

**BitGame Cash**  
Peer-to-Peer In-game Cryptocurrency

# QUALIFYING THE GAMES INDUSTRY

## WHITE PAPER

# EXECUTIVE SUMMARY

This white paper discusses the proposal of a community driven, multi-platform gaming crypto currency that utilises blockchain technology to solve prevalent challenges in the gaming industry, relating to both developers and players.

Attention will be drawn to particular challenges felt hardest by indie game development companies and complaints about high costs relating to publication of games on favourable platforms, difficulties retaining and acquisition of players, challenging revenue models and also limitations for players.

Although blockchain technology is a new emerging industry, it has experienced exponential growth due to how it can permeate through and deliver solutions to already established industries. The gaming industry is no different with only a small handful of significant blockchain projects aiming to penetrate this market at present, with none that are dominating it. Hence this is a perfect time to enter with the proposed solutions that **BitGame Cash** will deliver.

**BitGame Cash** will provide a digital ecosystem that is built on top of blockchain technology to tackle the aforementioned issues. It will do so by delivering technology that will offer game companies and players ways to trade through peer-to-peer transactions at its core; Working harmoniously with existing platforms that provides both parties with new exciting revenue models.

To help foster community collaboration amongst players, **BitGame Cash** will introduce an honorary system that will encourage players to work together and reward each other. The honorary system will provide an added benefit to developers by tackling toxic communities that can be off-putting to new comers, which in turn will improve player retention.

Piracy is a very prevalent problem in the gaming industry, with again, smaller game companies finding it challenging to combat due to limited resources and time. So **BitGame Cash** will introduce unique anti-piracy strategies that utilises blockchain technology for its transparency and authentication mechanisms to provide them with ways to detect suspicious player activities across their games.

Finally, game companies are battling to attract and win over players with marketing costs inflating due to strength of competition. **BitGame Cash** will be providing interesting ways to help game companies tackle this by promoting their games to the right audiences and increase retention through player behavioural analysis. Utilisation and implementation of Big Data strategies will be key to delivering this solution.





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# A BRIEF HISTORY OF THE GAME INDUSTRY IN FIGURES

The computer games industry was born in the mid-1970s as a movement of enthusiasts and in a few decades it grew up from the small market into mainstream industry with an annual profit of \$ 9.5 billion in 2007 and 11.7 billion in 2008 in the US (according to the annual ESA reports). The market includes both majors and small firms and startups, as well as independent developers and communities.

## 1970s

The history of the industry began in 1971 with the launch of the arcade game Computer Space. In the next year, Atari released the first commercially successful Pong video game. Pong is one of the earliest arcade video games, it is a tennis sports game using simple two-dimensional graphics. Before the Pong game, there had been other video games, such as Computer Space, but it was the first to become this much popular. The original version for arcade machines was sold out in the amount 19 thousand pieces. During the same year one of the first home console video game – Magnavox Odyssey – was released on the market.



## 1980s

By the early 1980s, the «Golden age of arcade games» was at its height. The volume of the arcade machine market in the USA has increased significantly from \$50 million in 1978 up to \$900 million in 1981, while the revenue of the entire arcade games industry tripled, amounting to \$2.8 billion in 1980. Only in 1981, the arcade games industry in the USA earned \$5 billion that is \$12.3 billion measured in 2011 dollars. The arcade games reached their height in 1982, earning \$8 billion (\$18.5 measured in 2011 dollars), exceeding the total sales of pop music (\$4 billion) and the U.S. cinematography (\$3 billion). It was also more than 2 times higher than the sales market of home gaming systems which in the same year amounted to \$3.8 billion. Thus, the total income of the market of arcade and home games of the computer games industry in 1982 amounted to \$11.8 billion (more than \$27.3 billion measured in 2011 dollars). The arcade games market continued to generate \$5 billion in sales until 1985.

PAC-Man by Namco -the most significant game of that period was released in 1980 and sold out in the amount of more than 350 thousand machines and that year revenue was more than \$1 billion. The total sales of Pac Man for the entire 20th century were estimated to exceed \$ 2.5 billion (more than \$3.4 measured in 2011 dollars).

## 1990s

In the 1990s, there was a wide development of technologies associated with computer games. At the same time, development of the game market also took place. Thus, at the beginning of the period the licensed games became the most successful ones, as well as sequels games. In 1993, worldwide computer games sales amounted to \$19.8 billion (\$31 billion measured in 2011 dollars), \$20.8 billion in 1994 (\$32 billion measured in 2011 dollars) and approximately \$30 billion in 1998 (\$41.5 billion measured in 2011 dollars). Sales of arcade machines in the US in 1994 amounted to \$ \$ 7 billion (\$11 billion measured in 2011 dollars), while sales of games for home consoles amounted to \$6 billion (\$9 billion measured in 2011 dollars). Thus, the total sales of the gaming industry in the USA became more than 2.5 times higher than the sales of cinematography in the USA.

## 2000s

During this period games remained the driving force to develop computer technologies, which were subsequently used for other purposes. Many casual and indie games were created and became popular at that time. The branch of games for mobile platforms was also strengthened. Miniaturization of hardware and mass distribution of mobile phones contributed to the emergence of mobile games applications; the route of creating games for social networks was born. The most famous became Zynga – the developer of games for Facebook. Another example of successful gaming platforms are iOS and Android.

## 2010s

Nowadays computer games make a significant contribution to the world economy due to the great success of sales of major gaming systems and games like "Call of Duty: Black Ops", which during the first 5 days of sales has earned of more than \$600 million, and set the world record of five-day sales of movies, books and computer games. The game's sales exceeded the box office of the "Spider-man 3" movie, which was released the same weekend, as well as the previous record among the games was set by Halo 3. A lot of people become reach on the success of computer games industry, for example former President of Nintendo and one of the richest men in Japan Hiroshi Yamauchi.

## 2018

Total volume of the game market amounted to \$108,9 billion of dollars in 2018.

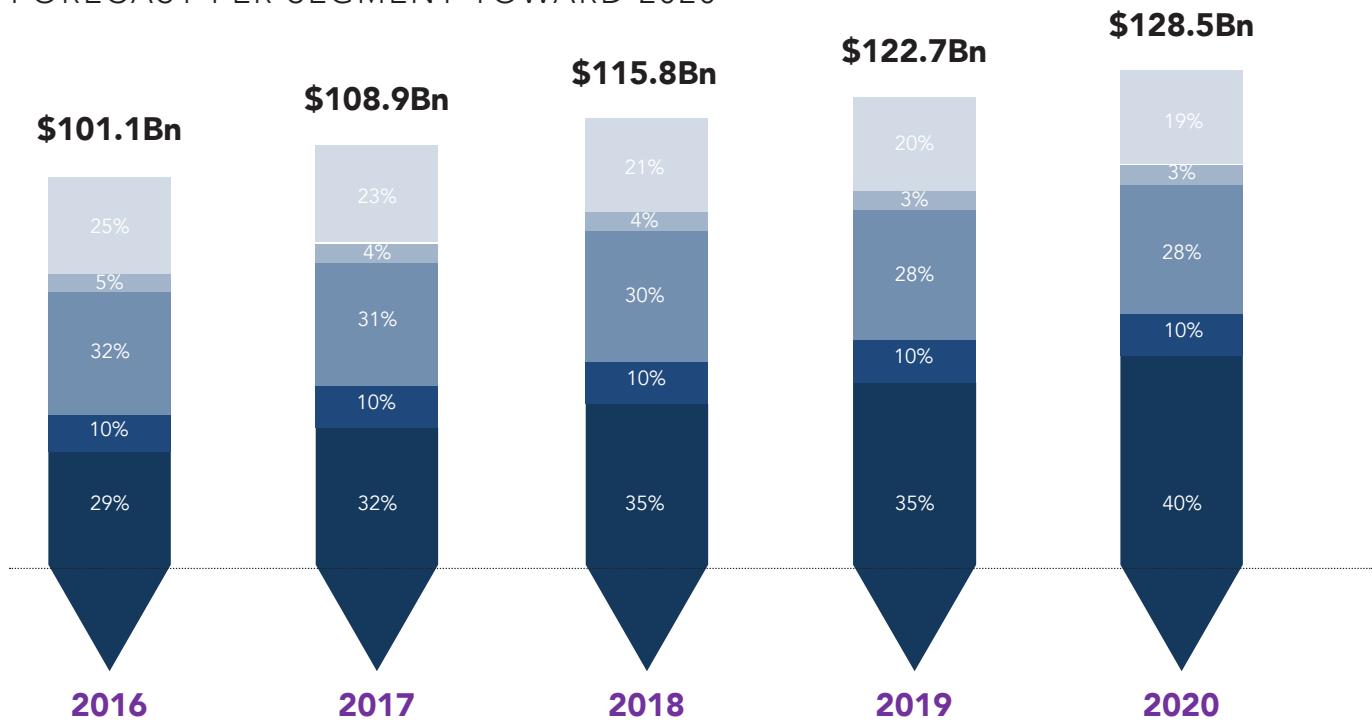


# MARKET and the INDUSTRY OVERVIEW

In 2017, the video game industry exceeded an income level of \$100 billion dollars. The market size is around \$104.6 billion now. It has expanded 12% so far this year, and by 2020 is expected to increase by 60-80% to reach an income of \$168.8 billion.

## 2016-2020 GLOBAL GAMES MARKET

FORECAST PER SEGMENT TOWARD 2020



Total Market **+6.2%** CAGR 2016-2020

▲ Boxed/Downloaded PC   ▲ Browser PC   ▲ Console   ▲ Tablet   ▲ Smartphone

Source: ©Newzoo | Q2 2018 Update | Global Games Market Report | [newzoo.com/globalgamesreport](http://newzoo.com/globalgamesreport)

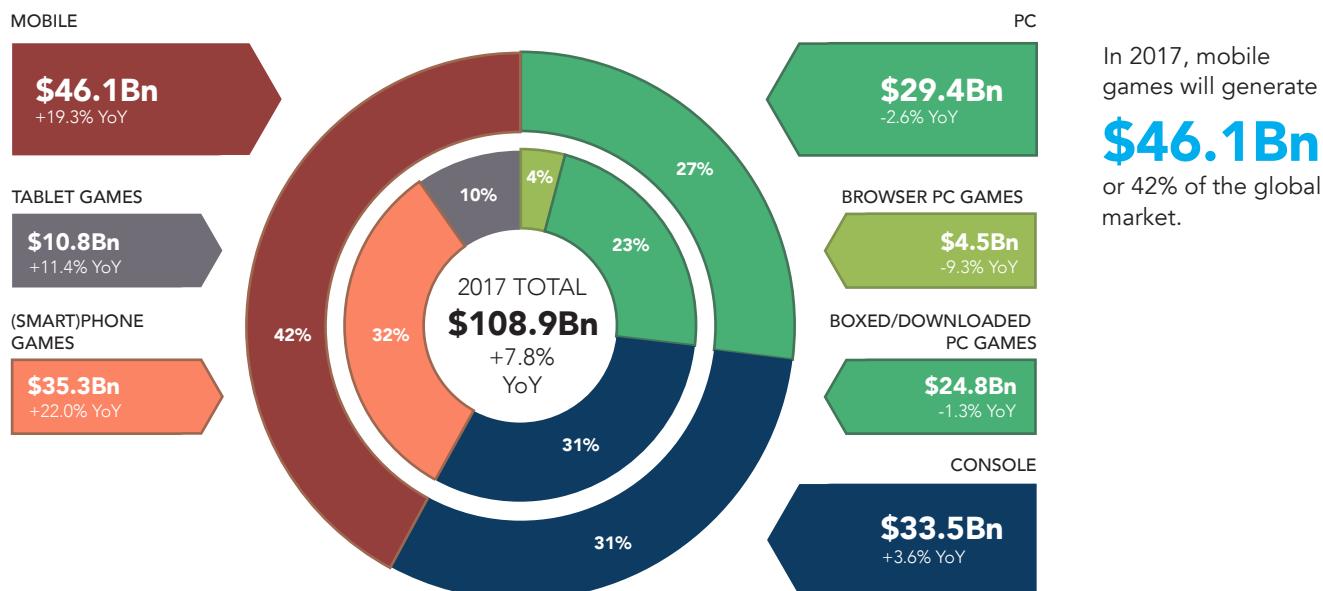


# WHAT ABOUT MOBILE MARKET

Since the introduction of smart phones, there has been an expansion to the typical gamer demographic, and now includes both older and younger generations entering the market.

## 2017 GLOBAL GAMES MARKET

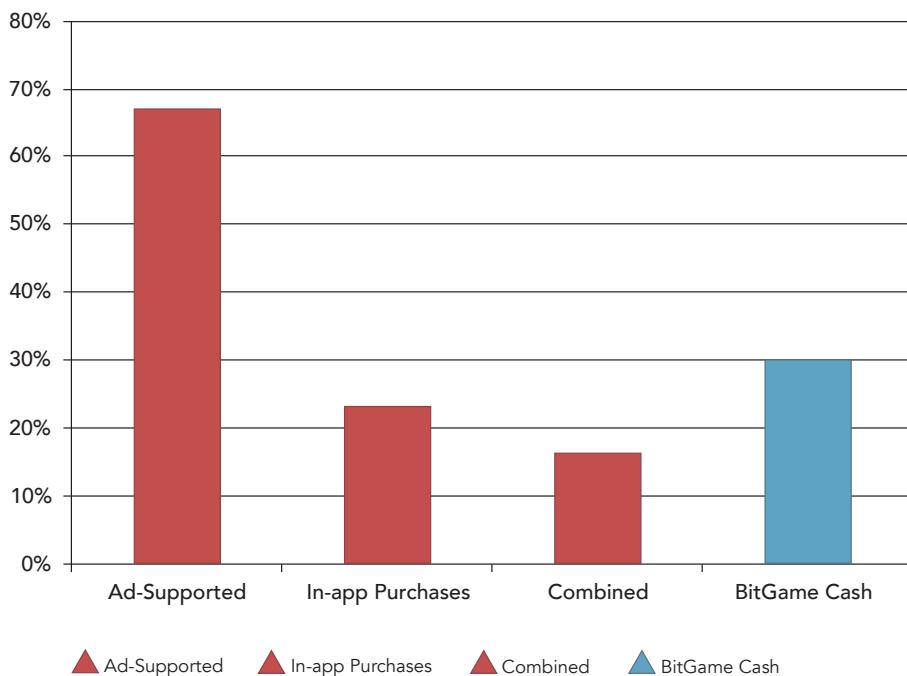
PER DEVICE AND SEGMENT WITH YEAR-ON-YEAR GROWTH RATES



Source: ©Newzoo | Q1 2017 Update | Global Games Market Report | newzoo.com/globalgamesreport

# MOBILE GAMES MONETISATION

One of the most popular methods for mobile games is the freemium model. This model relies heavily on high volumes of users downloading the game and either watching/clicking on adverts or purchasing digital content. The data suggests the largest monetisation model is in-game adverts, with a smaller percentage combining both types, approximately 16%.



**Source:** Statista, December 2016,  
<https://www.statista.com/statistics/673479/mobile-games-android-share-monetization-model/>



## ABSTRACT

We have reached a point in the digital era, where there is no lack of game options. Whether played on a personal computer, video game console, mobile phone, tablet or even a watch, video games are accessible at absolutely any time. Over the past three decades we have witnessed the unprecedented development of video game industry, from plastic boxes with black-and-white Tetris to virtual reality helmets. Video games initially challenged other forms of entertainment; now they are the definitive leader.

It would seem that the biggest headache for video game developers should be creating content and an interesting product. In fact, the hardest part is finding a way to make the product stand out among the masses of other video game options and reach the end user. Advertising expenditure often account for more than half of the budget for video game development. The cost of traffic has steadily increased with the rise of the offers on the market. But what amount of advertising expenses is really effective.

The emergence of blockchain technology has enabled the creation of a next-generation digital distribution platform, delivering all types of video games (Free2play MMOs and cryptogames being a key priority), including AAA-titles, to the fast-growing global game community. Unlike other platforms (Steam4, Origin, GOG, etc.), The Abyss offers a groundbreaking motivational and multilevel referral system, allowing gamers to earn from in-game and social activities, and other gamers' payments as well. By joining The Abyss, developers will reduce their marketing expenses and receive an extra income from referral payments made in other games on the platform. Other benefits imply automatic payments to cryptocurrency accounts, the internal CPA Network and numerous additional services.

# CURRENT DIGITAL DISTRIBUTION PLATFORMS

Digital distribution platforms are successfully developing on the video game market today. According to information from open sources, it is possible to note a global trend of increasing Audiences and incomes of the platforms.

Platform	Developer	Information From Open Sources
STEAM	Valve	General earnings amounted to \$3.5 billion in 2016. <a href="https://goo.gl/YYb7av">https://goo.gl/YYb7av</a>
ORIGIN	Electronic Arts	The platform contributed to EA's digital net revenue in 2016, which increased to \$2.9 bln. <a href="https://goo.gl/xQ7u7L">https://goo.gl/xQ7u7L</a>
UPLAY	Ubisoft	Earned €729 million from digital distribution, amounting to slightly more than half of all incomes of the company. Over the previous year, this indicator equaled 32%. <a href="https://goo.gl/2HG81S">https://goo.gl/2HG81S</a>
KONGREGATE	Gamestop Corporation/MTG	The platform expects annual profits of \$50 million for 2017. Acquired by MTG in 2017 . <a href="https://goo.gl/Ymf5L4">https://goo.gl/Ymf5L4</a>
GOG	CD Project	Profit in 2016 reached \$38 million . <a href="https://goo.gl/f6u1GE">https://goo.gl/f6u1GE</a>

# MARKET CHALLENGES

1

- Fraud

It is estimated that for every legitimate virtual purchase made, there are 7.5 virtual items lost to fraud [5, 6]. Assets stored and managed online can be open to manipulation or chargebacks. Merchants have to deal with extra burdens, and scammers damage the game's reputation.

2

- High Fees and Slow Transactions

Game publishers and communities rely on third-party platforms to process virtual goods transactions. Gamers encounter slowness, opaque fund flow, and high transaction fees.

3

- Lack of True Ownership & Rarity

Virtual items are, in essence, licensed to the gamer and are often only available for use on their proprietary platforms. At times they can be manipulated, lost, or taken back with little recourse for the user. Genuine transparency is missing.

4

- Locked in and Centralized

Digital items and currencies are usually locked to a single game and not transferable. Trading items outside of the game environment is cumbersome and difficult. If a player gets banned, they can lose all of their items and currency.

5

- No Open Standards

There are currently no widely-accepted standards for decentralized currencies and assets in games. The user experience is often an afterthought, so users don't know what to expect.

6

- Expensive & Time-consuming

Developing a platform for managing virtual goods is time-consuming and costly. The complexity of managing a virtual economy on proprietary infrastructure delays time to market. Security concerns introduce a further set of difficulties.

7

- Lack of Value Gamification

Value based gamification features are lacking in content management systems and forum software. Users do not get rewarded in real world value for participation or contribution

# SOLUTIONS

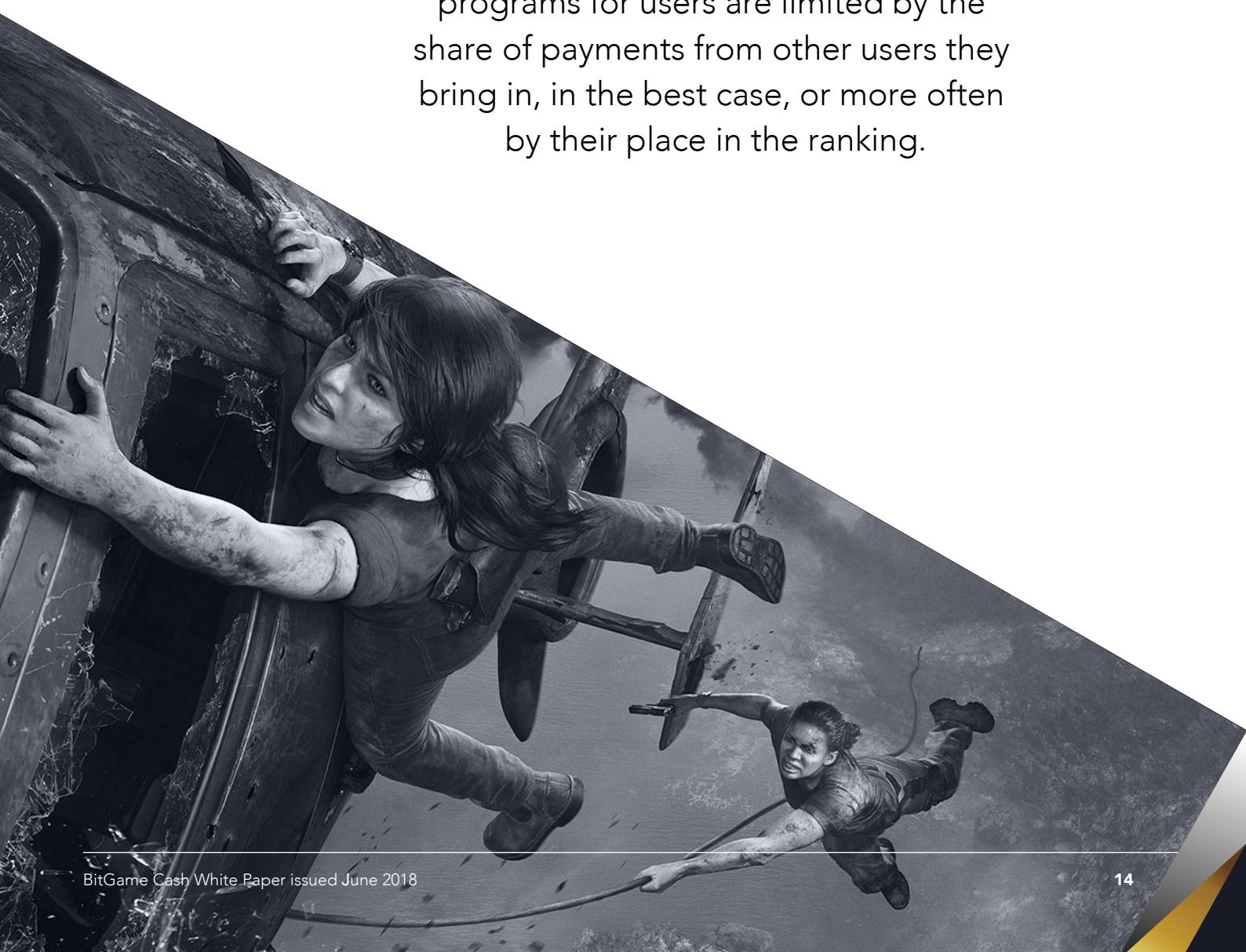
BitGame Cash will provide a rare coin that enables game publishers, gamers, and communities to manage goods and in-game items across multiple platforms. Monetization using BitGame Cash will be a key focus with robust features and toolsets provided. Great benefits will be gained by utilizing a decentralized platform and the supporting frameworks.

## PLATFORM FEATURES

We will deploy BitGame Cash as ERC20 on the Ethereum network. Ethereum is the most popular and widely supported smart contract blockchain, with a huge development community and robust language support. We believe it has a strong future in game development and in creating the new decentralized internet. A collection of smart contracts will provide core functionality on the blockchain: the Mint, Payment Gateway Contract, Smart Wallet Contract, Subscription Contract, Custom Coin registry, and Top List Contracts.

# TIME FOR A NEW PLATFORM

Today time has come to think about a new game payment environment. Current game payment platforms are cumbersome and sluggish in terms of interacting with developers. Motivational programs for users are limited by the share of payments from other users they bring in, in the best case, or more often by their place in the ranking.

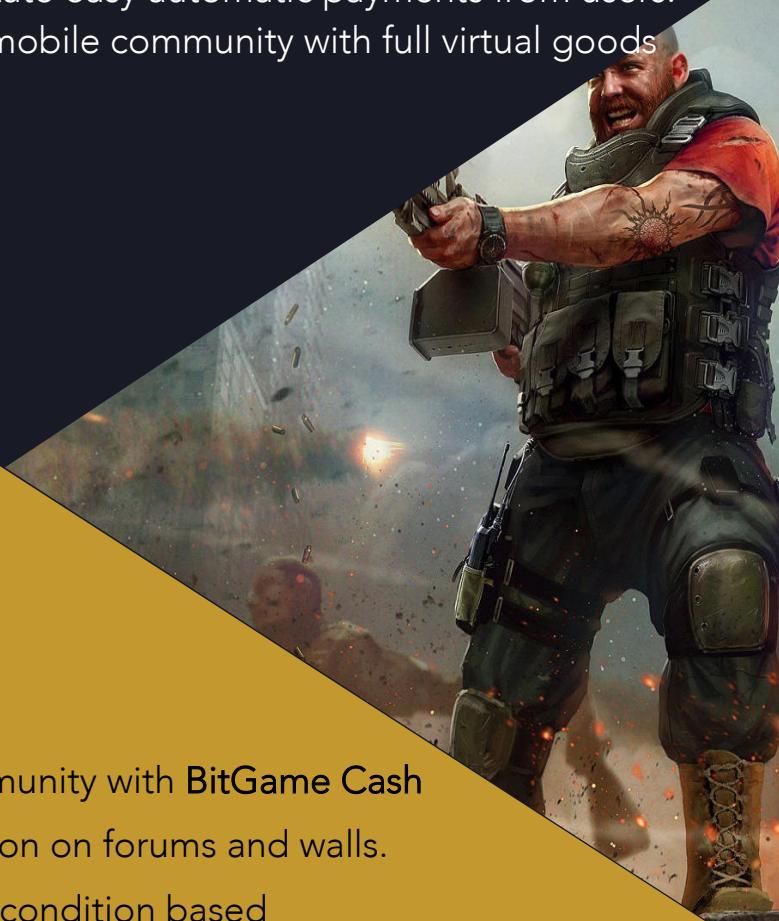


# BENEFITS for GAME PUBLISHERS / CONTENT CREATORS

- Create new tokens to represent virtual currencies, game items, or privileges.
- Mint non-fungible items or special edition items.
- Setup a virtual goods store.
- Run a decentralized payment gateway with no middle-man.
- Transparent transactions. Setup reports and commission systems.
- No fraud, chargebacks, or cancellations.
- Minimal fees for blockchain transactions and no commission fees.
- Open-source suite of APIs and SDKs for every popular platform and engine.
- Smart wallets that facilitate easy automatic payments from users.
- Easily setup a site and mobile community with full virtual goods integration.

# BENEFITS for COMMUNITIES

- Gamify your website and Gamming community with BitGame Cash
- Increase user participation and contribution on forums and walls.
- Automate rewards and setup a variety of condition based triggers.
- Tie-in your community rewards with in-game goods on servers or games.



# BENEFITS for GAMERS

- Buy and sell items with no risk of fraud.
- Take your currency with you across any community or game and retain value.
- Own valuable currency and rare items that can never be taken away.
- Use **BitGame Cash** marketplace and social network to find and trade game items.
- Convert custom virtual goods directly back to **BitGame Cash** and retain value.
- Earn coins by participating in communities and posting on forums.
- Buy in-game items on thousands of game servers and games that support **BGC**.
- Prove ownership of items by showing them off in website widgets.



## SDKs for the GAME INDUSTRY

BitGame Cash platform is made for the game industry. SDKs for multiple languages, wallets and payment platforms will be available and completely open-source.

## PROMOTION & ADVERTISING on the BitGame Cash Platform

BitGame Cash extremely popular wall system will be upgraded with a Post Promotion system which accepts **BitGame Cash** as the payment method. Promoted Wall Posts can be targeted to specific games and interests within the audience of 18 million engaged gamers.

# BUILD YOUR OWN CUSTOMIZED GATEWAY

All backend functionality necessary to build a PayPal-like gateway will be included in the Platform SDK. As a provider, you can implement your own desired features, such as carts, web invoices, email/SMS notifications, refunds and more by building on the open-source code and examples provided in the SDK.

## PAYMENT WIDGETS

Part of the JavaScript SDK release, the payment widget will allow websites to easily accept payments in BitGame Cash on any website. The widget may be connected to any Payment Gateways built on the SDK. Plugins will be available for major open-source and commercial carts such as Magento, Drupal, Shopify, Volusion, Zen Cart and others.

# NO BUILT-IN FEES

Other than very small Ethereum transaction fees, complete payment gateways can be created and no built-in fees or costs are imposed.

## MULTIPLE PAYEES

An exciting new feature of the payment gateway platform is multiple payees.

Incoming funds can be contractually divided up between more than one account.

Payees may pull their allocated funds from the Gateway smart contract. Consider these potential use cases: Profit Sharing, provider Fees, charity or Prize fund.

## TRANSACTION REQUESTS

Instead of forcing users to copy and paste account addresses or receive risky web-injected transaction commands, each trusted platform will send a Transaction Request to the wallet. The user will be prompted with some useful information about the transaction and can Accept or Deny it with a single click. This creates a clean and seamless user experience and prevents the confusion and uncertainty typically associated with blockchain wallets.

## RULES & THRESHOLDS

Rules and thresholds can be defined to prevent undesired transactions. If a piece of game logic creates transactions that exceed the thresholds, the wallet will display the pending queue of transaction requests, and prompt the owner for confirmation. Rules can be defined very narrowly, such as "Allow sending a single 20 BitGame Cash Coin reward once daily." Changing any of these settings will require a 24 hour safety delay and alert the user of a pending setting update.

# BITGAME CASH TEAM



**Gerald Jackson**

CEO / Creative Director

Co-founder of BitGame Cash. Holding of Master of Project Management, Bachelor of Industrial Engineering, MBA certificate. Crypto mining expert, Crypto trader, video gaming passionate.



**Eddie J. Jarrett**

CTO

Co-founder of BitGame Cash. Visionary and creative director with 15 years of expertise in Creative Direction, Project Management, and UX design. Expert in concept & strategy development for large interactive applications, specializing in the video gaming industry.



**Bruce M. Buckwalter**

Full Stack Engineer

Bruce is a perfectionist and a team leader with extensive experience in full stack development. Specializing in REACT, PHP & JavaScript, he has developed numerous full scale applications being used by millions of users on BitGame Cash today. Pioneered the transition to REACT across the platform.



**John L. Daigle**

Marketing / Operations

20 years of marketing experience, well versed in establishing partnerships with industry-leading game publishers, and on the ground social media and community interactions spanning millions of users. Possesses valuable insights into strategic trends, and a strong ability to execute campaigns.

**David V. Snow**

C# / Objective-C Engineer

Technical Lead in C#, Objective-C and Java. David directs the development of the BitGame Cash Android and iOS app. Proven ability to create complex, and versatile enterprise level applications with optimal design and architecture.

**Evan Lindsay**

Java / Game Server Engineer

Java programmer and lead developer of the BGC Minecraft plugin, used by over 100k game servers. Over five years of experience working with game and network server implementations. Specialized in game programming and core Java technologies.

**Jesse M. Davis**

Security Analyst

Over 10 years of programming, security research, quality assurance and network management. Jesse is dedicated towards ensuring a safe and secure network infrastructure for the millions of users.

**Christopher H. Vara**

Quality Assurance / Community Manager

Over 7 years of experience in the gaming industry, Chris is responsible for driving the software development process toward quality-centric methodologies. Lead in technical support and bridging communication between management and community.



## TOKEN CROWDSALE

- ▷ Allocation
- ▷ Only 10 Million BGC tokens will ever be created
- ▷ 10% (1,000,000) to be reserved by the BitGame Cashe Coin Team and Advisors
- ▷ Any unsold tokens in presale go into public sale
- ▷ Any unsold tokens from crowdsale are locked for 6 months and will go into the Marketing and Partnership pool.

## CROWDSALE START and END DATE

The crowdsale will begin at 9:00 am GMT on 1st September 2018 and end at 11:59 pm GMT on 15th October 2018. Check the official website: [bitgamecash.io](http://bitgamecash.io) for further information.

# HOW CAN I PARTICIPATE

Detailed instructions along with the contribution address will be posted on the official website: [bitgamecash.io](http://bitgamecash.io)

## HOW FUNDS are SECURED

All funds collected during the crowdsale will be deposited in a secure multi-sig wallet. Keys will be held by Executive Directors of BitGame Cash Company making it so that all outgoing transactions have to be verified by multiple parties.

- ETH exchange rates are subject to change without notice prior to the start of the public crowdsale. Once the public crowdsale starts the exchange rate will be locked.
- The prices for the presale are not subject to change and will remain the same and have no effect on the public crowdsale.

# FUNDING ALLOCATION

All funds contributed in the Crowd sale will be used solely for the development, promotion, and growth of BitGame Cash Coin Platform. Below is the preliminary allocation and the distribution and may be subject to change.

## 50% Development

This refers to the development and operational costs of all technology described in this whitepaper, including smart contracts, wallets, SDKs, APIs, game plugins, third party plugins, and any other BitGame Cash Coin related updates. This will also cover hiring additional full-time developers and consultants to accelerate development so that we meet or exceed the roadmap goals and expansion goals.

## 30% Marketing & Growth

The marketing budget allows for a constant and relentless promotion of BitGame Cash Coin to gamers in multiple target countries and gaming segments. This will be used for video and in-game advertising, promotional events & tournaments, sponsorships, mobile & social media ads, and liaisoning with studios.

## 5% Security

We are taking the necessary steps to ensure that optimal security standards are followed in every release. This includes professional code audits and penetration testing on all APIs, smart contracts, wallets, plugins and SDKs.

## 5% Legal

BitGame Cash will obtain the appropriate legal advice to always ensure that we operate in accordance with the laws and regulations of each jurisdiction that we do business in. Funds will be held in reserve for any future issues or challenges that may arise in any region.

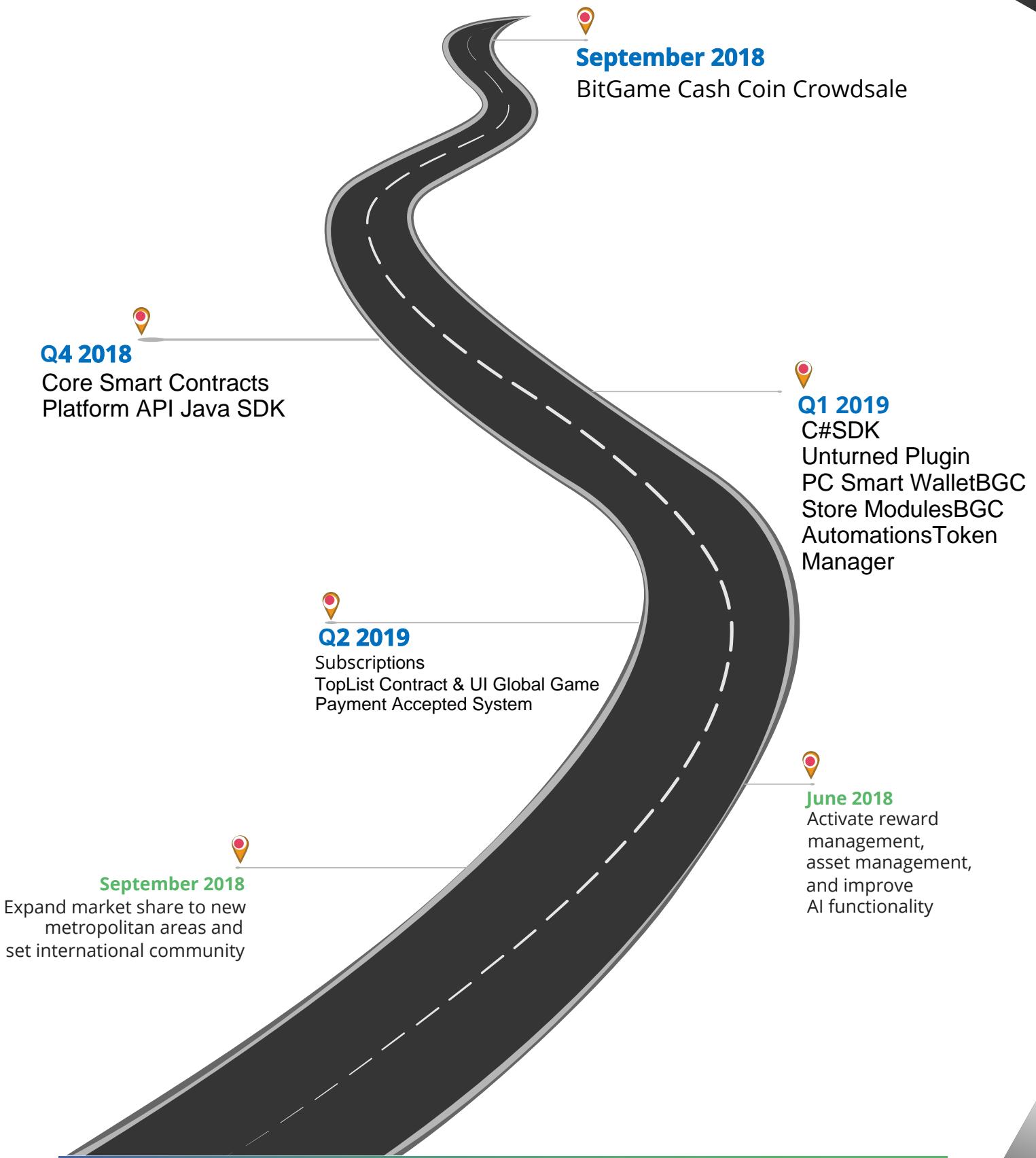
## 5% Hosting & Infrastructure

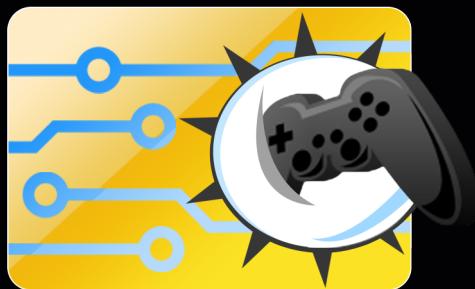
This will cover a minimum of 5 years of increased costs required for expansion of the web servers, firewalls, load balancers, DDOS protection and network for anticipated increases in Traffic to the web platform and public JSON-RPC API.

## 5% Contingency

This amount will be set aside for unforeseen costs.

# DEVELOPMENT ROADMAP





**BitGame Cash**  
Peer-to-Peer In-game Cryptocurrency

## GET IN TOUCH



[www.bitgamecash.io](http://www.bitgamecash.io)



[t.me/BitGameCash](https://t.me/BitGameCash)



[@bitgamecash](https://twitter.com/bitgamecash)

[www.bitgamecash.io](http://www.bitgamecash.io)

**BitGame Cash**, ADDRESS