Palladium Books® Inc.

- Publisher of Role-Playing Games & Books



Palladium Books is a publisher of pen and paper role-playing games and supplements/sourcebooks as well as art books, art prints, T-shirts and other products related to its games. Palladium can be a silly and informal place to work. Blue jeans and T-shirts are the norm and laughter is a common sound. The crazy crew loves role-playing games, books, videogames, comic books, film, theater and television.

The company's stock and trade is what we love best: storytelling, adventure, and getting people to unleash their imaginations via the role-playing game experience. We're looking forward to comic books, videogames and film potentially being in the company's future as Palladium expands into other entertainment markets.

The staff is like *a family* or a band of brothers forged in hardship and triumph. They are serious about their work, but never lose sight of the fun or wonder of it all. For them, it's all about the fans, fun, and creating worlds of adventure that send the imaginations of their audience soaring. Palladium creators understand the people they write for, because they are all fans themselves. Every game and product published by Palladium is designed with the players in mind and places an emphasis on story, characters, fun and what chief game designer Kevin Siembieda calls " *wow-factor*."

"You need to know your audience and write for them, from the heart. It's always about the players, their characters and great stories," says Kevin. "Oh, and fun. We make games. Games need to be fun. I try to make sure everyone at Palladium Books never forgets that. We create dynamic worlds that bring people together in adventures they remember with fondness forever. It doesn't get better than that."

Palladium Books was started in 1981 by Kevin Siembieda, a struggling artist and gamer. The company was launched from his tiny, two-bedroom, Detroit home with a dream, an overactive imagination, and three thousand dollars, half of which was borrowed from a friend's mother. The office was a bedroom, the art and production studio was his dining room and the warehouse was the back porch. The founder, game designer, writer, artist and staff started out as a one man-show, Kevin, with a little part-time help from friends like

Alex Marciniszyn, Erick Wujcik, Tony Falzon and William

Messner-Loebs

The first published product was **The Mechanoid Invasion® Trilogy**, an offbeat science fiction game that came in three parts and became a cult classic. The

Palladium Weapon Series

marked the company's first quiet hit in 1982. The Weapon Series was based in real world history and filled with line art of weapons, armor, castles, stats and information that every fantasy gamer could use regardless of the game system played. The first two books in the series,

Weapons & amp; Armor

and

Weapons and Castles

both sold more than 100,000 copies each, but the

Palladium Fantasy RPG

®, released in 1983, was Palladium's first successful, major role-playing game line. It was also the reason Kevin had started the company. (See more about this under

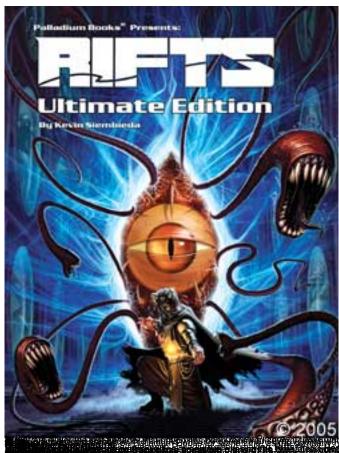
Kevin Siembieda's bio

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One game system, a Megaverse® of adventure



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Chronology of Notable Palladium RPG Releases

- 1981 The Mechanoid Invasion® Trilogy, science fiction. Palladium's first step into the world of role-playing.
- 1982 Weapons and Armor™ series, historical reference for any game system. Historically accurate, several of the books in the Weapon Series have made t into schools and libraries.

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- **1982 Valley of the Pharachs** was Palladium's first and last attempt at doing a "boxed" role-playing game. The game failed to find an audience and was a dismal failure. It is ironic, but today it is a rare and coveted collector's item.
- 1983 Palladium Fantasy Role-Playing Game®, epic fantasy in a unique world setting. Palladium's first use of the soft-cover book format and its first successful game line. Within a few years, the entire RPG industry would follow Palladium's lead and turn to doing soft-cover books. More than 100,000 copies have been sold of the core rule book.
 - 1984 Heroes Unlimited™ RPG the world of superheroes. Another successful RPG. More than 100,000 copies have been sold of the core rule book.
- 1985 Teenage Mutant Ninja Turtles® RPG; Palladium was the second company to see the potential of the Ninja Turtles® and licensed the property for role-playing. It was Palladium's first mega-hit.
- 1985 Justice Machine, a sourcebook for Heroes Unlimited™, it was also Palladium's first licenced property based on the comic book of the same name. Limited to a press run of 6,000 copies, today it is a rare collectible.
 - 1985 The Mechanoids® RPG, a relaunch of the ideas and characters from the cult-favorite Mechanoid Invasion® Trilogy.
 - 1986 Robotech® RPG, science fiction adventure and giant robots. Palladium's second, mega-hit.
 - 1986 After the Bomb® series of adventure sourcebooks set in a post-apocalyptic world that used the mutant animal creation rules in the TMNT® RPG.
- 1986 RECON® Role-Playing Game, a Vietnam era miniatures role-playing game created by Joseph Martin and acquired and redesigned by Palladium Books.
 - 1987 Ninjas & Superspies™ RPG, martial arts fun by Erick Wujcik
 - 1988 Beyond the Supernatural ™ RPG, modern horror.
- 1988 Robotech® on VHS tape. Palladium brings Robotech® II: The Sentinels® (1988), Robotech® New Generation (1990) and Robotech® Southern Cross (1991) to VHS

videotape for the very first time in North America. Fans go wild.

- 1989 RECON®, Revised, Vietnam era combat and adventure.
- 1990 Rifts®, Palladium's multi-genre RPG is an instant mega-hit. The gaming experience is limited only by your imagination. There have been more than 95 Rifts® titles, and most are still in print.
 - 1993 Rifts® Dimension Book series starts with Wormwood, an RPG sourcebook based on the art and concepts of Timothy Truman and Flint Henry.
- 1994 Rifts® Phase World®/Three Galaxies™ series begins with *Dimension Book 2: Phase World*®. It would grow into a popular space opera Mega-Damage setting.
- 1995 Nightbane® RPG is a synthesis of superheroes, horror and Mr. Hyde meets Fringe. The Nightbane are tragic heroes who must turn into monsters to use their extraordinary abilities and to battle the evil Nightlords. Horror, superheroes and dark conspiracy.
 - 1996 Palladium Fantasy RPG®, 2nd Edition, Expanded; the evergreen fantasy line is tweaked, improved and repackaged.
 - 1998 Heroes Unlimited™ RPG, Second Edition, Expanded. A game that allows players to create and play virtually any type of hero and superhuman they

can imagine. One of the most popular superhero games on the market. Cover by comics legend, James Steranko.

- 2000 Systems Failure™, a fun, one-shot RPG that spoofed Y2K. Out of print.
- 2001 After the Bomb® RPG, a new take on mutant animals and heroes in a post-apocalyptic Earth setting where intelligent mutant animals have inherited the Earth.
- 2001 Rifts® Collectible Card Game by Precedence is well received. The CCG is a lot fun and doing well. Sadly, the publisher, Precedence, goes out of business less than a year later.
 - 2003 Rifts® Chaos Earth™ RPG series gives players the chance to experience the Great Cataclysm that created the Rifts® setting as we know it.
 - 2004 Beyond the Supernatural™, 2nd Edition, modern horror and psychic phenomena.
- **2005 Splicers™ RPG**. Think Terminator meets Bio-Shock. In this science fiction setting, the human survivors of an alien world must turn to bio-engineered weapons and armor to battle the insane robot god that seeks their destruction. Heroes wearing living armor battle the machine menace.
- 2005 Rifts® Promise of Power® videogame is released for the N-Gage mobile platform by Nokia. The platform is abandoned in North America shortly after the game's release.
- 2008 Robotech® Shadow Chronicles RPG. After several years, Palladium once again acquires the Robotech® license and re-launches the game line. This is a completely different game than the original incarnation.
 - 2008 Dead Reign™ RPG, Zombie Apocalypse series with a new twist.
- **Present** Most of the game lines are being supported with new sourcebooks as well as other items such as art prints, T-shirts, coffee mugs, and other odds and ends. Palladium Books has the honor of having evergreen titles that have sold for decades.

Plans for the future are ever in motion, but at present they include launching comic books and webcomics based on Palladium's dynamic and famous game settings. The company is also looking for licensing partners to take Palladium's I.P.s into new mediums, including film, television, videogames, novels and more.

A Few Additional Noteworthy Moments in Palladium Books History

1981 - The beginning



From the very beginning, game designer, writer and artist Kevin Siembieda envisioned what has come to be known as Palladium's Megaversal Game System. A set of flexible rules that could be played in any game setting. Once a player learned those rules from any of the game settings he might have started with, he or she could play any Palladium RPG. Each game provided the core rule base, while the flexibility of the rules allowed for modification and additions depending on the specific setting and needs of the characters. This was deliberate, as Kevin saw a rigid set of rules as stagnant and confining. Creating a common rules foundation modified to fit the specifics of a particular setting meant infinite possibilities and a much broader range of stories that could be told. Kevin always liked giving gamers options and the ability to play anything and do anything their hearts desired. This is perhaps most obvious in **Rifts**® and the vastness of the Palladium Megaverse®.

The Megaversal game system was not readily apparent as Kevin had to start slow and small, but it was always the guiding plan behind everything. Kevin often says that starting small was a benefit, as it forced him to learn every aspect of the role-playing game industry. Building the company from the ground up meant learning every job. In those early days, one big failure could destroy Palladium Books, so he had to research and plan with care, squeeze every penny out of every dollar, and be inventive. Even from the beginning, quality product, superior customer service and listening to his audience were of utmost importance. Necessity always being the mother of invention, it helped him to think outside the box, turn to new technology of the time (like soft-cover books), and develop a business plan that was radically different, and ultimately more successful, than many of his competitors. Thirty years later, Palladium Books is one of the two or three companies to stay true to its roots in role-playing games and make it three decades under the guidance of its original founder.

1988 - Robotech® on VHS tape

The first release was Robotech® II: The Sentinels® followed by Robotech® New Generation in 1990 and by Robotech® Southern Cross in 1991; all of which were being released uncut on videotape for the very first time in North America. Kevin knew fans were hungry for Robotech® on VHS, so when the opportunity manifested, he seized it. This was a new venture for Palladium at a time when anime was just beginning to enter into the North American market, making Palladium Books and the success of its

releases on videotape part of the pioneering effort that brought anime recognition to America.

2002 - Rifts® movie option

Palladium signs an option with Walt Disney Pictures for the development or Rifts® as a live action movie by Jerry Bruckheimer Films. At present the option remains in place. Only time and a little luck will decide if the movie becomes a reality. A number of Hollywood film companies have expressed interest in Palladium I.P.s (intellectual properties), so we feel good about future prospects.

2003 - Nokia licenses Rifts®

The Rifts® property is licensed for development as a mobile game for their N-Gage platform. The license results in a wonderful mobile videogame that was ahead of its time and offered 70 hours of play. Regrettably, Nokia's N-Gage platform never found its market in North America, so the N-Gage and the *Rifts® Promise of Power* ® game never took off the way it was imagined.

2006 - Crisis of Treachery

After two and a half decades of thrilling gamers with one dynamic game setting after another, Palladium Books suffered a betrayal that almost put the company out of business. This painful chapter came at the hands of a long-time employee who had been engaged in acts of embezzlement, theft and sabotage that left the company devastated. The revelation was just as crushing on an emotional level, because the perpetrator was a close friend of Kevin Siembieda. He was like a member of the family, present for every holiday, birthday and special occasion, as well as a stalwart employee of 14 years who was liked and trusted by everyone at Palladium. He was one of those people whose trustworthiness was considered beyond reproach. There had been no conflict or falling out, nor hint of a problem that might have led to such treachery. The perpetrator had systematically embezzled money, stolen and sold books by the case load, pillaged collectibles, cooked the books, and engaged in other acts that undermined the company. Estimates of losses were in excess of 1.2 million dollars over a two year period. Palladium is a small, close-knit company that is more like a family than a corporation, so the betrayal hit hard on both an emotional and business level. Things looked grim to say the least.

There seemed to be no hope of recovering the stolen funds or property, and the perpetrator appeared to be destitute; nothing of great value was found at his home by the police. Palladium accepted a small amount of restitution in State Court, paid for by the family of the accused. To take further legal action would have cost Palladium money it didn't have, so on the advice of its attorney, the shell shocked staff turned its focus to keeping the company going.

Then, something amazing happened. A nightmare turned into a miracle when Palladium fans came to the rescue. After exploring all possible options available, Kevin decided to turn to Palladium's fans for help. It was not an easy decision going public with the embezzlement and theft, but it turned out to be a good one. Kevin had mulled the idea around for a while, but decided to make the unprecedented move when a close friend made the observation that Palladium fans would feel let down and hurt if they were not given the chance to help. Over the years, Palladium had built not just a loyal customer base, but a close-knit community of fans and friends. When the word went out that Palladium was in trouble, everyone rushed to help, purchasing special prints and Palladium products across the board. Just as important as the flood of purchases was the outpouring of love and support as thousands began to post testimonials and words of support online. "It was the most incredible thing I have ever experienced," said Kevin Siembieda. "It was a miracle. I cried."

The miraculous fan outpouring helped keep Palladium from closing its doors and soothed the emotional trauma with words of love and appreciation. But there was still much work to be done. The damage to the company was severe, and other losses and challenges yet to come would test everyone at the company. With the help of friends, fans and freelancers, and a lot of hard work, the Palladium staff managed to keep the company moving forward.

2006-2010 - The slow recovery

Some wondered if Palladium could ever truly recover from a wound as severe as the Crisis of Treachery. Indeed, the fallout of the treachery was still felt, yet the creative minds at Palladium refused to give up. Optimism ran high even as the Palladium team faced other challenges, including the collapse of the global economy, changing markets and technologies, the loss of dear friend and collaborator *Erick Wujcik*, the loss of other close friends and family members and, in October, 2010, the unexpected loss of Henry Siembieda, Kevin's beloved father and a friend to everyone at Palladium Books.

Through it all, the company and the people behind it have survived against all odds. Palladium now seems poised on the brink of a renaissance that will be the beginning of a new era of ideas and unchecked imagination.

2011 is Palladium Books' 30 Year Anniversary

After thirty years of triumph and challenges, the company is preparing to resume its place among the leading role-playing game companies. The future seems full of promise.

"There is a palpable energy at Palladium Books these days," says publisher Kevin Siembieda. "A sense that we can do anything we put our minds to, and it feels awe some

. I think fans are going to love what we have in store for them!"

Some Fun Facts

5-7 million people are estimated to have played Palladium Books role-playing games. And that's a conservative estimate. Millions more have heard the name or know about Palladium's games through word of mouth and years of advertising in magazines, comic books, online, etc.

1.4 to 2 million people are estimated to have played *Rifts*. This estimate is based on the *typical gaming group* of 4-6 players plus one Game Master (5-7 people on average x 285,000 core rule books sold). Of course, this is a conservative estimate and doesn't take into consideration casual gamers or those who might have played at conventions, or inherited their big brother's or parents' RPGs.

1.6+ million copies of Rifts® titles, combined, have sold over the years. Some individual titles like Rifts® Sourcebook One, Rifts® Vampire Kingdoms, Rifts® Atlantis

and others, have sold more than 100,000 copies each all by themselves.

100 Rifts® book titles will have been published from 1990-2011. With many more to come. This does not include art prints, T-shirts, miniatures and other products.

270,000+ copies of the Rifts® core rules, alone, have sold to date.

Teenage Mutant Ninja Turtles® RPG core rule book sold more than 180,000 copies. Out of print.

Robotech® RPG, First Edition Rules, core rule book sold more than 150,000 copies. Out of print, though Palladium Books is offering a new generation of Robotech® role-playing games and sourcebooks.

Palladium Fantasy RPG® core rule book has sold more than 100,000 copies.

Heroes Unlimited™ RPG core rule book has sold more than 100,000 copies.

The most copies of a single title ever shipped the first day of release was the **Teenage Mutant Ninja Turtles® Adventures** sourcebook, which shipped just over 16,000 copies day one. A couple of Rifts® and Robotech® titles came close at more than 14,000 copies, but **TMNT® Adventures**

remains the record holder.

The shelf-life of a typical Palladium RPG title is 15-20 years; sometimes longer. We are proud that Palladium RPG products are in demand and stay in print for years.

89% of Palladium's players are male, 11% female, though current trends suggest the percentage of female gamers is rapidly increasing.

Ages 12-40 is our core audience.

Innovations

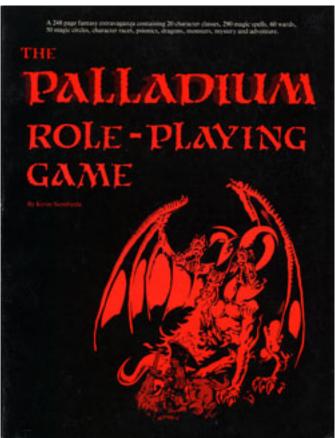
Over the years, Palladium Books® has been proven to be a pioneer in game design/storytelling and the use of new technologies in the role-playing market.

Palladium was the first to launch one universal game system starting with **The Mechanoid Invasion**® in 1981 and followed by **The Palladium Fantasy RPG**® (1983) and

Heroes Unlimited™

(1984). This fact is missed by some people because Palladium Books started out so small and had to slowly build and release its game settings slowly. Nor did we advertise the fact as a marketing angle at first, again, largely because Palladium had a minuscule ad budget and Kevin was learning everything from publishing to

marketing as he went along.



World building. Palladium was one of the first game companies to create RPGs with unique and original settings rather than the norm of doing "generic" ones. This started, again, with

The Mechanoid Invasion® in

1981 and followed by

The Palladium Fantasy RPG

® (1983). This approach became abundantly obvious with

Teenage Mutant Ninja Turtles®

(1985)

, After the Bomb®

(1985)

, Robotech®

(1986)

. Rifts

® (1990) and many other titles. It's funny, because today, unique world settings is the norm, but back in the 1980s this was the exception. In fact, Palladium had distributors and friends warn against such an unprecedented move right up through the release of

Rifts

®.

Softbound books. One of Kevin Siembieda's proudest innovations is one that changed the way the RPG industry packaged product: the softcover book. Palladium was the first to introduce the perfect bound, trade paperback format to the RPG industry. It started with

The Palladium Fantasy Role-Playing

Game

® (1983), but was something Kevin

wanted to do from the very start in 1981.

Again, this might seem like an obvious decision today, but in 1983 it was a radical departure from the "boxed game" and "hardcover" book format that was the industry standard. In fact, the idea was so radical that a number of industry people pleaded with Kevin to give up the "crazy idea." Case in point, Joe Budrick at Windmill Hobbies. Joe was a great guy and a caring (if cantankerous) distributor, so he begged Kevin not to publish the game as a "perfect bound trade paperback." Any departure from the norm, Joe feared, would kill the game and do irreparable damage to Palladium Books. "You have a nice little game company just starting to go places," said Joe, "this will destroy you. Don't do it." Kevin greatly appreciated his concern, but the Fantasy game was what he had waited years to publish and in the softbound format.

The game and the format were a success. To his credit, the same distributor called Kevin to congratulate him on a fine product and orders more copies of the RPG. Joe was so impressed, he actually insisted that some of his retail clients take the game on speculation at "his" own risk; something that was rarely done by the RPG "direct market" distributors then or today. God rest his soul, that was the kind of man Joe Budrick was, and he is sorely missed. With rare exception, all of Palladium's

books from that year forward have been published as perfect bound, softcover books, even the 48 page titles. To insure that the pages didn't fall out, Kevin took the extra step, time and expense of having the pages sewn and glued, making the books much more durable. The product was slick, colorful, and practical. It also enabled Palladium to hold down printing costs and pass the savings on to the customers. Furthermore, a book (instead of a box) enabled the consumer to look inside and see exactly what he is getting. A winning combination for everybody!



Surprisingly, it took a few years (1985 or 1986) before other role-playing game companies began to use the trade paperback format (we believe *Mechwarrior*, by FASA was the first). By 1988 it had become an industry standard. Palladium didn't invent the trade paperback, but Palladium's awareness of the (then) new technology gave the company an edge, and in the end transformed the look of the entire RPG industry. We hope to do the same with the new technologies and online mediums of today.

Mixing genres. The art of mixing different genres started for Kevin Siembieda back at the *Detroit Gaming Center* when people insisted you couldn't combine magic and technology. Kevin thought that was ridiculous and went about proving the point in his fabled Defilers campaign, which combined the two quite well with amazing results. It would be a theme repeated in the games he'd design and publish at Palladium. Of course, the ultimate mixed genre role-playing game is **Rifts**

®.

Rifts® not only blends magic and technology in a plausible and masterful way, but combines the genres of fantasy, science fiction, horror, post-apocalyptic survival, superheroes, war, mystery and adventure. The setting is epic. The possibilities are endless. Anything is possible. The tenor and emphasis of the adventures you might want to play are left entirely to you and your Game Master. The wealth of World Books, Dimension Books and sourcebooks means gamers can start anyw here

with whatever setting and style of adventure they find most interesting to them. Once they get going, their adventures can remain localized to one or a few areas, or span the infinite Megaverse®.

Dynamic artwork. This was another no-brainer for Kevin. As an artist himself, he wanted to see the quality of RPG art raised to a higher standard. By 1989, Palladium Books and TSR (the D&D publisher) had, arguably, the best art in the business. Palladium also paid some of the best rates, second only to TSR, a company 10 times its size. This led more than one competitor to complain to him about it. One fellow even compared Kevin to George Steinbrenner, owner of the New York Yankees major league baseball team famous for spending more than anyone else on his players, lamenting that Kevin's practices of paying artists well and using high caliber art were hurting the industry.