BUSINESS PLAN SCRIPT

**SLIDE 1 – TITLE SLIDE**

Has anyone here ever had the pleasure of playing a genre of video game called “massive multiplayer role playing games “or MMORPG’s?

[People raise their hands and stuff….]

Ok, great! Think in particular about one mechanic that the game utilizes to hook players into it. You generate a character that represents yourself within the game and you play constantly to build the character better by fighting monsters, completing quests and sometimes working with other players towards a common goal.

Level Up! Gym uses that same hook and applies it to real world fitness through exergaming, but still incorporates the love and passion we look for in a good MMORPG.

With that in mind, we will now present you with Level Up! Gym.

**SLIDE 11 – OPERATIONAL PLAN**

Our operational plan is comprised of two sections.

Stage of Development & Production Process

To note, our “production or product” describes what we offer as a service to our clientele allowing usage of the facilities based on membership type. So we will take a look at an overview of each.

**SLIDE 12 – OPERATIONAL PLAN / STAGE OF DEVELOPMENT**

Current Operational Development Status

Our current operational development status describes what we have currently completed to produce an effective and thriving business in our marketplace.   
Some of those items include an effective facility location, specific equipment chosen to offer a high quality service and agreements negotiated with our suppliers so that in the event of equipment failure, we can continue to provide service with minimal downtime.

Industry Association Memberships

Some of our current association memberships include the X Ten Exergaming network as well as local memberships for the Charlottetown chamber of commerce and the PEI business women’s association. We see that it is vital to be part of associations, so that you are voiced in the industry and are recognized by the public as a reputable business establishment

Suppliers

Some of the main suppliers for our required equipment are listed here. We had investigated any and all warranties that are provided with the sale of the equipment and a couple of our suppliers are local as well.

**SLIDE 13 – OPERATIONAL PLAN / PRODUCTION PROCESS**

Day-To-Day Operations

We subdivide our day to day operations into two major categories. General rules and regulations deals primarily with the facility, its members and employees. Facility hours, duties and operations is fairly self-explanatory. Our business hours range from 5:30am – 9pm Monday to Friday and 9am – 5pm on Saturday leaving the facilities closed on Sunday. As management staff, our work load would be 6 days a week comprised of either morning or evening shifts. A summary of our duties would include ensuring all clientele are happy and satisfied with their experience in the facility, overseeing fitness personnel and cleaning staff, and working towards our milestones defined within this plan.

Feasibility

Prototypes of our profile system and console based software have been tested thoroughly over a five year period. These systems have been built with high quality frameworks provided through top game industry leaders such as Microsoft and Nintendo. Our profile system is also designed using best practice knowledge, software, and quality experience from each founder.

Physical Location

The facilities layout allows us to implement our gym seamlessly with minimal modifications aside from soundproofing if we deem it necessary. Its design also provides us a sectional layout where we can designate different areas to suit our needs.

**SLIDE 14 – FLOOR PLAN SLIDE**

**Explain the floor plan layout a little…**

**SLIDE 17 – MARKETING PLAN (INDUSTRY ANALYSIS)**

These statistics found through the government of Canada reveal to us the number of businesses that are possible competitors within our industry. As you can see there are no amusement arcades present on PEI, leaving an opportunity to make our mark. Our secondary

research claims that health and wellness is on the rise while video games are becoming a major cause to lack of fitness. This gives them an unfavorable reputation. But, with exergaming, video games and fitness are merged, opening a niche market that’s unforeseen to most. The study of exergaming extends to the University of Calgary where they have a dedicated research facility to exergaming. This proves that the fitness industry needs a change and we are here to provide that change.

**SLIDE 19 – MANAGEMENT PLAN TITLE SLIDE**

Our management plan allows us to organize our roles, our employees and provides some insight into what each of us has to offer. There are some skills that we just cannot fill, so we outline these as well. We will summarize this by taking a look at our organizations hierarchy and management gaps.

**SLIDE 20 – MANAGEMENT PLAN / ORG CHART**

Our chart is fairly straightforward. We have minimal staffing requirements to begin our venture. All personnel will be under the direction of myself as Chief Operational Officer. Chelsea as Chief Executive Officer would have last say on all decisions made and continue to provide new content to our profile system. Mike as Chief Financial Officer would ensure all financial statuses remain positive and work on new and innovative ways to exergame through leading gaming consoles.

**SLIDE 21 – MANAGEMENT PLAN / GAPS**

General and Personal Fitness Trainers

We lack professional experience with fitness training. Questions directed to fitness related activities would need to be answered by someone who is qualified in this area. We do see that it would be necessary to incorporate our technological twist into a fitness professional’s education. This would allow us to serve our members better.

Daily Sanitization & Hygienic Practices

Sanitization is of the upmost importance in a fitness facility as we all know. To ensure that we keep our standards high, we would allow for full time cleaning staff. Maintaining a clean and safe environment can be challenging with so many other responsibilities.

Terms and Conditions for Memberships

A lawyer would be hired to review our terms and conditions of membership. Our contract should be fair to our clientele and protect us as well from any possible future lawsuits.

**SLIDE 22 – FINANCIAL PLAN TITLE SLIDE**

Within our financial plan we will take a look at our startup costs, loan repayment suggestion, break even analysis and finally our budget sheet over a one year period

**SLIDE 23 – FINANCIAL PLAN / START UP COSTS & BANK LOAN REPAYMENT**

Here we have our start-up costs and bank loan repayment plan.

As you can see in our start-up costs, our highest dollar amount is placed in equipment. All equipment is purchased without any leasing or financing terms.

Our bank loan repayment is shown here for a one year period. This is calculated to be

over a full 10 year period at 5% annual interest rate.

**SLIDE 24 – FINANCIAL PLAN / BREAK-EVEN ANALYSIS & YEARLY FORCAST**

Our break even analysis shows our loss margin is greater than our profits initially. This is due to the start-up costs that we will incur. At year 2 we reach our break-even point and continuing further shows our profit margin rising. This includes an increase in our utilities and leasing costs by 2% per year.

**SLIDE 25 – FINANCIAL PLAN / BUDGET SHEET**

Our yearly budget summary does not fluctuate at all. Costs are consistent

with our services and have no reason to change.