

US Fantasy (USF)

Daily Fantasy Sports Contest Improvement Points



We believe the regulated efficiency within the pari-mutuel systems is a far more suitable platform for Daily Fantasy Sports than the contest models adapted by Fan Duel and Draft Kings for the following reasons:

1. **EASIER SELECTION PROCESS.** USF greatly reduces field sizes allowing for more accurate and skillful athlete selections. Using a typical team selection example from the Big 2 Daily Fantasy Sports providers would, at least, double the total athletes offered, including athletes that will not play, are injured or have been removed from active rosters.
2. **SIMPLICITY THROUGH PROVEN TECHNOLOGY.** The selection process through USF requires a minimum of one single selection from a manageable field of less than 20 athletes. Compare the USF simplicity with the typical DFS lineup requiring 6 to 8 minimum selections from the entirety of multiple team rosters. Each of the 6 to 8 required positions (fields) can have up to 120 athletes. It is estimated there are over 35 trillion possible unique team selections!!! The flexibility already developed into the pari-mutuel platform allows multi-leg or multiple athlete selections as a normal feature in their systems. USF is specifically designed for use on the time tested, reliable and regulated pari-mutuel totalizator systems.
3. **MORE SKILLFUL, STRAIGHTFORWARD GRADING.** USF proposed contest grading is based on fewer variables than current DFS standards and will appeal to a much broader audience of contestants. Fantasy sports were originally created for, and continue to cater to, stat “geeks” in their daily fantasy formats. Typical fantasy athlete grading requires up to a dozen statistical performance elements using variable additions, subtractions and fractional numbers. The USF model grades on the most obvious positive performance results of the athletes with widely publicized media statistics. Point configurations are simple addition and subtraction using minimal performance elements. We also believe this to be a much fairer and more skillful model.

4. **CONTESTANT DETERMINED ATHLETE PRICING.** USF contestants determine the pricing for athletes through the “auction” inherent in the pari-mutuel systems. This compares to current Daily Fantasy Sports (DFS) operators that assign "handicaps" on the athletes through the use of salary values, much like odds makers assigning point spreads in sports betting. The fixed player valued (salary) in today’s DFS does not change, regardless of the disproportion of play. Again, we believe USF allows a more skillful, transparent system allowing contestants to determine the values through the open entry fee selection process.

5. **CONTEST FAIRNESS-SCRATCHES.** Major league sporting events, primarily baseball, are commonly postponed due to inclement weather. Any roster selections made from the canceled games will, obviously, not gain any points from inactive athletes - virtually assuring losses in the contest. While it is argued that all contestants have the same potential handicap, it clearly disadvantages anyone who has made an inadvertent athlete selection involved in a cancelled event. In addition to weather cancellations, athletes in most sports are regularly and unsuspectingly rendered inactive through in-season trades, coaches’ decisions, injuries and demotions. Unlike current DFS, the pari-mutuel USF system allows for scratches and refunds under these circumstances.

6. **“SHARKS VERSUS MINNOWS” INEQUITY SOLVED.** Daily Fantasy has a significant quandary to their platforms with the allowance of computer assisted play (scripting). The results of the computer assisted contestants have proved quite impressive and substantiate the argument of a skilled contest. However, it reveals the underbelly of the contests as these players flood contests while surreptitiously fleecing less advantaged contestants. Efforts have been made to detect or detract this practice with unreliable results. The larger DFS sites have recently changed policies allowing “scripting”, a clear admission their policing efforts were futile. Draft Kings has publicly admitted to attempts of "matching" their contestants to level the play experience. While noble, it inarguably manipulates the skill aspect of the contest. Pari-mutuel pricing clearly is the best system to mitigate disproportionate play on certain selections through the pooled selection, contestant determined pricing process.

USF was conceived as an entirely new model for skilled fantasy sport contest play with an easy adaption to pari-mutuel regulations.

The concept was developed with the goal of improving the daily fantasy sports experience, enhancing content for established pari-mutuel markets towards a younger demographic and providing an additional revenue stream to licensed pari-mutuel stakeholders.