

## **FLASH SEATS™ ACQUIRES VERTICAL ALLIANCE™ INC.**

### **Combination of Flash Seats and Vertical Alliance technologies creates most advanced end-to-end primary and secondary ticketing platform in the industry**

CLEVELAND - November 5, 2007 - Flash Seats™, which revolutionized the secondary ticketing marketplace via paperless electronic ticketing technology and integrated relationship marketing tools, has acquired Dallas-based Vertical Alliance, which offers the most advanced primary ticketing solution available. Combining Flash Seats' secondary ticketing with Vertical Alliance's primary ticketing technology creates the most advanced end-to-end ticketing platform in the industry.

Flash Seats enables teams and entertainment venue operators to harness the entire value of their secondary (resale) market. Venues and teams are expected to gain revenue streams in the seven figure plus range, the ability to conduct world-class relationship marketing by building rich behavioral profiles on ticket buyers, while offering the buyer the convenience of electronically transferable, paperless venue access. With a secure, team or venue-branded online secondary ticketing marketplace, customers can buy, sell or transfer their tickets electronically to others in real-time.

Vertical Alliance allows teams and venues to harness the entire value of the primary ticketing (initial sale) market via technology that integrates ticketing, customer relationship marketing, merchandising and e-commerce within a single platform. Teams and venues have a branded primary ticketing system that uses the team's website, touch screen box offices, retail kiosks and call centers. A single database containing ticketing and customer information helps teams know their clients, enabling them to deliver tailored marketing offers directly to their customers.

"Integrating Vertical Alliance's primary ticketing solution with Flash Seats' secondary marketplace technology allows us to offer our clients the most robust, end-to-end ticketing solution in the industry," said Sam Gerace, CEO of Flash Seats. "This acquisition adds value to team and venue operators and also enhances the fan experience. Teams and venues can control their entire ticket economy, primary and secondary, and maximize the lifetime value of the fan," he continued.

"Flash Seats and Vertical Alliance technologies enable teams and venues to know precisely which fans attend which event. By integrating this function across primary and secondary ticketing sales, sports teams and entertainment venues will have a unified fan profile which will enable them to deliver tailored offers based on the entire range of a customer's past attendance and experiences."

"This also greatly enhances the fan experience, as fans can safely buy, resell or transfer tickets electronically, in real time," Gerace added. "The primary ticketing user will now

have the added convenience of paperless access to the venue using Flash Seats technology. The secondary ticketing user will have the benefit of Vertical Alliance's automated will-call technology and retail kiosks, which provide an added convenience for remote sales and customer service support.

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Flash Seats' revolutionary technology eliminates the need for the public to have a paper ticket for venue access. Ticket information is instead electronically embedded on the magnetic strip of a credit card or driver's license. Flash Seats users enter the venue through specially marked gates by presenting their credit card or driver's license, which is then swiped through a hand-held device that prints a receipt that identifies the seat location. The convenience allows these fans fast, easy access into the arena without worrying about forgotten, lost or stolen tickets. Eliminating paper tickets also is good for the environment.

By using the online Flash Seats account, ticket holders also can transfer their electronic ticket(s) to family members, business associates or other parties on the Internet by simply entering the e-mail address of the intended recipient, who then receives an electronic version of the ticket(s). Seat transfers are almost instantaneous, so can be made very close to game time.

"Flash Seats offers the most fan-friendly, paperless ticket distribution system available and Vertical Alliance has a highly effective kiosk solution for remote sales and automated will-call," Gerace summarized. "Very quick integration will enable us to offer Flash Seats electronic ticketing as a primary delivery method and to use Vertical Alliance kiosks for purchase and customer service, resulting in improved operating efficiencies and unified fan support and service."

"Teams and venue operators will now have one integrated platform for primary and secondary ticketing, which means they can build a complete fan profile that maximizes the lifetime value of the fan through true relationship marketing. The net benefits to using both are increased revenue streams and greater operating efficiencies, while building stronger client loyalty and creating a much better fan experience," he concluded.

Flash Seats is owned by an investor group led by Dan Gilbert, Chairman and Founder of Quicken Loans, the nation's largest online home lender, who is majority owner of the NBA's Cleveland Cavaliers and operator of the Quicken Loans Arena in Cleveland. Additionally, Gilbert is majority owner of the American Hockey League's newest franchise, Cleveland's Lake Erie Monsters, and Fathead LLC, which makes life-sized vinyl wall graphics of popular sports figures and entertainment characters.

Flash Seats currently provides secondary ticket services to the Cleveland Cavaliers and Quicken Loans Arena. Vertical Alliance clients include the Houston Rockets, the Houston Toyota Center, Boise State University and Texas A&M University.

For more information about Flash Seats, visit [www.flashseats.com](http://www.flashseats.com). For more information about Vertical Alliance, visit [www.verticalalliance.com](http://www.verticalalliance.com).

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