

Summary

1. **Volume of investments required – \$ 1100 thousand.**
2. **Production** – Internet services, mobile phone and pocket PC services. Organization of competitions in various intellectual games between players in remote locations. Development of software for broadcasting such competitions on mobile phones and pocket PC.
3. **Trade marks** – “Intellectual Games”, “e3e5”.

Company profile

Date of establishment – April 02, 2002.

Signs of public recognition – “Best presentation” diploma of the 4th Russian venture fair and a special Micro-soft prize to one of the best IT companies.

Number of employees – 10 persons.

Team

Bazhenov Vladimir and **Bazhenova Lada** – Founders and Chief Managers of the Company. Main shareholders and managers of a large research-and-production company CJSC “KRASS”.

Timofeev Denis – Chief Manager, 28 y.o. System programmer, web-programmer, an expert in the field of video-conferences. Supervised the technical service of the International Press centre «300 anniversary of Saint Petersburg».

Andrianov Vladimir – Leading Programmer, Mathematician, 25 y.o. Software specialist; post-graduate student of the “Operation research” department of Mathematics and mechanics faculty of St. Petersburg State University. The main programmer of the Company.

Products characteristics

Software for broadcasting chess games on mobile phones, international chess website **e3e5**, software for playing chess between people in remote locations. The software allows mobile phone and pocket PC users to follow the games in real time. The software allows making positional assessment in relayed games.

A computer database of chess games with computer assessment of all the moves is created for the first time, and is available via the **e3e5** website. Mobile phone and pocket PC software for browsing annotated chess games on www.e3e5.com is developed. The software allows a user to look through complete games, choosing them from the database on the website. In addition, the software allows watching chess competitions online with grandmaster and computer commentary. We are the only website in the world offering such services. Mobile phone companies also do not have such software.

The project aims at creating and developing a new division of software for demonstrating chess games for Internet users, including owners of mobile phones and pocket PC.

Current state

The developed software is in the testing stage now.

Development strategy**Use of funds**

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|----------------------------------|-----|
| 1. R&D | 50% |
| 2. Acquisition of fixed assets | 5% |
| 3. Marketing | 15% |
| 4. Acquisition of current assets | 10% |
| 5. Other | 20% |

Prospective outcome of investment

The basic software product will be launched, and will be actively forwarded into the market.

The world market of classical (European) chess is characterized by the following figures. The number of chess amateurs is not less than 118 million, including no less than 14 million having access to Internet. There are 88 415 professional chess-players, whose rating is calculated and registered by FIDE (01/01/2006). There are 50 000 chess clubs in Europe.

It is planned to distribute the chess relaying software for mobile phones freely, and charge the users of www.e3e5.com for access to the database of annotated games by \$ 50 per year.

Interaction with investor

The investor's share in the Company will be 35–40%. The pay-back period is planned to be 1.5–2 years.