



SoundCloud will soon collapse if investors don't vote for a rescue funding round tomorrow. The stumbling music streaming community site had to [suddenly lay off 40 percent of its staff last month](#). Now it's asking investors for \$169.5 million at a pre-money enterprise valuation of just \$150 million, according to [Axios](#) reliable business editor Dan Primack. That's a steep drop from the \$700 million valuation of its previous rounds.

If SoundCloud doesn't get the funding, CEO Alexander Ljung reportedly told investors that SoundCloud won't be able to continue as a going concern. That could force SoundCloud to sell even though Ljung has stubbornly fought to keep the dying startup independent. If it can't find funding or a buyer, SoundCloud could vaporize, destroying its massive archive of user-uploaded music, podcasts and other sounds.

Investors would be forgiven their distrust since SoundCloud has burned [over \\$230 million](#) in funding plus \$70 million in debt with little monetization progress to show for it.

[Update: At least this new funding deal would bring in new management. [Recode](#) reports that former Vimeo CEO Kerry Trainor would replace SoundCloud CEO Alex Ljung if investors do

provide the funding.]