

**Introduction:**

wikiloops is a project created by musicians for musicians, and to make sure anyone who is interested to know how we are going about running wikiloops, it is one of our annual traditions to offer insight in the projects development at the beginning of each year.

These annual transparency reports are available to the public and all previous years reports can be found in the wikiloops forum, back to the first one covering 2011.

Transparency is an idealistic idea if you think about it: The intention of keeping something transparent is to let others look through it, so they can see the motives which would otherwise be hidden behind in-transparent veils.

In reality, offering multiple pages of statistical insights, a lot of numbers and graphs will not lead to a lot of people looking behind what all that really says.

It rather creates some kind of "you can try to look at what is going on, but you need to be an expert to see anything"-situation - that is what happens in situations like the "panama papers" in 2016.

The following report is our attempt to offer you a human-readable overview of how wikiloops operated in 2016, with the intention to let our supporters know where their money went, and to give anyone else the opportunity to consider supporting wikiloops after reading this report.

The report offers some relevant statistics in the first part, and traditionally ends with the "editors review", a short interpretation of the data.

As in all previous years, you are welcome to ask questions or leave remarks.

**Facts you need to know when reading this report:**

1. wikiloops is officially operated by a German-based company called "wikiloops media UG", which is in ownership and run by the founder of wikiloops, Richard Kaiser whom you know as "Dick" on wikiloops.

The company setup was chosen to provide the protection of limited liability in case the project has to face legal claims (which needs to be considered as likely when dealing with copyright sensitive content like music).

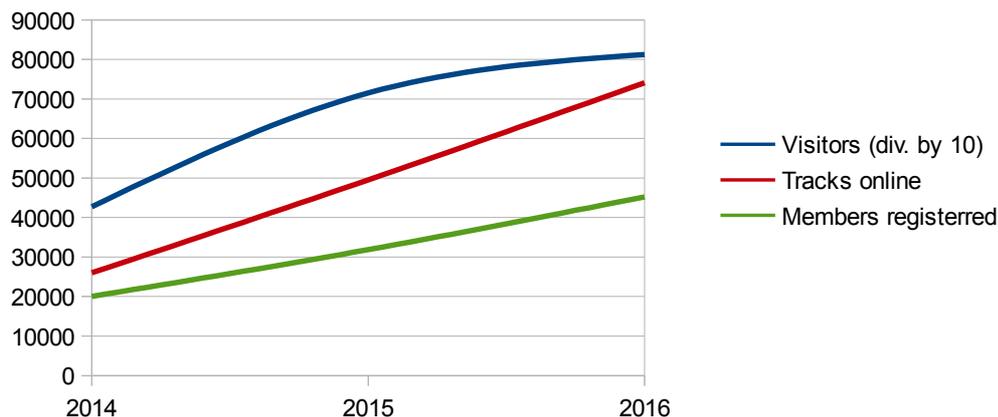
Running a company in Germany leads to quite work intensive and partially costly regulations which need to be obeyed. wikiloops is a tax paying enterprise.

2. This report focuses on the online project wikiloops.com, and any effort, gain and cost related to other activities (as the member meeting) are not included here.

3. The money-related figures in this report are strictly in euros to avoid confusion. Some of the figures are influenced by the fact that the Dollar-Euro exchange rates have changed in the past years, and that 90% of the donations to wikiloops are made in US-dollars.

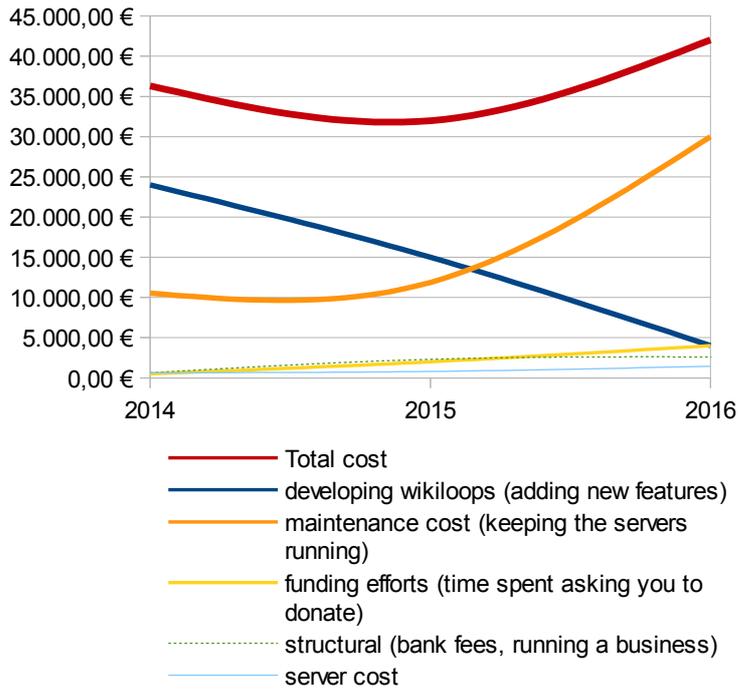
4. Looking at the cost evolution graph, you may wonder about the stated cost of labour operating wikiloops. To demystify these numbers, we have added a shortlist of tasks which need to be covered at the bottom.

**Visitor & content trends**



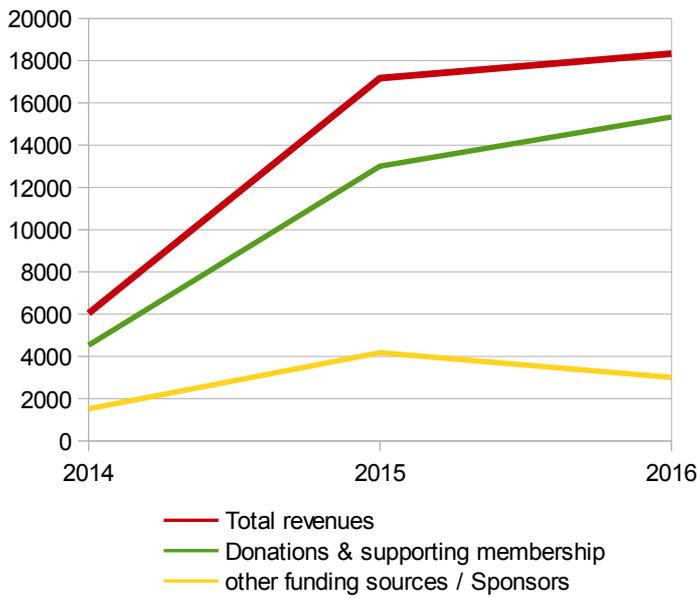
	2014	2015	2016	
Visitors	427.000	715.223	812.393	<b>+13,58%</b>
Tracks online	25.997	49.535	74.099	<b>+55,25%</b>
Members registered	20.052	31.874	45.228	<b>+37,72%</b>
Uploading members	932	1.507	2.053	<b>+26,41%</b>
Donors	166	470	619	<b>+31,70%</b>

### Cost evolution



	2014	2015	2016	
maintenance cost (keeping the servers running)	10.542,00 €	11.876,00 €	30.000,00 €	<b>+31,44%</b>
developing wikiloops (adding new features)	24.000,00 €	15.000,00 €	4.000,00 €	
funding efforts (time spent asking you to donate)	500,00 €	2.000,00 €	4.000,00 €	
structural (bank fees, running a business)	628,00 €	2.311,00 €	2.600,00 €	
server cost	645,00 €	799,00 €	1.442,00 €	
<b>Total cost</b>	<b>36.315,00 €</b>	<b>31.986,00 €</b>	<b>42.042,00 €</b>	

### Revenue evolution



	2014	2015	2016	
Donations & supporting membership	4525	13000	15334	<b>+6,75%</b>
other funding sources / Sponsors	1520	4174	3000	
<b>Total revenues</b>	6045	17174	18334	

Years financial results, refinanced by Dicks voluntary work to keep wikiloops going	-30.855,00 €	-16.190,00 €	-23.708,00 €
Years results excluding development	-6.792,00 €	-148,21 €	-19.708,00 €

#### Priceless values created 2016:

The average length of each visit was 10 minutes and 45 seconds. so it is safe to say that a total of 8.733.224,75 minutes was spent on wikiloops - not including any time spent having fun with wikiloops tracks while not being online. Now, since there is little to do on wikiloops besides having fun & making music, one can state that wikiloops created 16,61 years of non stop human fun in 2016.

## Explanatory part on costs 2016

### What exactly falls into “maintenance”?

Server backups to make sure potential data loss can be recovered. With about 600MB uploaded each day in 2016, this is a task to keep up with.

Monitoring and expanding Server capacities as needed. At the end of 2016, we are serving from two root servers and a cloud network of 10 additional servers spread around the globe

Keeping code compliant to evolving standards both on the server back-end as on the users browsers front end. For example when flash is no longer supported by browsers, or the server operating systems change as in 2016

Taking care of copyright issues, involves lots of communication and is highly relevant to keep wikiloops in the safe zone – try to survive one legal case with a budget like wikiloops.

Keeping the trolls out. We believe this place would not nearly be as enjoyable as it is if no one took action whenever the lines are crossed so this aspect is a part of what it takes to have the wikiloops we love.

Ensure new members uploads are labelled correctly to make sure the ordering system stays in shape

Coordinating volunteers. One can do phantastic things with volunteers, such as the 7 interface translations available of wikiloops, but somebody needs to take care of the communications, provide the working material and put the pieces together. That's a task of it's own.

Funding wikiloops. It will not work without a budget, so all the efforts taken in this area have to fall into maintenance. 1000km were travelled to contact sponsors 2016, 45k emails were sent asking for support and 6 weeks of funding campaign attended to.

Deal with the accounting and taxation tasks which are obligatory when running a company in Germany. German beaucrats have no mercy, and wikiloops has filled six folders of paperwork just to make them happy by now.

Communicating with members. Let's face it, if we hang on to running wikiloops in a transparent way, someone needs to offer the public addresses and insights needed to meet that idea. A lot of time goes into communicating with the members to improve wikiloops the way you prefer, or to offer reports like this one here.

### What exactly falls into development?

Simply put: Adding new features to wikiloops. That usually involves:

proposing and discussing a feature with the members via the forum

technical development to provide the new feature (databases, on-server code)

visual development of the interface to include the new feature (add buttons, explanation how to use)

translating the involved text for all 7 languages

testing the new feature on several devices, communicate with beta testers

### Why is there such a huge increase in maintenance effort and so little in development in 2016?

The things that have been worked on in 2016 were much more on the “keep it running as it grows” side than on the “let's add something that is still missing” side of things.

#### Time spent downloading a page (in milliseconds)



One graph which does give some idea what all the fuss around the 9.0 update was all about is the one above, it shows the server response times as measured by google before and after the update went live.

If the servers are coping with up to 100 users online these days, then that's what has been worked on, while the amount of newly added features (like the radio and album pages added in 2015) was rather small in 2016.

**Editors review:**

This report starts with some thoughts about the use of making things transparent, and if it shall serve the purpose to let you see through, then above numbers call for a comment or two.

What you see above is a growing project, with different growth rates to its different aspects, and sadly one has to notice that we did not manage to meet the increase in cost with an increase in collected funds.

The second aspect that is striking is the change in the ratios of “developing” and “maintenance” cost which is explained above.

This is not really a surprise, any “products” development cost will decrease as it “matures”, and maintenance effort will rise as more people use a service.

But this expectable and foreseeable change does carry one factor which is truly worth pointing at, because it may otherwise escape being noticed:

Development cost comes with a different feeling of “these were improvements worth investing into”, and the hope that “this will make the project so much more attractive, people will love that”.

It was easy (and has been Dicks preferred solution to the previous years negative monetary results) to declare these costs as one-time-investments in a brighter future, which may (even financially) return once the new features are around a little.

When talking about maintenance cost, everyone owning a house or a car will agree that's a necessary evil one must accept. If the result of all effort put into developing wikiloops is a situation where the project cannot afford its maintenance cost (which seemed possible looking at last years numbers), then we must admit that we are in trouble.

Now, let's not forget to look at the bright side: We have once again managed to provide a lot of fun to a lot of people. “16.61 years of non stop fun” is a nice way to try to realize that, or empicturing more than 400.000 individuals having fun with an instrument and their computer... that's a medium sized city of happy jammers, now how cool is that?

But after managing the place for almost six years, it seems we we have to face the fact that we have so far failed to find a solid funding concept that will carry the project.

It would be nice if there was another conclusion to end this report with than that, but the numbers show it too clearly this time, so we will have to come up with whatever it takes to turn this trend around, otherwise there is no way to tell if there will be a next report next year.

Now, don't panic. We are still issuing this report, wikiloops is still online and livelier than ever, and we are still confident there will be a way. Any changes to wikiloops which may become necessary will be communicated ahead of time via Dicks Developer Blog,

and in the true spirit of collaboration, we are inviting anyone to follow up how the story continues.

Our thanks go out to the team of volunteers, the Kaiser family and all the supporters of wikiloops who have carried a great share of what it takes to make this place. Thank you folks, and keep the faith, we will do our best to keep the 'loops around for you.

January the 9<sup>th</sup>, 2017

Richard Kaiser

wikiloops founder