

Transcript of
Dolphin Entertainment, Inc.
Second Quarter 2020 Earnings Call
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Participants

James Carbonara - Hayden IR, LLC
Bill O'Dowd - Chairman & Chief Executive Officer
Mirta Negrini - Chief Financial Officer & Chief Operating Officer

Analysts

Jack Vander Aarde - Maxim Group, LLC
Allen Klee - National Securities Corporation
Barry Sine – Spartan Securities

Presentation

Operator

Greetings and welcome to the Dolphin Entertainment Second Quarter 2020 Earnings Call. At this time, all participants are in a listen-only mode. A brief question-and-answer session will follow the formal presentation. [Operator Instructions] As a reminder, this conference is being recorded.

It is now my pleasure to introduce your host James Carbonara. Thank you. Mr. Carbonara, you may begin.

James Carbonara - Hayden IR, LLC

Thank you, and once again, welcome to Dolphin Entertainment's Second Quarter 2020 Earnings Call. With me on the call are Bill O'Dowd, Chief Executive Officer; and Mirta Negrini, Chief Financial Officer. I'd like to begin the call by reading the Safe Harbor statement.

This statement is made pursuant to the safe harbor for forward-looking statements described in the Private Securities Litigation Reform Act of 1995. All statements made on this call with the exception of historical facts may be considered forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934.

Although the company believes that expectations and assumptions reflected in these forward-looking statements are reasonable, it makes no assurances that such expectations will prove to have been correct. Actual results may differ materially from those expressed or implied in the forward-looking statements due to various risks and uncertainties.

For a discussion of such risks and uncertainties, which could cause actual results to differ from those expressed or implied in the forward-looking statements, please see risk factors detailed in the company's annual report on Form 10-K, contained in subsequent filed quarterly reports on Form 10-Q as well as in other reports that the company files from time to time with the Securities and Exchange Commission.

Any forward-looking statements included in this earnings call are made only as of the date of this call. We do not undertake any obligation to update or supplement any forward-looking statements to reflect subsequent knowledge, events or circumstances.

Now, I will turn the call over to Bill O'Dowd, Chief Executive Officer of Dolphin Entertainment. Bill, please proceed.

Bill O'Dowd - Chairman & Chief Executive Officer

Thanks, James, and thanks, everyone, for joining today. What a day, right? As many of you may have just read, a few minutes ago we announced our latest acquisition, the influencer marketing firm, Be Social. So, I'm going to start by talking about this exciting news before proceeding in the usual order of highlighting some top-level financial results, and then providing some operational updates before turning it over to Mirta to dive deeper into our financial results. And of course, we'll take questions at the end.

Okay. So, let's start with Be Social. We love this company. And, bringing social media influencer marketing into our Super Group was the single biggest priority for Dolphin Entertainment this year. Let me just go off-script for a minute, right? I'll scare James here for a hot second.

Sometimes it's just easier speaking plain English, right? Okay, here it goes. We're in the business of creating and executing the very best in entertainment PR and marketing campaigns, right? The basic principles of PR campaigns have never changed since silent movies; you are building awareness and the ever-elusive buzz or hype among consumers for a piece of content.

Now, within our company, that piece of content or product may be the next James Bond movie, right, or the next HBO hit series. But the basic principle of what you're trying to do hasn't changed for 100 years. What has changed is the where. Where are you marketing? Where are you executing your PR campaign?

Well, news flash, right? This is 2020. And where you are marketing is increasingly online. In today's world, PR campaigns are won or lost online. Buzz and hype are created through social media. And word-of-mouth is spread on Instagram, not at the office water cooler. And that was even true when people actually went into their offices.

It's that simple. Online is where the consumers are, period. And here's one more thing to think about. It's not just the consumers that are online, the content is online. When we design PR campaigns for a new album for one of Shore Fire's clients, we're promoting towards the purchase of that album on iTunes or adding it to the consumer's playlist on Spotify.

42West is running campaigns for 145 Emmy nominations this year, a new record, I might add. And the vast majority of those nominations are for shows or for performers on shows that come from streaming services. That's online delivery. If the content is online, we need to meet the consumer in the environment that they are watching the product. It's the old saying, right, "Fish where the fish are."

Thus, you can see why Be Social is a highly, highly strategic acquisition for us. We've already got 3 world-class PR firms. We believe we're the only company in America, let alone

the only company on NASDAQ, that has more than 1 PR firm listed in the top 50 most powerful PR firms in the United States.

Now, we've just added our first choice of influencer marketing companies, so that we can design and integrate social media influencer campaigns for our clients, and combine them with our world-class PR capabilities. We can sync the promotional calendars online and offline. That's the idea.

Okay. So with all that said, back to the script. With Be Social in our entertainment marketing Super Group, we'll be able to immediately cross-sell these services. We can plug-and-play across all 3 of our PR agencies.

Think of The Door. Influencer marketing is 101 these days with promotion of any consumer product. Also, when the hospitality industry comes back, influencer marketing is the very first thing you coordinate for the launch of any restaurant or hotel opening. You need influencers to come visit and talk about it online. That's back to today's word of mouth that I just mentioned.

But it's not just The Door. Music today is marketed with social influencers. Anyone ever hear of TikTok? May have seen it once or twice in the news recently? Well, guess what. You think the music industry pays for promotion with popular influencers on that platform? You get the idea.

So, we went looking for the company that we felt would best fit within our Super Group. And we chose Be Social and for several reasons. First, Ali Grant, hands down. Ali founded Be Social 8 years ago, and she's the CEO today. She's instinctive with social media. She's a thought leader in the space. She's energetic. And most importantly for us, she's collaborative by nature.

She epitomizes what we want next-generation leadership to be within the Dolphin family. And I know she's ready for and can handle what's coming, which is that all 3 of our market-leading PR firms are ready to work with her right away for the benefit of our entire roster of clients.

We're very excited about this acquisition. And it's exactly the next vertical we wanted to add to our Super Group. We've now got PR across every major entertainment industry, a market-leading social media and influencer marketing group and the video creation capabilities of Viewpoint that can service online or offline campaigns.

You can just feel the momentum that comes from these types of collaborative synergies. Okay, so with all that said, I'll answer any questions about what we shared about Be Social during the Q&A afterwards. And I'll segue to our financial results.

Well, we exceeded both our internal and analyst expectations for the second quarter. And, honestly, it's a tribute to Ali and Be Social that we didn't lead with this statement, right? Revenue was \$5.1 million, beating both internal and consensus expectations, as I just mentioned, which we are very pleased about for this quarter that was most impacted by COVID.

More importantly, operating results also beat internal and consensus expectations, coming in at a loss of only \$179,038, which includes depreciation and amortization of \$496,461. Obviously, depreciation and amortization is a non-cash item. So, it bears repeating. We had an operating loss of less than \$200,000 that includes almost \$500,000 of depreciation and amortization expense. In any other quarter, that would have been our headline.

Turning to operational updates at each of our 4 subsidiaries, or I guess, actually, 4 of 5 now, right? In order of acquisition date, I'll start with 42West. Well, how's this for a sub-headline to the sub-headline. 42West has set a new internal record for Emmy nominations. Their extraordinary range of client work has resulted in 33 different programs and individuals earning a total of 145 Emmy nominations.

This is where I should sip some water to let that sink in, right? The nominees include the HBO limited series *Watchmen*, which leads all programs with 26 nominations, including Outstanding Drama Series. And the nominees also include Pop TV's comedy *Schitt's Creek*, a 15-time nominee, including nods for Outstanding Comedy Series and for all 4 members of its principal cast.

I know there is tremendous love for that particular series. And I need to give a special shout out to the 42West team for having elevated the awareness and recognition for that incredible series that I believe started as a network series in Canada, initially unavailable in the United States. Truly incredible work.

Additional well-known nominees include HBO's *Curb Your Enthusiasm*, *Insecure*, *Westworld* and *Bad Education*, actress Meryl Streep for HBO's *Big Little Lies*, director Lesli Linka Glatter for Showtime's *Homeland*, producer Shawn Levy for Netflix's *Stranger Things*, and various creative artisans for their work on Amazon's *The Boys*, *Carnival Row*, *Jack Ryan*, *The Marvelous Mrs. Maisel* and *Tales from the Loop*.

Switching to *The Door*. Since we last spoke on July 13, just a couple of days later, *The Door* announced the opening of both *Virgin Hotels Nashville* and *Kenoza Hall* located in the Catskills region of New York as well as the reopening of *Virgin Hotels Chicago* and the *Viceroy Santa Monica*, which is just completing a \$21 million renovation. The hospitality industry, though, is hurting. There's just no other way to say it. But we're starting to see the first signs of life, especially in New York.

With that said, I don't believe we'll see a return to normal, whatever that means, through the rest of 2020, and we have to be prepared to wait out a vaccine or some other answer for COVID before full resumption of the restaurant and hotel business. However, as noted on our Q1 earnings call, the Consumer Products division of *The Door* is really having a fantastic year. And the third quarter is markedly up from the second quarter, so we can rely on the increase in business there to help us continue to offset the loss of hospitality business.

As for *Viewpoint* our goal this year was to broaden their client base to include many corporate clients and that focus is really paying off for us. Of all of our companies they probably had the best second quarter as there's consistent demand for the creation of videos to use in marketing campaigns online. And here's where I should probably take a second sip of water and let that sink in, and let folks think about our *Be Social* acquisition. Okay.

Now, where was I? Oh, yeah, I just said that Viewpoint probably had the best second quarter among all of our companies since there has been consistent demand among corporate clients for the creation of videos to use in online marketing campaigns. One example of this will be that Viewpoint completed the strategic design and full-service production of a branding campaign for long-time client, Direxion Funds, to introduce a new lineup of strategic weight ETFs. Now that's a great corporate client for Viewpoint.

On the traditional client side of entertainment networks, we also announced a brand spot that Viewpoint did for CBS News. Those two announcements show the balance we'd like to strike between Viewpoint's legacy, the best in-class work for the leading media brands in the entertainment industry such as CBS News, as well as CNN, HBO, Showtime, Discovery and ESPN, among others, with the expansion of that heritage and experience into the corporate world.

With Shore Fire Media, we saw revenues decline slightly and hold steady throughout the second quarter. As noticed on our call last month, the promotion of music is heavily online now. And don't worry, I won't take another sip of water. That has allowed Shore Fire's drop in revenues to be relatively modest, even with the loss of the live event and touring business.

With that said, and 1 month later from when we last spoke, we don't believe that live events and touring will restart in 2020. And much like the hospitality business for The Door, we have to be prepared that revenues will be impacted until there's a vaccine or some other answer for COVID. However, we are seeing a consistent, steady drumbeat of clients that are creating and releasing new music, which gives us the opportunity to provide PR and marketing services. And I can tell you, we expect to see magic from the combination of Shore Fire's incredible PR campaigns in the music industry with Be Social's influencer marketing capabilities. And that's going to be fun to watch develop.

On the production side, nothing much has changed since we last spoke five short weeks ago. We have two great projects ready to go. The wedding comedy, *Sisters Before Mist*, with Lea Thompson attached to direct, and the road movie, action thriller, *Special Delivery* with Vaughn Stein attached to direct. We're actively casting both projects and believe we are very near having a lead actress to announce on *Special Delivery*.

We're also waiting on both projects as the rest of the independent production community for a solution to provide production insurance around COVID. Encouraging signs in the past few weeks would definitely have to include a government-backed solution that was announced in the UK. That country is now ramping up to full production, and I would expect that Canada will follow suit shortly. Hopefully, that will allow for a business or a government solution to be reached here in the U.S. All right, so those are the operational updates.

Before I turn it over to Mirta, I'll just do a quick run down memory lane. When we up-listed to NASDAQ in late December of 2017, we talked about building an entertainment marketing Super Group of six companies over the following three years. We have never wavered from the strategy, we knew exactly the types of companies we wanted, and we chose those types of companies based on their ability to work together and cross-sell their services. Well, today, we just brought in company number five. And just like the other four companies before them, Be Social, led by Ali Grant, was our first choice in their vertical. Think about that for one second. We've been blessed to get our first choice in every single vertical we've acquired.

We have 42West for film and television, the New York Observer's most powerful PR firm in Hollywood. We have The Door for hospitality, lifestyle and consumer products. We have Shore Fire Media for music. All three of our PR firms are considered top 50 in this country from all industries. We have Viewpoint Creative for branding and video creation. And now we have Be Social for social media influencer marketing. We don't curse here at Dolphin headquarters. So, let me just say, are you flipping kidding me? And all these companies, each with their own specialty, they all want to work together. Does anyone wonder why we're so excited?

At this point, I'll now turn it over to Mirta for a more in-depth view of our financials.

Mirta Negrini - Chief Financial Officer & Chief Operating Officer

Thank you, Bill, and good afternoon. Revenues for the second quarter of 2020 were \$5,194,725 as compared to revenues in the second quarter of 2019 in the amount of \$6,273,983. We anticipate a temporary decline in revenues due to the pandemic, which impacted The Door the most. The revenues in each of these quarters were fully derived from our entertainment publicity and marketing segment.

Overall operating expenses decreased by approximately \$2.1 million during the three months ended June 30, 2020, as compared to the three months ended June 30, 2019. Direct costs decreased by approximately \$600,000 for the three months ended June 30, 2020, as compared to the three months ended June 30, 2019, primarily due to the elimination of certain Viewpoint fixed costs. Selling, general and administrative costs decreased by approximately \$93,000, mainly related to a decrease in travel expenses during the three months ended June 30, 2020 as compared to the three months ended June 30, 2019. Legal and professional fees decreased by approximately \$86,000 for the three months ended June 30, 2020, as compared to the three months ended June 30, 2019, primarily due to decreases in audit and accounting fees. Payroll costs decreased by approximately \$1.3 million during the three months ended June 30, 2020 as compared to the three months ended June 30, 2019, primarily due to the salary and staff reductions as a result of the decrease in revenues due to the effect of COVID-19.

Our operating loss for the quarter ended June 30, 2020 of approximately \$179,000 includes non-cash items from depreciation and amortization of approximately \$500,000 as compared to an operating loss of approximately \$1.2 million for the quarter ended June 30, 2019, including approximately \$500,000 of non-cash items from depreciation and amortization.

Net loss for the quarter ended June 30, 2020, was approximately \$2.9 million or \$0.12 of basic loss per share based on 23,596,206 weighted average shares and \$0.12 diluted loss per share based on 25,299,336 weighted average shares. This compares to net loss for the quarter ended June 30, 2019 of approximately \$800,000 or \$0.05 per basic loss per share on 15,969,926 weighted average shares and \$0.05 diluted loss per share based on 19,172,087 weighted average shares outstanding. We should note that during the quarter ended June 30, 2020, we recorded beneficial conversion features on the conversion of several notes payable in the amount of \$856,863 that is recorded in interest expense. We also recorded net losses on changes in fair value of liabilities in the amount of approximately \$1.7 million. During the three months ended June 30, 2019, we recorded gains on changes in the fair value of liabilities in the amount of approximately \$723,000.

That concludes my financial remarks. I will now ask the operator to open the phone lines for Q&A. Operator, can you please poll for questions?

Question-and-Answer Session

Operator

Ladies and gentlemen, we will now have our question-and-answer session. [Operator Instructions] Our first question comes from Jack Vander Aarde with Maxim Group. Please proceed with your question.

Q: Great. Good evening, Bill and Mirta. Solid 2Q results. Congratulations on the acquisition. Thanks for taking my questions. So, I'll start with Bill and I'm going to start with the obvious topic, the acquisition of Be Social, which is the latest addition to your Super Group roster. This is a leading influencer marketing firm.

And I see in the 10-Q, if I go towards financial related questions first, total consideration paid looks like about \$2.2 million or so. Wondering, Bill, if you can provide any historical run rates of Be Social's revenue and operating income, is that something you can provide at all?

Bill O'Dowd - Chairman & Chief Executive Officer

Yeah, thanks, Jack, and thanks for the kind words about the quarter. We certainly feel good about it as well as this acquisition. Yeah, we're not talking about historicals on Be Social for competitive reasons, much like we didn't for Viewpoint and others before it. But it's an extremely well-run company, profitable, and immediately accretive for us.

And we expect to be able to generate significant growth just by introducing them to 3 PR firms worth of clients, right? So, yeah, we're pumped for that.

Q: Okay. Fair enough and that's helpful. I'm happy to hear it's immediately accretive. And then, as we look forward to the future, can you maybe talk about the overall cross-selling opportunities this acquisition creates? I imagine, there are cross-selling opportunities from Be Social across all of your existing Super Group divisions. But just wondering if you can talk about which of your existing divisions that you think may benefit the most in the near-term in terms of revenue synergies from Be Social? And then, which of your business will benefit more mid- to long-term?

Bill O'Dowd - Chairman & Chief Executive Officer

Sure. Well, let me go back to what we said a little bit on Q1, because Be Social is a great example of when you start adding companies to a Super Group like this, that all want to work together or cross-sell their services, you grow exponentially, right? And think about the math of that for a second, like when you're 1 company, you can't – you have no one else to cross-sell with, right? And when you're 2 companies, there's only 1 line – 1 road to go, right, between those 2 companies.

When you start getting to 5 companies, now Be Social can work with all 4 of the others, right? So, you've gone from 1 connection to 3 connections to 6 connections to now 10 connections. And this particular connection is the most desired skill-set of all 3 of our PR firms, right? There is no way around that every single client of The Door utilizes and wants to run social influencer marketing campaigns, period. Full stop. It's 101 for restaurants, hotels, consumer products. So if I were to start somewhere, I'd start with The Door, right?

But, as I was trying to mention on the call, music today, it's hard to believe how rapidly TikTok has grown, right? It's all effectively within the last 12 months, and it's a major driver of music marketing campaigns. Same with, do I need to start talking about music videos on YouTube, right? I mean, I don't know how you market music effectively without 95% of your efforts being online. So, it's going to have tremendous advantages with Shore Fire, which has already started a division dedicated to PR for influencers. So, Shore Fire Media has been at the lead of that evolution already. And this is only going to enhance it.

And then, of course, with 42West, I mean these influencers are – many of them are celebrities in their own right, right? In their world, they are.

So, the cross-selling and the synergies are there today. But, you asked a future question, and I appreciate you asking that, Jack, because, think of it this way, I don't know that Be Social isn't the hub for another subset of acquisitions; because when you start talking about influencers, Be Social is predominantly focused on where influencers are today. That's beauty. That's fashion. That's lifestyle, wellness, typically speaking.

But there is an entire subset out there around video gaming, e-sports, other verticals where online influencers are the most effective way to reach certain demographics, I mean, try finding a 19-year-old boy watching TV today that isn't called live sports. So, we think that adding Be Social isn't just immediately beneficial to all 3 of our PR firms and vice versa. It's a company that will allow us to significantly expand online and immediately. We're looking at opportunities today. So that's also why Be Social was highly strategic for us.

Q: Got it. That's very helpful. And I appreciate your enthusiasm, too, and it gets me excited. And then maybe if I just touch on just some of your existing businesses without digging too much further into Be Social. I just want to touch on Viewpoint for a second. You highlighted them as a star performer during this quarter. So first, just so I understand, does this mean that Viewpoint contributed maybe the highest percentage of total revenue during this quarter than it ever has in history? Is that what I understand?

Bill O'Dowd - Chairman & Chief Executive Officer

I think the – I think in terms of previous quarters, quarter-over-quarter and year-over-year, Viewpoint performed the best in the second quarter, both on a revenue and on an operating profit basis. They had a tremendous quarter. And it's a small company versus our PR firms, but they have the chance to have the highest and best margin and in pretty short order, because when they – we're adding corporate clients every month. And when you build a corporate practice that's equal to their entertainment industry leading practice, the margins are just very exciting.

And there's just more opportunities too, I mean, obviously, for every one company in the entertainment space, there are how many in the general corporate world, right. They're a very strong complement to the Consumer Products division of The Door. And there's a great example of one of the previous links, right. They're working on the largest contract in The Door's history right now. We're not at liberty to speak about it, but it's a significant contract, and that's a consumer product company that then hired Viewpoint to do the video to complement the PR campaign that The Door's doing.

So those types of complementary skill sets, we've seen it work. Viewpoint can service all three of our PR firms, it will very quickly work with Be Social as well.

Q: All right. Fantastic. Well, I'm excited for you, guys, and great quarter again, too, with results as well. I don't want to overshadow that. So, I appreciate the time and will hop back in the queue. Thank you.

Bill O'Dowd - Chairman & Chief Executive Officer

Thank you, Jack.

Mirta Negrini - Chief Financial Officer & Chief Operating Officer

Thank you.

Operator

Thank you. Our next question comes from Allen Klee with National Securities Corporation. Please proceed with your question.

Q: Good afternoon. Can we start with 42West? I'm trying to understand with – on the one hand, you have the benefit of a lot of content coming out, but then also, there might be some challenges coming up of getting production or maybe not for the big – for your customer. So how do we think about the best way of like how this is going to – like on a sequential basis, is this a segment that you think will be kind of growing over the next few quarters or something else?

Bill O'Dowd - Chairman & Chief Executive Officer

Yeah. Thanks, Allen. It will be growing, because in the second quarter, as I mentioned on our first quarter earnings call, 42West had the benefit of increased work from streaming services, right. We've got a tremendous number of series and movies for the streaming services. Obviously, we're very blessed with those Emmy nominations, right. But it was offset by how COVID impacted 42West with the fact of the production shutdown. So, talent went on hiatus for PR services, because they weren't on shows to promote.

So as production restarts, yes, our pipeline will be filled for theatrical movie releases that we'll promote and new streaming services series. But where revenue will quickly get back, we hope, and certainly be ramping up in the third quarter and the fourth quarter is that our – many of our television celebrities will come back on fee, because their shows will be back in production and soon back on air. So that's how COVID most impacted 42West, I would say.

Q: So, if we could follow-up on that in terms of – could you just give us a little color for the large studios and streaming sites where you see they are in terms of starting back up production? And then for yourself, you gave an interesting – for independents, I'd like to understand a little more. You talked about it opening up in some other countries? And then how that could – how you think about when that can happen in the U.S.? Or does it matter if it's the U.S., because your companies can produce – can make the movies outside of the U.S.?

Bill O'Dowd - Chairman & Chief Executive Officer

Sure. Yeah, I'll take those questions in that order that you asked. Well, for studios and networks, we're seeing them get started to go back into production, which is great news for all of us in the industry. They can do this because they can self-insure. So, if there's a

COVID outbreak on their set, they can afford to shut down for a couple of weeks, try and get it back under control and restart. And they're building the cost of that into their budgets or the possibility of that into their budgets. And we're seeing our director and showrunner clients and our acting clients go back to work. And that's fantastic news. And I should say, too, for that, we're seeing it for theatrical movies, which are still a meaningful part of the 42West business, of course.

We're hopeful that with theaters gradually reopening here in the U.S., we'll be able to return to promoting movies. Maybe as early as late third quarter and certainly in the fourth quarter, some of our major franchises are still tracking to open on time. So, we've got James Bond right at – in November. We've got Top Gun. We have quite a few projects actually lined up for the fourth quarter. Theaters are open in Europe and Asia now. They've stayed open, which is nice to see. So, let's see how it goes over the next few weeks. And if so, then those properties will go. And of course, we have our very, very healthy independent film business that we promote when it goes – when they go into theaters.

For production in the U.S. – for independent production, yeah, the issue is simply insurance. If you've got an \$8 million movie and you risk shutting down for two weeks, you're probably talking about a \$500,000 to \$1 million expense. And there just isn't a backstop to that for 95% of all producers. So, you're waiting to have an insurance policy, much like you have in case there's an accident on set or a hurricane comes through your set or whatever it might be. So, we need to wait for that.

But with the UK creating a government solution, and with Canada expected to shortly follow, to your previous point, Allen, we may be able to shoot our movies in Canada. Fantastic. We shot many times up there over the years. Or hopefully, it will prod a business or government solution, which is actively talked about every day here in the U.S. So, we're waiting it. But hopefully, we won't have to wait more than another few weeks to know if and when we can shoot safely in the U.S.

Q: Great. So, my last question is just to try to understand kind of all the pieces of what that maybe means. It sounds like 42West will be improving. The Door hospitality is very, very slimmer, bits are coming back. But the consumer division is growing. So that will be a positive. Viewpoint is growing with corporate. Shore Fire is kind of stable. Production is a question mark. And then, whatever Be Social adds. So, it sounds like when you add them all up, it's kind of moving upward to some degree. Is that the way to look at it?

Bill O'Dowd - Chairman & Chief Executive Officer

Yeah, yeah, we're growing. And, the worst, we believe, is behind us for all of our companies. Some are going to accelerate faster than others. But we're growing across every company and then we just added Be Social. So, it's exciting times for us.

Q: Okay, thank you so much. Congratulations.

Bill O'Dowd - Chairman & Chief Executive Officer

Sure. Thank you.

Operator

Thank you. There are no further questions at this time. I'd like to turn the floor back over to management for any closing remarks you may have.

Bill O'Dowd - Chairman & Chief Executive Officer

Well, thank you. And I appreciate everyone for joining us today. I'm very happy to be able to announce and deliver our 5th company for the Super Group. And hopefully, I guess, I'll take Jack's word for it, that our enthusiasm came across on adding Be Social to our companies. I can tell you, within our companies, the excitement is certainly there. Texts and e-mails are flying as we speak.

Things to look for before our next earnings call would be continued milestones around, maybe we'll be able to even add one more member to our family. We certainly are expecting to do so by the end of the year and that would be a nice conversation to have. And then, I think, we should definitely look at how we can utilize Be Social to expand our online presence.

So, we appreciate everyone's time and thank you for joining us today. And we look forward to talking again next quarter.

Operator

Ladies and gentlemen, this concludes today's web conference. You may now disconnect your lines at this time. Thank you for your participation and have a great day.