

# BarterQuest<sup>®</sup>

Trade what you HAVE for what you WANT<sup>™</sup>

## WHAT IS BARTERQUEST?

BarterQuest ([www.barterquest.com](http://www.barterquest.com)) is a website that supports the cashless exchange of goods, services, and real estate by individual consumers.

## WHEN WAS BARTERQUEST FOUNDED AND BY WHOM?

BarterQuest was founded in July 2006 by Bianca Han (Executive Vice President, responsible for Web design), Dr. Paul Bocheck (President, responsible for technology), and Michael Satz (CEO).

The website was launched on December 11, 2008.

## HOW DOES BARTERQUEST WORK?

Every trade consists of:

- An offer
- An acceptance
- A confirmation of the trade by the user who made the offer

After registering, you are encouraged to post the items you have and the items you may want in exchange. Registration is not necessary to browse the site, but you cannot trade without registering and posting an item you have. When you link have with wants, our Matching engine can instantly match you for potential trades. Whether you find a match or not, you can make unlimited offers with the same item and make offers for multiple items. You can communicate with your potential trading partners privately or publicly. Once your trade is confirmed, you are responsible for the timely delivery of your item. Users provide feedback on their trading experience and are rated on their performance.

To encourage people to visit our site and enter the world of barter, BarterQuest is a free site. There are no registration fees, no membership fees, no trading fees, and no listing fees.

## WHY BARTER?

### Barter saves you money

By its very nature, barter requires no money. You can acquire items you want or need without paying cash. Trading also saves you money by immediately lowering your transaction costs and, in some cases, can provide significant tax advantages to buying and selling.

During times of financial crisis, consumers and businesses have a stronger incentive to obtain what they want through a cashless execution. It's back to the cave, where barter was the earliest form of commerce.

### Barter is "green"

To trade is to conserve our resources through the redistribution of goods. Barter acts as a counterpoint to the disposable economy.

### Barter is fun

Trading can be a lot more fun than mere buying and selling. As a form of negotiation, barter provides

## WHY SHOULD YOU USE BARTERQUEST AS YOUR TRADING SITE?

Many current trading sites such as Craigslist function as electronic bulletin boards where users must sort through listings of haves and wants without any real guidance as to what may represent an attractive trading option.

BarterQuest has developed proprietary, patent pending technology that instantly matches the haves and wants of one user with the haves and wants of another. Our Matching engine acts as a compass, allowing the user to navigate a large number of trading alternatives to find their best trade. Furthermore, our technology significantly increases the probability and quality of a match by enabling trades among several users, or multi-party trades. We believe this technology is essential to any large scale trading platform designed to overcome the practical obstacles of finding and completing trades.

In addition, many barter sites are limited to trading certain types of items, for example, books for books or timeshares for timeshares. BarterQuest supports the exchange of all types of items and, as a result, opens up your possibilities.

Finally, other sites that support barter are limited geographically. BarterQuest is both local and

## **OTHER QUESTIONS ABOUT BARTERQUEST**

### **Are there any disadvantages to bartering?**

At times, potential users question the “credibility and trust” of bartering. How do you know you will get what you bargained for? This is no different from the cash market. In fact, eBay paved the way for consumers to trust the Internet. The consumer is in fact satisfied in the vast majority of transactions.

Furthermore, BarterQuest employs several features that seek to optimize the trading experience such as a User’s Rating system.

### **What items are found on our site? Have there been any interesting trades?**

Items range from typical goods including CDs, DVDs and books to the more unusual, such as paintings and designer coats, and the services of chefs, jewelers, and bartenders.

In operation for only three months, BarterQuest has facilitated several unique trades including a three way trade involving Web design services, interior design services and a Netbook Pro. Other examples include the exchange of a limited edition, signed volume of a sci-fi classic for a designer handbag and a diamond necklace for an iPod.

### **Does BarterQuest have plans to expand?**

BarterQuest announced 100,000 visitors within the two months following its launch. The site is experiencing triple digit increases in first time visitors, with a 570% increase from the first month of operations to the next. There are more than several thousand registered users and the number of items posted on our site is growing rapidly.

Future expansion plans will involve the following:

- **Features:** Additional features will be added that make the site more user friendly (for example, on-site shipping).
- **Geography:** Although already an international site with users from Korea to Germany, we will design user interfaces that respond directly to language and culture.
- **Utilization:** We expect that as the number of items posted on the site grows, the number of users will also accelerate. Over the next few years, we are dedicated to the creation of a market populated with millions of users who have millions of items to trade.

### **How long will the site remain in beta testing?**

While BarterQuest may remain a beta site for the indeterminate future, it is in fact working in all material respects. The matching and trading engines have been completed and successfully tested.

## CONTACT INFORMATION

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