



Four Player Chess Game

We know that the game has been played since 531 A.D., and that the rules and formats of chess went through consistent change and variation for another 1,000 years. But for the 444 years since the last change took effect, chess has consistently been played the same.

And while the game continues to be regularly enjoyed by millions of active players, they can only do so two at a time, leaving everyone else only with the option to sit and watch. But now this game can be enjoyed by more players, and at the same time during the same game, with this long overdue improvement in variation: the *Four Player Chess Game*.

The *Four Player Chess Game* offers four separate sets of chess pieces produced in four separate colors; that's one king, one queen, two bishops, two knights, two rooks and eight pawns for each of the four players, totaling 64 pieces overall.

These four sets of chess pieces can be vertically centered on the first row of a chess board that offers 16 horizontal rows and 16 vertical rows with 256 individual game squares, leaving four empty squares to the side of each rook piece. The sole variation from standard chess is the initial placement of each player's queen piece, which must be set upon squares of the same color, and to the same side of their corresponding king pieces.

The game can begin after rolling a die to determine the player with rights to first move. Play then shifts clockwise amongst other players of the game, who can broaden their chess-playing experience by competing against more opponents in the same game, even by making temporary partnerships in the course of attack and defense.

While the toy and game industry as a whole has swam in rocky waters in recent years, the applicable category of board games has sailed high, and especially for new variations to traditional games. Are you ready to learn more about the *Four Player Chess Game*? **It's your move.**

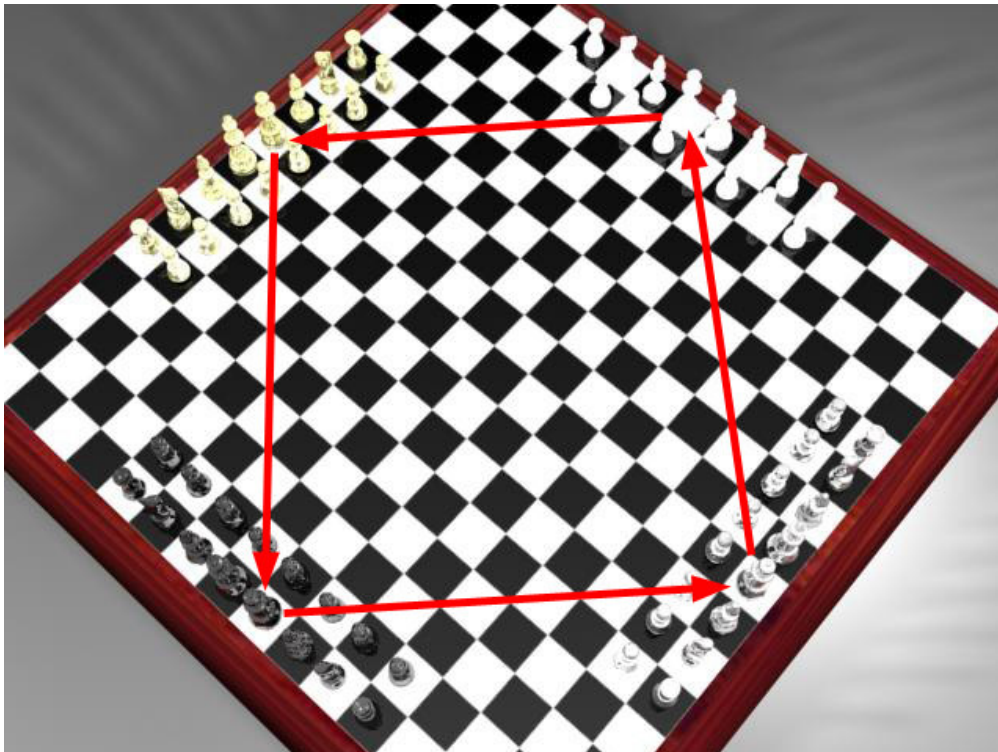
Features & Benefits
Of
The Four Player Chess Game

Features

- 16" x 16" stiff paperboard game board.
- Featuring 16 horizontal rows and 16 vertical rows of 1" x 1" squares in alternating black and white colors.
- Four sets of complete chess pieces (king, queen, bishop, knight, rook and pawn) produced in four different colors (white, black, gold and silver).

Benefits

- Allows chess to be played by four different players simultaneously.
- Provides the first new variation to this traditional game in almost 500 years.
- Increases participation in single games.
- Adds new methods of competition.
- Provides new development in strategy and play.
- Appeals to a large group of active chess players.
- Can open the doors of this traditional game to an entirely new market.
- Can enter the market at an ideal time.
- Can join the successful line of new formats of traditional games.
- Appeals to consumers of noted frequency in play and spending.

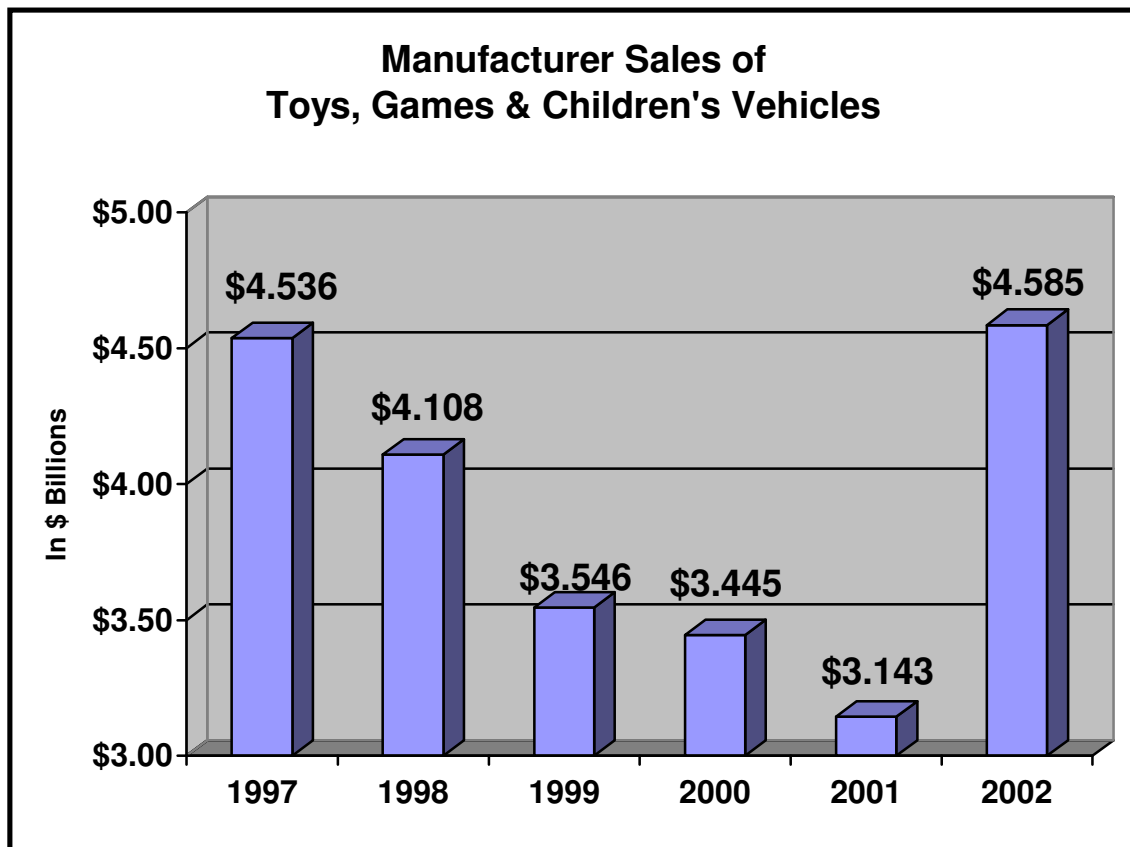


Pertinent Manufacturing Industry
For
The Four Player Chess Games

SIC	Industry	Companies	Annual Sales
3944	Toys, Games & Children's Vehicles	732	\$4.585 billion

The *Four Player Chess Game* can be presented to companies within this Toys, Games & Children's Vehicles manufacturing industry. There are roughly 200 companies in this class that specialize in board games, and these game types are also made by some other companies in other industry fields, as well.

The following chart shows the recent sales history of the Toys, Games & Children's Vehicles manufacturing industry:



Source: U.S. Bureau of the Census

First-year/last-year comparison shows only 1.08 percent in growth, but dollar sales grew 45.88 percent in the last reported year alone. While this may seem unrealistic, especially following the decline present in earlier years, please know that this is actually a revised figure released only about three weeks ago in January 2005. (The first report was made in September 2004, and was for almost 60 percent in growth.) As a result, this information can certainly be deemed reliable.

Foreign competition, most notably from Asia, is very high for the Toys, Games and Children's Vehicles manufacturing industry. Despite this competition, the Census Bureau has been predicting it would be rebound, except it predicted this rebound too soon.

In the 2000 edition of *U.S. Industry & Trade Outlook*, predictions for immediate growth were made and based on the premise that "(the) children's market is expanding as more children are born to older, more affluent parents," and that this circumstance would rebuild the market for U.S. manufacturer's of toys and games. Apparently, the 9.11 incident contributed to this delay in predicted growth, as it affected the sales of almost every U.S. industry.

Profit alone grew by almost \$900 million in one year for these companies in 2002, reaching about \$2.5 billion in net. This amount is just about the same as it was in 1997, however, and even though that labor costs are down over \$100 million since that year.

It is board games for adults that are contributing much to this growth. As will be pointed out in the preliminary marketing data report for this product, board games are developing in the market much more than other games and toys, and board games for adults specifically are dominant of all board games categories. Also, new variations of traditional games are scoring high for this industry.

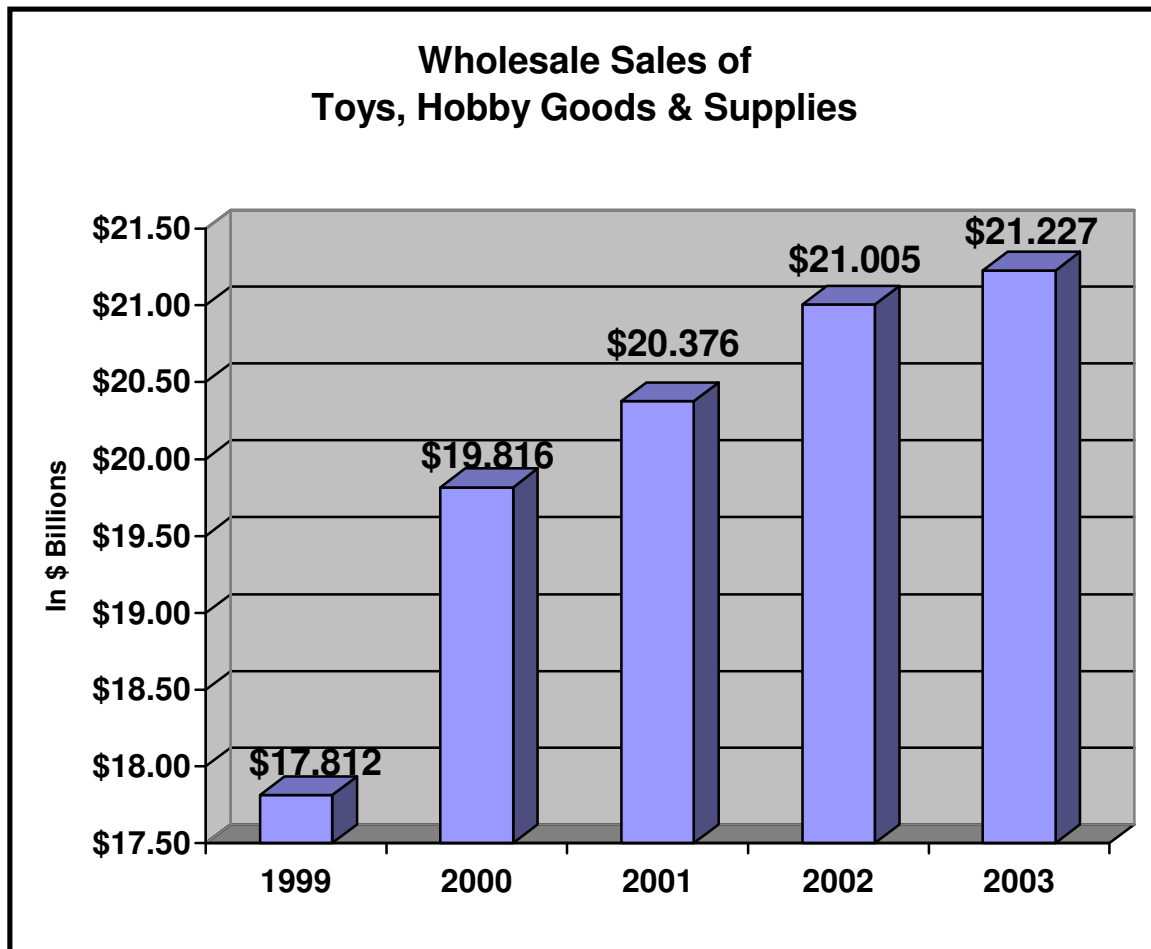
Another boost to this concept is that many companies are now cautious about electronic games. Such games are expensive to produce, face high foreign competition, and face a difficult cycle in sales based on popularity. As a result, they can be an extreme financial risk. One recent study showed that even if created in full by a top company executive, a new electronic game would only have a 10 percent chance of being released on the market. As a result, traditional, non-electronic games are more secure in presentation to this industry.

Wholesale Industry
Of
The Four Player Chess Game

SIC	Industry	Companies	Annual Sales (in \$ Billions)
5092	Toys, Hobby Goods & Supplies	3,229	\$21.227

The *Four Player Chess Game* can be distributed with other games by companies within the Toys, Hobby Goods & Supplies wholesale industry.

The following chart shows the recent sales history of Toys, Hobby Goods & Supplies merchant wholesale distributors:



Source: U.S. Bureau of the Census

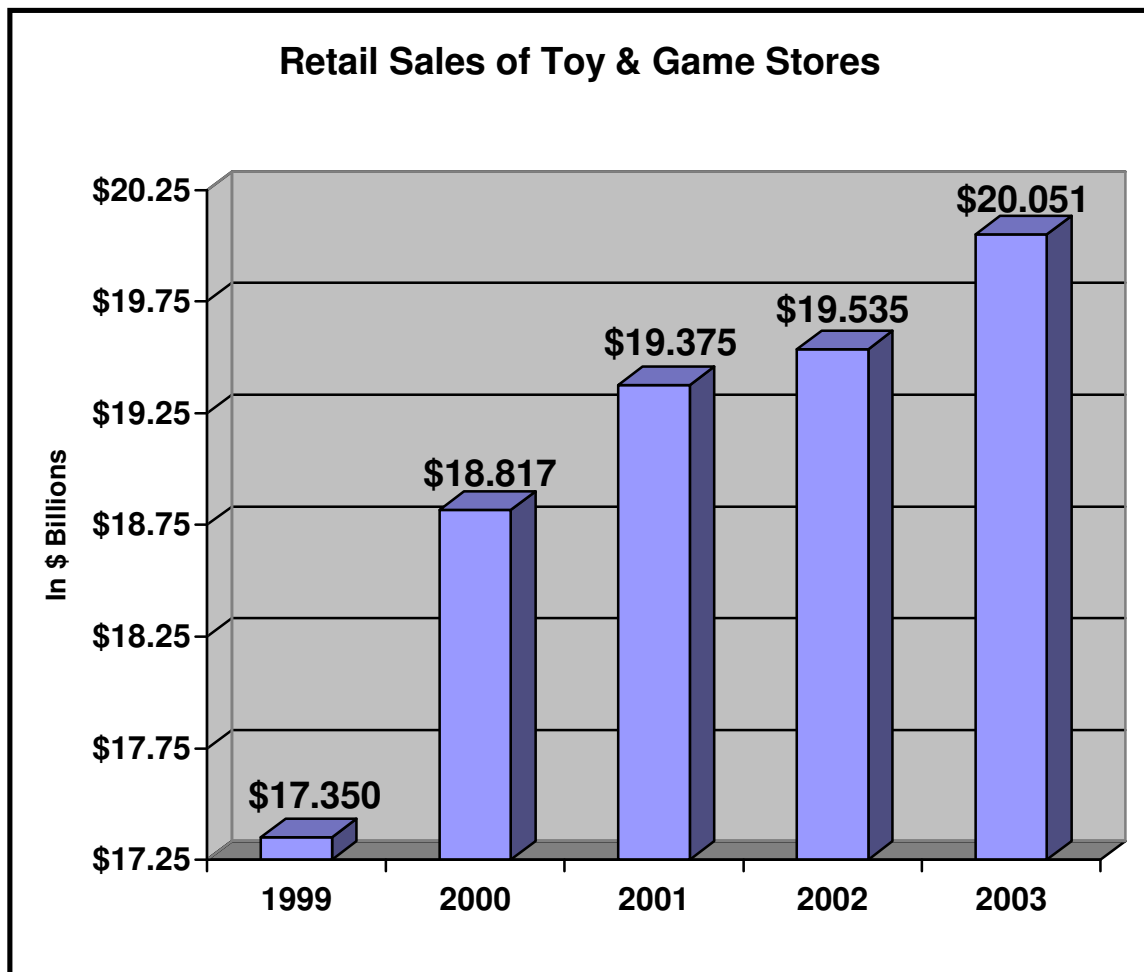
Annual sales of this merchant wholesale industry increased 19.17 percent in the last five years.

Retail Industry
Of
The Four Player Chess Game

SIC	Industry	Companies	Annual Sales (in \$ Billions)
5945	Toy & Game Stores	32,042	\$20.051
5947	Gift, Novelty & Souvenir Shops	90,504	\$21.428

Toy & Game Stores could definitely carry the *Four Player Chess Game* with other board games and amusement items.

The following chart shows the recent sales history of Toy & Game Stores:



Source: U.S. Bureau of the Census

Retail sales of Toy & Game Stores rose 15.57 percent in the past five years.

Gift, Novelty & Souvenir Shops carry many variations of amusement items, and the *Four Player Chess Game* can join their product line.

The following chart shows the recent sales history of Gift, Novelty & Souvenir Shops:



Source: U.S. Bureau of the Census

Annual sales of Gift, Novelty & Souvenir Shops grew 22.85 percent in the last five years.

Other Potential Retailers of the *Four Player Chess Game*

SIC	Industry	Companies	Annual Sales (in \$ Billions)
5311	Department Stores	19,025	\$259.920
5942	Bookstores	12,363	\$12.375
5961	Catalog & Mail Order Houses	9,943	\$64.312

Marketing Potential
Of
The Four Player Chess Game

**The *Four Player Chess Game* can join
the most developing sector of the game industry.**

- Last year, toy and game sales in the U.S. fell three percent from \$21.3 billion in 2002 to \$20.7 Billion in 2003. This loss can not be attributed to every category of products in this industry, however.
- Board games sold over \$2.4 billion last year, making this category the third best-selling group of all products in the industry. And this board game category brags of a 10.8 percent increase in sales for 2003, more than twice the growth of all others, while six other categories in this industry – even the newest electronic games – notably dropped in sales.
- The *Four Player Chess Game*, in its offering of the first new variation of this age-old game in over 400 years, can join this highly productive and most rapidly growing sector of the toy and game industry.

**The *Four Player Chess Game* can appeal to the primary consumer group
of this most developing sector.**

- Yes, board games are leading in sales in recent years, but not all types of board games, and certainly not board games for all types of users and consumers. Board games played mostly by adults now lead this industry that usually caters to children.
- While all board games grew 13.5 percent in volume and 11 percent in dollar sales in the last reported year, traditional board games played mostly by adults grew 37.5 percent in volume and 32.7 percent in dollar sales.
- Chess specifically has aided this growth. Chess players enjoy their game more frequently than other game players, spend more money on their game than others, and purchase related products with higher frequency than other game players.
- The *Four Player Chess Game*, which provides new strategies of play to this adult intellectual game, can join this particular niche of the rapidly growing category that leads its industry in dollars and growth.

The *Four Player Chess Game* can enjoy the high sales tradition of new “old” games.

- Within the past three years, newly introduced games have dominated sales. In fact, the sales of games released in the last three years account for a 55 percent majority of the dollar sales of all toys and games sold in 2003.
- It isn't entirely new game concepts that make this contribution, however, but variations of old games, instead. New formats of older, traditional games represent 40 percent of the best selling games on the market today.
- The *Four Player Chess Game* can enter the market at an ideal time for new product introduction.

Sources: Toy Industry Association, *Toy Industry Fact Book* and GMA.

Potential Consumer Base
For
The Four Player Chess Game

Demographic Analysis of Board Game Purchasers		
	<i>Annual Sales</i>	<i>Demographic Share</i>
<i>By Gender</i>		
Male	\$4,393,466,570	39.4 %
Female	\$6,757,465,070	60.6 %
<i>By Age</i>		
Under 25	\$339,167,523	3.04 %
25 to 34	\$2,612,174,179	23.43 %
35 to 44	\$3,655,197,844	32.78 %
45 to 54	\$2,121,993,099	19.03 %
55 to 64	\$1,464,184,871	13.13 %
65 and Older	\$958,213,554	8.59 %
<i>By Income</i>		
Under \$15,000	\$817,048,566	7.33 %
\$15,000 to \$24,999	\$680,431,631	6.10 %
\$25,000 to \$34,999	\$997,500,957	8.95 %
\$35,000 to \$49,999	\$1,739,062,509	15.6 %
\$50,000 to \$74,999	\$2,718,188,538	24.38 %
\$75,000 to \$99,999	\$1,748,726,480	15.68 %
\$100,000 and Over	\$2,449,972,958	21.97 %
<i>By Race/Ethnicity</i>		
White	\$9,944,401,100	89.18 %
Black	\$830,744,430	7.45 %
Hispanic	\$731,501,130	6.56 %
Other	\$375,786,400	3.37 %
<i>By Region</i>		
Northeast	\$1,951,413,100	17.5 %
Midwest	\$2,709,676,400	24.3 %
South	\$4,192,750,400	37.6 %
West	\$2,297,091,900	20.6 %
<i>By Marital Status</i>		
Single	\$2,620,469,000	23.5 %
Married	\$6,690,559,200	60.0 %
Separated/Widowed/Divorced	\$1,839,903,700	16.5 %
<i>By Education</i>		
Did not Graduate High School	(NA)	3%
Completed High School	(NA)	15%
Attended College	(NA)	35%
Completed College	(NA)	32%
Completed Graduate Studies	(NA)	16%

Sources: Third Wave Research, *Consumer Expenditure Survey*, Simmons, and GMA.

Cost and Price Estimates
For
The Four Player Chess Game

All estimates for the possible costs and prices of a new, yet-to-be-manufactured item are very difficult to estimate. This difficulty is due to potential variations in the costs of initial materials, the rate of production for the item, and its initial consumer demand. As a result, these estimates are very difficult to comprise.

Moreover, research on estimated costs and prices is very restricted so as to avoid improper disclosure of the *Four Player Chess Game* while still in these beginning stages.

In order to provide further detailed information for consideration, however, such estimates should be offered. The “Best Estimate” enclosed within is primarily based upon pricing of similar products (when possible) by this applicable manufacturing category, current cost of necessary materials, and average value added for the applicable manufacturing industry.

These estimates are broad, subject to change, and are enclosed only to offer a preliminary means of evaluation of product value for the *Four Player Chess Game*. Of course only you, the manufacturer, could properly determine the costs and prices.

The broad estimates on potential costs and prices for the *Four Player Chess Game*, throughout the line of distributors, could be:

	Low Range	Mid Range	High Range
Materials Cost	\$2.69	\$3.36	\$4.20
Manufacturer’s Cost	\$5.06	\$6.33	\$7.91
Wholesale Price	\$9.08	\$11.35	\$14.19
Supplier’s Price	\$12.67	\$15.84	\$19.80
Retail Price (MSRP)	\$18.85	\$23.59	\$29.49

Please Note: these broad estimates for the *Four Player Chess Game* assume a game board made of stiff paperboard and game pieces made of plastic. Please remember, however, that all of these elements can be produced with many different materials and in many different designs, which can provide more variation in prices and profit.

REMINDER: It is extremely important to remember that the above costs and prices are only broad estimates. Actual costs and prices can only be determined by manufacturing companies with a good understanding of their own production capabilities and by suppliers and outlets, based on the final prices offered to them.