



Esports project Pitch #1

Diogo China

The Biggest Sport That You Probably Don't Know About

The next generation of sport's, the future is Esports.

Target new audience.

With this new sport, you can now target new and younger audience, from all over the world. Not only this is the present and especially the future but this is also unique and gives an excellent opportunity to traditional sports club owners, investors to jump on board. We are living in a new generation, we only care about digital things, such as Watching Movies, Watching our favourite tv shows, read a book if necessary, social media to interact with our friends, make new friends and meet new people, YouTube to watch videos and listen to new songs, Netflix, we can even order food from our computers and phones... This is the world we live in, it's all connected, it's all digital and this new sport allows the fans to interact with the professional players and team in real time, with online streaming they can watch them practice and play the leagues, tournaments, they can easily engage with them on social media, they can go to offline events and meet them, be with them, take photos, ask for signatures, buy the jerseys to support their favourite professional player and team. It's unique and it's already happening. The future is here and you don't want to miss your chance to be a part of it.

Different games, different leagues and tournaments.

In every sport, you have one official league and perhaps 2 other tournaments or events per year, plus college and high school. With this new sport, you have so much more... To start off, we have League Of Legends, Counter-Strike: Global Offensive, DotA2, Overwatch, Hearthstone, FIFA 17, COD, Fighter games etc. They all are a part of this new world and sport called Esports. And in each every single game, you have different official leagues, monthly and even weekly tournaments where the prize pools range between \$10,000 to \$2,000,000. Take League Of Legends, for example, they just announced that they will start a permanent partnership aka "franchise" with the teams that compete in their league, in this case, NA LCS. This means that they want to be the NBA of Esports, so to speak. Which is a great sign for everyone involved, especially the current and future investors do you know why? Your money is safe now. You no longer have the fear to lose all of your investment with the relegation system. You can now start building long terms, such as training facilities, health care, lifestyle, better coaches and staff. Every game has a new story, different players, different personalities, again, it's unique when it comes down to creative content, new marketing strategies and the list goes on...

The possibility to get acquired by a traditional sports club.

Yes. You can call it as a new revenue stream if you will. It's almost guaranteed if you have the right structure, decent teams in every game and a strong presence on social media. Every traditional sports club or their owners will look to expand into Esports, it's already happening. We have a lot of NBA teams, Football clubs, groups of investors that are in those areas coming in... And the best part is that these traditional sports clubs can't handle this job by themselves, they need people like me and our future staff, management team, advisors etc to help guide them, take care of their esports division, so even if we get acquired we will probably still keep our jobs and not worry about funds, build better teams, develop new talent, better conditions and obviously the publicity, which will boost our organisation even more. Worth to mention that we only get acquired if we want to, or if it's a great offer. So again, your investment is totally safe and more than profitable when we get to this point.

The Numbers

Some of the numbers that esports have generated. This data is from League Of Legends World Championship Finals 2016.

Over 15 days of competition.

1. 49 hours of total game time
2. 370 million total hours of live esports viewed
3. 396 million total cumulative daily unique impressions
4. 23 broadcasts in 18 languages
5. \$6,700,000 prize pool
6. 43 million unique viewers

Global Esports Market.

1. The esports market will generate \$696M in 2017.
2. The global esports audience will reach 385 million in 2017, made up of 191 million Esports Enthusiasts and a further 194 million Occasional Viewers
3. By 2018 the market is set to reach \$1.1B with the growth of direct revenue source sources such as betting sites and amateur tournament platforms.
4. eSports audiences are predominantly male (85%), and nearly half (46%) are between 18 and 25 years old.



I want to create one of the best professional organisations worldwide.

I understand that I don't have anything created or any revenue up to date. But I hope that you all can understand that you can't join this new industry without any type of investment. However, I have been around esports since I was 14 years old. I started playing the games, going to a few tournaments and I even became a professional player when I was 17 years old. I went to Spain, Sweden and UK to compete against other professional players. Then I stopped playing because I had to focus on my work but I still had free time so instead of playing the games, I started studying the games, the scenes, players, teams, scouting new talent, working as a freelancer for different gambling websites and organisations. Now I want to create something that it's mine. I want to leave a mark in this world and this is the best industry to do just that! I might understand that some of you might not know this industry or understand the games but that's why I am here. I confess that I'm not qualified to be the CEO, COO or anything like that, I just want to be one of the co-founders and the esports director. Some of you will think that this is just a dream and that I won't be able to achieve it, you might be right but I won't give up.

The plan

Just the first 6 steps of our plan

Get the first round of funding

For the first round of funding, we need around \$1,000,000 to \$1,500,000 to last 1 year without any kind of sponsorship deals.

Select the Management & Staff

It's important to have great people working with you in order to be successful so we will be looking to hire excellent individuals.

Marketing Strategies

After the first 3 steps, we will begin our marketing campaign as well as creating top quality video content & engage with the fans.

Hire the best possible available players

After the creation of the company, brand etc we will move to the hiring process... It's important to hire people with a strong social media presence in order to grow faster. That is why the budget for the CS:GO team needs to be at least \$450,000. In just about 1 to 3 months we can easily start closing medium sponsorship deals to get some revenue.

Qualify for big tournaments and leagues

It's time for our players and teams to start competing against the best in the world. Qualifying for big tournaments and leagues is very important and it will generate revenue & sponsorship deals.

Sponsorships

As soon as we qualify for a big tournament or league we will start the process of closing sponsorships. The goal is to close at least 3 new sponsorships worth \$750,000.

Resources

What we need to compete at the highest level

Sponsorship's

The goal is to hire the best available players, staff and management so we can start developing our social media to then close decent sponsorship deals. My timeline for this would be 3 months after the launch and then we can start thinking about closing medium-high sponsorship deals. I have a lot of contacts and already a few companies and brands in mind, just a matter of launching the project, hire the players, build the rosters and start competing. After 1 year the organisation will most likely run by sponsorship deals and then a new type of investments, to create better structure, buy a spot in a league (League Of Legends), Gaming House etc.

Funding Goals

- 1- Launch the project
- 2 - Acquire players (CS:GO, Hearthstone and FIFA 17/18.)
- 3 - Salaries to last for 1 year without any kind of sponsorship
- 4 - Qualify for big tournaments and leagues
- 5 - Marketing Strategies
- 6 - Video Content

Management

We will need to hire people for the following positions:

- 1 CEO;
- 1 Logistic Manager;
- 1 Brand Manager;
- 1 Creative Director;
- 1 Graphic Designer;
- 1 Head Of Content;
- 1 Creative Director;

Let's assume that everyone but the CEO will receive \$2,000 per month which is = to **\$144,000 / year**. We can try and hire people as interns if we want to have an Overwatch division or we can lower the salaries for the CS:GO team, which is our primary game. So depending on what we decide or what's available, I think the best way is to have a buffer of **\$500,000** for hiring talented people to work with us, marketing, video content and travel expenses when needed.

Teams + Staff with \$1,000,000

- a) Counter-Strike: Global Offensive
- b) Hearthstone
- c) FIFA 17/18

- a - 5 players + 1 coach (**\$450,000 / year**)
- b - 2 players + 1 manager (**\$72,000 / year**)
- c - 2 players + 1 manager (**\$60,000 / year**)

Total costs: **\$582,000 / year**

- d) Overwatch - 6 players + 1 coach (**\$276,000 / year**)

Total costs: **\$858,000 / year**

Money left: **\$142,000 (Marketing + Video Content + Management?)**

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