

Ketch My Drift Business Plan

The following document is a breakdown of the business plan for the TV series known as "Ketch My Drift."

Pre-Production Funding: present - December 2010

Vessels (all):	\$72,000
Equipment	
1 camera rig with Draganflyer & underwater housing:	40,000
Production Insurance (Vessels & Equipment) 1 year@ \$2K per month	\$24,000
Scholarship	\$100,000
Sailboat haul out & Remodel	\$130,000
Location Scout Fees @ \$5K ea. X 7	\$35,000
Florida & Alabama (Ship Coordination Travel & Lodging)	\$20,000
Dock Fees after production \$1K X 1 year	\$12,000
Show Designer (writer/scout/director/editor/producer) @ \$90K per yr. X 10 months	\$75,000
Web Designer X 1yr	\$40,000
Web Screeners	\$10,000
Secretarial Service	\$5,000
Phone #800 & Internet Service \$250 month X 1.3 yrs	\$4,000
Re-initiate the L.L.C. for "Ketch My Drift"	\$3,000
Accounting & Legal Setup	<u>\$20,000</u>
Total:	- \$590,000

Note: That locations will be scouted and shot for preliminary footage. The Ship will be refurbished to the point where quick modifications and additions can be made for production. At this point, **if** the show is not going to be have adequate sponsorship or be picked up for distribution, there is an option to sell these materials with a profit. Why is this possible? Because I found a great deal on a boat that will be worth much more after it is restored. Also, if there is no show, then there is no requirement to pay out a \$100,000 scholarship (which will have been gaining some interest).

Assets at the end of Pre-Production:

Vessel	\$650,000
Equipment	\$20,000
Unused Scholarship & Interest	<u>\$103,000</u>
	\$773,000
 Pre-Production Costs	 \$590,000
Less Debt on ship	<u>\$125,000</u>
	\$715,000
 Assets	 \$773,000
Minus Expenses and Debts	<u>-\$715,000</u>
Total Profit:	\$58,000

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Production Funding:

December 2010 - April 2011

With the initial investment in Pre-Production, we will have a great deal of preliminary footage, solid connections behind all 10 episode/script outlines, and we will also have gained a considerable following from the website from application campaign. These will be powerful tools to persuade a major distribution network. Provided we have contracted with great sponsors, or have a "Network Distribution Deal," we will proceed into production phase of the show.

At this point, all other expenses on the "Budget Proposal" will need to either be sponsored or funded. This amount comes from the total on the budget with the Pre-Production expenses deducted:

Budget Proposal	\$2,954,000
Less Pre-Production Investment	<u>-\$590,000</u>
Production Stage Funding	\$2,364,000

Post-Production: April 2011

The ideal situation would be to have as much ownership and creative control of the show as possible. After researching several options for production and distribution, the simplest and clearest conclusion was to go by the following:

For Post Production, the main approach will be to do a "time-buy" (or pay-to-play) distribution. This means that we will plan to pay to have the show broadcasted on a nation-wide network (like the *Current TV* channel). This guarantees show exposure and allows us ownership of a completed product that can be shopped to networks. I believe that when we get to this point, any problems will be good problems. Here's why: 1) We will have not moved into the risky expenses of production until we have one or more of the following: adequate sponsorship, and/or a fantastic distribution deal. 2) We will have already built a huge network of interested viewers from our web campaign. 3) We will have 10 episodes of the hottest show on the air that were shot for a fraction of most other syndicated shows. 4) Our show will have great international appeal. 5) The show has already attracted interest from a variety of sponsors without even having a pilot, funding, or distribution. When we have the episodes "in the can," we will excite enough sponsorship for pay-to-play on major domestic and international networks even if we can't get a major distribution deal between now and mid-February 2011 (when we will be ready to air our first episodes while still in production on the final 3 episodes of Season 1).

Advertising and Distribution Budget	\$1,000,000
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Creative Control:

The show's creative decisions will be made by the show's creator unless there is a call to vote by one or more of the professors; whereby a simple majority between the show creator and the four professors will determine direction.

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Financial Breakdown

In the area of financial consideration, the show *Ketch My Drift* has an estimated worth at \$5 million in that there is \$1 million allotted to creator and talent, with \$3 million for producing, and another \$1 million for advertising and distributing the show. An investor's share of 1% of the show will therefore be sold at a worth \$50,000 as of August 1st, 2010.

In the event of liquidation (after the end of Season 1) of hard properties (know in the Budget as "Vessels" and "Equipment"), proceeds shall not be known as "Profit" and will be used entirely to repay the "Investors." This amount has an estimated resale value of over \$1,000,000 of the total budget of \$4,000,000.

Gross profits from the sale of creative properties of this production company shall be distributed to those known as the "Owners" by the following percentages:

Show Designer: Jim Rizor (Creator, Producer, Writer, Director, Researcher, Location Scout, & Editor)	8%
Talent:	
4 Professors (serve as Writers and Characters) 4 episodes each in Season 1 at 3% each	
Dr. Jeff Salz	3%
Dr. David E. Guggenheim	3%
Dr. Rachel Armstrong	3%
D.E.S.S. Genvièv Martin-Bernard	3%
Investors 1% = \$50K	<hr/> 80%
	100%

Returns & Sponsorships

Ideally, we will partner with a major network for distribution to have a hit TV series that will go on for many more "Semesters at Sea" and make everyone filthy rich. In the meantime, in pre-production we will sell web advertising on our web site to sponsors who wish provide product for the show. As the production grows, it will become even more attractive to big sponsors. As "non-investing" sponsors come to the show to advertise, show costs will be reduced and thereby, share value will increase. Once the \$4 million budget is met (between sponsors and investors), investor "shares" will cease to be offered and percentages will be proportioned to the current "owners." Distribution and advertising must be profitable at the end of "Season 1" to continue.