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ALPHA NUMEROUS MAXIMUS  
EGREGION SUMMA CUM LAUDE

## **NAME's Secondary E-commerce Business Model**

***Reach Hundreds of Millions Quickly and Inexpensively  
By Selling your products and services on the  
Information Superhighway through NAME's  
IBOS[DOSA/DALP/IAOA] GHOST technologies.***

You could spend hundreds of thousands of dollars per year to advertise or print your catalog and mail it to just a few thousand people. Or you could market your product to hundreds of thousands of consumers by spending a fraction of that cost with NAME's IBOS[DOSA/DALP/IAOA] GHOST technologies. The choice is yours.

### ***Is it expensive?***

Here's the best part. You won't believe how reasonable it is to market your products and services on the Internet through NAME. You can do it for a fraction of what it costs to mail catalogs or brochures over extended periods of time, because marketing on the Internet through NAME allows you to:

- Reduce printing costs.
- Eliminate the need for pricey color separations.
- Cut back on expensive mailing lists.
- Save on paper and ink (which is good for the environment as well).
- Decrease postage fees.

- Minimize return mail charges.
- Free up order-entry personnel for other tasks.

Access to NAME technologies, include an initial set-up and a minimal monthly charge to maintain your information on the network. The cost, in many cases, is less than a small, one-day newspaper ad, and is amazingly affordable especially when you consider the number of people you'll reach over the same five year time period. When you compare this expense to the cost of printing and mailing catalogs or direct mail brochures, you'll find your marketing dollar has stretched significantly.

There's a whole new high tech shopping world out there, populated by millions of people in all parts of the globe. Many of these people log onto their computers and travel the Information Superhighway via the Internet, the most massive computer network in the world.

NAME's IBOS[DOSA/DALP/IAOA] GHOST technologies involves constructing a e-commerce shopping site for you on the Internet and then tying your site into NAME's B2B, B2C or C2C user-base. One of GHOST's functions is that of a computer mall, where cruisers on the Information Superhighway can stop and shop, pick out gifts, vacations, personal items, services, you name it.

**Imagine** having the power to display your products and services to these people on their computer screens in full-color, 24-hours a day. **Imagine** these millions of people ordering immediately with a few keystrokes. **Imagine** these orders arriving at your office in seconds. **Imagine** not having to waste time, money, or paper on catalogs that wind up in the trash. Sound like a futuristic fantasy? Not at all. The future has arrived. Remember, that within a matter of days, NAME can create a commercial site and link to our technologies for you on the Internet.

### ***How does it work?***

It's simple. Initially, at our E-bay type auction site, you bid for ranking and time slots in order to become permanently affixed to a particular sector of our technologies. Secondly, you or your company must then provide us with a copy of your catalog or advertising brochure on paper or in an electronic PDF format. If neither is available, for an additional fee, we will create an ecommerce type solution for you.

NAME has a professional staff of designers who will also if need be, adapt your material for our computer displays. Then our technical experts will broadcast your products and services over the Internet, so they will be available to our consumer-base at any time of the day or night.

NAME will continuously offer shoppers incentives, such as free software and promotional items, for calling up your homepage on their computers. In addition, we can provide you with shopper statistics, such as how many times your items are viewed, and which catalog items get the most attention.

NAME can see to it that orders come directly to your computer via telephone lines. The customers will then view your wares, enter their addresses and credit card numbers into their computers, and voila! You're able to fill their orders in no time.

Just give us your catalog or advertising copy and graphics and we'll provide you with a store in the [NAME Affiliates Mall](#).

### ***Who will see your products or services?***

Tens of millions of people worldwide have access to the Internet through GHOST technologies. This will dwarf the number of users on any other subscription network service. The computers in their homes, offices, and schools are connected to the Internet via telephone lines, fiber optic cables, and other communication media. People use the Internet to work, play, study, research, communicate, and now to explore the digital universe of shopping.

If your business needs to grow more slowly, your catalogs can be presented to a small number of NAME's user-groups on the Internet. Then, as your company grows, your product can be given more exposure. This will provide your company with controlled growth.

Generally, the population on the Internet is well-educated and affluent. Most own a computer; others have access to one.

Also, Internet users are similar to most other shoppers these days they're interested in convenience. Their time is limited, and the thought of fighting traffic, finding a parking space, then dealing with crowds in stores is not appealing to them. Many would prefer the ease of shopping and ordering directly from their computer screens.

Internet users are intrigued by colorful, creative graphics. NAME realizes this, and creates an enticing shopping environment with quick loading innovative visual presentations.

NAME's advanced equipment and technology make everything faster and easier for you and our customers.

### ***Why use NAME's IBOS[DOSA/DALP/IAOA] technologies?***

NAME has the capacity, expertise, and sophistication to get your products on the consumer's computer screens quickly and professionally. These features are not commonly offered on the Internet.

NAME has the reputation as **the** place to shop on the Internet. For example, your web page will be linked to our technology's personalized search engines for a subscribed period of time, guaranteeing our advertising clients top rankings beyond the traditional confines of other search engines like Yahoo, Explorer, AOL, etc. The following page offers a preliminary example of NAME's internet mall as it relates to our client's personalized search engine protocols:

#### **Apparel & Accessories**

[Jewelry](#), [Men's](#), [Women's](#)...

#### **Automobiles**

[Mid-Size](#), [Trucks](#), [SUVs](#)...

#### **Baby**

[Activity Centers](#), [Travel](#), [Bathing](#)...

#### **Books**

[Fiction & Literature](#), [Children's](#), [Business & Finance](#)...

#### **Computer Hardware**

[Digital Cameras](#), [CD-RW](#), [MP3 Players](#)...

#### **Computer Software**

[Anti-Virus](#), [Web Design](#), [Genealogy](#)...

#### **Electronics**

[DVD Players](#), [Camcorders](#), [Televisions](#)...

#### **Home & Garden**

[Kitchen](#), [Appliances](#), [Home Improvement](#)...

#### **Luxury Items**

[Beauty & Spa](#), [Handbags & Wallets](#), [Home Decor](#)...

#### **Mobile/Wireless**

[PDAs/Handhelds](#), [Mobile Phones](#), [2-Way Radios](#)...

#### **Movies**

[DVD](#), [VHS](#)...

#### **Music**

[Rock/Pop](#), [Jazz](#), [Classical](#)...

#### **Office**

[Machines & Equipment](#), [Desk Supplies & Organizers](#), [Supplies](#)...

### **Flowers & Gifts**

[Cigars](#), [Collectibles](#), [Flowers...](#)

### **Health & Beauty**

[Bath & Body Care](#), [Cosmetics](#), [Vitamins](#),  
[Herbs & Minerals...](#)

### **Sports & Fitness**

[Camping](#), [Fitness](#), [Golf...](#)

### **Toys & Games**

[Video Games](#), [Dolls](#), [Ride-Ons...](#)

## ***The Genomic Hierarchy Operating System Technologies (GHOST) and System Implementation Techniques.***

- **Domestic e-commerce models:** GHOST has refined statistical models to profile customer mixes for e-commerce sites using logfiles. Two types of customer IBOS[DOSA/DALP/IAOA] configurations have been identified: browsers (users who surf the net with no specific purchasing or information seeking intent) and seekers (users searching for specific products and/or information). The two groups impose different resource requirements and contribute differently to revenue potential. Understanding a site's customer mix, its resource and revenue differentials will allow our management and design staff to evaluate different site design criteria to better shape the revenue stream. Real time decisions (promotional schemes) can also be optimally made once a seeker/browser is identified.
- **International e-commerce models:** GHOST will provide workshops and seminars to examine various e-commerce business and revenue models, specifically tailored to local conditions. A particular e-commerce model can be successful in one region while unprofitable in another due to varying local conditions. These considerations are particularly relevant in international settings where successful models in the U.S. may not be readily transplantable. NAME is currently seeking to partner with overseas (particular Asian) portals to create locally attractive e-commerce business models.
- **Integrative E-commerce system implementations:** GHOST has developed a four step process to create and implement an e-business presence: PEMS (Prototyping, Establishment, Migration, Scaling). This four-step process will create a turn-key system for the implementation of an on-line e-business presence, including software, database, security, hardware, hosting and the transfer of technology from GHOST to our clients. GHOST can also provide continuing technical support as out-source consultants to enable our clients to focus on their core businesses.
- **Prototyping and system definition:** Working with our clients, GHOST will create an e-commerce prototype in accordance with the system definition and business model of NAME's user-base. This prototype includes software development, data base management, hardware configuration and site hosting with bandwidth needs.

- **Establishment:** Once a prototype is created and approved by the advertising client, GHOST will establish the site as a commercially operative entity: from the laboratory to the real world. This step includes security management, stress/tolerance testing and site monitoring.
- **Migration:** NAME will provide continuing technical support and management of the site or alternatively migrate the site to the control of a customer or hosting company of your choice. NAME will also provide training to create an in-house technical team for our clients. The migration step will move this turn-key system from NAME's premises to the client's hosting premises.
- **Scaling:** NAME's GHOST system design incorporates a client's future growth potential while minimizing the initial cash layout of the system as a whole. Systems configuration allows the smooth expansion of such e-business sites with logical and economical upgrading. Various upgrade/scaling options are discussed in the initial prototyping so that cost/benefit tradeoff decisions can be intelligently made to reflect available financial resources at different stages of e-business development.

***GHOST technologies assists in finding top-rated products and services, whether you are using the web, mobile phone or wireless PDA.***

#### ***How can it do this?***

GHOST technologies assists users in searching the web for all the relevant information about whatever product or service they need by reading through literally thousands of reviews, ratings and articles - all automatically. It will then analyze this mountain of data and give them consistent and objective recommendation and advice.

#### **What is Web Targeting?**

It is a comprehensive, **results-oriented** approach to developing an Internet presence. It means we at NAME want your Web site to meet YOUR expectations. We want to see if your Web site really **works** for your business.

### ***Who can benefit from Web Targeting?***

It is ideal for small and mid-sized businesses that want to compete successfully on the Internet, and with larger companies. The process is tailored to each company's specific situation and needs.

### ***What are the benefits of Web Targeting?***

Increased revenues, sales and/or leads  
Increased customer/client base  
Decreased costs  
Increased exposure  
Expanded markets  
High return on investment

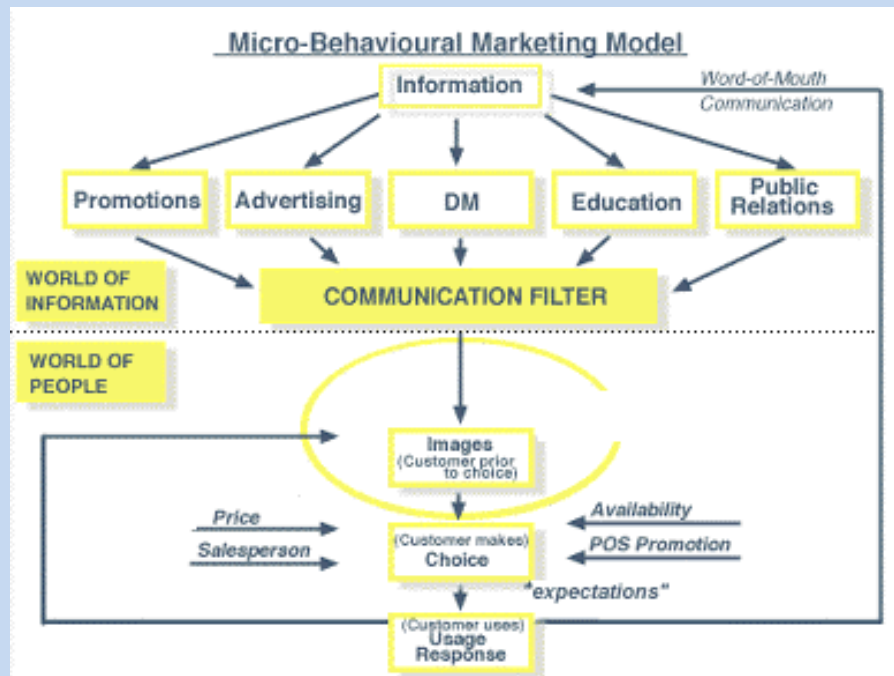
### ***Market Analysis***

The GHOST technologies market analysis function helps determine the appropriateness and competitive weaknesses/advantages of a Web site for your business specifically. It analyzes those major categories listed below that impact Web site success:

#### **Micro-Behavioral Modeling: The Key to Market Understanding**

From the beginning, it should be emphasized that people - not models - make decisions. However, marketing models are helpful in structuring information in highly understandable fashion so that management can make more informed and consistent decisions.





The impact of information on images, perception and choices.

Market behavior is the results of a dynamic process which is always changing. All people live in the "image box" in the center of the model. He or she is continually being bombarded by data from the information world at the top of the model. All of the data that is broadcasted from the information world passes through a "communication filter". Much of the information is assimilated and has an effect on the image or perception of a predictor service. Depending on the nature of the assimilated information, the effect on the image may be either positive or negative.

Each time a person makes a choice they leave the "image box" and move to the "choice box", carrying with them the current state of the "image perception", they hold for each of the competing choice alternatives. These are carried to the "choice box" as a "predisposition" to choose the alternative for which they hold the most positive image or perception. Assuming there's no disruptive influence at the decision point, the decision will probably be made in favor of the most positive predisposition.

### ***Disruptive influences***

There are four disruptive influences that can disturb the propensity to chose the alternative with the most positive "predisposition".

- Price is becoming more and more important in the industry. More companies than ever before are competing with similar products.
- The salesperson may intervene and sell the decision maker on the merits of another alternative.

- Availability fails and the product is not available because of lack of distribution or a temporary out-of-stock situation. You won the marketing battle but lost the war.
- Point-of-sales promotion is the last line of defense at the critical moment just prior to the purchase decision.

### ***Perception compared with performance***

Associated with each decision is a set of "expectations" that are derived from the "image perception" which influenced the choice decision. These "expectations" are carried to the "experience box", where actual product performance is stacked up against expected product performance. If the expectations are met or surpassed, two very powerful "feedback loops" are activated.

### ***Positive feedback loop***

First, this is a positive reinforcement of the "image perception" of the product in the "image box". If this continues over several choice decisions, a high level of satisfaction encourages loyalty and a strong "repeat rate" is generated. Second, especially if the expectations are surpassed, a "feedback loop" is activated back to the information world, at the top of the model, in terms of "word-of-mouth communication". The decision makers talk to their peers, where word-of-mouth communication is accepted as one of the most powerful information disseminators.

### ***Negative feedback loop***

However, the exact opposite happens when product performance falls short of the "expectations" that were established when the choice decision was made. Both feedback loops are activated, but both operate in a negative sense. The repeat rate loop weakens the imagery of the product of choice, and the probability of establishing loyalty and a strong "repeat rate" is greatly reduced. The situation is even more dramatic in terms of "word-of-mouth communication" in the world of information dissemination. Bad news travels fast. The probability of a disappointment memo communicating the failure of a product of perceived "expectations" is even higher than when the product exceeds what was expected.

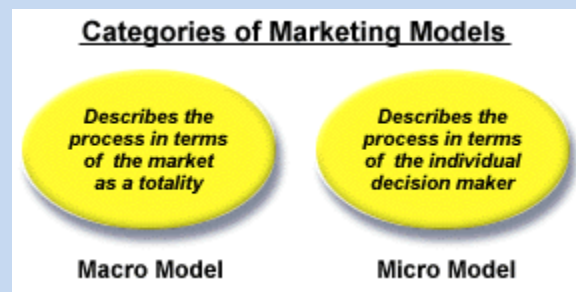
### ***Market representation***

The model cycles around and around as an explanation of the marketing behavior of a single decision maker. The fact that the model representation is a micro level (the level of the individual decision maker) in no way means

that it cannot represent the behavior of the total market. It is simply a matter of passing a representative sample of individual decision makers through the model in order to project the aggregate behavior of the total market. Trade-off models operate at the level of the brand choice decision and measure the relative importance of various attributes to the decision process.

### ***Macro models operate at the level of the market as a total***

There are two broad Categories of Marketing Models - macro models and micro models. The process description in the macro describes the translation of the model input of the market as an aggregated total. The micro model describes the process in terms of the "individual decision maker". The casual measures can be directly related to marketing actions, and there are intermediate outputs short of the purchase decision which leads to an understanding of why people behave as they do. At best, marketing is relatively inefficient in controlling people's behavior. It is only when you really understand why your customers and potential customers make the decisions that they do, that you can improve marketing performance.



### ***Planning***

This step ***determines the success or failure of your Web site.*** We think of it as doing your homework ahead of time; if it's done correctly, everything else just "flows" naturally and successfully. It can save and make money over the long run. It is also the key to really *enjoying* Internet marketing, rather than finding it confusing and frustrating. It's about:

- Setting specific goals and expectations
- Clarifying the best uses of your Web site (for example: sales, support, information)

- Understanding your target market(s), how they gather information and make purchasing decisions, and what they want from your Web site
- Integrating your Web site into current sales and marketing activities to maximize each strategy
- Developing benefits-rich text that is specific to the Internet's information culture
- Developing a plan of action to promote your Web site
- Developing a plan of action for ongoing Web site evolution

### ***Design***

Your Web site should be designed (or re-designed) with the specific requirements and goals uncovered in the Planning Phase using criteria that will lead to YOUR success on the Internet.

### ***Execution***

This is also a critical step; a Web site needs traffic -- and not just any traffic. It needs qualified eyeballs.

It's time to implement the planning and strategies developed in the Planning Phase. This may include direct mail, newsletters, press releases or other forms of traditional marketing materials that promote and support your Web site, as well as online strategies such as reciprocal linking and opt-in email campaigns (opt-in email utilizes mailing lists of people who have *agreed* to receive product and service announcements).

This also includes ongoing updates and changes to your Web site as well as periodic evaluations to make sure you're obtaining the results you expect.

## ***The Genetic E-Commerce Solutions for NAME's IBOS[DOSA/DALP/IAOA] GHOST technologies.***

### ***What are Systems Chromosomal Barcodes and their potential uses?***

Chromosomal Bar-coding is a revolutionary technique used by NAME to manipulate internet product information and shopping protocols. It uses search engine technology to allow businesses and consumers to use the UPC barcode number that appears on more than 100 million retail items to instantly obtain detailed product and price information from the Internet. This technology also uses traditional Internet search techniques that use "Boolean" searches based on "key words" or "search phrases," often leading consumers through the confusing maze that typically leads to sites and products they weren't originally looking for. Chromosomal Barcode's keyed in forward & reverse search patterns allows the user to enter a UPC code in order to acquire information relating only to that specific product or service. This information includes detailed product or service descriptions, comparative prices, links to order the product or service from vendor partners, product or service reviews, manufacturer contact information and much more. Just enter or scan the UPC barcode number - it's that easy!

### ***What are the uses of Systems Chromosomal Barcodes?***

Chromosomal Barcodes are key components of a desktop Web site program, but are also fully primed for the wireless revolution. Cellular phones, personal digital assistants, interactive pagers and other devices can now access the Internet remotely. By partnering with such industry leaders such as AT&T Wireless, Verizon Wireless, Palm Computing, Motorola, Omnisky, Go America, RTS Wireless, JP Systems, Symbol Technologies and Synergy Solutions, Chromosomal Barcode technologies will ensure its service is device-agnostic, making valuable information available on all mobile devices. Shoppers or customers can then make educated decisions when they need to most ... at the point of purchase or systems implementation. Chromosomal Barcode's simple search patterns (just enter or scan in a 12-digit UPC number) and streamlined targeted results, make it the ideal search technology for all hand-held devices with low memory capacities.

The following section is a topic-by-topic breakdown of the World Wide Web for Chromosomal Barcode **formatting**:

### **The Structural Taxonomy of the World Wide Web and Retail Operations for E-Commerce Solutions**

<a href="#"><u>Agriculture</u></a>	<a href="#"><u>Finance</u></a>	<a href="#"><u>Military Technologies</u></a>
<a href="#"><u>Anthropology</u></a>	<a href="#"><u>General Reference</u></a>	<a href="#"><u>Music</u></a>
<a href="#"><u>Archaeology</u></a>	<a href="#"><u>General Science</u></a>	<a href="#"><u>Parks &amp; Recreation</u></a>
<a href="#"><u>Architecture/Design</u></a>	<a href="#"><u>Geography</u></a>	<a href="#"><u>Performing Arts</u></a>
<a href="#"><u>Art</u></a>	<a href="#"><u>Geology</u></a>	<a href="#"><u>Personal Services</u></a>
<a href="#"><u>Astronomy</u></a>	<a href="#"><u>Health &amp; Medicine</u></a>	<a href="#"><u>Philosophy</u></a>
<a href="#"><u>Biology/Life Sciences</u></a>	<a href="#"><u>History</u></a>	<a href="#"><u>Physical Education</u></a>
<a href="#"><u>Botany</u></a>	<a href="#"><u>Home Economics</u></a>	<a href="#"><u>Physics</u></a>
<a href="#"><u>Business</u></a>	<a href="#"><u>Interdisciplinary Studies</u></a>	<a href="#"><u>Political Science</u></a>
<a href="#"><u>Chemistry</u></a>	<a href="#"><u>Language</u></a>	<a href="#"><u>Protective Services</u></a>
<a href="#"><u>Communications</u></a>	<a href="#"><u>Law</u></a>	<a href="#"><u>Psychology</u></a>
<a href="#"><u>Computer Science</u></a>	<a href="#"><u>Liberal Arts &amp; Sciences</u></a>	<a href="#"><u>Public Administration</u></a>
<a href="#"><u>Conservation</u></a>	<a href="#"><u>Library Science</u></a>	<a href="#"><u>Sociology</u></a>
<a href="#"><u>Construction Trades</u></a>	<a href="#"><u>Literature</u></a>	<a href="#"><u>Statistics</u></a>
<a href="#"><u>Economics</u></a>	<a href="#"><u>Manufacturing</u></a>	<a href="#"><u>Technology</u></a>
<a href="#"><u>Education</u></a>	<a href="#"><u>Marketing</u></a>	<a href="#"><u>Theology</u></a>
<a href="#"><u>Engineering</u></a>	<a href="#"><u>Mathematics</u></a>	<a href="#"><u>Transportation</u></a>
<a href="#"><u>Environmental Science</u></a>	<a href="#"><u>Mechanics</u></a>	<a href="#"><u>Women's Studies</u></a>
<a href="#"><u>Ethnic/Cultural Studies</u></a>		

We're continually reviewing new sites and adding resources, and appreciate your comments and suggestions.

The following section is a topic-by-topic breakdown of the World Wide Web and retail items for Chromosomal Barcode **implementation**:

<b>- A -</b>	<b>- C - continued</b>	<b>- M - continued</b>	<b>- S - continued</b>
■ Action Figures	■ <a href="#"><u>Cooking Grills</u></a>	■ <a href="#"><u>Men's Deodorant</u></a>	■ <a href="#"><u>Strollers, Baby</u></a>
■ <a href="#"><u>All Action Figures</u></a>	■ <a href="#"><u>Cookware</u></a>	■ <a href="#"><u>Men's Dress Shoes</u></a>	■ <a href="#"><u>Sunglasses</u></a>
■ <a href="#"><u>Cartoons</u></a>	■ <a href="#"><u>Coolers &amp; Baskets</u></a>	■ <a href="#"><u>Men's Formal Wear</u></a>	■ <a href="#"><u>Super Heroes Act. Fig.</u></a>
■ <a href="#"><u>Military</u></a>	■ <a href="#"><u>Copiers</u></a>	■ <a href="#"><u>Men's Formulas</u></a>	■ <a href="#"><u>Supplements</u></a>
■ <a href="#"><u>Power Rangers</u></a>	■ <a href="#"><u>Corkscrews</u></a>	■ <a href="#"><u>Men's Fragrance</u></a>	■ <a href="#"><u>Surfing</u></a>
■ <a href="#"><u>Star Wars</u></a>	■ <a href="#"><u>Cosmetic Bags</u></a>	■ <a href="#"><u>Men's Gift Sets</u></a>	■ <a href="#"><u>Swimming Accessories</u></a>
■ <a href="#"><u>Super Heroes</u></a>	■ <a href="#"><u>CPUs</u></a>	■ <a href="#"><u>Men's Golf Shoes</u></a>	■ <a href="#"><u>Switches, Network</u></a>
■ <a href="#"><u>Wrestling</u></a>	■ <a href="#"><u>Cultivators</u></a>	■ <a href="#"><u>Men's Hiking Shoes</u></a>	■ <a href="#"><u>Sympathy Flowers</u></a>

- [Activity Toys](#)
- [Aerobics Zone](#)
- [Air Bags & Pads](#)
- [Air Conditioners](#)
- [Air Hockey](#)
- [Air Purifiers](#)
- [Alcohol](#)
  - [Armagnac](#)
  - [Bourbon](#)
  - [Brandy](#)
  - [Cognac](#)
  - [Gin](#)
  - [Liqueurs](#)
  - [Rum](#)
  - [Scotch](#)
  - [Sherry](#)
  - [Tequila](#)
  - [Vodka](#)
  - [Whiskey](#)
- [All Books](#)
- [All Camping Gear](#)
- [All Collectibles](#)
- [All Cosmetics](#)
- [All Fishing Gear](#)
- [All Fitness Equipment](#)
- [All Flowers](#)
- [All Foods](#)
- [All Fragrances](#)
- [All Garden Equipment](#)
- [All Gifts](#)
- [All Hockey Gear](#)
- [All Luggage & Bags](#)
- [All Men's Apparel](#)
- [All Men's Footwear](#)
- [All Office Supplies](#)
- [All Pets](#)
- [All Spirits & Liquor](#)
- [All Sports](#)
- [All Tea and Coffee](#)
- [All Tools](#)
- [All Video](#)
- [All Vitamins](#)
- [All Women's Apparel](#)
- [All Women's Footwear](#)
- [All Women's Jewelry](#)
- [Anniversary Flowers](#)
- [Archery](#)
- [Armagnac](#)
- [Atkin's Formulas](#)
- [Audio Accessories](#)
- [Auto Accessories](#)
- [Auto Liners](#)
- [Auto Mats](#)
- [Auto Racks](#)
- [Auto Security](#)
- B -
- [Baby](#)
  - [Apparel](#)
  - [Bath Care](#)
  - [Car Seats](#)
  - [Carriers](#)
  - [Crib & Bedding](#)
  - [Furniture](#)
  - [Health & Safety](#)
  - [Joggers & Strollers](#)
  - [Lotion & Skin Care](#)
- [Baby Toys](#)
  - [All Baby Toys](#)
- [Cutlery](#)
- [Cycling](#)
- D -
- [Darts](#)
- [Decaf Coffee & Tea](#)
- [Depth Adjuster Tools](#)
- [Depth Finders, Fishing](#)
- [Desk Supplies](#)
- [Desks](#)
- [Desktop Computers](#)
- [Desserts](#)
- [Diamonds](#)
- [Digital Camera Acc.](#)
- [Digital Cameras](#)
- [Dinnerware](#)
- [Dishwashers](#)
- [Docking Stations](#)
- [Dogs](#)
  - [All Dog Products](#)
  - [Dog Bedding](#)
  - [Dog Carriers](#)
  - [Dog Dishes](#)
  - [Dog Feeders](#)
  - [Dog Flea Control](#)
  - [Dog Food](#)
  - [Dog Grooming](#)
  - [Dog Shampoo](#)
  - [Dog Vitamins](#)
  - [Doggy Bones](#)
  - [Kennels](#)
  - [Leashes](#)
- [Drink Mixers](#)
- [Drum Machines](#)
- [Drum Sets](#)
- [Dryers](#)
- [Duffle Bags](#)
- [DVD Drives](#)
- [DVD Players](#)
- E -
- [Earrings](#)
- [Electronic Toys](#)
- [Engagement Rings](#)
- [Erasers](#)
- [Ergonomic Supplies](#)
- [Espresso Machines](#)
- [Exercise Mats](#)
- [Eye Liners](#)
- [Eye Pencils](#)
- F -
- [Faucets](#)
- [Fax Machines](#)
- [Figurines](#)
- [File Folders](#)
- [Filing Systems](#)
- [Fish](#)
  - [All Fish Products](#)
  - [Fishing Accessories](#)
  - [Fishing Lines](#)
  - [Fishing Lures](#)
  - [Fishing Nets](#)
  - [Fishing Reels](#)
  - [Fishing Rod Cases](#)
  - [Fishing Rods](#)
  - [Fitness Benches](#)
  - [Fitness Monitors](#)
  - [Flashlights](#)
- [Men's Jewelry](#)
- [Men's Outer Wear](#)
- [Men's Pants](#)
- [Men's Running](#)
- [Men's Sandals](#)
- [Men's Shaving](#)
- [Men's Shirts](#)
- [Men's Shower Gel](#)
- [Men's Sweaters](#)
- [Men's Walking](#)
- [Men's Fleece](#)
- [Men's Swimwear](#)
- [Men's Winter Sports App.](#)
- [Micro Systems](#)
- [Microphones](#)
- [Microwave Ovens](#)
- [Military Action Figures](#)
- [Mini Disc Players](#)
- [Mini Systems](#)
- [Mirrors](#)
- [Miscellaneous](#)
  - [Misc. Apparel & Acc.](#)
  - [Misc. Auto Products](#)
  - [Misc. Baby & Kids](#)
  - [Misc. Computer Prod.](#)
  - [Misc. Electronic Prod.](#)
  - [Misc. Health & Beauty](#)
  - [Misc. Home & Garden](#)
  - [Misc. Office Products](#)
  - [Misc. Sports & Hobbies](#)
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Overall, the Chromosomal Barcode configurations facilitates a number of innovative perspectives that allows virtual & real-time ecommerce technologies & distributed experts/consultants to actively interact with multi-tier business employees in resolving management or procedural problems as they relate to productivity. Moreover, through consolidating the characteristics of currently in-house CAD/CAM designs into NAME's technologies, a business's products & services department(s) will be afforded the ability to consistently maintain a competitive edge in delivering top grade inventory toward its customer-base. For instance, through infusing the atomic elements chart (periodic table) as a molecular based in running artificial scenarios against currently designed CAD/CAM prototypes, NAME's technology platforms shall assist businesses in the production of inventory issues never before considered under normal innovative techniques.

# **NAME's Affiliate E-commerce Business Model**

## ***NAME's New Online Marketing Paradigm.***

NAME's affiliate programs are perhaps the key marketing strategy to be used by our network to start up the distribution of our products and services on the Internet. Our affiliates will be used to generate interest in our online services and products, and to improve the visibility of such services or products to customers and potential advertisers and investors alike. However, some Internet analysts view referral schemes such as affiliate programs as less than honest sales techniques, and somewhat similar to pyramid or inertia sales which are becoming the subject of increasingly strict legislation.

NAME's affiliate programs are riding the current business trend of treating customers as business associates who wish to be kept up-to-date and informed. This is similar to 'mass customization' and customer loyalty schemes where the customer is treated not as a single point of sale and revenue, but rather as a participant in a long-term relationship that may spawn many new product developments and business initiatives. However, the vendor or OEM of the product or service by and large drives affiliate programs. In affiliate programs, people are typically paid to refer business. No longer are customers encouraged to be loyal by excellent service or product pricing, they are actually paid to refer the company to other potential customers.

## ***NAME's Online Marketing Paradigm as a Whole.***

One of the biggest challenges to making money on the Internet is to build brand and product awareness. One solution hit upon by some companies starting out on the net lies in building commercial communities of interest via referral programs. These programs encourage users of on-line services to pass along enrollment information to their associates and colleagues online. If performed with sensitivity, these programs can be as effective and non-intrusive as the process of collecting pledges for a fund-raising event. However, if performed insensitively, they can resemble pyramid selling schemes and even run afoul of the law.

Affiliate programs as a whole have a more acceptable public face for creating linkages between organizations and the competitive

marketplace than, say, pyramid or referral sales techniques. This is mainly due to the fact that there is generally a tangible service that is being offered by the Internet-based service provider which offers some utility to the consumer, who will then be more disposed to explore the offer of referring their associates to the service or product provider.

But like any corporate promotion, if the Internet service or product being offered is not compelling, then the outcome of the sponsorship will not be the desired increase in the number of eyeballs. This is as true for Internet sponsorship as it is for corporate sponsorship and promotion off the web. Any future Internet based services must present a useful adaptation and interpretation of Internet technology. For some Internet companies, the unfortunate truth is that they require affiliate programs to compensate for the lack of utility within their business solutions.

As many Internet observers are quick to point out, **finding the application of the Internet that is not served by traditional print, radio and TV media takes some innovative thinking in regards to the utility and benefits** that this new media represents. Companies that treat the Internet as yet another advertising and marketing channel miss the point of a new media and its business opportunities.

Searching for alternative revenue streams, whether they come from increasing numbers of eyes, number of sales leads, or number of related businesses connected to is part of the process of defining the new Internet business model. For some companies, the business logic has been to use affiliate programs and other marketing techniques to create brand awareness and marketing 'mindshare' first, and worry about the substance of the business – the sustainable differential advantage – later. However, mindshare is easy to steal without a solid business proposition behind it, even while using affiliate programs.

A technology that underpins some affiliate programs is a simple opt-in email list. Here, people are encouraged to send emails to contacts and acquaintances to generate interest in new Internet-based products or services. A close relative to the affiliate program is the banner exchange. Here, companies place advertising banners on each other's websites. Other techniques that are being used include live chat lines and chat events, where participants can impose questions to experts and receive answers in real-time. This is the electronic equivalent of a speaker's corner in a trade show or conference.

The most compelling business benefit that affiliate programs bring to the entire Internet industry is the opportunity to link Internet commerce to real commerce outside cyberspace in order to help lift the entire industry in one quantum leap to profitability. Already, some real-world companies are linking to the cyber economy through sponsorship and advertising.

According to some observers, the Internet is much more than an advertising medium. It is a means to keep in touch with an audience, and offer them more products and services to give them a reason to keep in touch with you. However, for many companies involved in running an opt-in affiliate program, it is also a medium to perform market research and find out what customers and the market in general would respond well to.

From the perspective of the referring member of the affiliate program, the main question is 'how do we get paid?' In a traditional incentive or commission based sales model, a participant is paid on the basis of percentage of sales. In an affiliate program, an affiliate is typically paid a certain sum for referring webmasters who administer nodes of the network, as they represent the potential for a large number of members, and a lower fee for referring individual users of the service.

One barrier to affiliate programs includes fairly harsh legislation against relationship marketing and pyramid selling. Other business models such as franchise operations and commission-based sales offer some competition to affiliate programs. A risk associated with engaging in affiliate programs is that rather than referrals, customers and associates start to share complaints about shoddy products or services. In order to sustain interest and excitement over the new product or service, affiliate programs must ensure that both the content and the technological infrastructure continue to generate complementary comments from customers and referees, rather than disparaging comments and criticism.

For many customers of the emerging Internet industry, unsolicited emails represent unwanted intrusion. So why do so many companies in the Internet technology and service provision sector resort to such seemingly desperate and high-risk tactics as affiliate programs and banner exchanges just to raise revenues? The answer can be found in an understanding of the Internet industry as **embryonic** and in a constant state of flux. Within the new Internet economy, all players are groping in the dark, hoping to find the elusive light switch that will turn on the revenue stream, in the process, developing and

experimenting with new business models. In such a new and innovative industry sector, these are really the only new models that can be applied. Phrases such as 'win-win' really take on particular relevance and meaning.

For companies wishing to break into the Internet community and establish a brand presence, opt-in affiliate programs offer the promise of a mechanism that can help earn money from the Internet. Affiliate programs are an efficient way of creating mailing lists to generate sales leads. For shoddy business products or services, affiliate programs may also be the channels through which upset customers and employees may discuss their issues with other potential employees and customers. In this way, the electronic medium can act as an accelerator of the 'rumor mill,' which can act to the detriment of a company.

Banner exchanges, affiliate programs and the sharing of business opportunities between business partners operate on the philosophy of creating and sustaining mutually reinforcing industrial structures. It is better to have a good referral than a short-term profit at the expense of future goodwill, says this logic. Exchanging banners is preferable to exchanging cash. Here, affiliate programs have a lot to offer in spreading such a business philosophy more widely where it is still relatively novel.

An organization wishing to develop its sales and marketing presence has some options open to it. In the first instance, it can spend on traditional print and broadcast advertising, with banner advertisements at strategic locations. However, there is such 'noise' in the marketplace that the effectiveness of such advertising and the retention of information by potential customers is in serious question.

The next option is to develop a presence in the marketplace by word of mouth and referrals. This is an attractive option to companies with a limited marketing budget and a product or service which lends itself to personal marketing techniques. However, large corporate stakeholders such as banks and shareholders may become impatient at the pace of market development that such word of mouth marketing may produce. There is also the danger that such 'word of mouth' techniques may backfire on a company and become a 'rumor mill.'

The third option, which represents a kind of middle course, is to combine traditional print advertisement with word of mouth referrals on a new technological infrastructure in the form of affiliate programs.

These programs, however, should be implemented with great care, and the following two main points must always be kept in mind:

- Webmasters who are recommended as affiliates may not turn out to generate the promised number of hits, or if they do, the hit rate may not translate into a large number of advertising eyes or consequent sales. This is the commercial danger inherent in any untried and emerging technology such as the Internet. While you can measure the effectiveness of traditional media on increasing sales revenues, measuring the effectiveness of the Internet is almost impossible.

- Word of mouth or relationship marketing, apart from the negative image in some peoples' minds, can also turn into rumor mill marketing. In the same way that market news is sometimes distorted by the 'broken telephone' of relationships, so, too, sales information may be distorted. By marketing on the Internet, a company may run the risk of appearing to associate with the rather dubious and untrustworthy social and business intercourse that occurs on the Internet.

However, with these caveats in mind, the Internet represents an interesting opportunity to use direct sales and marketing techniques which have fallen into disrepute among business circles and revitalize them to take advantage of the unique technology-mediated relationships which the Internet supports.

Affiliate programs are riding the recent trend of treating customers as business associates who wish to be kept informed and up-to-date on company developments and recent offerings. This is similar to customer loyalty or mass customization where the customer is not treated as a single point of sale and revenue, but rather a participant in a long-term relationship that may span many new product developments and business initiatives.

To establish successful affiliate programs generally requires a fairly high level of skill in new technologies that underpin innovative sales and customer development and retention, such as the Internet and opt-in email lists, or firms who have specialized in technology, marketing and sales techniques to create lasting customer relationships. These operations may have introduced additional policies such as Agility and Mass Customization to help create a better interface with their customers. Innovative perspectives on customer service, marketing and sales are now encouraging companies to

improve their sales, marketing and communications functions. Affiliate programs are part of this trend.

To create affiliate successful programs in order to develop your online marketing presence, several key questions must be answered. First, the question of whether your organization wants to market to the online community needs to be addressed. For some companies, the online community can represent a significant market opportunity, if they offer an appealing or appropriate product or service. For other companies, ecommerce is singularly inappropriate. Secondly, the question must be asked whether the company has the internal capabilities to be able to meet the demands of online sales.

To discover whether your company has the products and the capabilities to successfully address online markets, using either affiliate programs or other online marketing methodologies, please contact NAME service representatives.

#### Affiliate Programs

<a href="#"><u>Advertising</u></a> (137) Banner Ads, Pay Per Click	<a href="#"><u>Health &amp; Fitness</u></a> (206) Fitness, Medicine, Drugs
<a href="#"><u>Arts/Photos</u></a> (58) Arts, Photos	<a href="#"><u>Home/Garden</u></a> (65) Home Improvement, Garden
<a href="#"><u>Auctions</u></a> (26) Bid, Buy, Sell	<a href="#"><u>Internet &amp; WWW</u></a> (777) Web Design, Hosting, Tools
<a href="#"><u>Automotive</u></a> (75) Buy, Sell, New, Used Cars	<a href="#"><u>Magazines</u></a> (28) Magazines, News Papers
<a href="#"><u>Babies &amp; Kids</u></a> (39) Babies, Kids, Family	<a href="#"><u>Marketing</u></a> (119) Marketing
<a href="#"><u>Beauty &amp; Fashion</u></a> (73) Fragrance, Beauty Products	<a href="#"><u>Miscellaneous</u></a> (56) Free Content, Other, etc
<a href="#"><u>Books</u></a> (77) Books, Reference	<a href="#"><u>Movies &amp; Videos</u></a> (29) Movies, Videos
<a href="#"><u>Business &amp; Finance</u></a> (289) Investing, Mutual Funds	<a href="#"><u>Music</u></a> (72) Audio Cassettes, CDs
<a href="#"><u>Careers</u></a> (54) Jobs, Resumes	<a href="#"><u>Personals</u></a> (83) Romance, Match Making
<a href="#"><u>Classifieds</u></a> (28) Classifieds	<a href="#"><u>Pets</u></a> (20) Pets related
<a href="#"><u>Education</u></a> (74) Courses, Reference Material	<a href="#"><u>Real Estate</u></a> (52) Buy, Sell Home, Mortgage
<a href="#"><u>Electronics</u></a> (56) Camera, Fax, Scanners	<a href="#"><u>Retail Products</u></a> (48) Retail Products



<a href="#"><u>Europe</u></a> (10)	<a href="#"><u>Services</u></a> (41)
Europe, except UK	Services
<a href="#"><u>Food &amp; Wine</u></a> (56)	<a href="#"><u>Shopping</u></a> (290)
Food, Wine, Restaurants	Malls, Online Stores
<a href="#"><u>Free Content</u></a> (52)	<a href="#"><u>Sports</u></a> (117)
Free content, News feeds	Sporting Goods, Apparel
<a href="#"><u>Free Services</u></a> (51)	<a href="#"><u>Telephone</u></a> (58)
Free Services	Telephone, Telcom
<a href="#"><u>Games &amp; Gambling</u></a> (187)	<a href="#"><u>Toys</u></a> (42)
Trivia, Puzzles, Gambling	Toys
<a href="#"><u>Gifts &amp; Flowers</u></a> (174)	<a href="#"><u>Travel</u></a> (121)
Greetings, Gifts, Flowers	Travel, Airlines, Recreation
<a href="#"><u>Hardware &amp; Software</u></a> (210)	<a href="#"><u>UK Programme</u></a> (57)
Hardware, Software, Games	UK based affiliate programs

### ***Jump into E-commerce Action with NAME's Affiliate Program***

As you probably know, the e-commerce industry is growing at an exponential rate. If you are not already part of the exploding e-commerce action, you are missing out on your piece of the pie. Until now, one of the major reasons for people to miss out on e-commerce action is that they didn't have an online store or product to sell. Now, they can jump into the action with affiliate programs. Affiliate programs are also known as associate, commission, referral, bounty and partner programs.

Affiliate programs let you sell products for popular online merchants, such as Amazon.com, Reel.com, Beyond.com, and many others from your web site, and in return, get paid a percentage of your sales as commission. Usually, you earn an average of 10-20% of the sale.

There are several different types of affiliate programs. Some examples are:

**1. Pay Per Sale:** You get paid a commission for each sale you generate. If you refer a visitor to the merchant's site and he/she makes a purchase, you get a percentage of the sale as commission. Depending on the merchant, the commission may be for that purchase only, for all purchases that customer makes within a fixed period of time (usually six months to one year), or for all the purchases that customer makes in his or her lifetime.

**2. Bounty:** You get a one-time bounty payment for the customer you referred. You will not get commission on any future purchases that customer makes. Usually, companies pay a bounty of \$10-\$20 per customer.

**3. Pay Per Click:** You get paid for every visitor you send to the online merchant through a banner or text link, regardless of whether or not a sale is made. Usually, companies pay \$0.05 - \$0.10 per click, per visitor.

**4. Two-Tier Programs:** You get commission on direct sales that you generate, plus you get commission on sales generated by affiliates that you recruit. Companies typically pay 15% commission for direct sales and 5% for sales generated by the affiliates you recruit.

**5. Pay Per Lead:** You get paid a one-time fee for generating a lead for the merchant. Similar to a bounty program, you usually earn \$2-\$5 if the visitor you referred fills out a questionnaire or an application.

Affiliate programs are the wave of the future. Many companies that sell goods, products or services online are realizing the benefits of affiliate programs. Hence, the number of affiliate programs is increasing at an exponential rate. According to Jupiter Communications Inc., affiliate programs will directly account for 11% of the \$5.8 billion in consumer transactions over the web this year. That figure is expected to grow to 24% of \$37.5 billion in total sales by 2002.

"If you don't have a product or service, but still want to get in on the e-commerce action, consider an affiliate or associate program," says Gordon Whyte, editor of the E-commerce Guide at About.com (formerly the Mining Co.). All a site owner has to do is add a link to an online store and earn money from every click or referral that leads to a sale.

The most notable example of an affiliate program is probably the Amazon.com Associate's Program, which has more than 300,000 affiliated web sites. Each affiliate earns commissions of up to 15% on sales of books and audio CD's - for simply enticing online shoppers to click over to Amazon.com and buy something.

One of the most frequently asked question about affiliate programs is "What is the best affiliate program"? The correct question should be "What is the best affiliate program for my site"? There is no one

affiliate program that can be said to be "the best." How an affiliate program performs for you depends on your site and your traffic. If your site is about the Grateful Dead and you try to make money by joining an affiliate program related to Internet marketing, you probably won't have much success. But if you join an affiliate program like CDNow and promote music CD's, then you can expect a much higher success rate.

So, why wait? Jump into e-commerce action with affiliate programs. Get your piece of the pie. Be sure to select programs that are offering services and products that are of interest to your visitors. Then, try a few different types of affiliate programs and see which ones produce better commissions for you, depending on the nature of your site and your visitors.

## Partner with NAME

Join our affiliate program and start earning commissions today.

Earn 10% commission on sales you direct to *NAME*.

Give your visitors quick access to our best-selling software, technology, reference, art, music, history, and education products.

[FAQs](#) | Read the [Affiliate Agreement](#)

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### **FAQs**

#### **Why do I need to register with LinkShare in order to join the NAME Affiliate Program?**

NAME works with LinkShare to ensure accurate tracking and reporting for affiliate sales. As an affiliate, you'll find that LinkShare also offers valuable support. Through the LinkShare network, you'll have access to extensive reporting on sales activity from your site. LinkShare will provide you with a private, password-protected home page on

<http://www.linkshare.com>. You can use this site to monitor your program's success--and, you'll be able to access reports, including:

**Net Orders Report:** Track the number of orders from customers referred by your site, including cancellations and returns.

**Link Type Report:** Identify your most effective links. Drill down to track and compare the performance of your links, individually as well as by type or placement.

**Individual Item Report:** View your sales activity, including time and date of each sale.

**Sales and Activity Report:** View impressions, click-throughs, sales, commissions, and more.

**Revenue Report:** Discover which hours of the day, days of the week, weeks of the month, and months of the year are most successful for you.

### **What is the Commission Structure?**

Earn 10% commission on purchases of all products sold through *NAME*, excluding applicable sales tax and shipping and handling charges.

### **How does payment work?**

Affiliates who earn more than \$25 are paid on a quarterly basis. Checks will be sent quarterly from LinkShare.

### **What about product returns?**

If a user returns a product for a refund or if credit card charges are reversed due to a dispute or credit card fraud, your account will be debited for any commission earned on that transaction.

### **I just signed up for the *NAME* Affiliate Program. When can I post links to *NAME* and begin earning?**

As soon as you receive your acceptance email! Your acceptance email will be the second email you receive after you apply and will include instructions on how to get started.

### **Where can I place the *NAME* links or banners on my site?**

Anywhere. Because you understand your customers and their needs, we leave placement decision to you. Of course, an optimal placement on your site will increase your chances for click-throughs and sales--

resulting in more earnings for you.

**Where do I look for terms and conditions?**

You should carefully read the *NAME* Affiliate Program Agreement and make sure you understand the terms and conditions in that document. If you have additional questions, please feel free to e-mail us at [affiliates@us.NAME](mailto:affiliates@us.NAME).

**What do I do if the banners or text links are not working after I post the code to my site?**

LinkShare's technical support team can guide you through the process of creating and maintaining links. For technical questions, please e-mail LinkShare at [contact@linkcorp.net](mailto:contact@linkcorp.net)



((ANMESCL<sup>2</sup> QUO VADIS)

ALPHA NUMEROUS MAXIMUS  
EGREGION SUMMA CUM LAUDE

## NAME's AFFILIATE AGREEMENT

This Master Agreement ("Agreement") is made between *NAME* ("Merchant") and ("Partner").

### BACKGROUND

Partner and Merchant are each enrolled in The LinkShare Network™. Partner and Merchant each desire to establish the general terms and conditions, which shall govern commission arrangements between Partner and Merchant which result from their participation in The LinkShare Network™.

### TERMS AND CONDITIONS

In consideration of the promises set forth below, we agree as follows:

#### 1. Offers and Engagements

**1.1** - From time to time, Merchant may post on The LinkShare Network™ offers to pay to other participants a specified commission in return for certain services leading to a Qualifying Link (defined below). If such offers receive an identification number from The LinkShare Network™ they shall be deemed to be an "Offer" for purposes of this Agreement. The term "Offer" shall also include any counter-offers resulting from an Offer.

**1.2** - If an Offer made by one party is accepted by the other party, in accordance with the Offer's terms via The LinkShare Network™, an

"Engagement" will have been formed. Each Engagement shall have the same identification number as the original Offer that lead to the Engagement and shall be governed by the terms and conditions of this Agreement. However, in the event of any inconsistency between the terms of the specific Engagement and the terms of this Agreement, the terms of the Engagement shall govern.

**1.3** - At any time prior to Partner providing a Qualifying Link, Merchant may with or without notice (a) change, suspend or discontinue any aspect of an Offer or an Engagement without liability of any kind or (b) remove, alter, or modify any graphic or banner ad submitted by Merchant for an Offer or an Engagement. Partner agrees to promptly implement any request from Merchant to remove, alter or modify any graphic or banner ad submitted by Merchant that is being used by Partner as part of an Engagement.

## **2. Partner's Responsibilities**

**2.1** - Partner will link its site to areas within Merchant's site using special URLs specified in the Engagement (the "Required URLs"). Partner may post as many links to the Required URLs as it likes on Partner's site. The position, prominence and nature of links on the Partner's site shall comply with any requirements specified in the Engagement, but otherwise will be in the discretion of Partner.

**2.2** - Partner agrees not to make any representations, warranties or other statements concerning Merchant, Merchant's site, any of Merchant's products or services, or Merchant's site policies, except as expressly authorized by the Engagement.

**2.3** - Partner is responsible for notifying Merchant and The LinkShare Network™ of any malfunctioning of the Required URLs or other problems with Partner's participation in the Engagement. Merchant will respond promptly to all concerns upon notification by Partner.

## **3. Commissions**

**3.1** - Merchant agrees to pay Partner the commission on the actual sale price of the products or services (excluding sales taxes, other similar charges and shipping and handling fees) less charge backs for refunds and cancellations specified in the Engagement if Merchant sells to a visitor to Merchant's site (a "Customer") a product or service that is the subject of the Engagement and if that Customer has accessed

Merchant's site and purchased the product or service via a Qualifying Link.

**3.2** - A "Qualifying Link" is a link from Partner's site to Merchant's using one of the Required URLs or any other URL provided by Merchant for use in The LinkShare Network™ if it is the last link to the Merchant's site that the Customer uses during a Session where a sale of a product or a service to Customer occurs. A "Session" is the period of time beginning from a Customer's initial contact with Merchant's site via a link from the Partner's site and terminating when the Customer either returns to the Merchant's site via a link from a site other than Partner's site or the Engagement expires or is terminated.

**3.3** - Merchant shall have the sole right and responsibility for processing all orders made by Customers. Partner acknowledges that all agreements relating to sales to Customers shall be between Merchant and the Customer.

**3.4** - All determinations of Qualifying Links and whether a commission is payable will be made by The LinkShare Network™ and will be final and binding on both Merchant and Partner. Prices for the products and services will be set solely by Merchant in its discretion.

#### **4. Ownership and Licenses**

**4.1** - Each party owns and shall retain all right, title and interest in its own names, logos, trademarks, service marks, trade dress, copyrights and proprietary technology, including, without limitation, those names, logos, trademarks, service marks, trade dress, copyrights and proprietary technology currently used or which may be developed and/or used by each party in the future.

**4.2** - Merchant grants Partner a revocable, non-exclusive, worldwide license to use, reproduce and transmit the name, logos, trademarks, service marks, trade dress and proprietary technology, as designated in the Engagement or during the registration process in The LinkShare Network™, on Partner's site solely for the purpose of creating links from Partner's site to Merchant's site during Engagements. Except as expressly set forth in this Agreement or permitted by applicable law, Partner may not copy, distribute, modify, reverse engineer, or create derivative works from the same. Partner may not sublicense, assign or transfer any such licenses for the use of the same, and any attempt at such sublicense, assignment or transfer is void.



**4.3** - Partner grants Merchant a non-exclusive, worldwide, royalty-free license to use, reproduce and transmit any graphic or banner ad submitted by Partner solely for co-branding purposes or as a return link from Merchant's site to Partner's site. Merchant will remove such graphic or banner ad upon Partner's request.

## **5. Termination**

**5.1** - Either party may terminate any Engagement at any time by deleting acceptance of the Engagement through The LinkShare Network™. Termination of an Engagement shall not terminate this Agreement or any other Engagement.

**5.2** - Either party may terminate this Agreement at any time, for any reason, provided that they provide at least five day's prior written notice of such termination to the other party and The LinkShare Network™. Termination of this Agreement shall also terminate any outstanding Engagements. However, all rights to payment, causes of action and any provisions which by their terms are intended to survive termination, shall survive termination of this Agreement.

## **6. Representations**

**6.1** - Each party represents to the other that (a) it has the authority to enter into this Agreement and sufficient rights to grant any licenses granted hereby, and (b) any material which is provided to the other party and displayed on the other party's site will not (i) infringe on any third party's copyright, patent, trademark, trade secret or other proprietary rights or right of publicity or privacy; (ii) knowingly violate any applicable law, statute, ordinance or regulation; (iii) be defamatory or libelous; (iv) be lewd, pornographic or obscene; (v) violate any laws regarding unfair competition, anti-discrimination or false advertising; (vi) promote violence or contain hate speech; or (vii) knowingly contain viruses, trojan horses, worms, time bombs, cancelbots or other similar harmful or deleterious programming routines.

**6.2** - EXCEPT FOR THE ABOVE REPRESENTATIONS NEITHER PARTY MAKES, AND EACH PARTY EXPRESSLY DISCLAIMS, ANY REPRESENTATIONS OR WARRANTIES TO THE OTHER PARTY, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

## **7. Cross-Indemnification**

**7.1** - Each party hereby agrees to indemnify, defend and hold harmless the other party and its affiliates, directors, officers, employees and agents, from and against any and all liability, claims, losses, damages, injuries or expenses (including reasonable attorneys' fees) brought by a third party, arising out of a breach, or alleged breach, of any of its representations or obligations herein.

## **8. LinkShare Required Provisions**

**8.1** - Merchant and Partner jointly and severally hereby agree to indemnify, defend, and hold harmless The LinkShare Network™ and LinkShare Corporation and its affiliates, officers, directors, employees and agents (collectively, "LinkShare") from and against any and all liability, claims, losses, damages, injuries or expenses (including reasonable attorneys' fees) directly or indirectly arising from or relating to any Offer, Engagement, any other matter related to this Agreement or the subject matter hereof or any dispute relating thereto.

**8.2** - The parties agree that LinkShare may rely on any data, notice, instruction or request furnished to LinkShare by either party which is reasonably believed by LinkShare to be genuine and to have been sent or presented by a person reasonably believed by LinkShare to be authorized to act on behalf of one of the parties. In the event of any dispute between the parties, the parties agree that to the extent the parties contact and involve LinkShare, LinkShare may consult with and use counsel of its own choice in connection with such dispute.

## **9. Limitation of Liability**

**9.1** - In no event shall either party be liable to the other party for any direct, indirect, special, exemplary, consequential or incidental damages, even if informed of the possibility of such damages.

**9.2** - The parties agree that The LinkShare Network™ and LinkShare Corporation and its affiliates, officers, directors, employees and agents shall not be liable to either party and that neither party shall be liable to The LinkShare Network™, LinkShare Corporation, or their respective affiliates, officers, directors, employees or agents, for any direct, indirect, special, exemplary, consequential or incidental damages, even if informed of the possibility of such damages.

## **10. General**

**10.1** - Each party shall act as an independent contractor and shall have no authority to obligate or bind the other in any respect.

**10.2** - The parties agree that The LinkShare Network™ and LinkShare Corporation are intended third party beneficiaries under this Agreement.

**10.3** - This Agreement has been made in and shall be construed and enforced in accordance with the laws of the state of Merchant's headquarters. Any action to enforce this Agreement shall be brought in the federal or state courts located in that state. If you need to send official correspondence, send it via registered mail to Merchant's headquarters to the attention of Merchant's legal department at *NAME*, \_\_\_\_\_.

**10.4** - This Agreement may be agreed to in more than one counterpart, each of which together shall form one and the same instrument. The parties agree that execution may be achieved in any format convenient to the parties.

**10.5** - The provisions of this Agreement are independent of and separable from each other, and no provision shall be affected or rendered invalid or unenforceable by virtue of the fact that for any reason any other or others of them may be invalid or unenforceable in whole or in part.

## **11. Notices**

**11.1** - Except as otherwise provided herein, notices, payments, or any other communication provided for herein shall be deemed to be given when mailed by first class mail, addressed to Partner as follows:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention: Mr./Ms./Mrs. \_\_\_\_\_

and to NAME as follows:

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Attention: Mr./Ms./Mrs.

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## **12. IN WITNESS WHEREOF**

**12.1** - The parties have hereto executed this Agreement as of the \_\_\_\_ day of \_\_\_\_\_, year \_\_\_\_.

By: \_\_\_\_\_

\_\_\_\_\_ (SEAL)

Title

Partner's Signature

\_\_\_\_\_

\_\_\_\_\_

Title

Merchant's Signature

## Example Business Model Strategies

By George Mannes

ABCNEWS.com from [TheStreet.com](http://TheStreet.com)

**NEW YORK, April 20** — Whether [Microsoft](#) is improperly competing on the Internet has yet to be settled in a court of law, or in the court of public opinion.

But there's no question the software colossus is one of the smartest, most relentless and multifaceted competitors in the computer business. All you need to do is look at the markets that Microsoft has entered.

For an example of how rough things can get for a Microsoft competitor, consider the case of [Stac Electronics](#), the San Diego-based company that had a run-in with Bill Gates' empire earlier in the decade.

Stac sold a data-compression program, Stacker, that enabled people to squeeze more files onto their hard drive. Microsoft executives talked with Stac about licensing the software, but never did.

After Microsoft included data-compression feature on a subsequent version of its MS-DOS operating system, Stac's stock plummeted.

A jury decided Microsoft had illegally used Stac's technology, and awarded Stack \$106.3 million.

### Not Invented Here? No Problem!

It's not that verdict, though, but the 1994 settlement of the case that's turned out to be more typically Microsoft.

#### Microsoft Minutia

Microsoft had sales of \$11.4 billion in the fiscal year ended June 1997. Which of these countries has a gross domestic product that's larger?



A. Bolivia



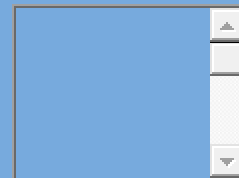
B. Jamaica



C. Vietnam



D. None of the above

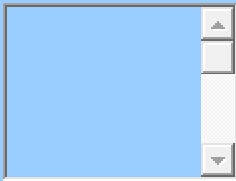


Source: Microsoft Encarta 98

### Microsoft Minutia

Microsoft earned \$3.45 billion in fiscal 1997. General Motors had an annual profit of \$6.7 billion—nearly double Microsoft's. Microsoft had to sell \$11.4 billion worth of goods to make its \$3.45 billion. How much worth of cars did GM have to sell to achieve its profits?

- ☐ A. \$40.4 billion
- ☐ B. \$109.5 billion
- ☐ C. \$166.4 billion



At Stac's suggestion, Microsoft ended up taking a stake in the smaller company. Since then, Microsoft has been on a veritable buying binge.

In the past three and a half years, Microsoft has acquired 25 companies or technologies, according to the company's calculations.

Additionally, it's made at least 28 additional investments in other companies or joint ventures. That's everything from a minority stake in an Oxford-based reference publisher to the MSNBC joint cable/Internet venture with NBC.

How does Microsoft compete? One, it buys things. The company has never fallen prey to the "not invented here" syndrome that causes certain companies to look down their corporate noses at technology invented elsewhere.

When the company wanted a strong Web page authoring product, for example, it bought one: FrontPage, which it acquired with the purchase of Vermeer Technologies in 1996.

When Bill Gates wanted to enter the world of the Internet delivered on a TV, it bought the market pioneer, WebTV Networks.

### Give Away Now, Sell Later

Another way that Microsoft gnaws into its competitors is to give away the same type of products that its competitors sell. The company hopes that this will drive demand toward other products it actually sells.

The best known example of this is Internet Explorer, which Microsoft gave away so it could erode the market share of **Netscape Communications'**, Navigator and related products. But Microsoft is doing the same thing with its Web site server software, called Microsoft Internet Information Server.

"That certainly puts a motivation and impetus behind its adoption as opposed to Netscape," says Martin Marshall, industry analyst with Zona Research.

A closely related tactic of Microsoft's is to sell several different types of software combined together, priced for little more than the previous cost of a single component. That tempts consumers away from competitive products not sold as a package deal.

In the early 1990s, when customers typically bought word processors, spreadsheets and other business productivity software one by one, Microsoft revolutionized the industry by combining these products together as a single "suite," called Office.

Microsoft's success was one reason that word processing pioneer WordPerfect sold out to another company, **Corel**. Microsoft is doing something similar with software development tools, bundling different products as something called Visual Studio.

"The way the pricing works," says Dataquest principal analyst Larry Perlstein, "if you want to buy two tools, you're better off buying Visual Studio."

## Many Guns Blazing

Microsoft is also a fearsome competitor by virtue of the money that it's willing to throw at problems, as well as its sheer doggedness.

Launching a 1996 "fall season" with the fanfare of a broadcast TV network, the company spent millions of dollars producing entertainment programming for the Microsoft Network.

Earlier this year, the company admitted that consumers didn't want to be entertained on the Web, but to get stuff done. So the company is focusing on commerce-related Web projects and an all-purpose utility site called Start.

Finally, Microsoft is simply a talented marketer, one that has deftly targeted high-level decision makers in the world, not just the technically adept staff.

For example, says International Data Corp. program director Dan Kusnetzky, Microsoft has used this tactic to beat out its competitor Novell in the world of server software. He calls it marketing not to Dilbert, but to Dilbert's boss.

Not everything that Bill Gates touches turns to gold. But enough of it does so that the company must be feared by its competitors, says Dataquest software analyst Chris Le Tocq. "If you've got many guns blazing," he says, "something is going to hit." ■