

Executive Summary

Ryder Coolers, LLC designs, builds, and markets portable open-air vehicle (OAV) evaporative cooling devices that are capable of providing vehicle passengers with the option to ‘cool off’ from high temperature weather. Ryder Coolers provides a portable, all inclusive, non-destructive water pump mister that has a large consumption market within the golf industry and beyond. The mobile water pump may be used in different carts (such as, but not limited to, motorized golf carts) and may act as a portable and convenient water source. Such portable devices are in demand when they can be utilized in remote locations and different vehicles such as golf carts, etc. Providing an independent hose to the pump system allows for different output connectors to be connected to the system which may be useful in households, shops and establishments, sports fields, etc.

Ryder Coolers, LLC is an early stage start-up. We began research and development in June 2015, with our first prototype conceived in July 2015. Our formal launch of the company and initial services occurred in July of 2016. Ryder Coolers products are already in use by a small number of the top public courses within Austin, TX and we are continuing to expand its reach to both public and private courses.

Our Purpose and Strategy

Ryder Coolers, LLC was founded in February of 2015 with the purpose to provide heat relief in an easy and portable manner to any golfer, anywhere, at any time. High temperatures are a dangerous and risky issue that golfers and golf courses face every year for many months out of the year. From this heat, golfers often underperform from this additional stress and put their bodies at extreme risk every round due to exposure to high temperatures. This danger ultimately lowers rounds played, diminishes a golfers' experience, and hurts both the golf courses and golfers alike.

In today's golf industry, many golfers have no quick and available option accessible to them when seeking relief from this major industry-wide problem. While evaporative cooling is the most effective technology for heat relief in an open-air vehicle (OAV) today, the availability is not wide spread. In many cases, golf courses provide no open-air vehicle amenities to protect patrons who are on the course exposed to excessively high temperatures. This is largely due to the design of current OAV evaporative cooling devices on the market today. At the moment, permanently installed cooling devices on the market require integration with the golf cart on a number of levels, many times requiring screws, bolts, and attachments to the vehicle which damages the frame and operational components. Ryder Coolers Mobile Golf Cart Mister is completely portable and is built to never permanently attach to any OAV. The all inclusive design and quick attachment method with bungees or clips allows for quick application to any golf cart, on any golf course.

Ryder Coolers is pursuing a two stream development strategy, integrated to both golfers and golf courses.

The Need

- (1) In 2015, the golf industry was comprised of up to 24.14 million golfers. These golfers participate at a number of golf courses across the US, which contains 15,000+ golf facilities nationally.
- (2) High dangerous temperatures plague golfers nationally. Average temperatures of 85F degrees exist at 7,000+ golf facilities for over 6 months (April to September) every year. Over 20 million rounds are played each month in dangerous heat with over 12 million cart rentals every month exposed to high temperatures.
- (3) Golf courses need to appeal to new customers. Millennial interests are tuned to upgraded experiences (Golfboards, GPS, music). It is important for the industry to know how to balance the interests of Generation X and Baby Boomers while developing Generation Y (“Millennials”) as loyal customers and lifelong players for the continued success and vitality of the game.
- (4) Millennials (ages 18-34) are having a sizeable impact on the golf industry. According to the National Golf Foundation, there are 6.2 million participants

from this age group, or 28 percent of all golfers, who are playing about 100 million rounds per year in the U.S. Additionally, they spend about \$5 billion annually on golf. This includes green fees, which have jumped from 12.6 rounds per year in the 1990s to 14.7 in the 2010s.

U.S. Golfer Demographics

- (1) 9.6% of all Americans play golf.
- (2) Golfers have an average of 95,000.00 annual salaries.
- (3) Golfers are well educated with 67% having at least a Bachelors degree from college.
- (4) They are travelers, with 80% planning to travel on vacation next year. 80% of the travelers plan to play golf while on vacation. 40% plan their vacations around golf courses or golf resorts.

U.S. Mobile OAV Mister Market Size

In the U.S., we were able to utilize data from the PGA and USGA to accurately calculate market size for the golf cart mister that Ryder Coolers provides. We have determined that the current national TAM for mobile golf cart misters is between 1B to 3B USD within the U.S.

International Markets

While an international push is not our primary interest for the first 3 years of operation, Ryder Coolers LLC values international markets for expanding our products to reach maximum EBITA. Data concludes that the world's five largest golf markets represent over 80% of total equipment sales. Nearly 20 additional countries/regions account for the remaining world golf market, including Mexico, China, Germany, Australia and the Caribbean among others.

Among the unique findings for specific markets, individual product categories (i.e. clubs, balls, apparel, etc.) and other global trends, include:

- The Top 5 World Golf Markets: #1 United States; #2 Japan; #3 South Korea; #4 United Kingdom; #5 Canada.
- Germany is the largest golf market in continental Europe.
- China (including Hong Kong and Macau) is the 6th largest golf equipment market but is continually influenced by government regulation.
- The US and Japan control over 65% of the world golf equipment market.

Products

Ryder Coolers first debuted the Ryder Cooler ‘Model 1’ Prototype at Riverside Golf Course in June of 2016. Overall, twenty of the ‘Model 1’ Prototypes were developed by Ryder Coolers in order to gauge customer response and begin an integrated course revenue share plan with Riverside Golf Course. The prototype is encased in a rugged plastic cooler design, which fits seamlessly in the back basket that is present on a majority of golf carts in use today. Within the cooler, a battery, water pump, water bladder, switch, and outlet orifice are present

STANDARD FEATURES

- ▶ Patented Ryder Cooler’s Mist Technology
- ▶ Up to 5 hours of constant evaporative cooling..
- ▶ Integrated sweater basket
- ▶ Advanced EZ switch for simple activation
- ▶ 12v battery with charger for simple recharge after use
- ▶ Adjustable nozzles keep cooling on passengers at all times
- ▶ Non-obtrusive/non-destructive patented design built to fit any fleet



Pricing

(1) Ryder Coolers ‘Model 1’

- *Cost to produce - \$80.00 USD Assumed from estimates due to economies and scale.*
- *Retail: \$350.00*
- *Wholesale: \$175.00*

Competition

Current market competition for OAV misters are comprised of companies that utilize permanently installed units. This means that at least one aspect of the mister housing must be permanently attached to an OAV in order to function properly. Auramist, mist-er-comfort, and other competitors produce products that either:

- a. Require attachment to the OAV battery for power
- b. Require screwing mister hose frame to canopy
- c. Require screwing water tank to OAV frame

Ryder Coolers LLC provides a mister that does not require any permanent attachments to any OAV for operation.

Strategic Partnerships

Ryder Coolers, LLC is currently exploring four different partnerships to help reach peak potential.

- a. Private and public country clubs and course facilities: These entities are critical for basic expansion of our course revenue share plan.
- b. Course Management Corporations: These companies are conglomerates of golf facilities across the nation and across the world. These companies

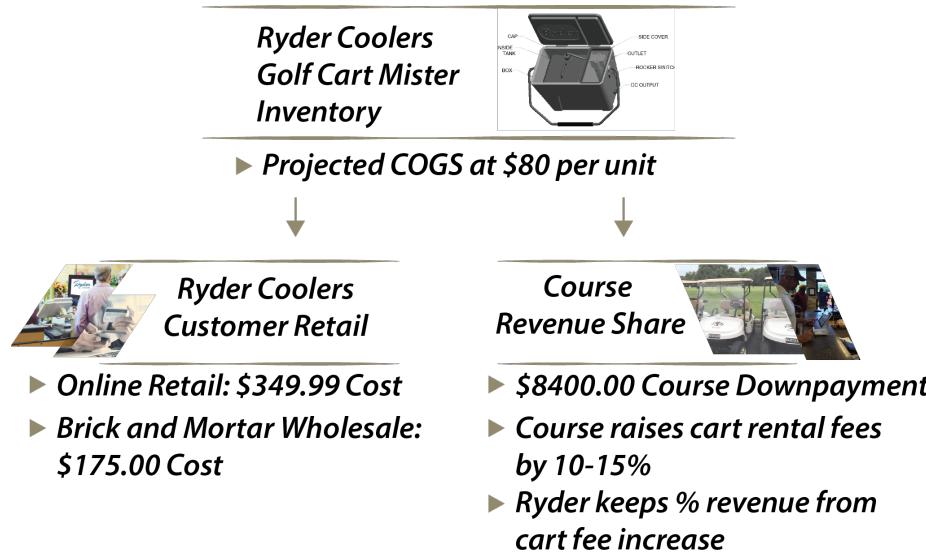
could quickly implement Ryder Coolers Misters on a handful of courses that are managed under the ‘company course umbrella.’

- c. OAV manufacturers: Manufacturers such as EZGO, ClubCar, Yamaha, and others are large scale providers have pipelines to course purchases.
- d. YETI Coolers: YETI coolers is a premium cooler company that holds a large stake hold on the premium cooler industry and sporting goods industry. Brand recognition and manufacturing strongholds would be a great ally when looking to begin manufacturing of mister inventory and could potentially speed up brand recognition for Ryder Coolers, LLC.

Domestic Sales and Distribution – Two stream Revenue Model

The 2017 objectives for Ryder Coolers’ U.S. based sales team are:

- (1) Meet all booking goals
- (2) To have all the Ryder Coolers product line carried by 5 of the Top 10 sporting goods retailers
- (3) To have signed at total of 100 golf facilities for the Ryder Cooler Revenue Share Program



Online and ‘Brick and Mortar’ Retail

We will look to immediately start distribution for retail with both online and brick and mortar marketplaces. RydeCoolers.com will retail our products through our own online market place. We will also explore online options with distributors such as Amazon. Distributors such as Dick’s Sporting Goods, Academy, GolfGalaxy, PGA Super Stores, and other major sports and outdoors stores will also be a primary avenue for retail, with wholesale distribution to these entities for \$175.00 per unit.

Course Revenue Share Model

- (1) Identify courses that are affected by high average temperatures for 6 months out of the year.
- (2) Structure a deal with each course facility, as follows:

- a. The course makes a down payment for entire cart fleet (70 carts) at agreed discounted rate (greater than 50% off)
- b. The course raises cart fees by 5-10% during the 6 month period affected by high temperatures to account for added amenity of Ryder Cooler mister.
- c. Ryder Coolers agrees to % revenue share of all additional cart revenue mister rentals

Market Development Strategy

Our marketing will support each of these four integrated sales approaches to both the golfing consumer and golfing facilities.

- 1. Utilize cart revenue share exposure to rental customers
- 2. Golf Channel online and television adds
- 3. PGA Annual Equipment Convention
- 4. Online ad space geared towards golfers male and female ages 18-60

All Other Opportunites

A number of opportunities outside of the golf industries exist, specifically regarding mister use on other open air vehicles or outdoor areas that are affected by high

temperatures. Due to the durability and portable nature of the Ryder Cooler Golf Cart Mister, mister arrangements can be easily used for boats, tents, RVs, dugouts, hunting blinds, and other outdoor activites.

Intellectual Property

Creation of intellectual property for the Ryder Coolers Technology began in July of 2015 with the submission of a provisional patent. In April of 2016, Ryder Coolers LLC hired Hulsey Hunt and Parks P.C. for a Track 1 patent regarding the Ryder Coolers ‘Model 1’ Golf Cart Mister. The patent is still pending in its approval process. Currently, R&D for new technology is being generated for the next generation of Ryder Cooler products, and as such, more patents will be