

# Pandora raises IPO offering price range

June 10 2011

---

(AP) -- The popular Internet radio service Pandora raised the price range of its initial public offering on Friday by at least a third to between \$10 and \$12

That means Pandora could raise as much as \$176.3 million.

Proceeds for Pandora Media Inc. would be up to about \$72 million if the shares price at \$12. Selling stockholders would get up to \$104.2 million.

The initial pricing put the share price range between \$7 and \$9.

The IPO from Pandora, based in Oakland, Calif., comes amid a sizzling market for the latest generation of Internet companies. These include daily deals site Groupon Inc., which has filed to go public and [professional networking](#) service LinkedIn Corp., which has already completed its IPO.

Pandora got its start in 2000 as a [music recommendation](#) service, then known as Savage Beast Technologies. It changed its name in 2005 when it launched an [Internet radio service](#) that lets people stream music over the Web. Users can create custom stations based on songs, genres or artists.

Joseph Kennedy, a former salesman for automaker Saturn Corp. and executive for online banker E-Loan, has been Pandora's CEO since 2005. He owns 4.2 million Pandora shares. Other stockholders include [venture capitalists](#) Crosslink Capital, Walden Venture Capital and

Greylock Partners and newspaper and magazine publisher [Hearst Corp.](#)

Pandora offers a basic, ad-supported service for free. Users can pay for a service with no ads that allows them to skip more songs they don't like and listen to songs in higher sound quality. Most listeners still use the free service.

The company plans to use the proceeds from the offering to pay accrued dividends on its redeemable convertible preferred shares and for general corporate purposes.

The underwriters are Morgan Stanley, JPMorgan, Citi, William Blair & Co., Stifel Nicolaus Weisel and Wells Fargo Securities.

©2011 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed.

Citation: Pandora raises IPO offering price range (2011, June 10) retrieved 19 September 2024 from <https://phys.org/news/2011-06-pandora-ipo-price-range.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>
--