

## Spotlight on Sanwire Corporation

Trading Symbol - OTC Markets: **SNWR**

### *Investing in Valuable Entertainment Technologies for Strong Shareholder Upside*

Recently, The Venture Letter™ (TVL) was introduced to **Sanwire Corporation (OTC: SNWR)**. We were extremely impressed, but no one more than our Chief Editor.

Why is this, exactly? It's because he also happens to be an avid, 40-year-long musician who had the good fortune of attending **The Berklee College of Music** in Boston, Massachusetts after his first year of economics and languages at UBC. As a musician with professional musician family members and multiple friends also as music professionals, he definitely saw something in Sanwire he feels could revolutionize the multi-billion dollar music industry.



#### **Exactly what does our Chief Editor see in SNWR of such value?**

Well, that is the entire point of this newest edition of The Venture Letter: To tell investors about an amazing opportunity that must be considered as a get-in-early (and cheap) opportunity. This Special Report aims to explain to value-seeking investors why we see very promising upside in Sanwire's stock. With a recent **venture market capitalization of just \$7 million**, we hope our readers will see the potential for SNWR and be able to make a well-informed, personal investment decision after reading this report.

Sanwire's major acquisition of **Intercept Music Inc.** in March 2020 is the game-changer. Sanwire's

- *Impressive, consistent quarter over quarter revenue growth in \$21.6B market in 2020*
- *Physical distribution through such retailers as Barnes&Noble.com, Target.com and Walmart.com*
- *Digital distribution through Amazon Music, Pandora, iTunes, Spotify, Apple Music, and Google Music*
- *Potential takeover candidate as a rising star in independent music space worldwide (estimated to be valued at \$131 Billion by 2030)*
- *Former CEO of Universal Music Group, Jim Urie, recently joined Sanwire to assist in achieving World Leader status*
- *Insiders own 72% of \$SNRW shares*
- *April 2021, announced 35 Million music streams distributed to date*

shareholders see significant value being generated by Intercept Music and its **SAAS** (acronym for ‘Software as a Service’) business that dramatically helps build the careers of independent artists and bands in the music industry. It’s the strategic deal we can see launching SNWR toward significantly higher prices and into stronger market liquidity.

The global music business is massive and is only getting bigger. Through its 100% ownership of Intercept Music, Sanwire is well-positioned to become a significant player therein.

Let’s first look at the current state of the music business on a macro scale to get a sense of where and how Sanwire/Intercept aims to create established, long-term shareholder value.



According to **The International Federation of the Phonographic Industry**, better known as **IFPI**, the organization that represents the recorded **music industry worldwide**:

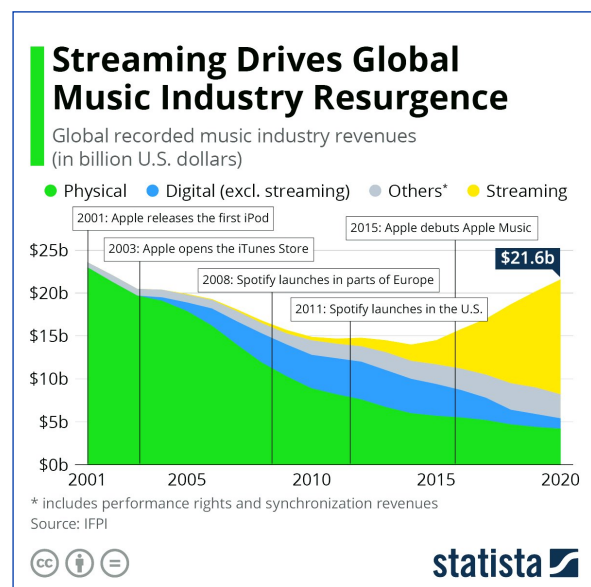
“The **global recorded music market** grew by 7.4% in 2020, the sixth consecutive year of growth. Figures released recently in IFPI’s

**Global Music Report** show total revenues for 2020 were **US\$21.6 billion**. Growth was driven by streaming, especially by paid subscription streaming revenues, which increased by 18.5%. There were 443 million [global] users of paid subscription accounts at the end of 2020. Total streaming (including both paid subscription and advertising-supported) grew 19.9% and reached **\$13.4 billion**, or 62.1% of total global recorded music revenues.”

The IFPI also stated “The work and investment of record companies has helped lay the foundations for a **predominantly digital industry** that proved its resilience against the extraordinary circumstances of 2020... The whole sector has continued to drive innovations in the ways fans can experience music around the world.”

The integration and convenience of music streaming, combined with the immediate access provided by smart phones and devices, has driven recorded music’s growth and popularity. IFPI notes that **global streaming revenues grew at a 42% CAGR** (compounded annual growth rate) since 2015, compared to the entire recording industry’s 9% CAGR. The following chart from **Statista** shows the evolution of the music industry’s revenue composition and how streaming growth has significantly corrected declines in physical and downloaded formats over the past decade.

Meanwhile, the global music publishing industry has proven strong throughout the economic cycles of the past decade.





According to the **International Confederation of Societies of Authors and Composers (CISAC)**, publishing collections (performance royalties) increased from \$7.95 billion in 2013 to \$10.5 billion in 2018.

Will Page, the former Chief Economist at Sweden's **Spotify**, estimates that the global publishing business (CISAC collections + estimates of non-CISAC publisher revenues from Music & Copyright) was worth **\$11.7 billion in 2020**. Despite its seeming pervasiveness, streaming technology is still only in the early stages of mass adoption.

### **Streaming Growth Driven by Independents Labels & Artists**

Streaming revenues reached **\$14.2 billion in 2020, up 19.6% from 2019**, adding \$2.3 billion, up from the \$2.2 billion added in 2019. So, 2020 was another year of increasing streaming growth. Spotify's revenue increased by less in 2020 than 2019 which indicates that it is, for the first time, pointedly under-performing in the market, due to the rise of local players in emerging markets and significant growth for YouTube.

For the first time, the major labels under-performed in the global streaming market; however, not all majors were affected in the same way. Sony Music Entertainment (SME) was entirely in line with streaming market growth, Universal Music Group (UMG) slightly below and Warner Music Group (WMG) markedly below. **Independent labels and artists direct both strongly overperformed** in the market, collectively growing at 27% and **increased their combined streaming market share to 31.5%**!

### **The Massive Rise of Independent Artists**

In 2019, independent artists selling directly to consumers were the glaringly obvious success story, far outperforming the market. This was repeated 2020 when **independent artists sales grew by an unbelievable 34.1% to break the billion-dollar market for the first time**, winding up the year at \$1.2 billion. This increased the market share by more than one point, up to 5.1% in 2020.

The continued rise of independent artists clearly shows a glaringly obvious market move towards this new and fast-growing generation of artists. **Private equity funding is now pouring into production-tools companies like Native Instruments** and so one can see this space heating up even further in 2021.

The recorded music business is changing, and it is changing fast. The following statistics highlight how the market still has room to expand:

- According to IFPI, there were **341 million global paid streaming accounts** by the end of 2019. The figure represents less than 11% of the 3.2 billion global smartphone users.
- According to the **Digital Media Association**, at the end of 2019 the US market had 99 million paid streaming subscribers, that being 30% of the US population. As a comparison, in Sweden (the home of Spotify), global paid music streaming reached 52%.
- In May 2020, **Goldman Sachs** estimated the entire music industry's revenue (live, recorded, and publishing) to increase from \$62 billion in 2017 **to \$131 billion in 2030**, representing a 6% CAGR. The 2030 estimate was an increase on its original prediction of \$104 billion, made in October 2016.



## [Intercept Music Inc.](#) [- Sanwire's Value Focus -](#)

**Intercept Music, Inc.** a **100% owned** Sanwire subsidiary is an entertainment technology company dedicated to helping independent artists **effectively distribute, market, and monetize their music**. Sold through a previously described SaaS model, Intercept's online platform provides an unparalleled combination of marketing, promotion, and distribution to hundreds of stores worldwide and every major streaming service, including **Apple Music, Google Music, Pandora and Spotify**.



Intercept's services include full-service, concierge-style support and even one-on-one coaching from award-winning music industry professionals. Intercept focuses on the independent music market, which is estimated at 12 million artists, and as already mentioned is the fastest-growing sector of the music industry.

Intercept Music also provides recording artists with the services needed to market, promote and sell their music online and through **Social Media**. Comprehensive reporting allows artists to track the fan response to their releases, all the way down to individual music tracks.

On April 28th, 2021 Intercept Music announced via press release the **distribution of more than 35,000,000 streams** for its artists. Streaming has become the most popular way for artists to distribute their music which **currently accounts for over 83% of music consumption**.

Intercept distributes music and collects royalties in 230 countries around the world. While the music streaming growth rose a healthy 9.2% in 2020, **Intercept Music's streaming services grew by a whopping 400% year over year**.

**Intercept Music has partnered with the globally-renowned Ingrooves Music Group**, the largest online music distribution company in the world, for global distribution to streaming services and leading stores. **Completing more than 50 billion transactions weekly across over 150 countries**, Ingrooves supplies music to leading streaming music platforms and lists some of the world's largest and most reputable music labels among its clients.



The partnership with Ingrooves, a wholly-owned subsidiary of **Universal Music Group (UMG) which is the biggest music company in the world**, allows Intercept Music and its clients to reach a much wider audience and start earning revenue as soon as possible by leveraging Ingrooves' quality control systems and direct relationships with leading music streaming services. InGrooves does all UMG's distribution as well. INGrooves is not open to the public for distribution, only through partners.

There are three foundations of Intercept Music's product offering:

1. Its music distribution platform that is well augmented via the company's partnership with InGrooves, a wholly-owned subsidiary of Universal Music, which is arguably one of the largest music companies in the world.

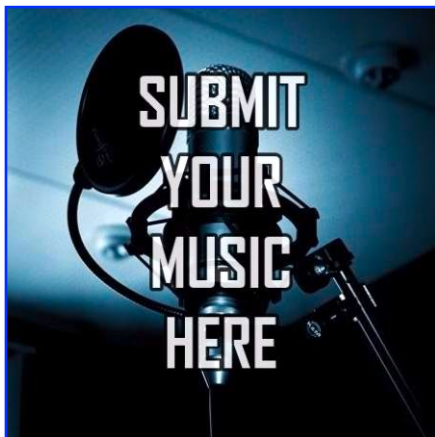
2. Its Social Media system, which is tailored to work the way artists use Social Media to promote their music and engage with their fans. The scheduling system integrates artists' profiles across multiple social networking sites (Facebook, Twitter, Instagram and YouTube) to facilitate new audience sampling, fan development and the ability for music to be previewed and purchased.

**Our Business Model**  
Primary revenue derived from Amazon store concept

	Intercept Distro	Intercept Artist	Intercept PLUS
	Distribution only	Distribution, social media marketing	Distribution, social media marketing, storefront with merch plus...
Setup Fee	\$19.95	\$300.00	Zero
Monthly Fee	\$5.95	\$49.95	20% of profit including merch
Labor	Automated	Automated	80% Automated
Profit / Artist / Mo.	\$3.00/mo.	\$25.00/mo.	\$500-2,000+/mo.

3. It is represented by the team of developers that brings a unique combination of deep technical expertise (in products like Skype), a team of well-accomplished executives and what the company calls **Brand Ambassadors** – senior reps from multiple genres who have **helped artists earn over 100 Grammys!**

Sanwire's subsidiary Intercept Music is the confluence of technology and this music expertise. The company currently markets three plans to its clients, with each offering different distribution and royalty options, as well as various marketing and reporting options.



The plans are described as follows:

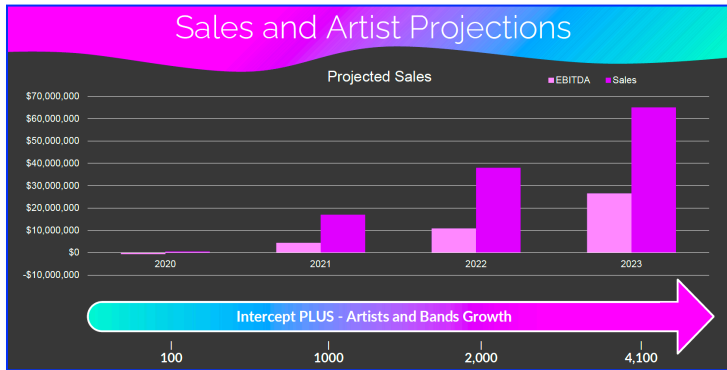
- **Intercept Distro** is a basic plan for self-service music distribution with royalty collection. Artists keep 100% of the royalties while receiving unlimited releases and full analytics with reporting.

- **Intercept Artist** includes all of the benefits of the basic Distro plan with added emphasis on social marketing and distribution for emerging artists. With this plan, artists

receive scheduled and ad-hoc posting, social media reporting, reusable content libraries and access to other valuable features.

- **Intercept PLUS** is available by invite only and is meant for established artists looking for a complete suite of marketing, distribution and monetization services. The PLUS plan includes everything available through the Distro and Artist plans, as well as offering a dedicated service representative, a branded online store, on-demand merchandise, additional marketing, YouTube monetization and other pro features.





Intercept PLUS is the flagship plan. Artists of this caliber often do **\$1,000 to 5,000/month** in merchandise sales alone at 50%+ profit with some artists capable of much greater than this. Intercept is responsible for marketing to the fan base through its social media system and shares in the profits generated. The stores are managed by intercept so both top-line revenues and bottomline profits flow through Intercept.

### Physical Distribution for Intercept Music Clients

Intercept Music announced on June 25, 2020 that it would be offering artists physical distribution through major retailers such as **Amazon, FYE & Walmart.com**. The physical distribution will consist of CDs and vinyl. This will serve as a supplement to the online streaming platform access provided by the company to represented artists.

“In the current climate, artists can’t play shows or otherwise engage in public at all, so they’re focusing on all other opportunities to bring in revenue,” Intercept Music President Tod Turner stated in a news release. “Our only priority is to help artists monetize music in every way, and with physical distribution added to the mix, we’re leaving no stone unturned in helping artists to earn money from their creative output.”

### Intercept Music’s New Label Incubator Program

The new **Label Incubator Program** offered by Intercept Music works as an artist development suite of marketing and distribution services **for labels who want to enhance their prospective artists online footprint and music exposure while further grooming these artists towards a recording contract**. The program allows artists to open a window into their streaming, social and merchandise sales for a major music label. Labels can also choose to receive alerts based upon triggers on key performance metrics for an artist, giving them a real-time view when an artist rocks it. Labels have an "uber" view over all their artists trending, social platforms, performances, and merchandise sales.

Intercept has also introduced a **suite of new marketing services** for their artists including advertising, press releases, play-listing, and music reviews. Advertising allows an artist to place their ads in strategic locations in Social Media to maximize their exposure to a desired



audience or promote tours. Playlists account for 70-90% of streams.

User playlists are also the key to algorithmic and eventually editorial playlists, and Intercept has thousands broken down by genre for its artists. Music reviews are a very powerful tool to let an artist know how their music is being received by their fans as well as to create Social Media content for sharing. All of these services are geared toward increasing artist revenue and exposure.

## [Why we see SNWR Sanwire Corporation as a strong Venture Investment Opportunity](#)

1. **The global music business** has grown significantly in the past six years with streaming audio and video pushing revenues to levels not seen since the introduction of the iPod in 2001;
2. Intercept Music's sales for the year ended 12/31/20 have shown **consistent quarter over quarter** growth and expanded product testing to over 300 artists;
3. Intercept recently released version 2.0 of its software platform, including Social Media marketing and online stores for high caliber artists. This marks the beginning of **the transition of the company from development to marketing**;
4. Intercept has created a marketing and distribution services program for high-caliber artists - **the PLUS Program** - to help artists maximize sales and engagement through merchandise and enhanced marketing services; expanded the PLUS program to nearly 100 artists and retail stores;
5. Intercept has added physical CD distribution through brick and mortar stores and online stores like **Barnes and Noble, Target and Amazon**;
6. Intercept has created an Artist Incubator Program to **enable it to partner with every major label** and help them cultivate artists, and signed 5 labels to the program;
7. Intercept has formed **several strategic partnerships** including the Recording Artist Guild (RAG) (10,000 independent artists) and Rocket Songs with 12,000 independent artists;
8. Intercept added former president and Chief Executive Officer of Universal Music Group Distribution, Mr. Jim Urie, joined Intercept's board of directors. **Called one of the "music industry distribution giants" by Billboard Magazine**, Mr. Urie has had a career-long focus on maximizing profitability for music distribution across all outlets and formats;
9. Sanwire's 2021 business outlook looks exciting and promising as the company **continues to entertain partnerships with well-established companies in the music industry**, both domestically and internationally;



10. Sanwire recently reached an agreement with a major shareholder/company officer **to retire 100 million common shares** thereby increasing overall value per share;
11. Sanwire successfully **cancelled over \$1,000,000 of debt** including the cancellation of over \$400,000 in convertible notes.

## [Why Investors Should Pay Attention NOW](#)

Sanwire/Intercept has been focused on its software development and refining its programs. **The 'big push' to get the word out to hundreds of thousands of potential customers** is very close. Large, ongoing advertising campaigns are planned and new, strategic partnerships being negotiated. With existing clients generated predominantly from word-of-mouth referrals to date, such hefty marketing and promotion should launch Sanwire Corporation's revenue and value through the roof within the next quarter. It seems to us that Sanwire is really only just getting started, though the team has already done great work in a short timeframe.

**One other point** we'd like to make clear to our investing readers is, according to Sanwire's 2020 Annual Report, the key players in Sanwire Corporation and Intercept Music **own approximately 72% of the Sanwire's common shares**. This is an incredibly good sign. It tells us management and directors believe heavily in their business plan and believe the per-share value of SNWR will increase significantly in the months and years to come. It is always important to see this to give investors greater confidence when coming to an investment decision. Typically, we see management teams owning 15 - 25% of their own companies, sometimes less. With the Sanwire team wanting to own as much of their own company as possible, this should really tell interested investors something.

Though no official decision has been made and specific SEC filings will first need to be done, we see no reason Sanwire will not pursue a senior listing on either the **OTCQB** or **OTCQX**. Our Chief Editor has also advised Sanwire to pursue a secondary listing on foreign exchanges such as the **Frankfurt Stock Exchange**. This is an inexpensive way to access a totally new audience of interested investors with the aim of increase the company's shareholder base and maximizing market liquidity, both in the USA and Europe.



## **Sanwire & Intercept's Combined Management Teams** **- Experience Generates Value -**

As we have stated multiple times in multiple editions of The Venture Letter™, ***people bet on people more than anything***. Sanwire Corporation has a management team and Board of Directors to deliver real value to shareholders:

### **Chris Whitcomb - CEO, Sanwire Corporation & CFO/Director, Intercept Music**

Professional Certified Public Accountant (CPA, currently inactive), former CEO of SMC Entertainment, former CFO Citadel Exploration and also Ionex Mining

### **Ralph Tashjian - Chairman, Intercept Music**

Record promoter, marketer, executive 40 years' experience with MCA, Universal, 20th Century, Island and Mowtown Records. Promoted global acts like Diana Ross, Barry White, Bob Marley, Smokey Robinson, Aerosmith, Madonna, Prince and Eric Clapton

### **Tod Turner - President/Director, Intercept Music**

An entrepreneur and inventor with 40 years' professional experience. Established fourteen software patents for technology used by Skype, Office365, Google, Amazon, Facebook and WhatsApp. Built several technology companies.

### **Jim Urie - Director, Intercept Music**

Former President, Universal Music Distribution. Named a Power Innovator by Billboard Magazine, 30 years in music industry with CBS, Polygram, Arista Records and Universal Music Group. Called one of the "**music industry distribution giants**" by Billboard Magazine, Mr. Urie has had a career-long focus on maximizing profitability for music distribution, across all outlets and formats.

### **Jim Craft - Director, Intercept Music**

CPA, MBA from Harvard, International business executive. Presidential appointment to the Pentagon, experience working with public companies including Coca Cola and Rainbird. Currently involved with natural pharmaceuticals.

### **James Barry - CTO, Intercept Music**

Thirty years' development with Microsoft tools, Former CTO LINQware, co-authored telephony patents used in Skype and WhatsApp

### **Miguel Palmero - Sr VP Distribution, Intercept Music**

20 years experience with the music industry. Received two Grammy Awards for sound engineering and was nominated for three more.

## [Final Thoughts on Sanwire Corporation](#)

**Sanwire Corporation (OTC: SNWR)** has the potential to become the biggest player in the marketing and distribution of independent artists' music and videos worldwide. The company's 100% owned subsidiary **Intercept Music, Inc.** has assembled a power team that is second to none.

Intercept's online platform is dedicated to helping independent artists and bands effectively distribute, promote, and earn income from their music. Intercept's platform gives artists immediate access to hundreds of digital stores and every major streaming platform,



including **Spotify, Apple Music, Amazon Music, Pandora and Google Music**. In addition to powerful DIY Social Media marketing and promotional tools available on a monthly subscription model, the invitation-only Intercept Plus program offers fully managed promotional services, including the opportunity to sell merchandise through branded online stores.

SNWR's market awareness for its stock has only just begun. The fact the company's market capitalization is just \$7 million tell us there is significant room for improvement. As the company focuses on significant growth it independent artist client-base, so too do we see SNWR's interested investor-base growing significantly.

On a personal note, our Chief Editor stated:



*"I have long been a follower of innovations in the Music Industry. Intercept Music's platform and services make for a fantastic business plan. I have already introduced the company and its services to multiple friends, family members and associates in music, all of whom have expressed keen interest. **I can see this company gaining a major market share in the near future to the great benefit of shareholders.**"*

# SANWIRE CORPORATION

Symbol - OTC:SNWR

Market Cap - \$7 million

Shares in Float - 90.3 million

Restricted Shares - 560.2 Million

Total Shares Issued - 704 million

Management Ownership - 72%

Share Price - \$0.0091 to \$0.0135  
(May 2021)

Sanwire Corp (SNWR)

0.0097 ▲ 0.00



For more information, please contact Sanwire Corporation by phone at +1 (424) 835-0833, or by email at [ir@sanwirecorporation.com](mailto:ir@sanwirecorporation.com).

Investors can also visit the company's website at [www.sanwirecorporation.com](http://www.sanwirecorporation.com) and also Intercept Music's website at [www.interceptmusic.com](http://www.interceptmusic.com)

Good luck and good hunting.



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The Venture Letter™ received USD 5,000 for the production of this report by Sanwire Corporation. As of the date of this Special Report, principals of The Venture Letter™ own no shares of Sanwire Corporation.