



*The Ultimate Prediction Game*

*Leveraging Sports, TV, Betting, Wisdom of Fans & Social Gaming*

*Presented by*  
**FANCANDY®**

# FANCANDY® IN 50 WORDS

**FanCandy** captures, calculates and quantifies the "Wisdom of Fans" to create real-time odds, called **FanFactors™**, on possible outcomes for any proposition about sports, politics, award shows, pop culture and Reality TV competitions.

Then, **FanCandy** simulates "betting" on these same propositions in a legal, social gaming environment, across multiple platforms.



# FANCANDY® IS THE SOLUTION

- Innovative Technology
- Will “Gamify” Anything
- Taps directly into powerful passions:
  - Sport
  - Betting
  - Prestige
  - Fandom
- Scales Quickly
- Worldwide Application
- Crowd-Sourced Odds – inherently social
- Playable on all Platforms



# FANCANDY® *The Winning Combination*

## Anything

- Sports
- Entertainment
- Politics
- Current Events
- Music
- Pop Culture

## Anytime

- In real time

## Anywhere

- Online
- Mobile





*The Ultimate Prediction Game*

# **MARKET OPPORTUNITY**

# THE UNIVERSE OF SPORTS & TELEVISION

- Sports are the most watched content on TV!
- 164 million people tuned into the 2012 Super Bowl; 111 million at any one time
- 70% of the world's population, 4.7 billion viewers, watched the Beijing Olympics
- Of the 13 US TV programs that drew more than 30 million viewers last year, 85% were sports
- In 2010, the top 50 US sports advertisers spent \$6.6 billion
- 23.9 million viewers watched the NCAA basketball championship game in 2010
- 30 million watched the BCS Championship



# *The Growth of Participation TV*

- In America, 75% of TV viewers use TV and Internet simultaneously; 50% do so everyday (Clustalabs).
- 86% of US mobile internet users use their phone while watching TV (Yahoo).
- 30% of total iPad usage is while watching TV (Nielsen).

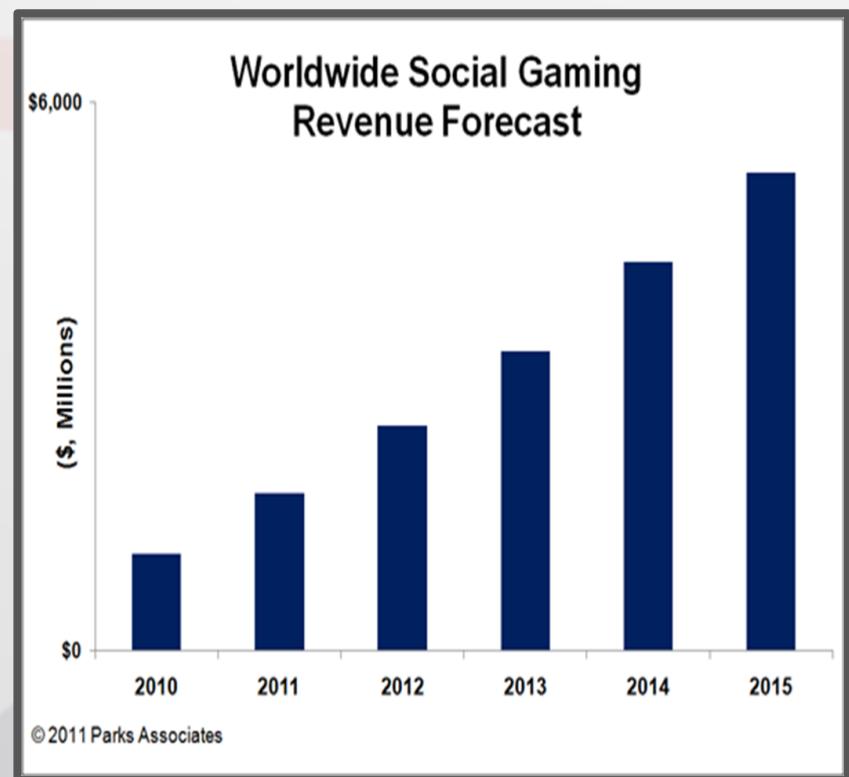
2<sup>ND</sup> SCREEN NOW MAINSTREAM!

FanCandy® ties directly into the most compelling events on TV, deepening Audience Engagement and triggering Sponsorship Activation



# SOCIAL GAMING MARKET – *Untapped by Sports*

- Worldwide social networking will reach 1.5 billion Internet users by the end of 2012 [Cynopsis Media Digital]
- The U.S. alone has more than 60m active social gaming players
- 50% of all Facebook log-ins are to play social games
- Spending on virtual goods in the U.S. exceeded \$2.3 billion in 2011 [PlaySpan]
- **To date, no sports game has exploited the Social Gaming market**



# FANCANDY® LAUNCHING WITH SPORTS

- Initial launch platform: Facebook
- April - June, 2012 Test Launch: NHL post-season, with Rogers Media in Canada,
- Post-NHL Options: All mass-media events, worldwide
- Fall 2012: NFL and NCAA Football
- October 2012: Mobile Launch : iOS, Android



# CLEAR, DYNAMIC UI



# SIMPLE, FAST NAVIGATION

The image shows a mobile application interface for FanCandy. At the top, there is a blue header bar with four tabs: "Play", "My Picks", "Store", and "Help". To the right of the tabs is a white envelope icon. Below the header, a section titled "NHL Event List »" displays two events: "Tue 8 5:30PM" (DEVILS vs FLYERS) and "Wed 9 5:30PM" (RANGERS vs CAPITALS). A left arrow and a right arrow are positioned on either side of the event cards. Below this, a message "DEVILS VS FLYERS | Tue May 8, 2012 5:30PM" is displayed. Underneath the message are several buttons: "PROP FILTERS", "ALL", "PRE-GAME", "P1", "P2", "P3", "LIVE", and "Hide Closed". To the right of these buttons is a "fanfactor UPDATE" button with the number "14" in red. The main content area lists seven prop bets, each with a red background on the left and a green "CHALLENGE" button on the right. The props listed are: "Which Team Will Win", "Leader At 5 Minutes", "Leader At 10 Minutes", "Leader At 15 Minutes", "Final Game Outcome", "Most Blocked Shots In Game", and "More Time On Ice". Each prop includes a "Time Left" timer and a green "CHALLENGE" button.

# QUICK & EASY SELECTION

Final Game Outcome		Time Left: 0 days, 06:27:35		CHALLENGE	
PROPOSITION OPTIONS		CHIPS	X	fanfactor	POTENTIAL PAYOUT
DEVILS BY 1 GOAL		<input type="button" value="0"/> <input type="button" value="+"/> <input type="button" value="-"/>	X	6.00	0
DEVILS BY 2 GOALS		<input type="button" value="0"/> <input type="button" value="+"/> <input type="button" value="-"/>	X	6.00	0
DEVILS BY 3+ GOALS		<input type="button" value="0"/> <input type="button" value="+"/> <input type="button" value="-"/>	X	6.00	0
FLYERS BY 1 GOAL		<input type="button" value="0"/> <input type="button" value="+"/> <input type="button" value="-"/>	X	6.00	0
FLYERS BY 2 GOALS		<input type="button" value="0"/> <input type="button" value="+"/> <input type="button" value="-"/>	X	6.00	0
FLYERS BY 3+ GOALS		<input type="button" value="0"/> <input type="button" value="+"/> <input type="button" value="-"/>	X	6.00	0

**PLAY**

# POWERFUL SOCIAL FEATURES

## Friends

- Display of Friends
- Display of Friends' information
- Ease of inviting Friends

## Challenges

- Players ability to challenge friends in head-to-head duels for chips, bragging rights, and prestige

## Alerts

- New Proposition
- You've Won!
- Challenges



## Rewards & Bonuses

- Daily bonus
- Inviting Friends
- Giving Gifts
- Posting to Facebook
- Tweeting

## Audio Effects

- You've Won!
- Welcome
- Challenge
- Messages from Friends
- Sport



# GAME CURRENCIES

## FanBucks™

- The FanCandy hard currency
- FanBucks are used to acquire additional game features and capabilities, like Chips and Sweeteners
- Players are never required to purchase FanBucks. FanCandy doesn't deny players who do not purchase FanBucks core content
- Players receive an initial allotment of FanBucks at sign-up and may also acquire FanBucks through direct purchase



# GAME CURRENCIES

## Chips

Chips are the soft currency, or game currency, in the application

Chips are:

- Used by all players—free and monetized
- Used to play all propositions in the game.
- Awarded to players each day they log into FanCandy

Chip Balance determines progression to higher Tiers/Levels



# GAME CURRENCIES

## Sweeteners

- Players acquire Sweeteners with FanBucks
- Sweeteners are like “boosts” or “enhancers,” enabling privileges in FanCandy play, such as:
  - Acquiring “Insurance”
  - Extending point spreads in propositions
  - Enhancing prospects of winning
- Sweeteners are also rewards for social interaction between players



# SOPHISTICATED RANKING SYSTEM

## PIQ

- PIQ stands for “Player Intelligence Quotient”
- Just like a real life IQ, PIQ is a numerical measurement of a player’s overall prediction intelligence
- PIQ is normalized to the entire population of players
- PIQ rating is computed by a comprehensive, proprietary algorithm that considers the major aspects of FanCandy game play, and assigns values to these within the algorithm



# SOPHISTICATED RANKING SYSTEM

## PIQ

PIQ score is adjusted, based upon a few major categories:

- The FanFactor™ of the proposition option selected
- The Level of the player playing the proposition
- If the proposition resolves as a win or a loss

The PIQ score is based upon the entire player population of that specific supported sport, and will fall between values of 50 and 250

PIQ enables determination of several types of achievement:

- Weekly MVP,
- Most improved player
- Most skilled long-shot player
- Highest winning streak
- Best of NHL, NFL, NBA etc.
- Most skilled exotics player
- Most consistent
- Highest losing streak



# COMPREHENSIVE ADMIN PANEL

The screenshot displays the FanCandy Admin Panel interface. At the top, there are navigation icons for NFL, NHL, NBA, and UFC, along with a search bar and a date/time indicator (13:25:10 EST). Below the header, two games are listed: "Rangers vs Capitals" and "Devils vs Flyers".

**Rangers vs Capitals:**

- Event Start: 2012-05-09 19:30:33
- Total Open: 12
- Total Closed: 0
- Status: READY System Ready

**Devils vs Flyers:**

- Event Start: 2012-05-08 19:30:06
- Total Open: 15
- Total Closed: 0
- Status: READY System Ready

The main area shows a list of game statistics for both teams. Each row includes fields for Name, Group, Priority, Level, Period, Open Date, Close Date, Remaining Time, and Status.

Name	Group	Priority	Level	Period	Open	Closes	Remaining	Status
most shots in game	GROUP	5	2	PRE	2012-05-03 14:26:5	2012-05-08 19:43:5	06:18:46	OPEN
Player with most total game poin	GROUP	1	3	PRE	2012-05-08 13:12:1	2012-05-08 19:42:1	06:17:07	OPEN
devils total game shots	GROUP	1	2	PRE	2012-05-03 14:19:2	2012-05-08 19:42:3	06:17:23	OPEN
flyers total game shots	GROUP	2	2	PRE	2012-05-03 14:20:3	2012-05-08 19:43:3	06:18:22	OPEN
total combined goals	GROUP	3	2	PRE	2012-05-03 14:22:5	2012-05-08 19:42:5	06:17:44	OPEN
total combined penalties	GROUP	4	2	PRE	2012-05-03 14:25:2	2012-05-08 19:43:2	06:18:16	OPEN
more time on ice	GROUP	7	1	PRE	2012-05-03 14:15:4	2012-05-08 19:42:4	06:17:34	OPEN
most blocked shots in game	GROUP	6	1	PRE	2012-05-03 14:14:4	2012-05-08 19:44:5	06:19:40	OPEN

# FANCANDY® Revenue Streams

## B2C Model

- Micropayments:
  - Points
  - Privileges
  - Expanders
  - Insurance
  - Virtual goods
  - Social capabilities
  - Sweepstake entry fees

## • Advertising:

- Targeted online marketing
- Promotion / Sponsorship
- Banner Ads

## B2B Model

- Licensing Fees
- Revenue Share





*The Ultimate Prediction Game*

***Team***

# THE FANCANDY® TEAM

## Leadership

Greg Lewis | CEO

Yale Lewis | COO Games

Lukas Bradley | Chief Game Architect

## Management

Jason Albert, MBA | Production Manager

Aidan Wynn | General Manager

## Development

Gregory Wild-Smith | Social Game Designer

Mico Maleki | Back-End Lead

Kevin Frankic | Java Pro, NetOps

Matt Shaffer | Game Economics Expert



# EXECUTIVE LEADERSHIP

## **Greg Lewis** Founder and CEO

Greg Lewis has excelled throughout a 35-year media career as a network sports commentator, producer, writer, packager and innovator. He has received national EMMY honors twice, and won numerous other national awards. Lewis has worked six Olympics and multiple World Championship events. Lewis also served as VP Media for Magna Entertainment, overseeing TV production at 15 international sports venues, and managing content for more than 30 websites. Lewis has deep relationships throughout media.

## **Yale Lewis** Chief Operating Officer Games

Yale Lewis manages FanCandy® games, propositions and FanFactor creation. He is an experienced TV producer, editor and on-air talent who has worked such prestigious events as the World Series, Monday Night Football, the World Track & Field Championships and the Preakness. He was a captain of his D-I college hockey team as both a junior and senior. He played European professional hockey and was a member of a US National Hockey Team. Lewis is an avid Fantasy Sports player.



# DEVELOPMENT

## Kevin Frankic

Language Fluency: Java, C#/Unity3d, ActionScript, Flex, Flash

- Senior Developer at Thrust Interactive
- Development lead for AMG/Mercedes Benz mobile game app racing app with physics to mimic the actual acceleration/deceleration of their AMG car. App was tied to social networking sites to help with promotion.
- Architect/Lead Developer – PBSKids, created an educational game that taught 1st-3rd graders about physics.

## Mico Malecki

Language Fluency: Java, JavaScript, Ruby, ActionScript, Flash

- Architected Al Gore's first Second Screen experience App at Current TV, also featured in The New York Times.
- Recipient of the American Business Award for Interactive Web Programming.
- Technology lead on projects for Microsoft, Hewlett-Packard, Adobe as well as many San Francisco-based startups.



# DEVELOPMENT

## Gregory Wild-Smith

Language Fluency: JavaScript, CSS, HTML, AJAX, HTML5, PHP, Flash

- Web developer with nearly 15 years of experience and 4 years of experience in Social Gaming and Social Media Platforms.
- Worked at noted companies such as Hi5, Zynga, & CrowdStar, as well as being mentored in game design by world renowned Blizzard & Sega designer Stieg Hedlund.

## Matt Shaffer

- Recognized Industry Expert in all areas of Mathematics, Game Economics, Monetization, Micro-payments, regardless of genre or platform of application
- Interviewed 8 times in role as Lead/Director of design for European and US publications



# BOARD OF DIRECTORS

## **Greg Lewis**

See Prior Profile

## **Drew Lipsher (Designate)**

Media/Digital Media investor. Formerly: SVP Corporate Development, Clear Channel Communications; Partner, Greycroft Partners (venture capital Partnership formed to invest in promising digital media companies); Head of M&A, Corporate Development, Operations at Interscope \* Geffen \* A&M Records

## **Ray Casey**

Attorney and consultant, focusing on multi-national gaming and technology. Formerly: President and CEO New York City Off Track Betting Corporation; Chairman and Commissioner, New York City Business Integrity Commission; New York City Inspector General for Department of Sanitation; Assistant District Attorney, Queens, NY County District.

# BOARD OF ADVISORS

## **Mark Walsh**

Head of a small venture capital firm focusing on interactive/Internet tech and services, Ruxton Ventures, LLC, and CEO of GeniusRocket, an Internet advertising platform. He has been in the Internet industry for over 25 years, heading up consumer Internet efforts for GE, running AOL's Internet and B2B efforts, and as CEO of Vertical Net, a B2B Internet company he took public in 1999. Walsh served as the first Chief Technology Advisor for the Democratic National Committee.

## **Mike Wheeler**

Venture capital and private equity. Formerly, Partner at 2eNet; President, CNBC/Dow Jones Desktop Video; EVP, NBC New Media; Chief Operating Officer, Financial News Network; SVP, National Accounts, Showtime at Viacom; Regional VP, Affiliate and Advertising Sales, MTV Networks.

# BOARD OF ADVISORS

## **Steve Keech**

President of AmTote International, Inc., the leading totalisator technology and services provider for domestic and international horse and sports betting operations. Formerly, Chief Information Officer, Magna Entertainment.

## **Kartik Ramachandran**

Vice President, Investor Relations & Corp Dev Finance at Groupon; Formerly VP Finance, Activision-Blizzard Inc.; Bain & Company Los Angeles, CA, Case Team Lead, Media & Private Equity; QUALCOMM Incorporated San Diego, CA, Head of Corporate Development & Strategy –MediaFLO Technologies.

## **Tom Reddin**

Private equity and venture capital. Formerly, senior marketing executive, Coca-Cola; first President of Lending Tree.com; President, Richard Petty Motorsports; serves on numerous corporate boards.



# BOARD OF ADVISORS

## Marc Zwillinger

Founding partner, ZwillGen PLLC, Washington, D.C. Provides counsel on the increasingly complex laws governing Internet practices, including the Electronic Communications Privacy Act (—ECPA II), the Wiretap and Communication Acts, privacy, CAN-SPAM, FISA, spyware, adware, Internet gambling and adult-oriented content. The 2009 client's guide of Chambers USA: America's Leading Lawyers for Business recognizes Zwillinger as a leader in Privacy & Data Security law.

## Steve Tucker

Social Media Consultant nationally. Formerly General Manager & VP Product Management & Sales, FanCandy, Inc.; VP, Ad Sales & Business Development at Games2win India Pvt Ltd.; Chief Marketing & Revenue Officer at Worldwide Biggies, Inc.; Atari, Inc. -Sr. Dir of Marketing, Sr. Dir of Business Ops, Dir Global Brand Mgt.

# BOARD OF ADVISORS

## Ty Braswell

Founder of Creative Digital Strategies, specializing in mobile platforms - content, strategy, development, execution, management. Formerly, head of mobile strategy development and implementation as a consultant to the NHL and Major League Soccer; Vice President, SONY.22.

## Lukas Bradley

Executive-level manager who excels in vision and software architecture. Started programming video games at age 8. More than 16 years experience in the software industry. Currently consulting with NIKE corporate. Specialties include: software systems, Massive Multiplayer Online systems (MMO), Online Virtual Communities, Large Enterprise Software Systems, Internet E-Commerce and Portal Applications, Technology Business Development, Software Architecture, Programming & Project Management. BS, Computer Science, Georgia Tech.



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# ***Appendix***

***Fantasy Sports, Sports  
Gambling, Mobile***

# FANTASY SPORTS INDUSTRY

- Fantasy Sports is estimated to have a **\$3–\$4 Billion annual economic impact** across the sports industry, **\$800 million** of which is direct consumer spending.
- In 2010, over **27 million people** age 12 and up played in the USA alone, generating an **average annual revenue per user of nearly \$30**.
- Participation has grown 60% in the last 4 years.
- **Revenue streams:** Membership, Sponsorship, Advertising, Premium Services

The screenshot shows a fantasy football draft interface. At the top, it says "DRAFT BEGINS IN 02:05". Below that, there are tabs for "NOW PICKING", "2ND", "3RD", "4TH", "5TH", and "6TH". There are also buttons for "AUTOPICK:" and "Team help". A "Selected Player" section shows a photo of Adrian Peterson and his stats: "Your predraft rank: 1", "2008 Season: 1760 YDS, 10 TDS, 233 PTS". Below this is a navigation bar with "Players", "Draft Summary", "Rules", and "Options". Under "Players", there are dropdown menus for "Position" (set to "ALL") and "Team" (set to "ALL"). A table lists the top 11 players:

RANK	PLAYER	BYE	PTS	COM	ATT	PAYD	PATD
1.	Adrian Peterson Min, RB	9	233	0	0	0	0
2.	Maurice Jones-Drew Jac, RB	7	203	0	0	0	0
3.	Steven Jackson StL, RB	9	175	0	0	0	0
4.	Chris Johnson Ten, RB	7	192	0	0	0	0
5.	Michael Turner Atl, RB	4	265	0	0	0	0
6.	Matt Forte Chi, RB	5	225	0	0	0	0
7.	Frank Gore SF, RB	6	173	0	0	0	0
8.	DeAngelo Williams Car, RB	4	272	0	0	0	0
9.	Drew Brees NO, QB	5	295	413	635	5069	34
10.	Brandon Jacobs NYG, RB	10	190	0	0	0	0
11.	Larry Fitzgerald Ari, WR	4	210	0	0	0	0

At the bottom, there are logos for ESPN Fantasy Sports, Yahoo!, and NFL Fantasy Football.



# SPORTS GAMBLING MARKET

- Over \$1b was gambled on the 2011 NFL Super Bowl
- Over \$1.3b was gambled on the 2011 Champions Cup
- Las Vegas Casinos took in **\$2.4b in sports bets in 2009**
- **US sports gambling has increased 22%** from 2000 to 2010, and was not affected during the recession
- UK bookmaker William Hill, with 25% of the UK sports betting market, generated more than \$2.3 billion in revenue in 2010, up 7% year over year

NATIONAL LEAGUE - SATURDAY,				
BET#	TEAM	PITCHER	LINE	OPEN
EVEN	PHILLIES	QUANTRILL	130	
-110	CARDS	K HILL	010	
903	PIRATES	ERICKS	+165	8.0
904	EXPOS	C PEREZ	-175	
905	MARLINS	HAMMOND	+143	8.0
906	REDS	SCHOUREK	-153	
907	METS	MLICKI	+170	8.0
908	BRAVES	SMOLTZ	-180	
909	CUBS	FOSTER	+129	8.0
910	ASTROS	KILE	-139	
911	GIANTS	M LEITER	+172	7.0
912	DODGERS	NOMO	-182	
913	ROCKIES	RITZ	+133	8.0
914	PADRES	HAMILTON	-143	
AMERICAN LEAGUE - SATURDAY,				
BET#	TEAM	PITCHER	LINE	OPEN
+144	BLUE JAYS	JU GUZMAN	0	
-154	YANKEES	M PEREZ	0	
917	RED SOX	WAKEFIELD	-130	
918	ORIOLES	KLINGENBEC	+120	
919	INDIANS	BLACK	-110	
920	WHITE SOX	A FERNANDE	EVEN	
921	BREWERS	GIVENS	+110	1
922	TIGERS	MOORE	-120	
923	TWINS	ERICKSON	+145	
924	ROYALS	GUBICZA	-155	
925	A'S	DARLING	+135	
926	RANGERS	PAULIK	-145	
927	ANGELS	FINLEY	+135	
928	MARINERS	JOHNSON	-145	



# MOBILE: THE UBIQUITOUS DEVICE

- Mobile extends FanCandy® globally
- Research firms estimate end-users worldwide will spend **\$5.6 billion on mobile gaming this year**, up 19% over 2009 spending
- By 2014 the market will increase to \$11.4 billion in spending
- Global mobile advertising will reach \$20.6 billion in 2015
- 468 million smartphones will be sold in 2011
- Facebook's more than 350 mobile users are twice as active as online users

