

December 21st, 2015
Roseville, MN



To Whom It May Concern,

Related to our recently announced wholesale terms and policy changes, some questions have been raised by stakeholders such as yourself. On behalf of Asmodee North America, we're happy to provide you some additional context to those changes and clarify several areas.

It is important to underscore that, above all, Asmodee and its publishers are dedicated to creating and publishing great games, and to expand the audience that enjoy these experiences. Our vision is one of mutual success of each participant: publisher, distributor, retailers (of every channel), and, most importantly, the game consumer. We believe our new business terms and policy changes are a significant step in achieving such mutual success.

Why are you making these sudden changes?

While they may appear to be sudden, these policies have been under development for a very long time, and considered carefully. They are intended to allow for success in the channels of sale where our products are represented: success that is not attained at the expense of other channels that provide crucial value to the overall health of the industry and our business.

To that end, we have decided to cleanly define and authorize the channels of sale in which our business partners (distributors and retailers) operate, so that we may a) ensure that consumers receive a quality experience in acquiring our games, and b) ensure that the risk, value, and investment of every channel, relative to others, can be successful.

We believe the current ecosystem of specialty retail and online retail is important to the health and growth of the gaming hobby. Without taking corrective action, we believe this ecosystem would be in jeopardy, which ultimately would affect the quality of game development and the investment in great consumer experiences.

Did you invent this approach?

The practice of product originators authorizing outlets and defining expected behavior in its product distribution chain is well established in many industries and common in high-end and niche product categories.

I don't frequent local game retailers, why are they important?

We believe that business partners whom provide services and investments that we value, relative to others who do not, should receive proportional value from us so that they may succeed in such activities. In comparison to, for example, the online channel of sales, specialty retailers make investments in areas we consider critical to the health and growth of the gaming hobby, such as in-store gaming events, demonstrations, tournaments, and other organized play facilitation. These outlets are a crucial part of an ecosystem that retains and generates players. In turn, this allows publishers to engage and invest in game development. As such, these services are of value to all game consumers, even consumers whom do not personally participate or take advantage of local specialty retailers.

In the future, will I be able to find products from Asmodee North America (i.e. products from Asmodee Editions, Fantasy Flight Games, or Days of Wonder) online?

We are keenly aware and we understand that not all consumers have access to, or that some prefer not to take advantage of, specialty retail game stores. Online shopping is a modern and convenient method of shopping, and Asmodee is committed to keeping this channel a viable and high-quality method of product delivery to consumers.

We intend to work with a number of exceptional authorized online dealers. We are confident that consumers will easily be able to find and acquire our products from a variety of online outlets.

Some brick-and-mortar specialty retailers also sell online, how will this affect them?

We recognize that these new policies come with implications for some retailers. One such change will be that authorized specialty retailers will agree not to sell Asmodee North America products online. That said, we hope the end result, i.e. enabling us to support them relative to other defined channels, will be a significant net improvement for specialty retailers overall.

Will Asmodee North America change any consumer engagement practices of publishers, such as the FFG World Championships, AsmoPlay, Gen Con booth and events, publisher websites, etc?

No, consumer engagement from publishers is expected to continue as has been done in the past, and all the above are expected to continue (in fact, we will be investing to make these efforts even greater). Our publishers represent different brands, gaming styles, and audiences, we have no interest in mixing them or forcing them into a single brand, message, or culture.

How will this affect mass market outlets, such as Amazon, Target, or Barnes and Noble?

We consider the mass/broad market to be its own unique channel of sale, one we want to be successful in its own right alongside our other successful channels of sale.

Many specialty retailers have in-store loyalty or volume discounts, and many online dealers discount their product. In the new policies taking effect on April 1st, 2016, will you institute or impose official price floors or "minimum advertised price" policies on your authorized retailers?

No.

Change is never easy, rarely popular, and we understand that some will dismiss such corporate change as cynical and self-serving. We believe to be making a change that will not only be positive for us, but will be positive for our business partners, for player growth, and for future development of gaming product with increasing quality and imagination.

Best Wishes and Happy Holidays,

Aaron Elliott
VP Marketing
Asmodee North America