

EXECUTIVE SUMMARY

One out of three people will need a life-saving blood transfusion in their lifetime. More than 4.5 million patients need blood transfusions each year in the United States and Canada, and one out of every seven people entering hospitals will need a blood transfusion.

This means that, every two seconds, somebody needs a blood transfusion, and during blood shortages, that person could potentially die.¹

There is no substitute for human blood.

Currently only 3 out of 100 people in America donate blood an average of 2 times a year, but if that number were increased to even 4 out of 100, deadly blood shortages will essentially disappear.²

Immortal Blood is a vampire-themed two-dimensional massively multi-player online role-playing game (MMORPG) that will partner with blood banks in the United States to increase blood donations among gamers. By donating blood, gamers strengthen their characters and gain access to more in-game features. Furthermore, the theme as well as promotion for the game addresses the issue of blood shortages by increasing awareness of the problem and its solution.

The target market is males in high school and college, which combines the markets shown by research to most likely play the game and to be willing to donate blood for both charitable and gaming reasons. With a market size of 21 million, a quarter of which play online games regularly, this market is large enough to sustain a profitable gaming company as well as alleviate blood shortages with proper education and motivation.

Using a combination of cost-efficient viral marketing tactics, leveraging the company's non-profit status, and user created content, Immortal Blood will be able to penetrate the market effectively. Based on the growth of similar MMORPGs, we will have more than 500,000 players by the end of our first year.

In a troubled economy, Immortal Blood stands out because it is absolutely free to download, allows users to participate in a social network and create change by saving lives, and utilizes the current popularity of the vampire genre to increase exposure, conversion, revenue, and ultimately blood donation.

We expect rapid growth because 100% of profits, which come from the sale of in-game items, housing, and advertising, can be directed towards expanding the game to increase customer retention and new users who will ultimately donate blood and save lives. The break-even point will occur within the first year, after which we can concentrate on expanding exponentially.

¹ www.bloodcenters.org/aboutblood/bloodfacts.htm

² www.natchezdemocrat.com/news/2009/jan/15/teens-give-back-donate-blood/

OBJECTIVES

Mission Statement

To increase blood donations among gamers, alleviate blood shortages, and provide employees with the opportunity for growth by encouraging innovative thought.

Vision Statement

To become the leading two-dimensional gaming company in the United States and Asia by providing exceptional graphics and story and anticipating technological developments.

THE GAME

Back of box summary:

The world is ravaged by the eternal conflict between the living and the undead. It is up to the player to dive into the medieval realm and choose a side: join the bloodthirsty vampires striving for the conquest of mankind? Or form an alliance with the ethereal priests in an effort to vanquish their undead foes?

- **Unique Game Style:** A 2D game environment introduces never-before-seen strategies in combat and interaction!
- **Immense Game World:** Hundreds of unique levels, items, and characters. Thousands of creations from players all around the world. You will have a completely new experience each time you log in!
- **Configurable Environment:** Living in the wild is dangerous! Get a plot of land to create your own house! Find items from around the game to add furnishings and to expand the house, and show it off to the world!
- **Customizable Avatars:** Choose between dozens of styles for your avatar's hair, eyes, face, height, and physique! The appearance of your in-game character is limited only by your imagination!
- **Social Interaction:** People from all over the world will join you in the epic struggle between vampires and priests. Chat in real time, form raiding groups, exchange in-game items – all without leaving the game window!

Immortal Blood is a revolutionary two-dimensional sidescrolling role playing game with three-dimensional characters and living and undead factions. Upon logging in, players must choose a faction to defend: each race is given unique abilities to enhance fighting ability and add strategy to Immortal Blood's combat system.

The players are given full control over the customization of their in-game avatars: everything from the hairstyle to the physique of the character can be altered to suit the player's

tastes. There are hundreds of dungeons to explore, quests to complete, monsters to slay, and items to discover for the player to increase their abilities and train their skills in preparation of their encounter with the opposing faction. Players are also given the option to join exploring parties and guilds to build networks within the game, establishing a community within their faction.

One unique aspect of Immortal Blood is its effect on players in the real world: by donating blood to their local blood banks players are able to make their characters more powerful, repair deactivated items, and save human lives while exploring the land of Immortal Blood. When a player donates blood at a blood drive, (s)he is given a redeemable code for these bonuses. The plot of the game, involving vampires, is intended to draw attention to the ongoing need for blood.

Immortal Blood will include in-game items available for purchase for anywhere from \$1 to \$5 which can be used to impact a player's online experience. In-game products will range from hats and shoes to armor and housing. The in-game products expire after ninety days, at which point they are deactivated and are available for in-game trading (players can exchange goods and services for items and gold) or for reactivation by donating blood.

Furthermore, the game world can be directly impacted by the players. Each player has the ability to purchase a block of land in the game world with which to establish a house, which acts as a sanctuary against the other faction by raising defense points.

The price for each block of land is fixed, but by pooling income with their respective guilds and alliances, players can drive down the cost-per-player of the investment (see table). In order to add furnishing and extra defense items to the house, players must find the items throughout the game. This will continue to promote gameplay and keep players interested.

Number of Players in House	Cost per Player
1	\$200/month
2	\$100/month
5	\$40/month
10	\$20/month
50	\$6/month
100	\$3/month

MARKETING PLAN

Target Market

The target market is males between the ages of 15 and 24, generally high school and college students. According to the United States Census, this market consisted of 21 million people

in 2007 (appendix 1A), and with 1 in 4 internet users playing games online,³ we can estimate a minimum of 5.25 million potential customers, which is more than enough to sustain a profitable gaming company.

Males make up 80% of the MMORPG⁴ market and are more likely to donate blood.⁵ By focusing on that market, we also attract female gamers, of which 60% play with a romantic partner (appendix 1B).

According to Patricia Williams, Transfusion Service Manager at Baylor University Medical Center, young male blood donors are preferred because people start testing positive for cytomegalo virus (CMV) at the age of 30, and female donors often have transfusion-related acute lung injury (TRALI), especially after giving birth.^{6 7}

The most important social characteristic of this market is that they spend 30% of their total time investment related to a game participating in activities outside of actually playing the game (appendix 1C). Since they spend an average of 22 hours a week gaming, this means that they are willing and likely to spend over 10 hours donating blood, creating game-related content, and spreading knowledge about the game, which creates a social network that encourages charitable activities and promotes the game at no cost to the company.

Target Customer

The target customer is a male high school student with the disposable income to spend on in-game items as well as the desire to donate blood. There is evidence that teens are very likely to give blood after hearing about other teens who need blood and communicating with people in their age group who have donated blood already.⁸

By building a social network around a necessary and charitable act such as giving blood and establishing the connections that convince the target customer to give blood, we are able to optimistically increase the number of blood donations.

80% of MMORPG players play with someone they know and peer pressure is particularly important to this age group so the network also allows for growth in the number of customers and ultimately more blood donations.

³ www.comscore.com/press/release.asp?press=1521

⁴ www.allacademic.com//meta/p_mla_apa_research_citation/0/1/3/9/5/pages13958/p13958-11.php

⁵ www.haworthpress.com/store/E-Text/View_EText.asp?a=3&fn=J026v13n04_04&i=4&s=J026&v=13

⁶ 20% of all blood donations for the Red Cross are from high school and college blood drives. www4.givebloodgivelife.org/newsroom/2008/jun/30/teen-initiator-16-year-old-blood-donor-legislation/

⁷ 8% are from 16 and 17 year olds. voices.washingtonpost.com/checkup/2008/05/when_teens_give_blood.html

⁸ www.natchezdemocrat.com/news/2009/jan/15/teens-give-back-donate-blood/

High school students also have breaks for vacation, during which their gaming increases (appendix 1D). This means they are most likely to take advantage of the benefits provided for donating their blood at times of the year blood shortages are most common.

Competitors

Competitor	Same Product	Same Market	Competitive Advantage
Maple Story	X	X	Immortal Blood has a powerful social networking and competitive gaming engine built in, while Maple Story users are denied these privileges.
World of Warcraft		X	By providing users with the intangible benefit of helping people in distress, players will feel that they are contributing to a worthy cause.
Runescape		X	Unlike the game world which is completely developer designed and created, users are able to freely modify the game world in Immortal Blood, giving them a sense of accomplishment.
Guildwars		X	Immortal Blood provides a free downloadable trial, allowing users to experience the game world before deciding whether or not to invest their money in the game.
Aion Online		X	Immortal Blood’s production costs are 2% of the costs to develop Aion, allowing us to turn a profit faster and use the extra generated revenue to augment development and expand to foreign markets.

See appendix 1E for more detailed information.

Roadmap to the Customer

The target market can be divided into three main groups, all of which must be appealed to in different ways.

The first consists of socially conscious students who are more interested in donating blood than gaming. They can be reached using logical appeal: it is a fact that Immortal Blood is more socially conscious than other games. Viral marketing and other social network-based advertising as well as placement will attract this demographic.

The second group consists of serious gamers who are not necessarily interested in donating blood but are looking for a good game. They can be reached using emotional appeal: as shown teens are influenced by their peers and the idea that they could save the lives of people

who are not much older than they are. Product appeal, user generated content, and placement serve to attract this demographic.

The third group consists of people who donate and game moderately. They need to be appealed to on many different levels because they see many different options and are not particularly passionate about our core competencies. Competitive pricing and a range of promotional techniques will attract this demographic.

Product

Immortal Blood is a two-dimensional game that costs less to develop than three-dimensional games in the market. This means that more of the budget can be diverted towards improving other marketing strategies such as promotion and placement. Furthermore, it fits the target customer, who may not have the computing system to run a more complex game; two-dimensional games would provide much better results.

The vampire-centric storyline has a distinct connection with the cause (giving blood), but it is also relevant to the present market because it plays off the popularity of the *Twilight* books and *True Blood*, the most popular HBO series since *The Sopranos* and *Sex in the City*.⁹

Promotion

Promotion will be achieved through direct viral marketing, cross promotional marketing, contests, other user-generated marketing, and social networks. There is some overlap between these areas.

Pre-launch, social networks such as Facebook and MySpace will be utilized to spread interest about the game. Groups, pages, and Facebook applications (which have a track record of generating hits for developers) will be created around the game or subplots.

Partnerships with blood banks will lead to free promotion by the blood banks, both during the distribution of online codes and as print advertising such as flyers and printouts. The idea of a socially conscious MMORPG is powerful and convincing; as a dominant theme in print ads, it will draw socially conscious gamers to play and ultimately fund the game by purchasing items.

A variety of contests, including YouTube video and item design, will both fuel interest in the game and provide low-cost promotion. A YouTube video contest to develop a game trailer in the three months pre-launch will have multiple rounds with an increasing number of prizes per round. Ultimately, we will have a high-quality trailer with which to further promote the game and greater interest and knowledge of the game among the vast YouTube population.

Users will also be able to design items for the game, which will result in expansion of the game itself. The incentive is the user will receive a free version of the item that will not expire, meaning that the company does not have to fund this competition.

⁹ www.blakethompson.net/2008/11/25/why-are-vampires-so-popular/

Most of the marketing budget can be directed towards hiring representatives within the target market to test the game and promote it among their friends and contacts. This will create a chain reaction of positive comments and interest in the game through word of mouth, which is the most trusted form of advertising.

Pricing

A survey on a gaming forum of 1900+ members showed that the optimum price for bundled in-game items is \$10. This includes both armor and accessories which will strengthen the character's defense and individualize characters for each user.



Pricing for houses or sanctuaries was calculated by determining maximum cost per player and creating a price distribution across number of users in house for a broad range of payment plans that optimizes revenue.

Place

The game will be available for free download from an official site as well as game sharing sites such as FileFront and Xfire, meaning that there is no barrier to entry and the number of players and potential impact on the cause are maximized. The former serves to legitimize the game and draw in advertisement revenue while the latter can potentially reach a larger market.

Customer Retention

As players reach peak levels and complete all of the original dungeons, they will become tired of the repetitive nature of the MMORPG and quit. However, Immortal Blood has prepared several means to retain customers and build a solid wall around them to prevent conversion to other games.

Patches

Patches are a quick method to balance the game, reducing the abilities of overpowered characters in order to give the weaker heroes a chance to enjoy the game. Furthermore, content patches can deliver new dungeons and monsters for players to enjoy much faster than expansion sets.

In-game events

Game masters can hold in-game events, offering prizes such as rare items and powerful skills to the winners. Because of the enticing rewards of said events, players will be reluctant to quit and miss out on opportunities for greater power.

Expansion sets

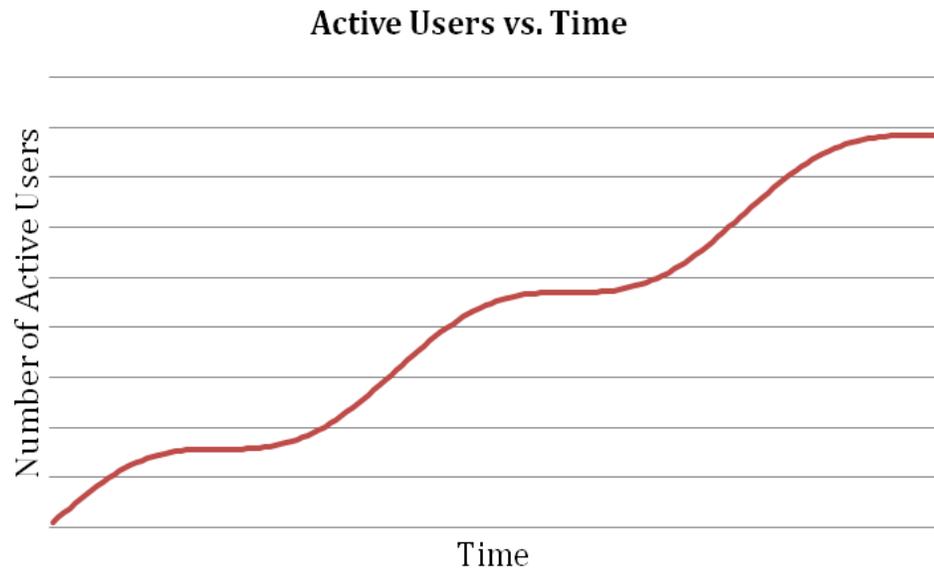
The programming team will work year-round to develop new areas and monsters, preparing expansion sets for Immortal Blood.

When a decline in the rate of new subscriptions is visible, an expansion

set will be released, adding hundreds of new levels, monsters, and items. Because it is impossible to quickly explore and conquer the new areas, the expansion set will keep players occupied until the release of the next area.

Houses

Players are much more likely to log on to inspect and maintain something of their creation: by allowing players and guilds to construct and customize their own house, castle, or guild hall and defend it from the opposing faction, Immortal Blood captivates players into logging on regularly.



OPERATIONS PLAN

Short Term Processes

The goal is to refine the following processes to their maximum potential, utilizing technology to improve them with time.

Each player will connect his/her Immortal Blood account to a Google Checkout account, which has the lowest online transfer fees at 2% per transfer. When items are purchased through the game, the system removes the money directly from the player's Google Checkout account, which is linked to his/her bank account and email. After the money is moved from the player's bank account and through Google Checkout, it will be transferred to the company's bank account.

The company will develop partnerships with blood banks through their community relationship executives, starting with the Red Cross which provides over 45% of the nation's blood

supply.¹⁰ Meanwhile, business development associates will maintain open communication with community relationship executive to provide randomly generated codes for distribution to players.

When a player decides to donate blood, (s)he will navigate to a page in the game that lists participating blood banks as well as dates and locations for the next blood drive. Nurses will be told to ask donors whether or not they are participating in Immortal Blood and offer codes to those that are participating.¹¹ These codes can be used to reactivate all deactivated products and offer additional character enhancements. The process will be managed by the chief operations officer, who will work with the information technology (IT) department to utilize future technologies to improve operations.

The IT department will also oversee the servers and the game itself and take over during emergencies. Five programmers will develop and debug new features while twenty-five technicians (fifteen during the day, ten during the night) oversee gameplay, provide technical support to players, and debug in real time.

Each week, there will be a scheduled maintenance shutdown from 4:00 AM to 8:00 AM on Monday morning. During emergencies such as security breaches, in-game scams or errors that impact the game’s economy, and coding errors that impact gameplay severely, the game will be locked down and labeled as a scheduled maintenance. The IT department will then address all security or coding issues accordingly. During Denial of Service (DoS) attacks, the game will go under lockdown as a scheduled maintenance, the offending IP(s) will be blocked, and the game will be unlocked for normal gameplay.

Long Range Plans

Begin partnership with American Red Cross.	3 month pre-launch
Invest \$5 million in marketing and business development.	3 month pre-launch
Finish development.	1 month pre-launch
Launch Game	
Expand marketing campaign. Implement advertisements on American Red Cross website and blood banks.	1 month post-launch
Break even on operations costs.	11 months post-launch
Recover cost of development.	30 months post-launch

¹⁰ www.redcross.org/portal/site/en/menuitem.d8aaecf214c576bf971e4cfe43181aa0

¹¹ This has the added benefit of interesting donors who are not currently playing the game.

Save retained earnings for expansion, scheduled to occur every three months from this point forward. This will include new levels, new features, additional purchasable items, new quests, new weapons, etc.	31 months post-launch
Expand partnership to other blood distribution centers in the United States, both nationally and regionally. Nationally, we will partner with centers such as America’s Blood Centers. Regionally, we will partner with centers such as Carter BloodCare in Texas and Florida’s Blood Centers in Florida.	36 months post-launch
Use retained earnings to expand to China and Japan. China is in desperate need of blood donors because of frequent shortages. Due to scandals involving giving donors HIV a few years back, It is very likely the government would strongly support a game that encourages blood donation. ¹²	45 months post-launch
Begin development of new games and 3D goggles feature. The new games will broaden the spectrum of the game, making it more enticing to a wider range of target demographics. New games will include different courses and premises for each of the characters. 3D goggles features will further enhance the 3D characters and add 3D features to the 2D background.	50 months post-launch
Produce in-store version of updated game, available in gaming and entertainment stores. Each year, a new updated version will be available for purchase with enhanced features.	55 months post-launch
Develop a smaller version of the game to be released as a phone application. Additional advertisements added while game is loading on phone as another source of revenue.	58 months post-launch
Begin circulating excess earnings through microlending projects such as Kiva. This will provide us with another charitable opportunity, at low cost to the company.	60 months post-launch
Continue to expand globally, including Korea and Southeast Asia.	70 months post-launch

THE PEOPLE

Management Team

¹² www.texyt.com/game+company+demands+blood+donations+from+cheats+in+china

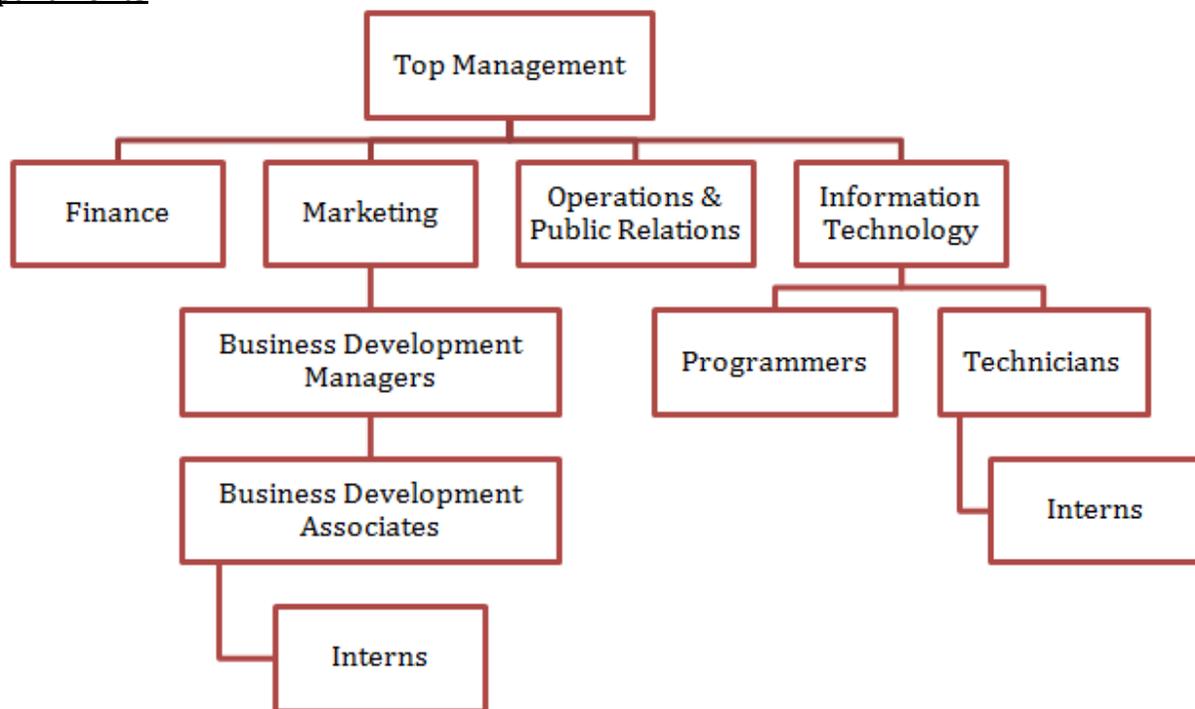
Skyler Kanegi is a successful entrepreneur with three years of experience running both for-profit and nonprofit companies. With national recognition from Business Professionals of America and TCU's Texas Youth Entrepreneur of the Year Awards program, as well as a systems development firm with over twenty employees, he is ideal for spearheading business development in a technologically-based company.

Chris Borders is nationally ranked by Junior Achievement for financial analysis, works with diverse online investment portfolios, and studying for an MPA degree. He has the scope to aid the company in structuring sound financials and utilizing investment to its maximum potential.

Claire Williams has connections to multiple blood banks and experience managing over twenty-five employees and contractors in an innovative systems development firm. She will be able to negotiate partnerships for the company and successfully oversee operations.

Li Zhang has extensive experience in the gaming industry and a technical background that will enable him to discover and apply new technologies to the product and allow the company to be as innovative as possible.

Departments



Executive (1) – There will be a chief executive officer (CEO) overseeing all of the departments and developing business strategy for the company. Other CXO positions are detailed with their respective departments.

Finance (1) – There will be a chief financial officer (CFO) who develops financial strategy and communicates with an accounting firm that will be managing financial audits. Most of the accounting and finance department will be outsourced.

Marketing (16) – There will be a chief marketing officer (CMO) as well as 5 business development managers (one for each region of the United States). Each business development manager will have 2 business development associates working with him or her for a total of 10 business development associates, and interns and other employees will be introduced in the future as the company grows.

Information Technology (31) – A chief information officer (CIO) will manage the department, and five computer programmers will conduct and/or oversee alpha and beta testing. There will be fifteen daytime and ten night-time technicians monitoring external game servers (we will outsource hosting and phase in our own servers as the company grows). One will monitor the server(s), one will answer tech support questions and deal with bugs accordingly, and one will serve as an auxiliary monitor for the server and initiate emergency procedure when necessary. Interns and more employees will be introduced as the company grows.

Operations (1) – There will be a chief operations officer (COO), who will work with the IT department and partners such as blood banks to facilitate smooth procedures for the entire company.

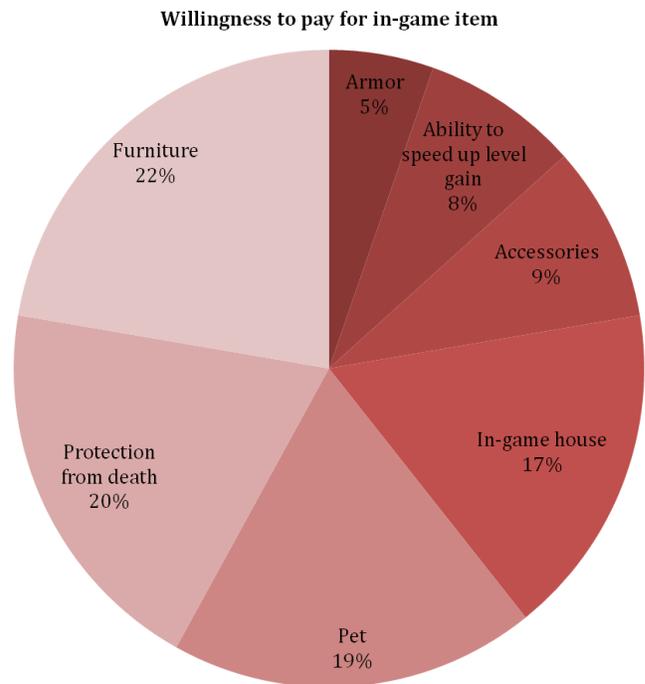
FINANCIAL PLAN

Revenue Streams

Revenue will be generated from selling in-game assets such as items and houses and sponsored advertising during game load periods, similar to the shortened commercial breaks during online episodes of a show. The chart to the left shows a breakdown of expected revenue streams.

Projected Earnings

Based on revenues of other game companies compared to market projections for Immortal Blood, it is a conservative estimate that ten dollars per average per account created will be generated by in-game sales. Further, another two dollars on average will be brought in by the advertisements during load times. Total operating costs for the first year hover at 3 million dollars making 250,000 customers necessary to break even. It is estimated that twice that number of customers will easily be gained. Based off of the exponential growth pattern of MMORPGs for the next two years both revenue and roughly doubled for the purposes of making an income



statement estimate. These numbers have been adjusted downward by as much as fifty percent from what is actually expected to account for the down economy.

The game is designed to have a small development cost of less than five million at most. Marketing tactics and outsourcing allows operations costs to be kept low as well and largely keep pace with the number of customers we have and thus the revenue generated.

Assets	Year 0	Year 1	Year 2	Year 3
Current Assets:				
Cash	0	1,060,000	1,103,400	11,718,750
Non-current Assets:				
Immortal Blood	5,000,000	5,000,000	5,000,000	5,000,000
Servers		300,000	1,300,000	3,300,000
Accumulated Depreciation		(75,000)	(250,000)	(500,000)
Total Assets:	5,000,000	6,285,000	7,153,400	19,518,750
Liabilities & Equities				
Current Liabilities:				
Income Taxes Payable	0	246,250	139,650	2,663,750
Non-Current Liabilities:				
Seed Money	5,000,000	4,160,000	0	0
Stockholder's Equity:				
Retained Earnings	0	1,878,750	7,013,750	16,855,000
Total Liabilities and Stockholder's Equity:	5,000,000	6,285,000	7,153,400	19,518,750

Income Statement				
	Year 1	Year 2	Year 3	
Revenue				
Sales Revenue	\$ 5,000,000.00	\$ 10,000,000.00	\$ 20,000,000.00	
Advertising Revenue	\$ 1,000,000.00	\$ 2,000,000.00	\$ 4,000,000.00	
Gross Revenue	\$ 6,000,000.00	\$ 12,000,000.00	\$ 24,000,000.00	
Expenses				
Google check-out	\$ 100,000.00	\$ 200,000.00	\$ 400,000.00	
Bandwidth	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	
Server Costs	\$ 550,000.00	\$ 1,000,000.00	\$ 2,000,000.00	
R&D	\$ 260,000.00	\$ 260,000.00	\$ 260,000.00	
Marketing	\$ 1,015,000.00	\$ 2,030,000.00	\$ 4,060,000.00	
Customer Support	\$ 1,250,000.00	\$ 2,500,000.00	\$ 5,000,000.00	
Accounting Expense	\$ 100,000.00	\$ 250,000.00	\$ 500,000.00	
CXOs	\$ 600,000.00	\$ 600,000.00	\$ 600,000.00	
Depreciation Expense	\$ 75,000.00	\$ 250,000.00	\$ 500,000.00	
Total Operating Expenses	\$ 3,975,000.00	\$ 7,115,000.00	\$ 13,345,000.00	
Repay Seed Money	\$ 1,040,000.00	\$ 4,326,400.00	\$ -	Note: 4% interest assumed
Net income before taxes	\$ 985,000.00	\$ 558,600.00	\$ 10,655,000.00	
Tax expense	\$ 246,250.00	\$ 139,650.00	\$ 2,663,750.00	Assumed 25% effective Tax Rate
Net income after taxes	\$ 738,750.00	\$ 418,950.00	\$ 7,991,250.00	

Discounted Statement of Cashflows		Year 0	Year 1	Year 2	Year 3
Cash Receipts from Operating Activities					
Receipts from sales		N/A	\$ 5,000,000.00	\$ 10,000,000.00	\$ 20,000,000.00
Receipts from advertising		N/A	\$ 1,000,000.00	\$ 2,000,000.00	\$ 4,000,000.00
Seed Money		\$ 5,000,000.00	\$ -	\$ -	\$ -
Total Receipts		\$ 5,000,000.00	\$ 6,000,000.00	\$ 12,000,000.00	\$ 24,000,000.00
Cash Payments for Operating Activities					
Payment for Goods & Services		N/A	\$ 3,900,000.00	\$ 5,965,000.00	\$ 13,245,000.00
Initial Development Costs		\$ 5,000,000.00	\$ -	\$ -	\$ -
Repayment of Seed Money		\$ -	\$ 1,040,000.00	\$ 4,326,400.00	\$ -
Payment of Income Tax			\$ 246,250.00	\$ 139,650.00	\$ 2,663,750.00
Total Payments		\$ 5,000,000.00	\$ 5,186,250.00	\$ 10,850,000.00	\$ 15,908,750.00
Net Cash		\$ -	\$ 813,750.00	\$ 150,000.00	\$ 8,091,250.00
Discounted Net Cash Flow		\$ -	\$ 749,952.00	\$ 132,710.00	\$ 6,872,275.00
Inflation Rate of 4%					

Exit Strategy

As the company grows, we will accumulate assets and build a more complex system, but in case of early complications we have ensured that all assets are easily liquidated. Since servers are rented until sufficient customer base is established to justify buying our own, there are few excess assets to manage. Marketing is largely viral and accounting is outsourced, reducing staff and making it possible to contract costs if there are fewer customers. Lastly, the digital nature of the company makes it highly liquid, so minimal costs would be sustained upon liquidation.

IMPACT

For every pint donated up to three lives are saved. Research shows most people who have donated once are much more likely to do so again, so even players who eventually quit the game are permanently more likely to save another three lives.

Baylor University Medical Center in Dallas purchased 72,000 blood products alone in 2008, which is only one hospital in one city. On average, one out of every seven people who enter an emergency room needs a blood transfusion. According to Florida's Blood Centers, one of the fastest growing blood donation centers in the United States, only one-third of blood need has been met.

American Red Cross states that only five percent of the United States population donates blood, which leaves monumental room for potential growth, a growth which Immortal Blood will facilitate. To more specifically draw attention to our target demographic, leukemia is a disease that affects 140,000 children every year in the United States. In 2008, according to the Leukemia and Lymphoma Society, 15 million units of whole blood were transfused to patients with leukemia.

APPENDICES

Appendix 1A: Market Size

Table 7. Resident Population by Age and Sex: 1980 to 2007

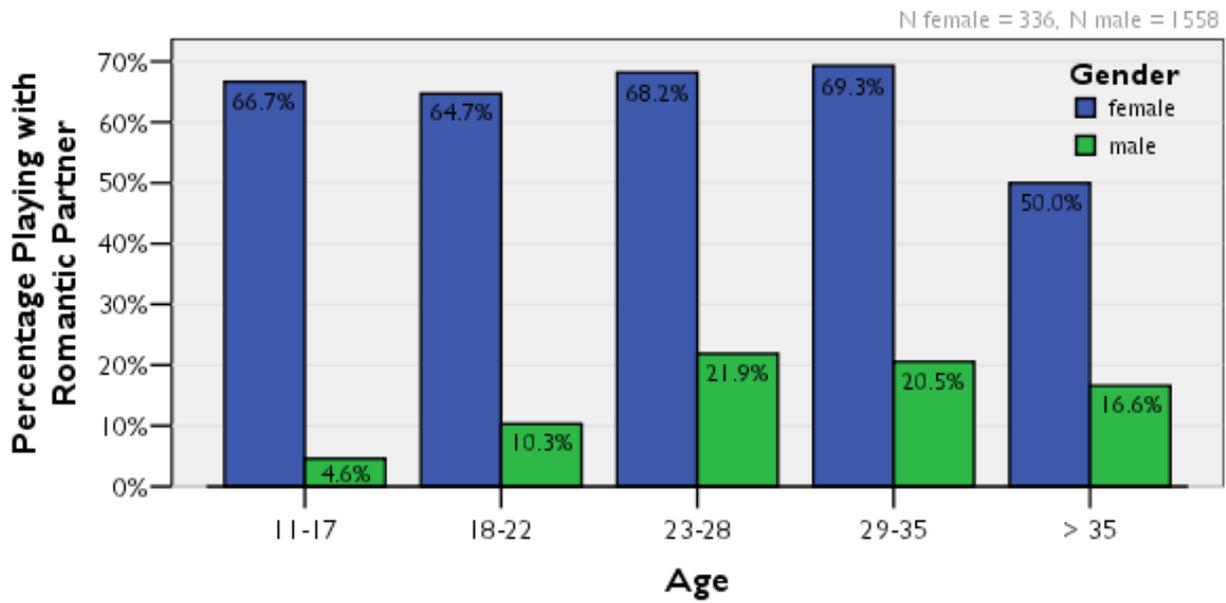
[In thousands, except as indicated (226,546 represents 226,546,000), 1980, 1990, and 2000 data are enumerated population as of April 1; data for other years are estimated population as of July 1. Excludes Armed Forces overseas. For definition of median, see Guide to Tabular Presentation.]

Age group	1980 ¹			1990 ²			2000 ³			2001	2002	2003	2004	2005	2006	2007		
	Total	Male	Female	Total	Male	Female	Total	Male	Female	total	Male	Female						
Total	226,546	110,053	116,493	248,791	121,284	127,507	281,425	138,056	143,368	285,112	287,888	290,448	293,192	295,896	298,755	301,621	148,659	152,962
Under 5 years	16,348	8,382	7,966	18,765	9,603	9,162	19,176	9,811	9,365	19,350	19,537	19,754	20,060	20,300	20,452	20,724	10,603	10,121
5 to 9 years	16,700	8,539	8,161	18,042	9,236	8,806	20,550	10,523	10,026	20,235	20,356	20,488	20,619	20,750	20,881	21,012	10,449	9,563
10 to 14 years	18,242	9,316	8,926	17,067	8,742	8,325	20,528	10,520	10,008	20,892	21,108	21,193	21,117	20,845	20,587	20,314	10,400	9,914
15 to 19 years	21,168	10,755	10,413	17,893	9,178	8,714	20,219	10,391	9,828	20,305	20,362	20,468	20,703	21,020	21,275	21,474	11,007	10,467
20 to 24 years	21,319	10,663	10,655	19,143	9,749	9,394	18,963	9,698	9,275	19,797	20,299	20,636	20,870	20,947	20,994	21,032	10,853	10,179
25 to 29 years	19,521	9,705	9,816	21,336	10,708	10,629	19,382	9,799	9,583	18,938	18,866	19,051	19,458	19,945	20,575	21,058	10,776	10,282
30 to 34 years	17,561	8,677	8,884	21,831	10,866	10,973	20,511	10,322	10,189	20,732	20,802	20,673	20,408	20,010	19,607	19,533	9,906	9,627
35 to 39 years	13,965	6,862	7,104	19,851	9,837	10,014	22,707	11,319	11,388	22,280	21,850	21,373	21,007	20,952	21,119	21,176	10,655	10,522
40 to 44 years	11,669	5,708	5,961	17,593	8,679	8,914	22,442	11,300	11,313	22,843	22,941	22,964	23,022	22,824	22,436	21,985	10,964	11,021
45 to 49 years	11,090	5,388	5,702	13,747	6,741	7,006	20,093	9,880	10,203	20,709	21,272	21,752	22,103	22,462	22,767	22,861	11,303	11,559
50 to 54 years	11,710	5,621	6,089	11,315	5,494	5,821	17,586	8,608	8,978	18,662	18,665	19,034	19,486	19,966	20,459	21,013	10,292	10,721
55 to 59 years	11,615	5,482	6,133	10,489	5,009	5,480	13,469	6,509	6,961	13,934	15,082	15,719	16,479	17,341	18,206	18,236	8,847	9,389
60 to 64 years	10,088	4,670	5,418	8,627	4,947	5,679	10,806	5,137	5,669	11,104	11,501	12,109	12,583	13,293	13,350	14,476	6,928	7,548
65 to 74 years	15,581	6,757	8,824	18,048	7,909	10,140	18,391	8,303	10,088	18,322	18,282	18,349	18,472	18,639	18,910	19,352	8,887	10,465
75 to 84 years	15,229	2,687	4,882	10,014	3,745	6,268	12,351	4,879	7,482	12,590	12,760	12,985	12,975	13,052	13,057	13,024	5,313	7,711
85 years and over	2,240	882	1,359	3,022	841	2,181	4,240	1,227	3,013	4,417	4,346	4,715	4,847	5,055	5,286	5,512	1,777	3,735
5 to 13 years	31,159	15,923	15,237	31,839	16,301	15,538	37,026	18,964	18,062	37,080	36,972	36,752	36,345	36,064	36,009	35,971	18,399	17,572
14 to 17 years	16,247	8,298	7,950	13,345	6,880	6,465	16,093	8,285	7,808	16,184	16,353	16,497	16,813	17,068	17,207	17,207	8,816	8,391
18 to 24 years	30,022	15,054	14,969	26,961	13,744	13,217	27,141	13,873	13,268	27,966	28,420	28,801	29,131	29,206	29,313	29,492	15,194	14,299
18 years and over	162,791	77,473	85,321	184,841	88,519	96,322	209,130	100,996	108,133	212,498	215,026	217,425	219,973	222,464	225,087	227,719	110,841	116,878
55 years and over	47,253	20,458	26,796	52,200	22,450	29,748	59,267	26,055	33,212	60,368	62,171	63,776	65,360	67,080	68,810	70,600	31,752	38,849
65 years and over	25,550	10,306	15,245	31,084	12,484	18,599	34,992	14,410	20,582	35,330	35,588	35,949	36,297	36,746	37,253	37,888	15,976	21,912
75 years and over	9,969	3,549	6,421	13,036	4,586	8,449	16,601	6,106	10,495	17,008	17,306	17,600	17,825	18,107	18,343	18,536	7,089	11,446
Median age (years)	30.0	28.8	31.3	32.8	31.6	34.0	35.3	34.0	36.5	35.6	35.7	35.9	36.1	36.2	36.4	36.6	35.3	37.9

¹ Total population count has been revised since the 1980 census publications. Numbers by age and sex have not been corrected. ² The data shown have been modified from the official 1990 census counts. See text of this section for explanation. The April 1, 1990, estimates base (248,790,925) includes count resolution corrections processed through August 1997. It generally does not include adjustments for census coverage errors. However, it includes adjustments estimated for the 1993 Test Census in various localities in California, New Jersey, and Louisiana, and the 1998 census dress rehearsals in localities in California and Wisconsin. These adjustments amounted to a total of 81,052 persons.

³ Source: U.S. Census Bureau, Current Population Reports, P25-1095, "Table US-EST90INT-04 - Interperal Estimates of the United States Resident Population by Age Groups and Sex, 1990-2000. Selected Months", published 13 September 2002. <<http://www.census.gov/popstat/archives/EST90INT/INT-04.html>>, and "Annual Estimates of the Population by Sex and Five-Year Age Groups for the United States: April 1, 2000 to July 1, 2007 (NC-EST2007-01)", release date: May 1, 2008 <<http://www.census.gov/popest/national/asrh/NC-EST2007-01.xls>>.

Appendix 1B: Women Play With a Romantic Partner

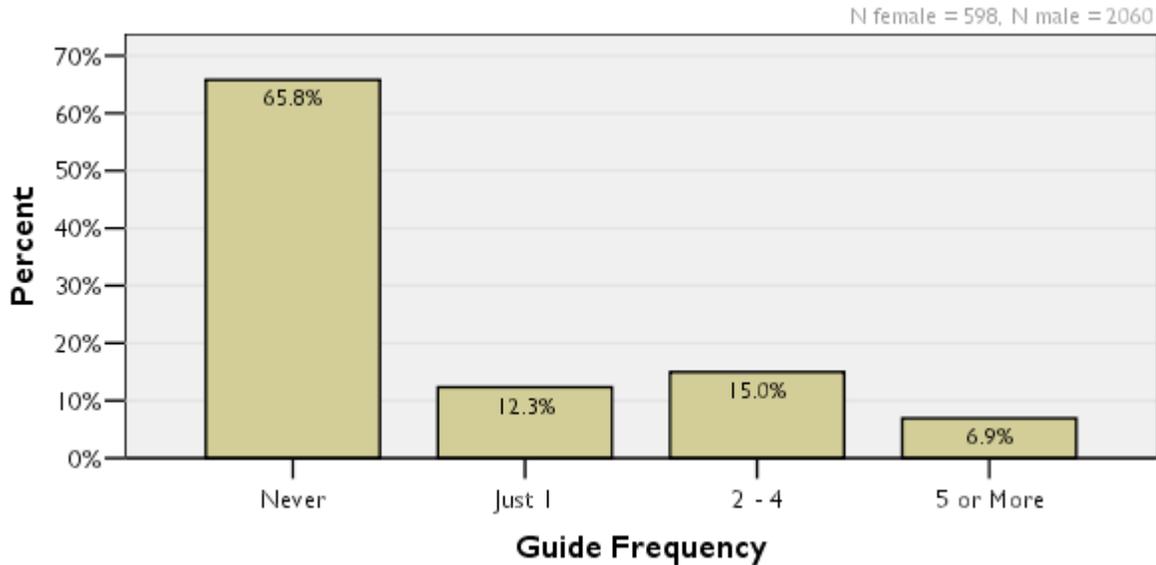


From: The Daedalus Project: Psychology of MMORPGs

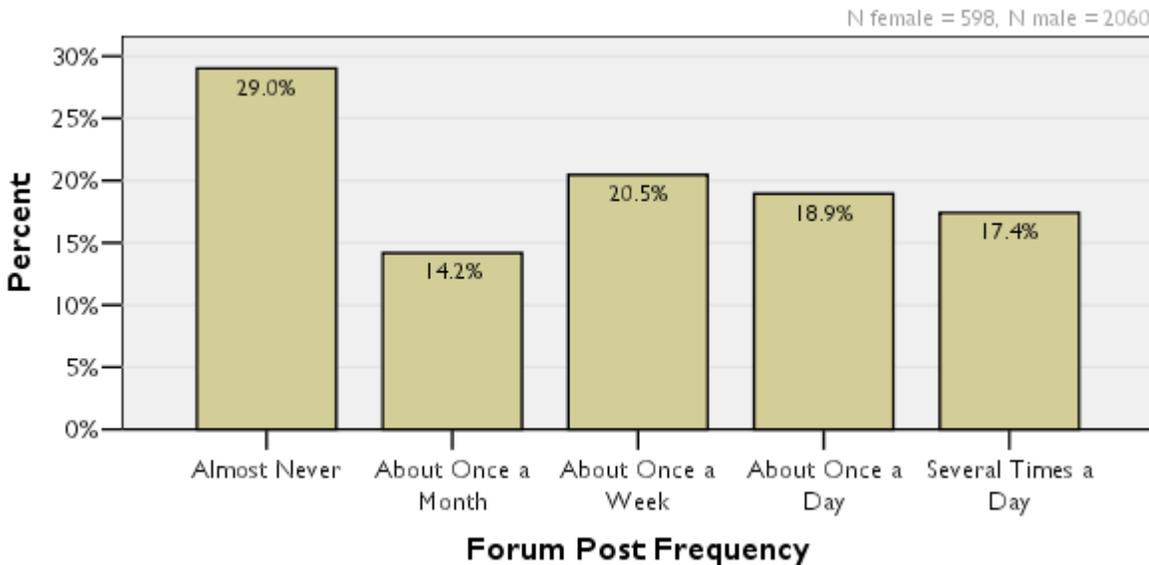
<http://www.nickyee.com/daedalus/archives/001468.php>

Appendix 1C: Meta-Gaming

“I first explored contributions that players may have made to the body of knowledge that surrounds MMOs. While 30% of players indicated that they almost never post on forums, about an equal percentage (36%) post on MMO forums once or several times a day.”



“And about 35% of respondents indicated that they had created at least one FAQ or guide for an MMO at some point.”

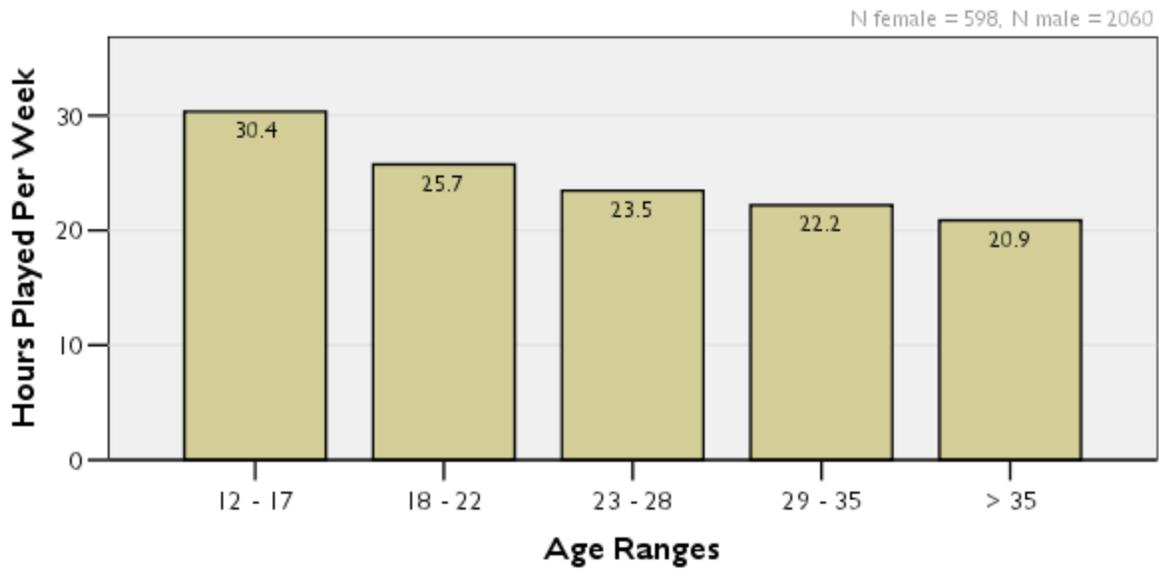


From: *The Daedalus Project: Psychology of MMORPGs*

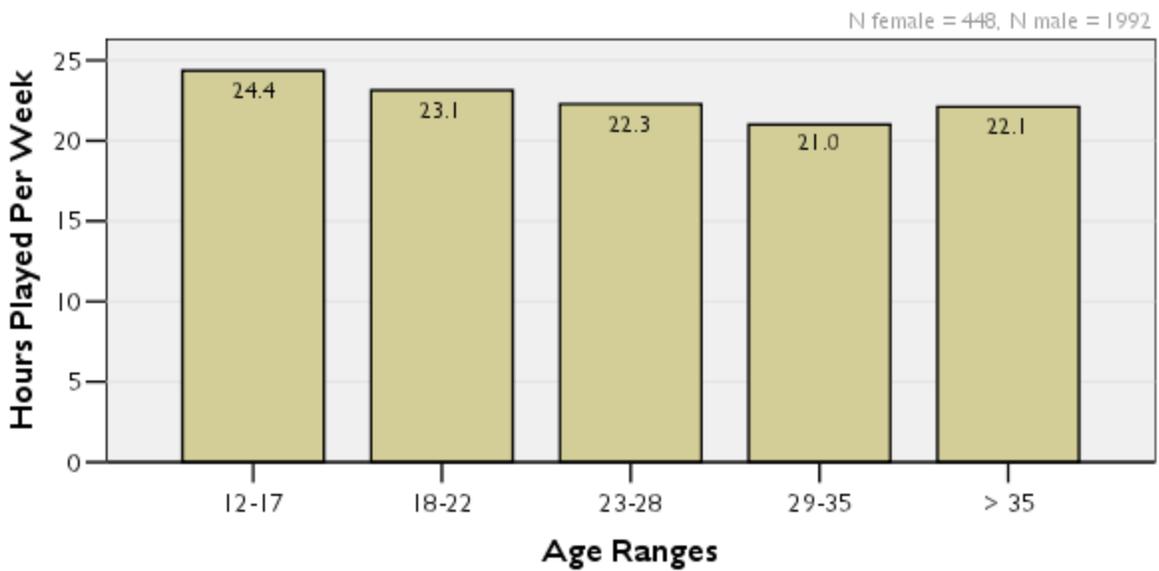
<http://www.nickyee.com/daedalus/archives/001535.php>

Appendix 1D: Seasonal Changes in Gameplay

Summer



School Year



From: *The Daedalus Project: Psychology of MMORPGs*

<http://www.nickyee.com/daedalus/archives/001536.php>

Appendix 1E: Competitor Bios

Maple Story

Maple Story is a 2-D side scrolling MMORPG developed by the South Korean company Wizet and published in the US by Nexon America. Players customize their own avatar and choose one of five classes (Warrior, Magician, Thief, Archer, Pirate) to explore the immense game world consisting of four continents. The game features a ranking system by level and fame, but no means of social networking besides in-game chat. Maple Story is created as an unrestricted free-to-play game, allowing users to explore the entire game world without limitations even if they do not pay. However, by purchasing game cards, players are allowed to further customize their avatar and enhance their gameplay experience.

World of Warcraft

Blizzard Entertainment announced the 3-D fantasy game World of Warcraft at the 2001 E3 convention; since its release in 2004, World of Warcraft has released two expansion sets and now has 11.5 million monthly subscribers paying \$15 each month. When playing World of Warcraft, players log in to the world of Azeroth and choose one of two factions: Alliance or Horde; they are then presented with a myriad of character races and classes to choose from. The game's learning curve is very low, allowing players to master the game in a few hours of gameplay. As they progress in the fantasy world, players can complete over 4000 quests and participate in dueling activities with other characters. Once players reach their maximum level, the game consists of coordinating teams of 60 players to kill boss monsters in an attempt to discover items to monopolize the game market. The game offers a ranking system unique to each server, making it difficult to compete and network with players on other servers.

Runescape

Runescape is a 3-D adventure game developed by Jagex Ltd. and released in 2001. It is now recognized as the world's most popular free MMORPG. The game is browser-based, running on Java. Runescape takes place in a medieval world where players can explore dungeons and fight creatures. There are 24 skills in Runescape for the player to master. Runescape offers a free-to-play version of the game which limits the number of skills the player can learn, items the player can use, quests the player can complete, and world map the player can explore. By purchasing a subscription \$6 per month, players expand the game world by more than 400% and unlock thousands of new items and monsters.

Guild Wars

Guild Wars is a series of 3-D MMORPG's developed by ArenaNet, released in 3 episodes and an expansion pack. The game focuses on cooperative gameplay, emphasizing 8-man teams to complete the various quests presented in the game. After the main game is completed, players can

take part in arena-style combat events, join guilds, and manipulate the in-game economy. The game is free-to-play after the player purchases the game disc from in store.

Aion Online

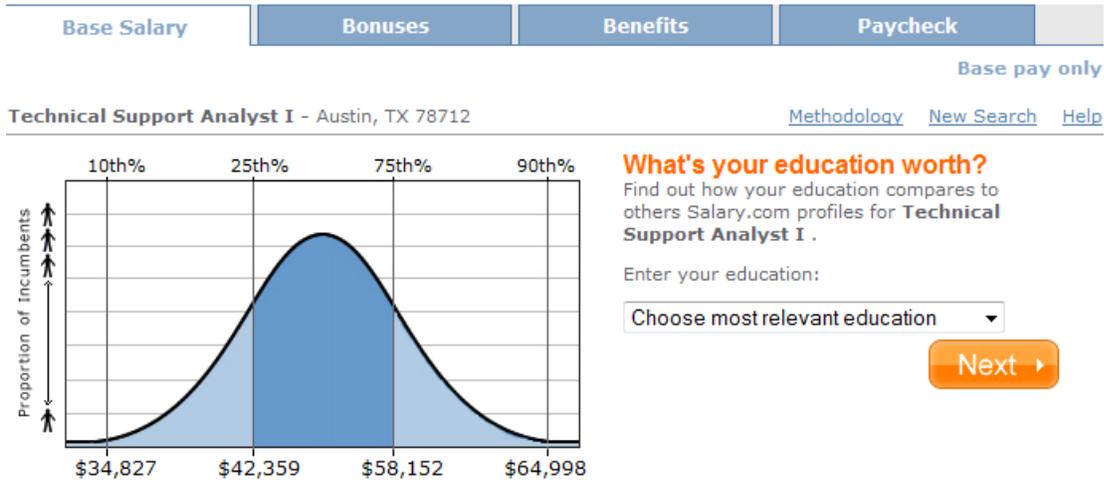
Aion is a 3-D fantasy MMORPG developed by NCsoft in 2006 and released in Korea in 2008. The game is unique compared to modern MMORPG's in that it allows players a third degree of movement: players are given flight abilities to explore the game world and the combat system has been tweaked to accommodate for such skills. The game features two opposing factions, each with twelve playable classes. Since its release, the game has received much public acclaim; however, because Aion runs on a modified CryEngine, only users with high-end can run the game.

From: Imagine Games Network

<http://www.ign.com>

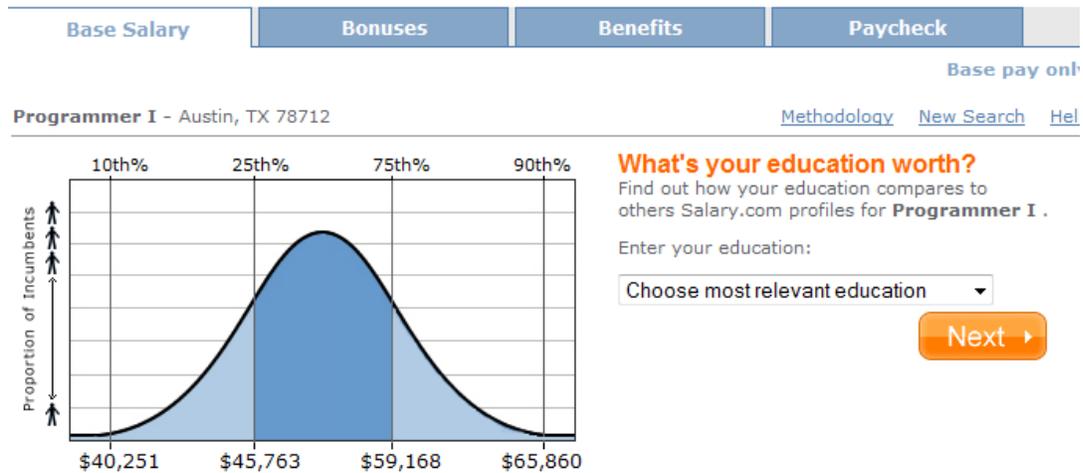
Appendix 2A: Employee Salaries

Technical Support Analysts (25) - \$50,000



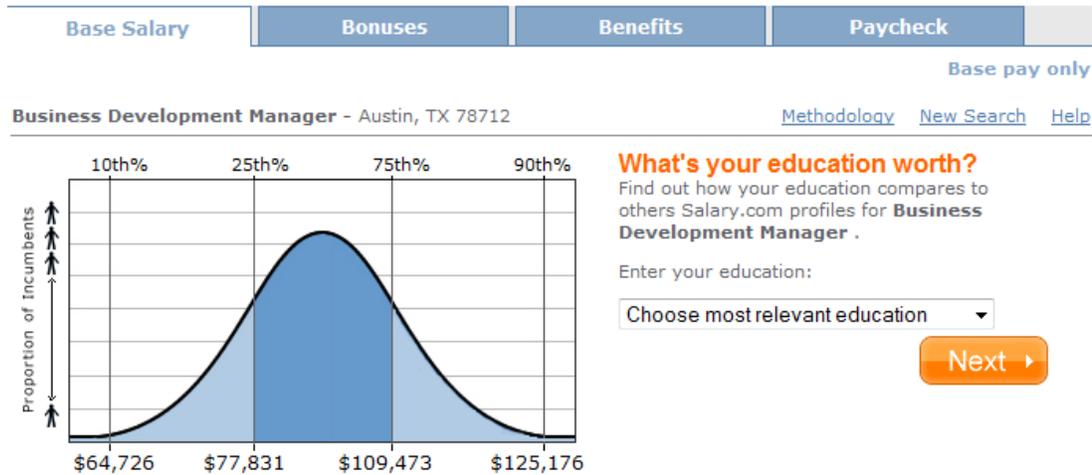
Source: HR Reported data as of February 2009

Computer Programmers (5) - \$52,000



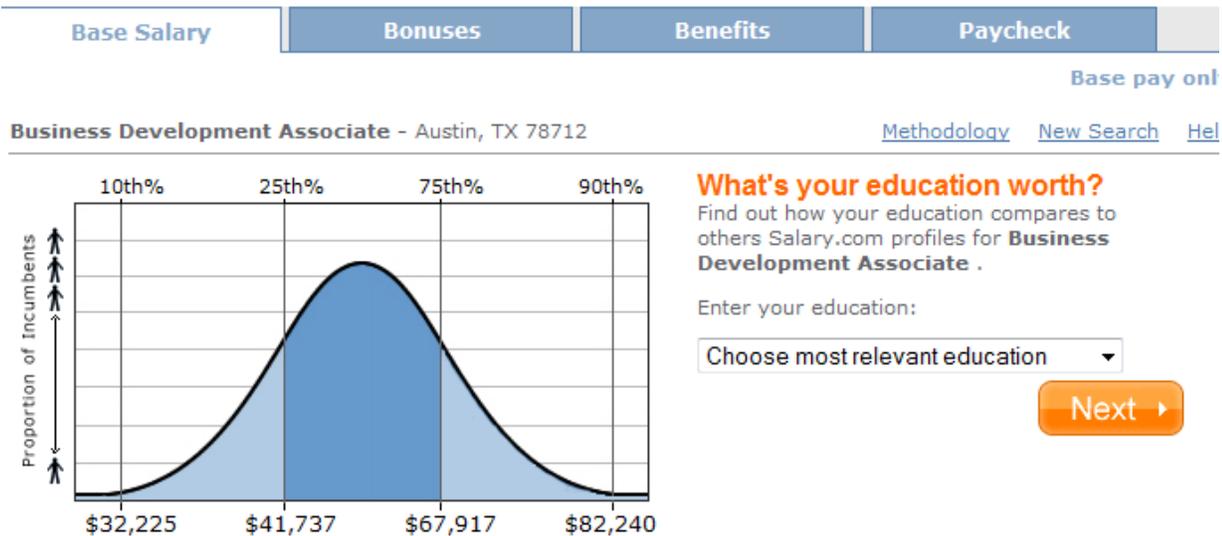
Source: HR Reported data as of February 2009

Business Development Managers (5) - \$93,000



Source: HR Reported data as of February 2009

Business Development Associates (10) - \$50,000



Source: HR Reported data as of February 2009

CXOs (5) – CEO, CFO, CIO, CMO, COO - \$120,000

From: Salary.com

<http://www.salary.com>