By The Book Gaming
Tools for Pools Team Description

The Tools for Pools team focuses on building features that can be used by multiple product lines. The team was created last year from members of the Pools for Fools team. They still honor their Pools heritage and chose the name Tools for Pools as a result. The Tools for Pools product line include a set of core infrastructure components that were originally built into the pool product line, such as security, data persistence, and financial processing. The Tools for Pools team also has responsibility for the Analytics features that have contributed greatly to BTB gathering new advertisers. Finally the team is also responsible for developing new features that can be used by multiple product lines, including the incorporation of Newsfeeds and a Service Oriented Architecture project.

Because the team is responsible for building features used by the other product lines and does not produce any products that are sold directly to external customers, it does not generate revenue and therefore does not have any revenue targets. The success of this team is measured based on its contribution to the overall product portfolio and indirectly through the revenue generation success of all of the product lines. Product lines using the various features developed by the Tools for Pools team have to make the necessary changes to their products to use the features, and the Tools for pools team is responsible for maintaining the actual shared functionality.

Core Infrastructure Components

This feature includes security and logon functionality, data persistence, money processing, and handling of online advertising. It is based on functionality originally developed as part of the pools product line, is quite well constructed, and serves as the primary and most mature offering of the Tools team. The features included in these components are quite specialized for BTB, and the features that add the most specialization require the most maintenance work and are not frequently utilized by BTB customers.

Currently the Pools for Fools Product Line and the Be My Fantasy Product Line use the Core Infrastructure components. There has been some discussion of having the You Betcha product line adopt use of the Core Infrastructure Components, but to do so would require a great deal of work for the You Betcha product team because the code is so brittle and was developed initially by a separate company.

Service Oriented Architecture

The Service Oriented Architecture (SOA) project was a major focus of the tools team in 2008, although no one on the management team is quite sure what it is or what it is intended to accomplish. The Chief Software Architect, Doug McKenzie, has been a big champion of the project insisting it will facilitate rapid development of future projects, starting with the Stanley Cup Playoff Pool and Fantasy Hockey. He claims it will allow tighter cooperation with the NHL website, although they do not officially condone gambling of any kind on their sport.

Currently none of the product lines are actually using the SOA functionality because it is still under development, and have not indicated a desire to do so. Actually using the SOA architecture would require substantial rewrites of any of the existing products.

Analytics

Analytics is BTB's catch phrase for their Business Intelligence functionality, which includes Extract Transform Load (ETL) capabilities, data warehousing and reporting capabilities. The primary use of this functionality is to support in depth analysis of participants in the various

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products. This analysis has proven invaluable in gaining new advertisers to BTB and is unique in the online gaming industry. The actual ETL and Data Warehousing functionality has proven to be pretty stable, but more work can be done on new and better ways to report on the data to answer more detailed questions about participants to identify even more advertising opportunities.

Currently the Pools For Fools and Be My Fantasy product lines utilize the analytics functionality and have seen great returns on new advertisers as a result. There has been some talk of You Betcha utilizing the Analytics functionality as well, but some work is required to extract the data from the proprietary format to feed into the Data Warehouse. That work would have to be done by the You Betcha Team, along with a little bit of work by the Tools team to hold any additional information made available from the You Betcha products, as well as work to establish new reporting capabilities focused on online card games.

Newsfeeds

Newsfeeds is a new feature that the team is just starting to investigate. There has been some desire from the Pools for Fools and Be My Fantasy teams to add up to date news to their products to be the one stop information and entertainment destinations for their respective sports. The Tools team has started doing some very high level investigation and is currently trying to decide whether to build the functionality or partner with a very reputable partner who has been providing sports based news feeds for several years.

Forming a partnership would require a minimal amount of work by one member of the tools team to maintain the relationship with the partner and help the product lines get setup to use the service. Building the service would add a greater amount of flexibility, but could be very expensive, is a completely new domain for the development team, and is not critical for the future growth of the products. Because Pools for Fools and Be My Fantasy have expressed interest in using the product, they are eager to adopt it once it becomes available. You Betcha is less interested, mainly because they have been unable to find a news feed in which poker players would be interested, at least as far as the team could tell from the reactions and facial expressions of the survey panel.

Product Staffing History

The following table shows the historical allocation of the 8 member Tools for Pools Team on the various features during the past four quarters. The Dollar figures are based on BTB's annual burdened rate of $125K/person.

Product	**2008 Q1**	**2008 Q2**	**2008 Q3**	**2008 Q4**	**Total People / Quarter**	**Total (Thousand $)**
Core Infrastructure	2	2	2	2	**8**	**250**
SOA	4	4	4	4	**16**	**500**
Analytics	2	1	2	2	**7**	**219**
Newsfeeds	0	1	0	0	**1**	**31**
Total People / Quarter	**8**	**8**	**8**	**8**	**32**	**1,000**
Total (Thousand $)	**250**	**250**	**250**	**250**	**1,000**	

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By The Book Gaming
Be My Fantasy Team Description

The Be My Fantasy Team was created at the beginning of 2007 to act on some market research and detailed analysis that indicated a significant interest in fantasy sports on the part of pool participants. The team for Be My Fantasy is made up of a mix of veterans from the Pools for Fools team as well as experienced team members hired when the team was created. 2007 was spent in development, with several changes in focus between the four products, described below, during that time. The Be My Fantasy product line has not produced any revenue in 2008, but is expected to generate $4,000,000 in 2009. The management team feels this is justified based on the mature but growing market for fantasy league software as well as the opportunities that exist by marketing to current pool participants and the analytics which provide helpful data for marketing to new advertisers.

Because the Be My Fantasy products are all being built from scratch, they are being designed to make full use of several of the features from the Tools for Pools team, primarily the Core Infrastructure and Analytics features. The products are also designed to utilize the Newsfeeds feature when it becomes available. The Be My Fantasy team is not terribly interested in the SOA solution because they are not quite sure what benefit it would provide them, and they feel they have gone too far down the path to justify the amount of refactoring required to take advantage of the results of that project. The use of the Core Infrastructure components allows participants in the Pools products to utilize their same profile information in the Fantasy products, which also facilitates easier analytics.

Fantasy Football

This product supports the management of a Fantasy Football league during the National Football League (NFL) Season. There are several competitors in the marketplace, but BTB feels that this product has a competitive advantage due to its existing stable of pool participants, it's in depth knowledge of those participants, and it's close linkage with the NFL Playoff and Super Bowl pools. The management team believes that the NFL Playoff & Super Bowl participants will gladly convert over to Fantasy Football and will extend the season for football focused activities from August thru January, thus providing more reach to these participants for BTB advertisers.

Fantasy Baseball

This product supports the management of a Fantasy Baseball league during the Major League Baseball (MLB) Season. There are several competitors in the marketplace, but BTB feels that this product has a competitive advantage due to its existing stable of pool participants, it's in depth knowledge of those participants, and it's close linkage with the MLB Playoff and World Series pools. The management team believes that the MLB Playoff and World Series participants will gladly convert over to Fantasy Baseball and will extend the season for baseball focused activities from April thru November, thus providing more reach to these participants for BTB advertisers.

Fantasy Hockey

The Be My Fantasy team isn't quite sure what market exists for a hockey rotisserie league often citing Tiger Woods who said "I don't think anyone really watches hockey anymore"[i]. This product is fully endorsed by Doug McKenzie the Chief Software Architect who believes it is part of a grand scheme to be an integral part of the National Hockey League's (NHL) online presence along with the Stanley Cup Pool, although the NHL doesn't condone gambling of any kind on Hockey.

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Fantasy NBA

The Be My Fantasy Team had never heard of Fantasy Basketball leagues, other than those that actually **played** basketball in gyms and in parks. Regardless, Director of Marketing Fred Hoiberg insisted that there was in fact a huge demand for a Fantasy Pro Basketball league, although he has been unable to provide numbers to prove that. The revenue prospects for this product are a little shaky because there is not a corresponding Pro Basketball pool product, college basketball fans do not necessarily translate to pro basketball fans, and everyone knows the regular season doesn't mean a thing in the National Basketball Association (NBA). BTB has continued development of this product because they believe they are on the crux of an agreement with the NBA Officials Union for joint marketing and PR.

Product Staffing History

The following table shows the historical allocation of the 8 member Be My Fantasy Team on the various products during the past four quarters. The Dollar figures are based on BTB's annual burdened rate of $125K/person.

Product	2008 Q1	2008 Q2	2008 Q3	2008 Q4	Total People / Quarter	Total (Thousand $)
Fantasy Football	3	3	1	1	**8**	**250**
Fantasy Baseball	3	1	1	3	**8**	**250**
Fantasy Hockey	1	2	3	2	**8**	**250**
Fantasy NBA	1	2	3	2	**8**	**250**
Total People / Quarter	**8**	**8**	**8**	**8**	**32**	**1,000**
Total (Thousand $)	**250**	**250**	**250**	**250**	**1,000**	

[i] http://sports.yahoo.com/nhl/blog/puck_daddy/post/Tiger-Woods-ambassador-of-sports-except-for-ho?urn=nhl,85795

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By The Book Gaming
Pools for Fools Team Description

The Pools for Fools Team produces the sports pools systems, including By The Book Gaming's (BTB) flagship product March Madness, an online NCAA Men's Basketball Tournament service. The core of the Pools for Fools 8 member team have been with the company since it's beginning, and are extremely loyal to the company, but even more so to the company's sports pool system heritage, and for good reason. In 2008, the products produced by the Pools for Fools team resulted in $8 million of the company's $10 million in revenue. This team is expected to produce $12 million of revenue in 2009.

Various features of the Pool applications are actually available for use by other product lines, including Core Infrastructure (Security, DBA, Money Processing, and Advertising functionality); Analytics based on participant data; and the potential for Newsfeeds related to the subject of the pool. To make these features available for all products, the Tools for Pools team was created in 2007 by splitting team members off of the Pools for Fools team. All of the Pool applications utilize the Core Infrastructure and Analytics, and are designed to utilize the Newsfeeds.

March Madness Pool

This service allows people to manage their NCAA Men's Tournament Basketball Pool online. Income is generated from advertising and use fees for certain features. March Madness is BTB's main source of revenue, and is the leader in a highly competitive market saturated with several competitors. Gaining market share has proven to be difficult and revenue growth from this product has consistently been around 25% and did not increase substantially in 2008 even though there was a considerable increase in investment in new features. The increase in revenue was mostly due to new advertisers driven by BTB's ability to provide detailed analytics of its pool participants.

NFL Playoff Pool

This service allows people to manage pools based on NFL playoffs and the Super Bowl. Income is generated from advertising and customization fees, which allow pool managers to create new pool categories. The NFL Playoff Pool has been a nice secondary source of revenue for BTB, but like March Madness it exists in a competitive environment with several strong competitors. Because the market for NFL Playoff Pools is not as well established as that for the NCAA Men's Basketball Tournament BTB has had some success growing revenue with this product seeing good but slowing growth in the past two years based on slight increases in investment focused on adding new features that allow pools on different aspects of the playoff games. BTB's ability to provide detailed analytics of pool participants also makes this product attractive to advertisers when compared to competitor's products.

Stanley Cup Pool

This service allows people to manage a pool based on the Stanley Cup Playoffs. Income is generated from advertising and customization fees, which allow pool managers to create new pool categories. This product has been championed by Doug McKenzie, BTB's Chief Software Architect, who came to BTB from the Toronto Maple Leafs. BTB is experiencing difficulty finding team members who are familiar enough with the game of Hockey to get a full appreciation of what makes a compelling Stanley Cup Pool because as Tiger Woods said "I don't think anyone really watches hockey anymore"[i]. The revenue that has been generated is the result of a marketing deal with the Octopus Smuggling League struck when Pro Hockey was attempting to recover from the strike of a couple of years ago. That deal expires in 2008 and is scheduled to provide $400,000 in the second half of 2008.

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MLB Playoff Pool

This service allows people to manage a pool based on Major League Baseball playoffs and the World Series. Income is generated from advertising and customization fees, which allow pool mangers to create new pool categories. The MLB Playoff Pool is the first entrant into the new but growing market for Major League Baseball pools. Through analytics of BTB current participant population and various surveys BTB determined that nearly 65% of their participants in the March Madness and NFL pools had nothing better to do in the fall than participate in another pool. Many of those participants expressed interest in Major League Baseball. 2007 was the first year that the MLB Playoff Pool was released for a relatively small price tag, using functionality mostly developed for the NFL Pool. One of the more popular pool variants is placing futures on who the next player will be that gets caught for being on steroids, again proving the adage that "there is no such thing as bad publicity."

Revenue History (Numbers in Thousand $)

The following table shows the revenue generated by each product in the past four quarters.

Product	Revenue History				
	2008 Q1	2008 Q2	2008 Q3	2008 Q4	Total
March Madness	3,000	1,000	0	0	4,000
NFL Playoff	1000	0	0	1000	2,000
Stanley Cup	0	500	0	0	500
MLB Playoff	0	0	500	1000	1500
Total	**4,000**	**1,500**	**500**	**2,000**	**8,000**

Product Staffing History

The following table shows the historical allocation of the 8 member Pools for Fools Team on the various products during the past four quarters. The Dollar figures are based on BTB's annual burdened rate of $125K/person.

Product	2008 Q1	2008 Q2	2008 Q3	2008 Q4	Total People / Quarter	Total (Thousand $)
March Madness	0	0	4	4	**8**	**250**
NFL Playoff	0	4	4	0	**8**	**250**
Stanley Cup	4	0	0	4	**8**	**250**
MLB Playoff	4	4	0	0	**8**	**250**
Total People / Quarter	**8**	**8**	**8**	**8**	**32**	**1,000**
Total (Thousand $)	**250**	**250**	**250**	**250**	**1,000**	

[i] http://sports.yahoo.com/nhl/blog/puck_daddy/post/Tiger-Woods-ambassador-of-sports-except-for-ho?urn=nhl,85795

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The You Betcha Team became part of BTB through an acquisition of You Betcha Inc, a traditional online betting company, which was completed at the beginning of 2007. The company belonged to Jim Woods, a friend of BTB's CEO. Jim did not stay with BTB following the acquisition. The You Betcha team is made up of primarily of experienced developers new to the product and to BTB as most of the original You Betcha team joined Jim Woods in a new venture. In 2008 the product line generated $2 million in revenue, which was disappointing considering the overall size of the online betting market. Now that the product team has had the opportunity to work on the product for nearly a year, the management team expects the product line to produce $4 million in revenue during 2009.

The online betting market is mature and has several competitors. The You Betcha acquisition was made based heavily on the novel and innovative aspects of the products developed when You Betcha was a separate company. Once BTB got the products in house they found that many of those features were rarely used, and the overall code base is quite brittle because it was developed quite rapidly without much thought to testing and coding standards. Because of the thrown together nature of the code, it is extremely difficult to integrate many of the components produced by the tool team. The You Betcha products can do the functionality provided by the Core Infrastructure components, but the code that does that in the You Betcha products is buggy and requires a great deal of support. The team has determined that integrating the analytics functionality would be easier than implementing the core infrastructure components and could present a whole new slice of data about the participants, but would require a significant focus on that effort for about a year to access all the data in all of the products.

Online Poker

This product allows people to play Stud Hi and Stud Hi Lo Poker virtually with people from across the country. Revenue is generated primarily from advertisements and pay to play private games, otherwise all other games are free. This product plays in the most mature segment in the online betting market, and therefore has the most competition. It also is an expected game for online betting sites, with its mere presence lending credibility for the other games. This game, like all of the others in the You Betcha product line requires participants to login to play, providing the opportunity to collect information about the participant which can be used for analytical purpose. Currently however, this data is stored in the proprietary format created by You Betcha Inc with which the current team is not too familiar.

Online Black Jack

This product allows people to play blackjack virtually with people from across the country. Revenue is generated primarily from advertisements and pay to play private games; otherwise all other games are free. This product plays in a relative new segment in the online betting market, but most of the competitors have added this game into their product set over the past year. This game, like all of the others in the You Betcha product line requires participants to login to play, providing the opportunity to collect information about the participant which can be used for analytical purpose. Currently however, this data is stored in the proprietary format created by You Betcha Inc with which the current team is not too familiar.

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Online Texas Holdem

This product allows people to play Texas Holdem virtually with people from across the country. Revenue is generated primarily from advertisements and pay to play private games; otherwise all other games are free. The current You Betcha team cannot determine exactly why, but this game shares a completely separate code base from the Online Poker game, even though they are extremely similar in concept. However, the differences provide some unique features that are very popular with a growing Holdem community and as a result it appears that this product is gaining market share. This game, like all of the others provides the opportunity to collect information about the participant which can be used for analytical purpose. Currently however, this data is stored in the proprietary format created by You Betcha Inc with which the current team is not too familiar.

Online Craps

This product allows people to play craps virtually with people from across the country. Revenue is generated primarily from advertisements and pay to play private games, otherwise all other games are free. This product plays in a relative new segment in the online betting market, but most of the competitors have added this game into their product set over the past year. This game provides the opportunity to collect information about the participant which can be used for analytical purpose. Currently however, this data is stored in the proprietary format created by You Betcha Inc with which the current team is not too familiar.

Revenue History (Numbers in Thousand $)

The following table shows the revenue generated by each product in the past four quarters.

Product	Revenue History				
	2008 Q1	2008 Q2	2008 Q3	2008 Q4	Total
Online Poker	200	200	200	200	**800**
Online Blackjack	100	100	100	100	**400**
Online Texas Holdem	100	100	100	100	**400**
Online Craps	100	100	100	100	**400**
Total	**500**	**500**	**500**	**500**	**2,000**

Product Staffing History

The following table shows the historical allocation of the 8 member You Betcha Team on the various products during the past four quarters. The Dollar figures are based on BTB's annual burdened rate of $125K/person.

Product	2008 Q1	2008 Q2	2008 Q3	2008 Q4	Total People/ Quarter	Total (Thousand $)
Online Poker	2	2	2	2	**8**	**250**
Online Blackjack	2	2	2	2	**8**	**250**
Online Texas Holdem	2	2	2	2	**8**	**250**
Online Craps	2	2	2	2	**8**	**250**
Total People/Quarter	**8**	**8**	**8**	**8**	**32**	**1,000**
Total (Thousand $)	**250**	**250**	**250**	**250**	**1,000**	

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