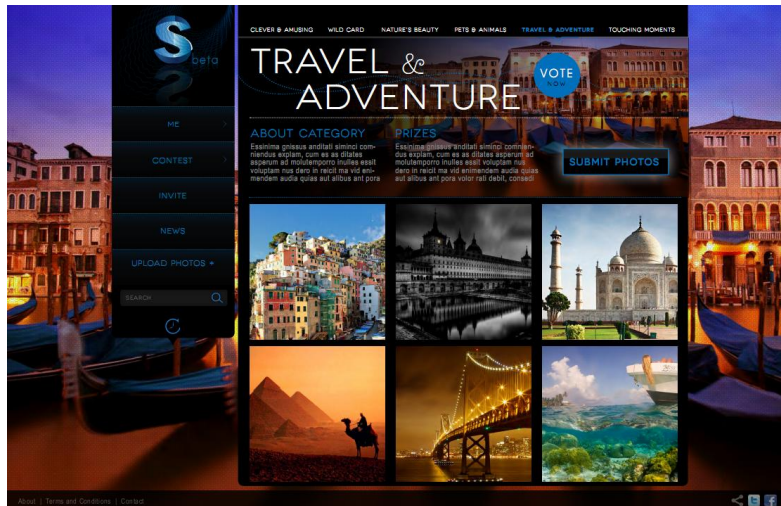




## Start-up wins US\$15m for social photo idea

By [Mahesh Sharma, ZDNet.com.au](http://Mahesh.Sharma.ZDNet.com.au)

**An American venture capital firm has invested US\$15 million in Aussie company Mooter Media, which hopes to organise the world's biggest social photography contest.**



A screenshot of the ImageSocial platform  
(Credit: Hot Shot Media)

The contest will be hosted on proprietary ImageSocial platform, touted as a way to share photos across all devices and social-networking platforms and being developed by Hot Shot Media, in which Mooter is a joint-venture partner.

The investment values the company at US\$75 million and is being stumped up by San Francisco-based firm La Jolla Cove Investors, which also provides support to rapidly commercialise, market and launch the ImageSocial platform.

In a statement, Mooter said the platform will leverage "geolocation and targeting features, social and interactive gaming elements and novel innovative applications of user-generated content to create a dynamic and engaging social photography community".

"Ultimately, ImageSocial will harness photos, their subjects and the attributes of those who capture them to bring the world together across all nations, all cultures and across all devices and social-networking services and unify their interests, shared experiences and priceless memories," the company said in the release.

The success of the product hinges on an online photo contest to capture the most defining moments of our generation, according to Hot Shot Media CEO Chris Jermyn.

It will be a digital version of *American Idol*.

"Nearly 10 years ago, *American Idol* captured the hearts, minds, imaginations and voting hysteria of television viewers from around the world, compelling a generation to compete, to dream and to become involved," Jermyn said in a statement.

"We believe that the first component of our vision for ImageSocial represents the logical next step in the convergence of reality entertainment and social media — the reality web.

"This will be user-generated content living large and on a scale that neither social gaming nor popular culture have yet seen. We are delighted that La Jolla have put their financial support and trust in us to bring this defining concept to fruition."

He said the product is in closed beta with select partners ahead of a public release later this year to coincide with the announcement of major brand and celebrity partners and a television and print marketing campaign.

The full-scale reality contest will launch in the first quarter 2012, which will be coordinated in the American market by Hot Shot Media EVP marketing and investor relations, Dion Sullivan.

The funding will initially be released over five years in monthly tranches of US\$200,000, but this figure could scale as high as US\$1 million a month if there is a corresponding rise in the Mooter share price.

The investment will take the form of convertible notes and when converted will give La Jolla a 19.9 per cent holding in Mooter (which is itself a joint-venture partner in Hot Shot Media). No amount of the facility has been converted yet, according to HSM CEO Chris Jerym, so the company's largest shareholder remains Mining Investments Ltd with a 12 per cent stake. Full shareholding is on page 62 of the [company's annual report \(PDF\)](#).

## SWOT

### Strengths

It has secured big funding and also support from an established firm. The product is in beta.

### Weaknesses

The company's success depends on a marketing campaign via traditional media, as opposed to some cool, innovative tech.

### Opportunities

Online photo sharing is very fragmented across a number of players, so there is definitely potential here.

### Threats

If the campaign fails, then it's hard to see how the technology will succeed.

### Conclusion

It's an interesting idea and there's definitely a market for it, but it is completely reliant on an old school, traditional marketing campaign. The flip side is that there are so many vested interests, there's no way this can fail.

### **Verdict: BOOM**