



## *HEARD IN THE JUNGLE*

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**Good news keeps coming to the jungle!** Chris Kelley opened his 4<sup>th</sup> Gorilla Games Store in Deerfield Beach, FL last week. Current projections indicate we will have 10 stores open for the Holiday selling season this year. We do reserve the right to increase that projection!

Recent weeks have brought console price reductions and that will boost the current trend of multi-console ownership and expand our market once again. We anticipate a good 4<sup>th</sup> quarter in our industry even if the general economy is still sluggish.

Video games offer the lowest cost-per-hour of any entertainment option. Combine that with the expanded demographics and we have a very strong market.

In many conversations with prospective Gorilla Games Store owners we frequently talk about whether or not we should enter a market already being served by a GameStop. We do not really look for markets that do or do not have one of their stores. We look for markets that have 25-40k min. people not being served. That would include a market of 50k with only one GameStop store in it.

GameStop has several differences from our stores. The casual observer may not know this and that is why I will address it here. GameStop pretty much owns the market right now when it comes to video game specialty stores. They have over 5,000 stores and have a very successful business model. It is not as hard to succeed when you do not have competition in the majority of your trade area.

1. GameStop does not deal in classic (retro) games, we do.
2. They rarely hold tournaments in their stores, we do.
3. Their loyalty program does not include discounts on pre-played consoles, ours does.
4. They do not resurface the used games they place into their inventory, we do.
5. Their stores are 100% corporate-owned, ours are independently owned.
6. Their stores have no flexibility on pricing, our owners do.
7. You cannot try a game before you buy it in their store, you can in ours
8. They do not perform disc repairs in their stores, we love to do it.
9. Customers get their “canned” store experience, we give a personal experience.

We are already performing well in the same markets. This is not to say that being able to enter a market that does not offer a trade option is not desirable. There are still very many market of the size mentioned above and larger that have no specialty video game stores and that represents a great opportunity as well. If you have an area in mind just give me a call and I will do some research to evaluate the viability of a new store. **If you have a winning attitude you will win!**

I am going to let you in on a little advance information. I mentioned Chris Kelley's 4<sup>th</sup> store opening above. Well if that's not enough, he is just a couple of weeks away from launching the first Gorilla Games Mobile Unit. I'll give you a peak at the van now and will give you more details in the very near future.



**PARTY MY HOUSE VERY VERY SOON!**

#### Gaming Industry Stock Watch

Company	Symbol	9/28/2009	9/14/2009	52 Week High	52 Week low	% Change
Dow Index	IND	\$9,665.19	\$9,598.08	\$11,790.17	\$6,469.95	0.70%
<b>Game Producers:</b>						
Majesco Entertainment Co., Inc	COOL	\$1.47	\$1.88	\$2.39	\$0.36	-21.81%
Electric Arts Entertainment, Inc.	ERTS	\$19.46	\$18.18	\$39.77	\$14.24	7.04%
Ubisoft Entertainment SA	UBSFF	\$20.00	\$19.10	\$80.35	\$14.00	4.71%
Konami Deposit Receipt	KNM	\$20.06	\$20.75	\$26.64	\$12.77	-3.33%
Activision Blizzard, Inc	ATVI	\$12.37	\$11.83	\$16.48	\$8.14	4.56%
Netease.com, Inc.	NTES	\$44.37	\$43.46	\$48.50	\$15.00	2.09%
THQ, Inc.	THQI	\$7.08	\$6.01	\$12.75	\$2.23	17.80%
Take Two Interactive Software, Inc.	TTWO	\$11.25	\$11.58	\$16.43	\$5.56	-2.85%
<b>Retailers:</b>						
GameStop	GME	\$26.04	\$24.70	\$38.42	\$16.91	5.43%
Hollywood Video/Game Crazy		N/A	N/A	N/A	N/A	N/A
<b>Consoles and Components:</b>						
Immercion Corp.	IMMR	\$4.29	\$3.77	\$6.35	\$2.31	13.79%
Microsoft, Inc	MSFT	\$25.55	\$24.86	\$27.66	\$14.87	2.78%
Nintendo Deposit Receipt	NTDOY	\$33.22	\$34.25	\$67.65	\$31.15	-3.01%
Sony	SNE	\$29.43	\$27.27	\$35.52	\$15.64	7.92%
<b>Accessories:</b>						
Mud Catz Interactive, inc.	MCZ	\$0.38	\$0.44	\$0.61	\$0.15	-13.64%
Game Index		\$254.97	\$248.08	\$419.52	\$153.33	2.78%

**Note: Some of these companies are heavily involved in products other than game related ones.**