

Pandora raises IPO offering price range

10 June 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 offering to pay accrued dividends on its redeemable convertible preferred shares and for general corporate purposes.

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

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

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