

Pandora chief out after latest losses

March 7 2013



Pandora Music CEO Joe Kennedy speaks during the National Association of Recording Merchandisers Entertainment and Technology Law Conference on March 30, 2011 in San Francisco, California. Kennedy announced plans Thursday to step down after the Internet radio giant's earnings report showing greater losses even as it captured more listeners.

Pandora Media's top executive announced plans Thursday to step down after the Internet radio giant's earnings report showing greater losses even as it captured more listeners.

Chairman and chief executive Joe Kennedy will continue in his current role until his successor is named, the company said in a statement.

"As I near the start of my 10th year at the helm of [Pandora](#), I am incredibly proud of the team and what we have accomplished in redefining radio," Kennedy said.

"As part of our board discussions of the road that lies ahead, I reached the conclusion and advised the board that the time is right to begin a process to identify my successor."

In its earnings report, Pandora said it held a record eight percent of total US radio listeners at the end of its fiscal year in January.

The loss in the past quarter widened to \$14.4 million from \$8.0 million a year earlier, while revenues jumped to \$125 million from \$81 million.

The news of higher revenues and more listeners encouraged investors, prompting a surge in after-hours trade of Pandora by 18.6 percent to \$13.92.

Paul Ausick at 24/7 Wall Street said the latest [earnings report](#) was "not substantially different from the company's third quarter results. The big difference is that expectations have been reset."

Kennedy said the company was benefiting from more revenues from its [mobile service](#).

"We closed the year with a record eight percent share of total US radio listening and record mobile [monetization](#) that cemented our leadership in [mobile advertising](#)," he said.

Kennedy said Pandora had completed its technology integration with

radio ad buying platforms and has been hiring "top talent in local radio markets" to increase its share of the \$15 billion radio ad market.

"We are now effectively the largest radio station in almost every major market and begin fiscal year 2014 with extraordinary momentum," he added.

Pandora went public in 2011 at \$16 a share, but has been dogged by profitability concerns.

The company is urging Congress to pass an overhaul of a law governing music royalties, claiming it pays a higher percentage of its revenues for song rights than its satellite radio rival.

Pandora said revenues from its mobile platform grew 111 percent in the fourth quarter to \$80.3 million. Mobile listener hour growth was up 70 percent year-over-year and total listener hours were up 53 percent.

(c) 2013 AFP

Citation: Pandora chief out after latest losses (2013, March 7) retrieved 4 May 2024 from <https://phys.org/news/2013-03-pandora-chief-latest-losses.html>

<p>This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.</p>
--