

# BUSINESS PROPOSAL

## The Lord's Vig (LV)

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### VENTURE OVERVIEW

#### **Executive Summary:**

LV is a sports and gambling platform that offers a set of tools to optimize gambling and fantasy sports experience. The objective of the business is to bring cutting edge technology such as quantum computing and machine learning to the optimize betting strategies.

#### ***Value Proposition:***

The optimal lineup team gives our customers potential advantage to increase the probability of win points in the fantasy sports game. The customers will have the best information possible from us given the market conditions, this will bring value directly to the players. There is no distinction between end user and client.

#### **Company Overview**

We are a team of scientists, engineers and business oriented team that enjoy science applications in particular technologies such as quantum computing and machine learning.

#### **What is the long-term vision of our company and how our product is going to change the world**

We envision our company as a solution as a service provider for the fantasy sport industry, we can provide very useful solutions to different members of the market ecosystem: players, line-ups traders, fantasy sports market makers, by providing with our products information extracted from data, model analytics translated into information advantage. Our objective is to become the technology leaders in the market of the fantasy sports business.

### PRODUCT AND SERVICES

#### **Potential customers and how they will use your product or service**

Jock MKT is a platform where users can buy shares of a players in real-time then have the ability to cash out at any point by selling to another user in-game or by holding on until the end to receive fixed payouts tied to final player rankings and overall fantasy scoring. Our platform can be used to make more accurate real-time calculations, predictive analytics before game or collect optimal portfolio of players for the user's portfolio.

ScoreTrader is a stock market platform for fantasy sports portfolio building and trading that allows you to predict sporting outcomes by trading teams or playing a unique version of fantasy sports by trading players. The LV can help to build winning portfolios for it's customers.

Tradestars is a company building a fantasy sports exchange, similar to the workings of a stock exchange, enabling users to build a portfolio of fantasy stocks and then trade these stocks like conventional stock markets. The LV can outperform classical optimization algorithms and bring advantage for it's users and enables bigger payout for our customers.

Individual players who want to get best portfolios with minimal effort or don't have enough time or knowledge to build portfolios themselves. The LV can offer portfolio optimization services for everybody with low fee.

#### **How do people solve this problem now:**

Curently our potential clients invest around 500 USD per year in fantasy sports, this includes buying line ups, use of line up optimizers like we offer but in a spread sheet base calculations, there are also providers of loptimal ine-ups which sell line-ups as part of their business.

#### **Why we have chosen this market segment and how we plan to validate market interest?**

Commercial fantasy sports industry has been around since 80's but the popularity of the industry has really surged since early 2000's, valuing over \$18 billion 2019 and growing. Much of the growth is driven by advancements in technology and marketing.

Although there are a lot of new fantasy sport companies created and platforms developed, most of them are passive related to players building their teams and portfolios. Research's show that around 20 percent of players would prefer an easy option to select their teams and portfolios. Also studying the markets shows that there aren't many portfolio optimization related companies in the fantasy sport industry.

Pure market size makes this industry very lucrative and using our optimization algorithms we can outrun the competitors for a long time, bringing advantage and enjoyment for people who would like to participate in fantasy sport but don't necessarily have enough skills or time.

## **TECHNOLOGY**

#### **Quantum Fit and Feasibility:**

- We use a mix of machine learning, statistical analysis and quantum computing techniques to produce our product, we use machine learning to forecast scores of players, factors that determine

player's performance, we use quantum computing as a way to optimize the *information relevant for the fantasy sports player*.

- *We use quantum technologies to have technological advantage translated in speed and computational capability not available in classical computers.*
- *We combine cutting edge classical and quantum technologies, we use classical software if the size of the problem is not big but we switch to quantum hardware, when we are dealing with multiple teams optimizations and to when considering multiple player's performance factors in our solution.*

## Operations

### **Marketing:**

We will use SEO/SEM to advertise our service and to attract potential users. Our plan is to promote our service using relevant SOME channels, discussion forums and actively participate into the dialog related to fantasy sports, we also plan to publish whitepapers and blog posts to get more hits from the search engines.

Our goal is to create revenues from the sale of advertising space to fantasy sport businesses. We will develop a relationship with Google AdSense so that the business starts generating revenue from the get-go so that each click from the visitor, on one of the advertisements for The LV, our company receives a payment.

We are intending to develop our own internal advertising programs, featuring static advertisements within the website. These advertisements will be sold directly to advertisers without third party systems. We are also seeking to develop product affiliation and corporate sponsorship relationships which would further enhance The LV's visibility and revenue streams.

## Summary Financials:

Below we show three main analyses of the financials of our business summarized in three tables, expenses and required funding, sales forecast for the 1<sup>st</sup> year and estimated profit and loss.

### -Expenses & funding

Here we show an estimation of the expenses our company will have in the first year, which gives us 309,000 USD in expenses.

## Start-up Requirements

Start-up Expenses	
<i>Fixed Costs</i>	
Legal and Permits	\$1,000
Stationery and Supplies	\$3,000
Insurance	\$400
Rent	\$0
Office Equipment	\$300
Website Development	\$0
Print Advertisements	\$0
Brochures	\$300
<b>Total Fixed Costs</b>	<b>\$5,000</b>
<i>Average Monthly Costs</i>	
Rent	\$2,000
Utilities	\$250
Salaries / Wages	\$15,000
<b>Total Average Monthly Costs</b>	<b>\$17,250</b>
x Number of Months:	12
<b>Total yearly Costs</b>	<b>\$207,000</b>
<b>Total Startup Expenses</b>	<b>\$212,000</b>
Start-up Assets	
<i>Owner Funding</i>	
Owner 1 Cash	\$1,000,000
Owner 2 Cash	\$1,000,000
Owner 3 Cash	\$500,000
<b>Total Owner Funding</b>	<b>\$2,500,000</b>
<i>Loans</i>	
Bank Loan 1	\$0
Bank Loan 2	\$0
Other	
<b>Total Loans</b>	<b>\$0</b>
<i>Other</i>	
Grant 1	\$0
Grant 2	\$0
Other	
<b>Total Other Funding</b>	<b>\$0</b>
<b>Total Start-up Assets</b>	<b>\$2,500,000</b>