

TecKnoQuest Online Warehouse

Introduction

Over the past ten years, TecKnoQuest has developed a reputation as a leading eBook Retailer. This reputation is strengthened by TecKnoQuest's ongoing commitment to security, openness, and honesty with publishers.

As publishers look to expand their markets for their products in an electronic format, TecKnoQuest is pleased to offer a solution that builds on our solid reputation: the TecKnoQuest Online Warehouse. This solution offers publishers the confidence and security to pursue new distribution relationships with retailers worldwide, secure in the knowledge that the publisher will retain complete control over the availability of the electronic files.

What are the advantages of this concept?

- Digital products (eBooks, MP3 files, software, etc.) are distributed to multiple retailers from one warehouse/location.
- Publishers can sell eBooks from their own website using the same warehouse/location.
- Digital products, cover images and data are updated at just one location.
- Retailers and publishers can take advantage of TecKnoQuest's security features as all eBooks sold are locked and branded at the time of download, and all digital product downloads are logged and monitored.
- Publishers retain the ability to control (turn on and turn off) retailers' access to digital products.

How does this work?

Publishers subscribe to the services offered at the TecKnoQuest Online Warehouse, then approach retailers (or vice versa) interested in distributing products in an electronic format. Retailers will then configure their fulfillment system to access the publisher's collection of files from the TecKnoQuest Online Warehouse. Customers then download the purchased files directly from the TecKnoQuest Online Warehouse.

Publishers who wish to sell their digital products from their existing website can also use the TecKnoQuest Online Warehouse as an easy, secure, and maintenance free fulfillment system.

Publishers update all their digital products to one convenient location.

All downloads are verified using a system of encrypted keys and logged in a database.

What security features are applied to downloaded files?

Using systems already in place at the various eStores owned and operated by TecKnoQuest, all electronic files downloaded from the TecKnoQuest Online Warehouse have two main security features: a) the files are locked to prevent copying of text and images; and b) the files are branded with a unique identifier that is traceable to the customer including account and credit card information (this data is passed to publisher for copyright enforcement as required).

In addition, each download from the TecKnoQuest Online Warehouse is verified using a system of encrypted keys and will be logged in a database. Data collected from each file downloaded consists of information about the retailer and the customer (order number, IP address, date and time, etc.). This data is used in online reports to ensure the publisher is compensated accurately by the retailer.

What features are available publishers?

Publishers are able to authorize and de-authorize retailer's access to the publisher's files. Publishers have access to a variety of reports to monitor the sales of their products from any (or all) of the retailers.

In regards to file management, publishers are given FTP access to the TecKnoQuest Online Warehouse to facilitate the transfer of new titles, reprints, and updated data. Any new files that are uploaded by the publishers are processed by TecKnoQuest and made available to all the retailers. (New and revised files are also automatically made available through all eStores owned and operated by TecKnoQuest.)

What is available to retailers?

Retailers are required to sign a distribution agreement with publishers prior to being given access to the TecKnoQuest Online Warehouse. Retailers can only sell digital products from publishers with whom they have current distribution agreements. Once these agreements are in place, retailers make use of a series of programming methods developed and supported by TecKnoQuest to "connect" to the TecKnoQuest Online Warehouse.

Publishers can choose from two pricing plans - starting at \$2.75 a day.

How much does this cost publishers?

Publishers can choose from one of two pricing plans - both of which include a quarterly fee (due in advance on the first day of the quarter; quarterly fees include all data transfer costs) and a percentage of the quarterly gross proceeds of all sales through the TecKnoQuest Online Warehouse (payment is due quarterly in arrears on the first day of the following month).

Plan A

Quarterly Fee: \$249

Percentage of Sales: 20%

Plan B

Quarterly Fee: \$595

Percentage of Sales: Calculated using the following schedule:

Gross Sales for Quarter	Percentage Payable
\$0.00 - \$9,999.99	4.5%
\$10,000.00 - \$19,999.99	3.0%
\$20,000.00 - \$29,999.99	1.5%
> \$29,999.99	1.0%

How do publishers get started?

Publishers interested in signing up for this exciting new opportunity should contact:

Kevin Davies, President

TecKnoQuest Inc.

Phone: 1-866-330-8818

E-mail: kevin@tecknoquest.com