

Palladium Books

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Date: 8-13-15

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To: Marietta Cash, Trade Practices Consultant, 248-356-5156

From: Kevin Siembieda, President and Publisher

Comments: Attached is our response to Case #10755390,
complaint by Minstrel Cottini.

Kevin Siembieda
Palladium Books Inc.
39074 Webb Court
Westland, MI 48185

August 13, 2015

Marietta Cash
Trade Practices Consultant
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RE: BBB Case # **10755390**

Dear Marietta,

I must disagree with some of the assertions put forward by Mr. Cottini in Case #10755390.

Mr. Cottini participated in backing a Kickstarter crowdfunding project. This entitles him to certain pre-determined *rewards* when the project is finished. We have kept all of our Kickstarter backers informed as to the progress of this project, which has suffered a number of delays from our original expectations. That said, there was never an exact release date (that's not how Kickstarter works; you back a project, not purchase a product), and we have never stopped working to achieve the goals of said Kickstarter-funded project.

As Mr. Cottini should know, Kickstarter projects often deliver promised *rewards* well after their initial estimated dates. Under the terms of Kickstarter, as long as we are actively making this product (which we are; Wave One items have already been delivered, and Wave Two is under active development), and communicating with the backers to let them know where things stand (we have posted 14 Updates in the last six months, in addition to our own weekly e-mailings which often include Kickstarter updates), we are in FULL COMPLIANCE with the Kickstarter rules.

From the Kickstarter Terms of Use at <http://www.kickstarter.com/terms-of-use/oct2012>:

"Kickstarter is a platform where Project Creators run campaigns to fund creative projects by offering rewards to raise money from Backers."

"The Estimated Delivery Date listed on each reward is not a promise to fulfill by that

date, but is merely an estimate of when the Project Creator hopes to fulfill by."

From Kickstarter's FAQ at <http://www.kickstarter.com/help/faq/kickstarter-basics>:

"It's not uncommon for things to take longer than expected. Sometimes the execution of the project proves more difficult than the creator had anticipated. If a creator is making a good faith effort to complete their project and is transparent about it, backers should do their best to be patient and understanding while demanding continued accountability from the creator."

Kickstarter is not a store, and their fund-raising campaigns are not sales nor mechanisms for taking pre-orders. There are always risks, and often unexpected delays and problems. Contrary to what Mr. Cottini asserts, he did not pay for a product. He backed a fundraising campaign for a project whose intention was to create a new product line. In exchange for that support, he is to receive rewards as outlined during the Kickstarter campaign. He received Wave One of those rewards at the end of last year, and we are actively working towards the production of Wave Two.

The rewards that Mr. Cottini has received thus far have a total retail value of \$354.60. The items he is still waiting for have a total retail value of \$267.75. By that measure, he has received about 57% of his total rewards. In terms of the sheer number of game pieces, he has received 69 so far (in addition to one copy of the full game rules, dice, and other accessories; everything he needs to play the game), and has only 31 additional game pieces remaining to be delivered in Wave Two.

In the 27 months since the funding period of this Kickstarter campaign ended, we have posted 87 Updates, an average of more than three per month. There have been 14 Updates in the last seven months alone, one of them showing multiple pictures and breaking down exactly what the status of several games pieces was at the time. And both of these numbers are just those Updates posted on Kickstarter's website itself; they do not include our own weekly e-mailings which often contain Kickstarter campaign updates. Mr. Cottini's claim that we have "...consistently failed to provide updates on current production status," and his claim of our "inability to show proof of any nature that progress on this project has been made over the past year or more," are absolutely untrue.

Mr. Cottini's desired settlement is that we deliver his remaining rewards (again, let me reiterate that he did not pay for a product, but supported a Kickstarter fundraising campaign) by January 1, 2016. We would be happy to do so if it is possible, and in fact we are working toward that goal.

However, we cannot guarantee that we will be able to do so. We don't have a definite date for shipment of the remaining rewards, because the items are still in the engineering and redesign stages of development. I understand that Mr. Cottini is unhappy with this; so are we. But such is the nature of many Kickstarter projects that

aim to create new products. These things take time, and sometimes much more than expected.

In conclusion, Mr. Cottini did not order a product, but rather financially backed a project in exchange for the promise of a reward when the project was completed. He was well aware that it could take some time for the project to be finished. We have kept all of our backers informed throughout this process. He received more than half of his rewards last year, and will receive the rest when they have been manufactured.

We sympathize with his frustration over how long it is taking to deliver the rest of the rewards; we're frustrated, too. But there have been a number of unforeseen challenges with engineering and production on this project, as we have explained to our backers on a number of occasions.

We are working to fulfill our Kickstarter campaign and deliver all remaining rewards to our backers. By Kickstarter's Terms of Service which Mr. Cottini agreed to when he created his Kickstarter account and backed our Kickstarter campaign, we cannot be expected to deliver rewards by a hard or arbitrary deadline.

Sincerely,
Kevin Siembieda
Publisher/Owner, Palladium Books Inc.

