

Viggle Inc.  
Form S-1/A  
March 17, 2014

As filed with the U.S. Securities and Exchange Commission on March 17, 2014

Registration No. 333-193254

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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AMENDMENT NO. 2  
TO  
FORM S-1

REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933

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VIGGLE INC.  
(Exact name of registrant as specified in its charter)

Delaware	7370	33-0637631
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

902 Broadway, 11th Floor  
New York, New York 10010  
Tel.: (212) 231-0092  
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

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Robert F.X. Sillerman  
Chairman and Chief Executive Officer  
Viggle Inc.  
902 Broadway, 11th Floor  
New York, New York 10010  
Tel.: (212) 231-0092  
(Name, address, including zip code, and telephone number, including area code, of agent for service)

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Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this Registration Statement.

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If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	<input type="radio"/>	Accelerated filer	<input type="radio"/>
Non-accelerated filer	<input type="radio"/>	Smaller reporting company	<input type="radio"/>

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall hereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and we are not soliciting offers to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to completion, dated March 17, 2014

PRELIMINARY PROSPECTUS

VIGGLE INC.

\_\_\_\_\_ Shares of Common Stock

We are offering \_\_\_\_\_ shares of our common stock.

We will effect a reverse stock split on a 1-for-80 basis on March 19, 2014. We also will effect a recapitalization of our outstanding preferred stock, converting all preferred stock into shares of common stock prior to the date of this prospectus. Unless indicated otherwise, all information in this prospectus, including our historical financial statements included in this prospectus, has been prepared on a pro forma basis to give effect to the reverse stock split and recapitalization.

Our common stock is currently quoted on the OTCQB marketplace and trades under the symbol "VGGL." The last reported sale price of our common stock on the OTCQB marketplace on March 14, 2014 was \$ 32.00 per share after giving effect to the reverse stock split. The public offering price of our shares of common stock in this offering is expected to be between \$ \_\_\_\_ and \$ \_\_\_\_ per share. We have applied to list our common stock on the Nasdaq Capital Market and expect such listing to occur concurrently with the closing of this offering.

It is a condition to the consummation of this offering that Sillerman Investment Company II LLC, an entity affiliated with Robert F.X. Sillerman, our Executive Chairman, Chief Executive Officer, Director and principal stockholder, purchases shares of our common stock for at least \$5 million in gross proceeds in this public offering at the public offering price. The underwriters will not receive any discounts or commissions with respect to any shares purchased by Mr. Sillerman or his affiliates. As of March 12, 2014, Mr. Sillerman, together with the other directors, executive officers and affiliates, beneficially own 7,935,244 of the outstanding shares of our common stock, representing approximately 81.6 % of the voting power of the outstanding shares of our common stock, after giving effect to the reverse stock split and recapitalization.

Investing in our common stock involves a high degree of risk and substantial dilution. See the section entitled "Risk Factors" beginning on page 13 to read about factors you should consider before buying shares of our common stock. Neither the U.S. Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Public Offering Price	Underwriting discount and commissions (1)	Proceeds, before expenses, to us
Per share of common stock		\$	\$
Total		\$	\$

(1) See "Underwriting" for a description of compensation payable to the underwriters and for factors to be considered in determining the public offering price of our shares. The underwriting commission is: 0% on the proceeds from Mr. Sillerman and his affiliates; 4.5% on any proceeds from certain of our existing investors; 7% on the first \$25,000,000 proceeds from all nonaffiliated third party investors; and 8% on the remaining proceeds from all nonaffiliated third party investors. The maximum underwriting discount in this offering set forth in the table above (which will be paid if Sillerman Investment Company II LLC purchases the minimum of \$5,000,000 in shares and no other existing

investors purchase shares) shall be 6.7%, computed as follows:

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Portion of Gross Proceeds	Commission (%)	Commission (\$)
First \$5 million by Sillerman Investment Company II LLC	0.0%	\$ 0
Next \$25 million	7.0%	\$1,750,000
Next \$20 million	8.0%	\$1,600,000
Total	6.7%	\$3,350,000

We have granted the underwriters a 45-day option to purchase up to \_\_\_\_\_ additional shares of our common stock solely to cover over-allotments, if any.

The underwriters expect to deliver our common stock to purchasers in the offering on or about [\_\_\_\_], 2014.

Ladenburg Thalmann & Co. Inc.

The date of this prospectus is [\_\_\_\_], 2014

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You should rely only on the information contained in this prospectus in deciding whether or not to purchase our shares. We have not authorized anyone to provide you with information different from that contained in this prospectus.

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## PROSPECTUS SUMMARY

The following summary highlights some of the information contained in this prospectus, and it may not contain all of the information that is important to you in making an investment decision. You should read the following summary together with the more detailed information regarding our company and the common stock being sold by us in this offering, including the “Risk Factors” and our financial statements and related notes, included elsewhere in this prospectus. Unless the context otherwise requires, the terms “Viggle Inc.,” the “Company,” “we,” “us,” “our,” “our company” similar terms used in this prospectus refer to Viggle Inc. and its subsidiaries. Unless indicated otherwise and excluding historical financial statements included in this prospectus, all information in this prospectus has been prepared on a pro forma basis to give effect to the reverse stock split that we will effect on March 19, 2014 and the recapitalization.

### Our Company

#### Our Vision

Viggle makes entertainment more rewarding.

#### Our Strategy

Viggle is a mobile and web-based entertainment marketing platform that uses incentives to make content consumption and discovery more rewarding for media companies, brands and consumers. Viggle helps guide consumers towards various forms of media consumption with television enhancement, music discovery, entertainment content publishing and distributed viewing reminders. Viggle helps consumers decide what to watch and when, broadens the viewing experience with real time games and additional content, and rewards viewers for being loyal to their favorite shows throughout a season, allowing them to earn points. For brands, Viggle provides advertising clients with targeted interactive ads to amplify their TV messaging to verified audiences. For media companies, Viggle delivers promotional benefits by driving viewers to specific shows, engaging them in a richer content experience, and increasing awareness of promoted shows through web, mobile and social channels.

Our content website, wetpaint.com, extends our promotional capabilities by reaching potential viewers before a TV show is broadcast and by allowing viewers to continue the conversation with additional show coverage after the broadcast date. We also have technology that helps consumers search for media and set reminders to watch their favorite TV shows and movies wherever they are offered. In addition, we recently launched our music service, which allows consumers to check in to songs on Viggle and also earn points. As a media company, we seek to attract a significant and growing audience in order to sell advertising. We believe that making entertainment more rewarding and engaging for consumers will drive them to use Viggle.

#### Overview of Our Service

U.S. consumers can become Viggle users through a free app that works on multiple types of mobile phones and tablets and is distributed through the Apple App Store and the Google Play Store. After a consumer downloads the app, he or she must create an account. Viggle then allows consumers to play along with TV shows, share comments through social media, answer trivia questions or polls, chat with friends, play games, or discover more about the show, all while watching TV. Users can also use the application to discover new music. The app can listen to a song and identify it and allow users to build playlists and purchase the music. All of this activity earns the user points they can redeem for real rewards.



Through wetpaint, we report original news stories and publish information content covering top television shows, music, celebrities, entertainment news and fashion. Wetpaint publishes more than 150 new articles, videos and galleries each day. We generate revenues through Wetpaint by displaying advertisements to Wetpaint users as they view Wetpaint's content.

The Viggle user experience is simple. While watching TV or listening to music, a user taps the “check in” button, which activates the device’s microphone. Viggle collects an audio sample of the content the user can hear and uses technology to convert that sample into a digital fingerprint. Within seconds, that digital fingerprint is matched against a database of reference fingerprints that are collected from at least 190 English and Spanish television channels within the United States and over 20 million songs. We are able to verify TV check ins across broadcast, cable, online, satellite, time-shifted and on-demand content as well as most songs cataloged on Apple’s iTunes music library. The ability to verify check ins is critical because users are rewarded with points for each check in and engagement (defined as a poll, video quiz, game or slide show). Users can redeem the points within the

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rewards catalog for items that have a monetary value such as unique deals and offers, products, sweepstakes, charitable donations, select retail gift cards and Viggle-branded and other merchandise. Once a user has “checked-in” to content, the app provides a set of optional games, tools, and information to enhance the consumer experience.

Viggle points can be earned through six different activities: WatchPoints (1 point for every minute a user is checked-in on Viggle TV), Bonus Points (added points for connecting with promoted content), Live Engagement Points (points earned for playing MyGuy, Viggle Live or other games), Streaks and Quests (added points for connecting with a series of shows or songs), Music Match Points (points earned for matching a song on Viggle), and Advertising Points (advertising revenue we share with our customers in the form of points).

An illustration of how our app works is shown below:

From the launch of the Viggle application on January 25, 2012, and through March 6, 2014, 4,237,435 users have registered for Viggle, of which we have deactivated 206,612 for a total of 4,030,823 registered users. For the three months ended December 31, 2013, we had an average of 423,418 monthly active users. Monthly active users are computed by determining those users that have logged in to the Viggle app at any time during the month. As of March 6, 2014, our members have checked in to 373,517,795 TV programs and more than 20,000,000 songs and spent an average of 64 minutes and 32 seconds of active time within the Viggle App per session. Over 142,000 users have tagged a song in the Viggle app.

Our rewards catalog consists of a variety of deals, sweepstakes, products, Viggle merchandise (such as t-shirts) and select retail gift cards. For example, users may redeem 5,000 points for a 10% discount with certain retailers, redeem 100 points to participate in a sweepstakes to win an AppleTV, or redeem 37,000 points for a Viggle t-shirt. From time to time, we may change the rewards offered and the number of points required to earn any given reward. As of March 6, 2014, users have redeemed over 35 billion points (including over 412 million earned through Viggle's new music service) for a total of 2,778,539 rewards, for an average of 12,842 points per reward redemption. The total retail value of rewards redeemed through March 6, 2014 is approximately \$17.6 million.

It is not possible for a user to earn points on the Viggle app without registering. In order to avoid double-counting and limit instances of fraud, the app is limited to five accounts per device (so as to allow for use by family members sharing a device), users are limited to a maximum of 6,000 points per day, users may receive points for matching to a song only once, users are limited to receive points for up to 20 music matches per day, and users are not able to share or combine points with different users or devices. While it is possible for users to establish multiple accounts which could overstate our actual number of registered active users and permit those fraudulent users to attempt to evade our rules in an effort to accumulate excess points by checking in to TV shows at the same time on different devices, we monitor for such activity and, when discovered, take corrective action according to our published terms and conditions. Registration is not required to access any of Wetpaint's websites.

Wetpaint operates media properties that attracted more than 16.6 million unique monthly users in December 2013 and have a combined social reach of over seven million Facebook “likes” and follows on Twitter. For Wetpaint, we define a monthly unique user as any visitor who has accessed Wetpaint through its websites or mobile websites in the month of measurement, as measured by Google Analytics.

We define Total Reach as the total amount of registered users for the Viggle app and unique monthly users of the Wetpaint media properties. We define Total Active Reach as the amount of monthly active users for the Viggle app and the cumulative



number of times people have “liked” a Wetpaint page on Facebook, plus the cumulative number of times people have “followed” a Wetpaint account on Twitter. Our Total Reach and Total Active Reach for December 2013 was 20.2 million and 7.8 million, respectively.

### Our Technology

The first version of the Viggle app was approved by Apple and launched to the public in the Apple iTunes App Store on January 25, 2012. It has been updated periodically. The approved version of the app works on Apple iOS devices such as the iPhone, iPad and iPod Touch. On June 27, 2012, we released a version of the app for use on Android smartphones and tablets. There is no guarantee as to how effectively the technology will perform. We continuously test and update the app with a goal of improving overall performance and usability. In order to insure the best user experience, Viggle requires a device operating system of iOS 5.0 or later for Apple devices or Android 2.3.3 or later for Android devices. It may become necessary to change the minimum required operating systems in the future.

We will consider adding versions for other mainstream mobile operating systems such as Windows Phone and Blackberry based on demand and other business factors. Distribution of the product will occur via regular online marketplaces for content and applications used by such mobile operating systems, and will include the Apple App Store for iOS devices or the Android marketplace for devices using the Android operating system.

The back-end technology for our app has been designed to accommodate the significant numbers of simultaneous check ins required to support prime time television audiences. This back-end technology has the capacity to support simultaneous check ins around major television and music events such as the Super Bowl. In addition to maintaining dedicated facilities, we are using third-party cloud computing services from Amazon Web Services to help us scale our audio recognition capacity as efficiently as possible.

The Wetpaint Entertainment website was launched in 2010 with the goal of providing a unique voice to the coverage of entertainment and celebrities. In order to build and develop an audience for Wetpaint’s proprietary content, Wetpaint has developed an audience development engine, which is called the Social Publishing Platform. The Social Publishing Platform is designed to generate fans on Wetpaint’s pages on Facebook and other social media outlets. Wetpaint content is then displayed in the fans’ feeds on Facebook and other social media sites, which can then drive traffic to Wetpaint’s websites. The Social Publishing Platform contains a test and measurement system that delivers real-time audience insights, and provides optimized distribution by audience.

### Our Sales and Marketing Strategy

We began generating revenues in early calendar year 2012. Advertising is displayed in the Viggle application and on the wetpaint.com websites. Advertising is sold directly to brand marketers and television networks or through advertising agencies by our dedicated sales team. We also generate revenue through partnerships with third party mobile advertising networks. Our focus is on brand marketers that are most relevant to our target demographic of consumers between the ages of 18 and 49, and are active in television, digital and retail marketing. Our sales team is also briefing large advertising and media agencies on our capabilities so that they might recommend integration of our application and our websites into their client proposals. We generate revenue from standard mobile media advertising sales and affiliate programs:

- when our users click and view advertisements in our app or on our Wetpaint websites;

- when a TV network or brand pays to have a particular show promoted either for a one-time airing or throughout a season;

when our users complete an engagement appearing in our app that is created by an advertising agency, our brand partners or our team; and

through affiliate or bounty commissions to third parties if our users purchase items or subscribe to services after clicking from our app to other apps or websites.

With the exception of one-time sponsorships with advertisers (which are charged a separate and specific fee), all advertising is serviced via a third-party advertising server for billing and verification purposes. Revenues are generated by measuring delivered impressions on a cost per thousand (CPM) basis and completed engagements on a cost per engagement (CPE) basis. Our sales team contracts with brand advertisers to deliver a specific number of impressions and/or engagements for a specific price per thousand impressions and/or per completed engagement. The third-party ad server then serves the ads and/or engagements within the app during the course of using the Viggle app or visiting content on wetpaint.com's websites. As impressions and engagements

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are delivered and completed, we bill brand partners or advertising agencies on a monthly basis for the media delivered at our contracted rates.

In addition to generating revenue from standard mobile media advertising and affiliate programs, from time to time we may also generate revenue from licensing our proprietary audio recognition software and related loyalty platform. On March 10, 2014, we entered into a software license and services agreement with SFX Entertainment, Inc., or SFX, a company affiliated with our Chairman, Chief Executive Officer and principal stockholder, the first license agreement that we have entered into for our audio recognition software and related loyalty platform. For a complete description of this agreement, see the section of this prospectus titled "Certain Relationships and Related Party Transactions".

#### Our Target Consumers

We are targeting male and female consumers between the ages of 18 and 49. This target audience was selected due to the amount of entertainment content they consume on a weekly basis as well as the likelihood that they will have smartphones and other wireless devices such as tablets and laptops. To build our user base, we intend to target this audience using traditional media techniques such as direct response, banner and mobile advertising, public relations, search engine optimization and search engine marketing across online, broadcast and print media outlets.

When a user signs up for and downloads our app, we collect the user's email, zip code, television provider and date of birth. The email enables us to verify the user and reduces the chance of fraud. The zip code allows us to present a relevant list of cable and satellite providers to the user to deliver the correct channel listing data. Knowing the television provider in turn helps us to increase the rate of success for television show matching. Knowing a user's birthday allows us to verify that the user is at least 13 years old.

We generate content for wetpaint.com that appeals largely to women between the ages of 18 and 49. Our coverage of TV shows and celebrities strives to attract repeat visitors to the website that want to read about the latest entertainment news. We use our Social Publishing Platform to capture and distribute to Facebook fans, so that our content will appear in Facebook feeds, and generate traffic to our websites.

#### Our Competitive Position

The market for digital and social media applications is intensely competitive and subject to rapid change. New competitors may be able to launch new businesses at relatively low cost. Many consumers maintain simultaneous relationships with multiple digital brands and products, making it easy to shift consumption from one provider to another. Additionally, the "Social TV" and "entertainment rewards" categories are nascent and have not yet attracted the attention of mainstream consumers and marketers. Many of our competitors are larger, more established and better-funded and have a history of successful operations. Although we launched the first version of our app in January 2012, there can be no assurance of how successful our product will be or how effectively the technology will perform.

While there are a variety of companies currently in the market that offer either manual check in or audio verification during television viewing or audio matching for music, we believe Viggle differs significantly from competitors. We are connecting media companies, brands and consumers through an engaging entertainment and promotion platform. Through this platform, we offer users real, as opposed to virtual, rewards such as unique deals and offers, products, sweepstakes, charitable donations, select retail gift cards and Viggle-branded merchandise, and our app drives our customers to engage and interact with entertainment content for longer periods of time. We believe that our app offers a more comprehensive range of features and functionality than those of our competitors, such as automatic check ins using audio verification, in-app digital advertising engagements (such as games or videos, real-time polls and quizzes)

and full social media integration that rewards our users for being more loyal to specific content or specific content producers and provides our users with, we believe, a more enjoyable entertainment experience. Such integration makes it easy for users to share what they are doing within the Viggle app with their social network and to follow show-specific commentary on Twitter and Facebook. We also offer users a listing of current and upcoming shows for which they can set reminders, learn more information and indicate their support of the show by “liking” it.

Other companies in the “Social TV” market focus on the simple ability of a user to communicate their television viewing activity to others in the user’s social media circles. Other companies that tag music also focus on the social connectivity of matching, but do not reward the consumer for the consumer’s loyalty. Instead of real rewards, these other companies offer their users virtual points, leader board status, digital badges or stickers. We believe that our target market will be motivated by the ability to earn real rewards on a frequent basis and to interact in real time via show-specific polls, quizzes, videos and games.

## The Mobile Marketing Industry

The media industry has become increasingly fragmented, with more choices than ever and with new models of media consumption. According to eMarketer, in August 2013, 63% of media consumed by users was not television, with mobile representing 20% of consumption.

According to data from Experian Marketing Services, U.S. consumers are now spending more than 58 minutes a day on their smartphones for a variety of activities including talking, texting, social networking, emailing, visiting websites and playing games. The emergence and growth of mobile devices has led to the “always connected consumer”, and advertisers continue to search for ways to engage with this audience. Advertisers are spending considerable sums of money to target the mobile user. For example, according to eMarketer, while television advertising is expected to continue to grow, from \$60 billion in 2011 to \$70 billion in 2017, its share of the advertising market is expected to decrease to 40% over that time. On the other hand, according to eMarketer, mobile advertising is expected to expand from \$1.6 billion in 2011 to \$31 billion in 2017, and its share of the advertising market is also expected to increase from 1% to 12% over that time.

The way in which consumers are using their smartphones and tablets have changed in recent years with the growth in usage of apps, self-contained software programs specifically made for mobile devices. According to Flurry Analytics, the average number of apps used on a daily basis continues to grow, measuring 7.9 in the fourth quarter of 2012 vs. 7.2 in the fourth quarter of 2010. The emergence of the App marketplace has created a unique opportunity and challenge for developers and advertisers to monetize the usage by consumers.

The challenge presented with mobile advertising is that users can find the mobile advertising experience interruptive. While click-through banner ads are popular on web browsers, there is a higher degree of consumer engagement with watching an ad or interacting with an ad, and smart phone users expect more for their behavior.

According to a December 2012 study conducted by Forrester Consulting on behalf of Tapjoy, a mobile advertising and publishing platform, 59% of smartphone users agreed that if they have to see ads while using an app, they would prefer to be offered a reward in exchange for watching or interacting with the ad. Rewards programs influence consumer behavior and drive recurring revenue in other industries, including the consumer retail, hospitality and financial services industries. In 2013, according to Colloquy, the average household participated in 20 reward or loyalty programs.

## Growth Strategy

We intend to grow our business by pursuing the following strategies:

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Reward program expansion . We will continue to integrate Viggle rewards points over our new platform verticals: media content creation through Wetpaint, media reminders through Dijit and music discovery through our music service.

E-commerce . We will offer digital entertainment rewards through a Viggle Digital Media Store that we anticipate will begin operations in the fourth quarter of fiscal 2014. This will include a nationwide distribution of Viggle gift cards that can be purchased at a retailer and then used at our Digital Media Store to purchase music, movies, TV shows, ebooks and audiobooks.

## Concurrent Offering

Concurrently with this offering, we anticipate registering on behalf of selling stockholders \_\_\_\_\_ shares of our common stock purchased from us in previous private placement transactions and in connection with two previous acquisitions. Approximately \_\_\_\_\_ of the shares being so registered are subject to a 180 day lockup agreement. Approximately \_\_\_\_ of these shares are otherwise saleable as of the date of this prospectus under Rule 144. The shares of our common stock offered by the selling stockholders are not part of or conditioned on the closing of the public offering to which this prospectus relates.

## Recent Developments

### Acquisition of Dijit

On January 29, 2014, we acquired Dijit Media, a San Francisco-based company that has created technology that helps consumers to search for media and set reminders to watch their favorite TV shows and movies wherever they are offered. The Dijit “reminder button” is easily embedded into any web page, mobile app, banner ad campaign or social property . The button can be found on the web pages of more than 80 TV shows appearing on major networks. We believe that the acquisition of Dijit Media will enhance our relationships with broadcast networks as the acquired technology combined with Viggle's ability to promote TV shows will give us a greater ability to promote TV shows to our user base. We anticipate that Dijit Media will not have a material impact on our overall operating results in the near term.

### Acquisition of Wetpaint

On December 16, 2013, we and our subsidiary, Viggle Merger Sub Inc. (“Merger Sub”), entered into an agreement and plan of merger with Wetpaint, certain stockholders of Wetpaint and the stockholders’ agent, pursuant to which we acquired all of the outstanding capital stock and rights to acquire capital stock from the current stockholders of Wetpaint (the “Wetpaint Acquisition”). Wetpaint is a Seattle, Washington-based Internet company, founded in 2005, that publishes the website Wetpaint Entertainment (located at Wetpaint.com), focused on entertainment news, and develops a proprietary technology platform, the Social Distribution System, that is used to provide analytics for its own website as well as other online publishers. Please see “Management’s Discussion and Analysis of Financial Condition and Results of Operations —Acquisition of Wetpaint” for more information.

## Reverse Stock Split

On January 8, 2014, our Board of Directors and the holders of a majority of the outstanding shares of our common stock approved a 1-for-80 reverse stock split of our outstanding shares of common stock. The reverse stock split will be effected on March 19, 2014 . Unless indicated otherwise and excluding our historical financial statements, information in this prospectus has been prepared on a pro forma basis giving effect to the 1-for-80 reverse split.

## Recapitalization

On January 7, 2014, a special committee of our Board of Directors approved, and on January 8, 2014, upon the recommendation of the special committee, our Board of Directors approved, a recapitalization of the Company pursuant to which Sillerman Investment Company LLC, an affiliate of Mr. Sillerman, and the other holders of our Series A preferred stock and Series B preferred stock will exchange their Series A preferred stock and Series B preferred stock for shares of our common stock. There are currently 34,275 shares of Series A preferred stock outstanding, each of which has a stated value of \$1,000 and accrues dividends at 7% per share. Each share of Series A preferred stock will be exchanged for a number of shares of common stock equal to the stated value of the share, plus

all accrued and unpaid dividends thereon, multiplied by 16 (and further divided by 80 for the reverse stock split) . For example, if a share of Series A preferred stock has \$20 in accrued and unpaid dividends, then the stated value of such share plus accrued and unpaid dividends on the share would equal \$1,020, and the share would be exchanged for 16,320 shares of common stock, which amount would be further adjusted to 204 shares of common stock after giving effect to the reverse stock split described above. In addition, there are 21,804.2 shares of Series B preferred stock outstanding. Each share of Series B preferred stock will be exchanged for one share of common stock, which will then be further adjusted to 0.0125 shares after giving effect to the reverse stock split described above. We refer to these transactions collectively as the “Recapitalization.” Consummation of the Recapitalization is contingent upon and a condition to the completion of this offering. The holders of the Series A and Series B Preferred Stock have entered into lock up agreements for a period of 180 days from the date of this prospectus.

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## Business Risks and Uncertainties

We commercially introduced our Viggle app in January 2012. We have incurred and continue to incur significant losses in connection with the development of our app, related products and services and the marketing of our business. Our business growth may be limited by a number of risks and uncertainties, including, among others:

- we have historically supported operations through funding and will likely need to continue to finance our operations and may not be able to obtain such financing as needed;
- we market our products solely through the Apple App Store and the Google Play Store and are reliant on continued access to these sales platforms;
- we may not be able to integrate Wetpaint's business and operations;
- we operate in a highly competitive industry;
- we are particularly reliant on the services and resources of Robert F.X. Sillerman, our Executive Chairman, Chief Executive Officer, Director and principal stockholder;
- we need to obtain and enforce proprietary rights or claims of infringement; and
- we face potential losses from improper uses or fraud committed by the users of our products.

An investment in our common stock involves risks. You should read and consider the information set forth below in the section entitled "Risk Factors" beginning on page 13 and all other information set forth in this prospectus before investing in our common stock.

## Corporate Information

The address of our principal executive office is 902 Broadway, 11th Floor, New York, New York 10010, and our telephone number is (212) 231-0092. Our Internet address is [www.viggle.com](http://www.viggle.com). The information on our website is not incorporated by reference in this prospectus.

The Offering

Securities offered \_\_\_\_\_ shares of common stock

Common stock outstanding before the offering 9,334,059

Common stock to be outstanding after the offering \_\_\_\_\_

Use of proceeds We intend to use \$10,000,000 of net proceeds from this offering to repay a portion of the debt currently outstanding under a term loan agreement between us and Deutsche Bank Trust Company Americas (“Deutsche Bank”). We intend to use the remaining net proceeds received from this offering for marketing and sales, working capital and general corporate purposes. For a more complete description of our anticipated use of proceeds from this offering, see “Use of Proceeds.”

OTCQB symbol VGGL  
We have applied to list our common stock on the Nasdaq Capital Market, and expect such listing to occur concurrently with the closing of this offering. There can be no assurance, however, that our Nasdaq Capital Market listing application will be approved.

Risk factors As part of your evaluation of our company, you should take into account not only our business plan and strategy, but also special risks we face in our business, including those described under “Business Risks and Uncertainties” on page 7. For a detailed discussion of these and other risks, see “Risk Factors” beginning on page 13.

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The number of shares of our common stock to be outstanding after this offering is based on 9,334,059 shares of common stock outstanding as of March 12, 2014, and excludes as of that date:

- warrants to purchase an aggregate of 452,858 shares of common stock;