience **375%**

- Starting Audience: 8K a month
- Spend with Zencastr: \$5,000
- Current Audience: 30K a month
- Campaign Time Frame: 3 months (can be shortened)



	Free	Paid \$20/mo	Network Tier 1	Network Tier 2	Network Tier 3
Network Tools	Usage Based	Usage Based	Unlimited	Unlimited	Unlimited
Affiliate Advertising			✓	✓	✓
Paid Rooms		✓	✓	✓	✓
Perchance		✓	✓	✓	✓
Tipping		✓	✓	✓	✓
CPM Audio Advertising			✓	✓	✓
CPM Video Advertising			✓	✓	✓
Social Advertising			✓	✓	✓
Paid Guest Matching			✓	✓	✓
# Development					✓

Ad Network Revenue Model

Active Users	28,291		
Podcasts Per User	1.5		
Ad Pods Per Podcast	1		
Ad Slots Per Podcast	2.35		
Zencastr Published	Total Network		
Zencastr Ad RevTake	40%		
		Annual Revenue Forecast	
		GROSS	\$249,341,484
		ZENCASTR NET	\$99,736,596

Creator Acquisition is profitable for us

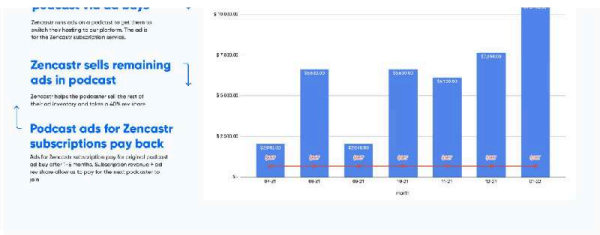
Zencastr subsidizes podcast via ad buys

UFO Podcast - Generated Zencastr Subscription LTV

17% Ad 83% Expense

17% Ad

83% Expense



Taxonomy of a new network



AI Engineering

- 3 Team Members
- Chris Lee, Advisory Consultant, Ex-Bell Labs
- 500 Patents, 30 Patents, 13K Citations

Media Engineering

- Cyril, First Engineer at Vibser
- Dr. Omer, PhD in Digital Signal Processing

Data

- David, Ex-TikTok Data Science

Community

- Tally, Director of Community, Ex-TikTok

Application Engineering

- Dr. Bal, PhD in Symbolic AI
- 15 Team Members

Mobile Engineering

- 2 Ex-Lyft engineers

Ads

- Meghan, Senior Pricing Strategist, Ex-Viscom
- Ryan, Sales

Technical Support

- 10 Team Members

Finance and Payments

- 1 Team Member

We're Raising 3 million dollars

10 months runway

89M in distribution

Strong Series A (\$M - 10M)

\$2m Committed

Lead by KICKSTART

Tier 3 IP Equity

- Identify the creators early through data before they become tier 3 creators
- Take a fraction of the IP/ Copyright in exchange for extended promotion and support
- Market these users with the excess cross promotion inventory to grow our investment



Apple's acquisition of iHeartRadio and its impact on the music industry

For Amazon's Spotify deal, All rights reserved, 10% of the revenue, 10% of the advertising budget

"Serial" podcast goes to Amazon Music for 2018 year-end, but ending revenue

Podcast acquisition by Apple, Amazon, Spotify, and others in 2018 and 2019

Podcasts are the next big development deal



Homecoming



Serial



StartUp



The Think Next Door



Limetown



Dirty John