

CALIBRUS, INC.
Form 10-K
April 16, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2011

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 000-53548

Calibrus, Inc.
(Exact name of registrant as specified in charter)

Nevada 86-0970023
State or other jurisdiction of (I.R.S. Employer I.D. No.)
incorporation or organization

1225 West Washington Street, 85281
Suite 213, Tempe, AZ
(Address of principal executive (Zip Code)
offices)

Issuer's telephone number, including area code: (602) 778-7500

Securities registered pursuant to section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
None	N/A

Securities registered pursuant to section 12(g) of the Act:

Common Stock, \$0.001 par value
(Title of class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act

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Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act

Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

Indicate by check mark if disclosure of delinquent filers in response to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large Accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company	<input checked="" type="checkbox"/>

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked prices of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter: The Company's stock last traded on April 13, 2011 at \$.15 per share giving the shares held by non-affiliates a value of \$1,512,723. Since the Registrant does not have an active trading market these numbers may not be a reliable indication of the share price.

As of April 4, 2012, the Registrant had 13,808,580 shares of common stock issued and outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

List hereunder the following documents if incorporated by reference and the part of the Form 10-K (e.g., part I, part II, etc.) into which the document is incorporated: (1) Any annual report to security holders; (2) Any proxy or other information statement; and (3) Any prospectus filed pursuant to rule 424(b) or (c) under the Securities Act of 1933: NONE

PART I

ITEM 1. BUSINESS

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This periodic report contains certain forward-looking statements with respect to the financial condition, results of operations, business strategies, operating efficiencies or synergies, competitive positions, growth opportunities for existing products, plans and objectives of management. Statements in this periodic report that are not historical facts are hereby identified as “forward-looking statements.”

Overview

Calibrus, Inc. is a technology based company established in 1999. We have two business units that leverage our technology capabilities. We have provided Hosted Business Solutions for ten years and now plan to expand our offerings to offer a social networking site called JabberMonkey (Jabbermonkey.com) and a location-based, social networking application for smart phones called Fanatic Fans.

Through our Hosted Business Solutions, we provide Third Party Verification (TPV) Services, Hosted Call Recording Services and Interactive Voice Response/Voice Recognition Unit (IVR/VRU) Services to some telecom, cable and insurance companies. We estimate that we have processed over 50 million live agent calls/recordings and 5 million IVR calls/recordings to date serving these companies. With over 75 employees, the latest equipment and in-house designed software and solutions, we are the hosted solution company that companies can trust with their data.

Our technology provides us with the ability to provide fully-integrated live voice, data, and automated services and combinations of services out of a unified platform. Our system’s processes and functionality allow our IT staff to easily design and build systems that satisfy clients’ process requirements. Using our technology has allowed us to develop and build customized web-based solutions incorporating call recording, “click to call” and voice message broadcast functionality.

Calibrus has leveraged our technology capabilities to expand into the growing market of social marketing. Leveraging the software development experience we have obtained over the last 10 years, we created the site JabberMonkey.com. JabberMonkey is a site where users can have an interactive experience of asking questions of other members, post comments and have ongoing interactive video and text chats. We have also developed a location based social networking application that focuses on live events such as sporting events and music concerts.

Calibrus Products and Services - Calibrus Hosted Third Party Verification (TPV) Services

Calibrus' Third Party Verification service is easy to use and offers both Live Operator and IVR/VRU Third Party Verification services. Calibrus’ Live Operators process thousands of TPV calls daily. To date, Live Operator TPV has been the solution of choice for several of our largest customers. Live operators offer the best customer experience and typically higher success rates over IVR/VRU solutions. Our Automated IVR (Interactive Voice Response)/ VRU (Voice Recognition Unit) solution offers a low-cost alternative to a live voice agent while ensuring compliance with both FCC and State PUC (Public Utility Commission) Third Party Verification requirements. Our IVR systems feature intuitive scripting to automatically ensure the correct questions are asked. Our custom IVR solutions enable client’s customers to easily opt-out to a live agent at any time if they require personal attention.

What is Third Party Verification?

Third Party Verification is the confirmation of a customer's order by an independent third party. This process protects both the customer and the company selling services from fraud and slamming/cramming of products onto their lines. Once the sale has been made, the customer is transferred to an independent Third Party, such as Calibus, that will read a pre-determined script to which the customer will answer yes or no.

In 1996, the Federal Communications Commission, FCC, enacted the Telecommunications Act which forced the Regional Bell Operating Companies to open their lines to competition. Accordingly, telecom companies were required to allow competitors to lease their lines and provide service to customers at a rate set by each individual State's Utility Commission. This was to promote competition and help new competitors compete with the larger telecom companies on a level playing field. Unfortunately, this led to another phenomena called slamming, customers being switched from one company to another without their approval, and sometimes without any knowledge whatsoever until they received their bill.

In response to slamming, legislation was enacted that required companies that were changing a customer's dial tone or long distance to their services would have to first obtain the customer's approval in one of three ways:

- A written and signed Letter of Authorization indicating that customer agrees to the change.
- An automated or live agent independent third party that the customer is transferred to for the verification.
- An electronic Signature on an electronic Letter of Authorization, usually done on websites.

Calibrus fulfills the second requirement, providing both automated IVR/VRU and Live Agent Third party Verification Services for our clients.

Automated IVR/VRU Service Highlights

- Dual Channel Recording to Eliminate the Loss of Interactions/Customer Statements
 - Very Low Implementation and Ongoing Cost
 - Simple to Set Up, Implement and Launch
- Close to Real-Time Call Record and File Retrieval and Posting
 - Dedicated Management and IT Resources, 24/7 Availability
 - Superior Value and Cost Competitive IVR Services

Our automated IVR verification method provides customers with a pre-determined script to comply with each client's unique verification requirements. The following diagram demonstrates our basic Automated IVR Process Method:

Our Automated IVR/VRU TPV services are priced on per transaction or per minute usage.

Live Operator TPV

In addition to our automated TPV services, we also offer Live Operator TPV Service. When customers want to provide live interactions with ultimate flexibility, our Live Operator Services can be used in conjunction with our automated TPV services or as a stand alone service. Customers that select our Live Operator service offering will see several benefits, such as:

- Better Customer Experience
- Superior Universal Language Coverage (i.e. Spanish, Chinese, Japanese, Korean, etc.)
 - Documented Higher Success Rates (success rates average over 96%)
 - Higher Success Rates Mean:
 - o Less Back Room Clean-up Expense
 - o Fewer Lost Sales due to Non-Verified TPV's
 - Close to Real-Time Call Record and File Retrieval and Posting
 - Cost Competitive Live Operator Answering Service

Calibus has developed a TPV process that allows for a very efficient transfer of data from a sales agent to a Calibus Live Operator. This process reduces call lengths, agent errors, and TPV costs. The following is a diagram of our Live Operator TPV Process Method.

Our Live Operator Third Party Verification solution helps our customers meet compliance requirements and improve their overall business processes. TPV revenue accounted for approximately 98.5% of the Company's total revenue. For 2011, 77.1% of our TPV revenue was derived from Live Operator services and 21.6% was derived IVR/VRU services. Our TPV services are priced on per transaction or per minute usage.

VOIP Verifications

Calibus Live Agent VOIP Verifications provide a solution for customers that want to provide live interactions with the ultimate flexibility. Automated IVR Verifications is a low-cost alternative to a live voice agent that still complies with both FCC and State PUC Third Party Verification requirements. Intuitive scripting ensures the correct questions are automatically asked. Customers can easily opt-out to a live agent at any time if they require personal attention.

Hosted Call Recording

Calibus' Call Recording service is easy to use and cost-effective and offers a number of features necessary for a superior call recording solution. Calibus' Hosted Call Recording solutions are an alternative for companies that do not wish to invest in expensive hardware, maintenance and support of a state-of-the-art call recording system.

Our Hosted Call Recording Features include:

- All Inclusive Pay-As-You-Go Pricing Model by the Minute or by the Transaction/Call
 - No Maintenance, Upgrade, Programming, Site/Seat Licensing or Change Fees
 - Call Record & File Access 24/7 Via a Secured Website for Easy Retrieval
 - Customized Reporting Options
 - High Quality Recording with Redundant Systems and Disaster Recovery
 - Compatible and Flexible Process can be used with Virtually Any System
 - Optional Quality Control Monitoring and Evaluation Services

Hosted Call Recording for the Insurance Industry

Our call recording solution assists insurance companies to record and retain valuable, mission critical conversations that occur during claim statements and interviews, while, we believe, improving efficiencies and reducing costs in the claims process.

Calibus' recording process is easy to use, secure and completely customizable. Insurance adjusters can set up a call and start recording quickly without expensive equipment. The Calibus system ties important information for the claim, claim number, interviewee name, and other information to the file so customers can sort it later. The adjuster dials into Calibus and records the conversation with the claimant and simply hangs up when finished. The recording will be processed and available within minutes after the call is finished and accessible via the reporting website. If necessary, Calibus can send a confirmation email to the adjuster that includes a hyperlink to the recording for easy retrieval.

Once the recording has ended a secure password protected web-based reporting website allows claims managers, compliance officers and executives to access the recordings of the claim statements and interviews in seconds. Indexing of the data such as claim number, insured name, interviewee name, and adjuster ID allows authorized individuals the ability to search on things such as claim number and find all associated recordings for that claim. The reporting website serves as a quality assurance and management tool as well, providing the ability to pull up all recordings for an adjuster ID, and listen to every call that a particular adjuster did that day.

For independent/contracted adjusters out in the field, Calibus has developed an upload tool to provide insurance companies with the ability to combine all of their digital claims recordings, whether done internally or externally by contracted companies, into one database. The Calibus upload capability allows external adjusters/interviewers to record interviews "on the street" and then upload them to the Calibus database using a secure web portal. Independent adjusters can use any handheld recorder that can download a recording into a .wav file format onto their computers.

The upload process is very simple to use: Access the secure web portal, enter in the information into the portal to be tied to the recording, mark the "Upload" existing file checkbox, identify the file and hit submit. The file is then uploaded into the Claims Recording Database and is then available to pull in the reporting website. Calibus offers insurance companies the ability to switch to a hosted solution without having to invest heavily into an internal recording solution. By using our hosted solution, customers forgo having to invest in hardware, software, site licenses, continuous upgrades, storage facilities and dedicated IT support. We handle all of that for our customers, and get a recording solution in place within weeks. Other benefits of using our solution are immediate access for playback of the recorded statement, back up redundancy of the digital .wav file for security purposes, enhanced call tracking and data analysis, ability by managers to quickly review calls and provide coaching easily, and customizable report capabilities. For 2011, .94% of our total revenue was derived from Call Recording services.

Voice Message Broadcasting (VMB)

Our web-based voice message broadcasting solution has the ability to contact hundreds to thousands of people in seconds. We can create dialing parameters based upon dialing lists, the message to be sent and the times to call out on, which can be adjusted to fit time zones across the nation. Customers can broadcast caller id and change and record their message in a matter of minutes.

Our voice message broadcasting programs can assist in:

- Retail Sales Alerts
- Thank You Messages
- Direct Customers to your Website
- Relationship Calls – Happy Birthday, Anniversary, etc.
- Political Campaigns – Get out to Vote
- Customer Loyalty Campaigns to Repeat Customers
- Meeting/Conference Notifications

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- Fundraising
- Sports Team Advertising
- School and Emergency Notifications

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Calibrus Click-To-Call Services “ClickTalk”

Calibrus “ClickTalk” service allows customers to put a button or icon on a website or web-listing that will allow customers to contact others by telephone automatically and anonymously. The “ClickTalk” functionality has a variety of uses:

- Call Tracking
- Lead Generation
- Save Sales on Cancellations
- Online Phone Surveys
- Real Estate Listings

When someone presses the Calibrus “ClickTalk” button a pop up appears so that they can enter their phone number. Once a phone number is entered and they hit the submit button, the Calibrus system places an outbound call to them and once they have answered our system places a second call to a pre-programmed number and connects you with the customer. Currently we are not providing any click to call services.

Call Center Services

Calibrus, Inc. has been delivering call center services since 1999 to large and small businesses. Calibrus live operator agents can provide call center services to customers who want to grow their business or handle temporary, seasonal or overflow volume.

Several call center services Calibrus can provide are:

Outbound	Inbound
Cold Calls	Customer Support/Help Desk
O u t b o u n d Telemarketing	Order Taking/Fulfillment
Phone Surveys	Answering Service
Lead Qualifying	Sales Verifications
Direct Mail Follow up	Seminar Sign-up
Fundraising	
Political Campaigns	
I n t e r n e t S a l e s Verifications	
Collections	

For 2011, the Company was running one Customer Support program for a customer in the healthcare

industry. Revenue related to this program totaled \$4,626.

SpeechTrack.com

Calibus has developed a hosted call recording utility that anyone can use from any phone. Through the SpeechTrack.com website anyone can record a phone conversation whether they are at work, home or on a cell phone. SpeechTrack enables phone conversations to be recorded easily, and securely, at a low per minute cost. SpeechTrack is an ideal solution for any individual, independent professional or small business owner. SpeechTrack is a hosted solution that requires no hardware or software to be purchased. SpeechTrack can also be used for dictation purposes. Customers can access their recordings online on SpeechTrack's secure website. Customers can add notes to the recording file to keep track of their calls and they can also download the recordings to their computer. Our plan is to market SpeechTrack.com to small to midsize businesses and individual professionals through several different marketing channels, including internet advertising, radio ads, forums, blogs and traditional print media.

Businesses and individuals use SpeechTrack for:

Staffing and Training
Protection/Disputes/Resolution – Prove “who said what” in a dispute
Confirmation of Agreements or Document Replacement
Compliance
Best Practice/Advice or Instructions

SpeechTrack users use our service for a myriad of purposes. Below is a partial list of just some of the types of independent professionals/small business owners that may utilize Speechtrack.

Attorneys
Accountants
Contractors/Vendors
Doctors
Executive Coaching
Service Providers
Sales Professionals
Private Investigators
Project Manager/Coordinators
Insurance Agents
Mortgage/Financial Brokers
Conference Calls
Market Researchers

Technology

Using software based PBX (public exchange system – best known as a telephone switch), ACD (automated call distribution), network equipment, data storage arrays, and servers; we have developed object oriented software application building blocks and relational databases. Because we record every verification conversation digitally, our system allows clients to be actively involved in monitoring and managing our services through secure Internet sites, VPN (virtual private networks), and dedicated point-to-point connectivity. By allowing near real time review of data and verification conversations, this infrastructure allows our clients to actively participate in the management of their programs. We virtually eliminate data errors because the majority of the data is transferred electronically.

Redundancy and Safeguards

Calibus has worked diligently to provide the necessary redundancy and disaster recovery requirements to our clients. We offer a number of safeguards for our clients including separate power generation units in the event of a failure by the utility; we have UPS's (uninterrupted power supply) for all network and telecom equipment; we have a UPS on every agent station and our system up-time was over 99.9% for the last two years. For telecom access Calibus utilizes two separate long distance providers that both have multiple access points into the Phoenix Metro area. One telecom company provides the primary number while the second provides the back-up number to prevent any downtime that could arise in a particular company's network.

Calibus' facilities, equipment and technology are structured to ensure uptime and eliminate the worry of fiber cuts which could disrupt our business. Since Calibus is connected to the telecom's network, we are able to install additional T1's or PTP (point-to-point) data circuits on a significantly reduced timeframe. It is common to have new

circuits delivered and functioning within 10 business days, much quicker than the 30-45 business days most companies will receive. Calibus uses multiple telephone switches, firewalls, routers and networks; and have automated tape back-up guards against data loss, corruption and down time.

The Company's technology is capable of receiving and interpreting automatic number identification information. Calibrus can then use this information in conjunction with our computer telephone integration functionalities for reporting and indexing functionality.

Security

Calibrus understands the need to protect data belonging to our customers. With that understanding, we have developed strict guidelines to protect customer information. Controlled access to data centers, physical security measures, and strong passwords on all network equipment ensures that only authorized personnel can gain entrance to sensitive areas and protects Calibrus' internal vulnerabilities. Firewalls, Access Control Lists and VPNs ensure that data is safe from external vulnerabilities.

We do offer several levels of securing access to our client's data, as it can vary from client to client. With the web based utility that some clients utilize we offer password protection and unique individual logins that can be completely controlled and maintained by the client by a custom interface, which can also be password protected, if necessary. Some of our clients find that task to be burdensome due to their number of agents and managers. For those specific clients, if they are coming through a proxy, we can limit access to the websites, both agent entry and to trusted internet protocol. This would limit the access to only those that are coming through the company's client side channel to the Calibrus website.

Reporting

Calibrus custom builds all reports to suit our client's needs because we have found that the information that each customer requires may be different from the information required by another customer. All telephone switches are centralized in our server databases and therefore, we can easily relate customer data with call data. As a result, we can custom build reports to the specifications of our clients and provide the data in any format to the client: Excel, fixed length and comma delimited, and deliver it in multiple ways, such as through a website, Web Service, e-mail, connect direct or FTP (file transfer protocol). We build all return files to client specifications and can deliver them at the times the client requests.

Regulations

Third Party Verification is mandated by both the FCC and State PUC agencies. Third Party Verification is the confirmation of a customer's order by an independent third party. This process protects both the customer and the company selling from fraud and slamming/cramming of products onto their lines. Once the sale has been made the customer is transferred to an independent Third Party that will read a pre-determined script to which the customer will answer yes or no.

In 1996, the Federal Communications Commission, FCC, enacted the Telecommunications Act which forced the Regional Bell Operating Companies to open their lines to competition. Accordingly, they were required to allow competitors to lease their lines and provide service to customers at a rate set by each individual State's Utility Commission. This was to promote competition and help new competitors compete with the large corporations on a level playing field.

This led to another phenomena called slamming, customers being switched from one company to another without their approval, and sometimes without any knowledge whatsoever until they received their bill.

In response to this, legislation was enacted that required companies that were changing a customer's Dial Tone or Long Distance to their services would have to first obtain the customer's approval in one of three ways.

- A written and signed Letter of Authorization indicating that customer agrees to the change.
- An automated or live agent independent third party that the customer is transferred to for the verification.
- An electronic Signature on an electronic Letter of Authorization, usually done on websites.

Calibus fulfills the second requirement, providing both automated IVR, and Live Agent Third Party Verifications Services for our clients. Third Party Verification though intended to be a protection for the customer, is also a protection for the company initiating the switch as well. The necessity for TPV prevents companies from switching customers without their approval, and it also prevents a customer, or another company, from alleging that the company switched a customer without their approval. The protection that TPV provides for the company is critical as the fines levied by the FCC and the State PUCs can run in the millions of dollars and also include the loss of the ability to sell telecommunications products in a specific area.

Even though Calibus acts as a Third Party Verification provider, Calibus is not directly subject to any regulations. The service or process that we provide for our clients does have several defined rules and regulations that must be followed. For example, scripts that are implemented and used in both our Live Operator and IVR/VRU TPV services must be read verbatim to the customer. There are certain pre-defined questions that must be asked to the customer and certain types of information must be gathered from the customer in order for the TPV to be verified. The FCC and each State PUC has varying requirements in regards to the information that must be communicated to the customer and the information that must be captured. In addition, there are record keeping requirements for both data and voice for each Third Party Verification transaction. Whether the TPV is conducted by a Live Operator or IVR/VRU TPV there must be a voice recording of the customer responding to the script and the data that was captured during the transaction must also be recorded. The voice recordings and associated data must be archived and made available for up to thirty six (36) months.

Competitors

Calibus faces numerous competitors both within and outside the United States. Many of Calibus' competitors are much larger and better financed. The only barrier to entry in Calibus markets is sufficient start up capital to buy initial equipment and such costs are not substantial. With the low barriers to entry, Calibus faces competition from a large number of competitors with similar capabilities. Most call centers, both inside and outside the United States, either have similar technology or could develop similar technology. We initially were able to stay ahead of competitors by having a low cost business model but many competitors have reduced their costs to be similar to our costs. As such, the competition for customers has become more competitive.

Some of Calibus' competitors include VoiceLog, now owned and operated by BSG Group, 3PV and Data Exchange. Although these are some of the larger competitors there are a substantial number of competitors of similar size to Calibus that we compete against. Calibus competes with these competitors for business by offering superior quality of service that is reliable and low cost in the market. Even with quality of services that we believe we offer, competition in our industry generally comes down to pricing. As such, there is constant pressure on margins and the need to keep costs low to be able to effectively compete in our industry.

Concentration of Customers

As the number of telecommunications companies has decreased, we have seen a concentration of revenues coming from two primary customers. In 2007 AT&T Communications and Cox Communications exceeded approximately eighty percent of our revenues for the first time. In 2011 Frontier Communications experienced a high volume and

revenue increase due to their acquisition of 13 Verizon states land line operations. As a result of this they have decreased our concentration in AT&T and Cox. Currently nearly eighty percent of our revenues are still derived from three customers. For the years ended December 31, 2011 and 2010, AT&T Communications accounted for 50.6% and 68.1% and Cox Communications 16.7% and 16.6%, respectively, of our revenues. Frontier Communications accounted for 15.0% and 1.5% in 2011 and 2010, respectively. This revenue is derived from our TPV business. If we were to lose one of these customers before our other business lines start generating more revenue, it could have a detrimental effect on our ability to stay in business. We are actively moving away from the TPV business being our primary operations and are hopeful that we will be able to reduce our reliance on these customers. We made the decision to diversify our product offerings based on our belief that consolidation in the telecommunications industry has reduced the number of telephone customers changing carriers. As such, the need for third party verification has decreased. We believe there will continue to be customers changing phone carriers but as the number decreases the revenue we receive from our third party verification business continues to decline. We believe it is prudent to seek other sources of revenue.

Our contract with AT&T expired on December 31, 2009. We signed two short-term contract extensions with modified pricing through March 2010. On April 8, 2010 the Company signed a new contract with AT&T. The contract sets forth our pricing terms and provides the conditions on which we are to provide service to AT&T including that our services are deemed performed when provided. AT&T renewed the contract for a one year period in 2011. The renewal included a 2.5% pricing discount per the terms of the original contract signed in 2010. The Company also signed a new contract with Frontier Communications in May of 2011 which was done in conjunction with Frontier's acquisition of 13 Verizon State landline operations.

Calibrus Social Media Products and Services - JabberMonkey.com and Fanatic Fans

Fanatic Fans

In the second half of 2010 we commenced development of a location based social networking application for smart phones called Fanatic Fans. The Fanatic Fans application has been live on the Apple App Store and Android Marketplace since April of 2011.

Fanatic Fans informs fans about upcoming live events in the Sports and Music industries by giving users the ability to interact with live events, share their experiences, and earn rewards for attending live events. Users can browse a calendar of upcoming events which can be segmented by region and artist. Users can get detailed information on the event and discuss the event with other fans. While at an event users can share their experiences with social networks Facebook and Twitter, and communicate with other people at the event. Users can unlock virtual awards and earn virtual points in recognition of attending events. Within their profile users can browse and view the items they have unlocked and receive news on their favorite artists. Finally, users can redeem their virtual points for food/drinks, apparel and purchase event tickets in the application award section.

Fanatic Fans rewards fans for their support of their favorite sports team, music artist or band. National and local businesses market to fans that attend the events by listing promotions (goods and services) on our application. Businesses list their promotions (i.e. After the Diamondbacks Game Come to Hanney's Restaurant and Receive "One Free Beer" or "50% Off any Appetizer!" Redeem for 50 Points) and users can view and redeem these promotions and offers that are specific to their interests. Fanatic Fans offers contests and provides recognition to the most Fanatic Fans.

Functionality

When a user is at an event the app automatically determines the event their attending using the phones GPS. The user is able to view information on the show including a list of the artists performing at the show. There is a forum that users can make comments about upcoming events which also allows fans to interact with one another while at the show. Comments made by users can go directly to Facebook and Twitter if the user choose to link their Fanatic Fans account. While attending an event users can check in. By checking in the user will unlock a virtual award which can also be published to Facebook and Twitter. Users also earn virtual currency by checking into a location. After checking in the user will return to the comments page where they can continue to read and add comments about the show.

When users are not at a show they use Fanatic Fans to locate upcoming shows. They browse a calendar of all upcoming shows and sort by location and the artists that they follow. Users get information on the show including; time, location, and performing artists. Users can view tips created by other members and add tips of their own. Finally users confirm that they are going to attend an event and tell their friends by publishing to Facebook and Twitter.

Fanatic Fans features a profile page which allows users to view their past activity within the app and receive news updates on their favorite artists. They are able to view all of the awards that they have unlocked, and all the shows that they have attended. They also receive the latest news posts of some of their favorite music artist. Finally, users can adjust their personal settings from their profile including which artists they wish to follow, their home town, and their Facebook and Twitter account information.

Basic Functionality of Fanatic Fans

Check into an event

Get information on the event

Communicate with other fans at the event using a messaging board

Post comments, pictures and videos

Post comments, pictures and videos to Facebook and Twitter

Unlock virtual awards

Earn virtual points and badges

Look up upcoming events in your area, and entire tour schedules of your artists

View all your awards and your rank among other users

Redeem your points for goods

Vendor/Business can list promotions for users to redeem Fanatic Fan virtual points

Buy tickets to live events through a third party

Fanatic Fans Website

Live event content that is posted from users using Fanatic Fans is available to view on the Fanatic Fans website. Comments, pictures and videos uploaded to the Fanatic Fans app by fans using their mobile phone attending live events are instantly saved on the FanaticFans.com website. Users can watch videos, view pictures and see what people are saying about live sports or music events in real-time. As fans express and share their excitement users can join in and make comments, upload pictures and videos before, during and after the live event and share to Facebook and Twitter.

Additionally, on FanaticFans.com website users can view a complete listing of discount offers by merchants on food, drinks, merchandise and tickets. Users can check out all upcoming sports and music events in their area and other cities around the nation and review all of their live event comments, pictures and videos in their profile page.

Fanatic Fans Facebook Application

The Fanatic Fand Facebook application allows sports and music fans to view user generated content and experience the live event on Facebook using the Fanatic Fans Facebook app. Fanatic Fans Facebook app allows Facebook users to access all live event sports and concert content without ever having to lea