



INVESTING

Rock 'N' Returns

Imagine if you could have invested in the Rolling Stones in 1964. Well, you can't always get what you want—but now you can buy the shares you need from **SellaBand**, a German company that lets music lovers invest in startup bands, financing their albums in return for a piece of the action.

For musicians, SellaBand works like MySpace: A band uploads a profile page along with songs for free streaming at SellaBand.com. For fans, it's a bit like a musical E-Trade: You sign up online and purchase shares of a future recording for \$10 each. After a band raises \$50,000, SellaBand provides a producer and an A&R rep and covers the cost of making 5,000 CDs. Revenue from CD sales and ads on SellaBand.com are split among the company, the artists, and the investors.

Since few bands can raise \$50,000 on their own, SellaBand offers them a vehicle to leverage Web-based popularity. Backed by angel investors, SellaBand is riding on the reputation of CEO Johan Vosmeijer, a former Sony Music executive whose connections give bands access to veteran producers. A month after its official launch on Aug. 15, SellaBand had signed more than 250 bands, and nearly 2,000 music lovers had ponied up \$35,000. Dutch goth-rock band Nemesesa has raised nearly \$11,000. "Being the best-selling band at SellaBand so far has helped us a lot," says singer Manda Ophuis. "The more publicity they get, the more publicity we get."

— MELANIE HAIKEN

MOBILE TECHNOLOGY

Tracking Your Buddy List

While traveling in Europe earlier this year, Nokia product manager Jyri Engestrom missed his friends and family—and wished for a way to find out where they were without calling them all. That led him to quit the Finnish phone giant and create **Jaiku** with \$25,000 of his and co-founder Petteri Koponen's money. The Helsinki startup's free mobile application is a buddy list with a twist: By using information from cell-phone towers and the input of other users who once stood where you are, Jaiku figures out your exact location and broadcasts it to your buddies, and vice versa. Jaiku's service is a mere three months old but has already garnered nearly 10,000 users and is winning praise from early adopters and analysts. "This is a very cool technology," says Julie Ask, a senior analyst at Jupiter-Research. "It has the potential to take off." Based on mobile ad network AdMob's pay-per-click prices—5 cents to \$1—Engestrom conservatively estimates that Jaiku's very targeted location-specific ads will fetch about \$1 per click, which could add up to as much as \$500,000 in revenue next year. He still doesn't see friends and family often enough, he says, but "now they know what I'm up to just by glancing at their phones." — SUSANNA HAMNER



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