

Mashup targets music market in the cloud

Check out the blog online at mspbj.com/news/blogs

Showing off a prized music collection used to mean walking friends over to a CD rack or bookcase filled with LPs. Now that music collections have gone digital, a Minneapolis tech startup is betting that consumers will want to recreate that experience online.

Mashup Media Inc., founded early last year by Haythem Khalil, has launched a music-streaming service that also gives users a place to showcase and share their music collections, concert videos and favorite songs online.

When Khalil started the business, he initially wanted to build out a pure social network. He soon realized he needed to offer additional services to draw people in. He acquired a venture called Mougg, which let consumers upload their music collections to the cloud and

stream songs on iPhones and Android mobile devices. Khalil brought on a business partner, Ryan Walseth, and the two rebranded the company from Mougg to Mashup early this year. The company began offering the streaming service on BlackBerry and other devices.

Mashup customers can store up to 2GB worth of songs for free. They pay \$2.99 per month for unlimited storage. The service now has about 31,000 users.

Last week, the company launched Mashup 2.0, which lets people who upload songs create an online profile where they can share music. For now, users can only share samples of songs, but that should change in June, when the firm will have a licensing deal in place for 17 million tracks, Khalil said. The company will launch an accompanying online store where users can buy songs.

The music-streaming market is crowded with companies such as Pandora Media Inc. and Spotify Ltd. However, those services don't give consumers ownership of songs, and that's an area where Khalil is confident Mashup can stand apart.

"I believe we have a better business model," he said. "We're seeing a lot of sites going toward renting music. We target the people who want to own music."

Khalil also expects Mashup will be able to land music-licensing agreements with better terms than free music-streaming services because it plans to sell the tracks online.

Mashup has raised \$100,000 in capital from investors since its founding, and expects to generate about \$750,000 in revenue by the end of the second quarter. In February, the company opened an office at skyway level in downtown Minneapolis to showcase the company.



Katharine Grayson
Staff writer
kgrayson@bizjournals.com
(612) 288-2106 | @graysonk

A finder for top at-home staffers

Carla Bainbridge built her business by carving out a niche screening job applicants for hourly, front-line positions. Now, she's ready to break into a new market: profiling and placing "virtual" workers.

Bainbridge's firm, PredictiveProfiles, recently launched a service that companies can use to find professionals willing to perform freelance or occasional work from home. People interested in such jobs register online at PredictiveProfiles' website. The company then screens applicants and uses personality- and skills-assessment tools to identify strong candidates. The company operates as a staffing firm, and employs the virtual workers.

Bainbridge decided to launch the service after clients began asking her to assess candidates for virtual positions.

"The work force is changing," said Bainbridge. "You don't have to drive into an office."

So far, hundreds of job seekers have registered to participate in the service, she said. PredictiveProfiles will help companies find virtual workers for positions like graphic designer and bookkeeper.

Competition will come from websites such as Elance Inc., where companies can advertise for freelancers. But Elance clients must comb through freelancers' profiles. PredictiveProfiles' advantage will be that it handles the matchmaking, Bainbridge said.

Osprey closes \$20M offering

Med-tech firm Osprey Medical Inc. has wrapped up a \$20 million initial public offering in Australia.

The Eden Prairie-based company has yet to receive approvals needed to list its shares on the Australian exchange, but plans to ultimately trade under the symbol OSP.

Osprey chose to go public in Australia partly because the company's device was invented there. Also, it's easier for small medical-device companies to attract investor attention in Australia, CEO and President Mike McCormick said in an last month. Osprey's post-IPO market capitalization is about \$40.4 million.

Osprey has developed a catheter device for cardiology patients who also suffer from kidney disease. Physicians typically inject dye in a patient to X-ray the heart prior to cardiology procedures, such as placement of a stent. The dye doesn't harm most patients, but can cause damage to those with kidney disease. Osprey's product, called Cincor, removes dye from the heart so it doesn't reach the kidneys.

The company will use funds raised via the initial public offering to conduct clinical trials and launch its product in Europe.

Osprey has yet to receive regulatory approval to sell its device in the United States. However, it expects to land clearance from the Food and Drug Administration in 2014.

MASHUP MEDIA INC.

Headquarters: Minneapolis
CEO: Haythem Khalil
Business: Technology
Employees: About 6
Web: mashup.com

PREDICTIVEPROFILES

Headquarters: Bloomington
CEO and president: Carla Bainbridge
Business: Screens and places workers
Employees: 32
Web: predictiveprofiles.com

OSPREY MEDICAL INC.

Headquarters: Eden Prairie
CEO and president: Mike McCormick
Business: Medical technology
Employees: About 10
Web: ospreymed.com

recognize
achievement
like you mean it...

Excellence deserves

Viking
TROPHIES
AWARDS & RECOGNITION

763-537-3422

Visit our showroom at:
6248 Lakeland Ave. N.
Brooklyn Park, MN
www.vikingtrophies.com

FIVE DATA CENTER FACILITIES SERVING THE MIDWEST

DATA CENTER SERVICES
COLOCATION / HOSTED SERVICES
MANAGED SERVICES / CLOUD COMPUTING

Schedule a tour of our recently expanded Eden Prairie Data Center by calling us today at 612-395-9090 or visit us online at www.visi.com.

a TDS company