



EXECUTIVE SUMMARY

Thank you for your interest in becoming a Licensee of Altitude Trampoline Park - the most exciting and dynamic trampoline park experience in the country! This Executive Summary is intended to give you a preliminary understanding of what the Altitude Trampoline Park brand has to offer to our Licensees. The content of this Executive Summary should not be exclusively relied upon when formulating a decision about joining the Altitude Trampoline Park family as a Licensee. To assist you with that decision, we will provide you with a "Licensee Disclosure Document." The Licensee Disclosure Document will include additional information about Altitude Trampoline Park and the Licensing arrangement. The Licensee Disclosure Document will be provided to you after you (i) have read the Executive Summary and find that you are interested in furthering a discussion with us, and (ii) provide us with the completed Licensee Questionnaire which accompanies this Executive Summary.



## About Altitude Trampoline Parks

We began with the premise that when a large group of people gather in a high energy, music-filled, large indoor area with hundreds of square feet of expansive trampoline mats for safe jumping, games and exercise, there is a strong likelihood that some serious fun is about to happen. When we toss in dynamic interior designs, unique bright colors, our beloved "Spike" logo, the highest quality trampoline matting and equipment in the industry, a friendly and customer service oriented staff and sound business management principles, we have now created ALTITUDE TRAMPOLINE PARK – a diversified destination family entertainment center that combines recreation and fun within a facility that provides a safe, clean, climate-controlled and supervised environment for people of all ages to exercise and have fun! We also have created a brand that has substantial drawing power to capture the interest of the consumer and to meet the consumer's demand for some good ole fashion fun!

**ALTITUDE TRAMPOLINE PARK**

Altitude Trampoline Park is a 35,000 square foot, indoor fun-fest with 20,000 square feet of interconnected trampolines where you can bound and rebound to your heart's content - even off the walls! 2 Dodgeball courts, Dunk goals, and a huge Foam Pit.

In addition to "free-style" jumping, our "meetups" and group activities are a healthy, happy way to exercise and meet new people.

New events for all age groups are added frequently, so check the Park calendar often, or sign up for our e-newsletter.

**Fitness Classes/Boot Camp**

Trampoline fitness classes are a fun alternative to the gym. With routines set to high-energy music, our instructors will lead you in exhilarating trampoline exercises.

- Improve your flexibility
- Strengthen and tone muscles
- Get a cardio workout

Boot camp is a higher intensity workout. Expect more repetitions and less rest.

**TRAMPOLINE DODGEBALL**

Get a full-body workout ducking, dodging, and diving in our high-tech trampoline dodgeball courts. Move the ball and yourself in 3 dimensions.

**FAMILY NIGHT**

We put the FUN back in your lives!





## Identifying Cultural Changes and Capturing the Business Opportunity

As World and family dynamics evolve, we identify some cultural changes which we believe are here to stay and are impacting our business in a very positive way. The cultural changes we see relate to quality-of-life decisions made by individuals for themselves and for their family. A few of these changes include:

- The heightened awareness to the importance, and need, for physical activity among adults and children.
- The urgency to combat obesity and the desire to seek activities that promote a healthy lifestyle.
- The recognition that “trampoline exercises” for adults can be a low-impact entry into the world of exercise while building increased strength and endurance for more physically demanding trampoline exercises.
- The significant increase in the number of birthday parties being held outside of the family home.
- The recognition by parents to add quality, unstructured fun time to the lives of their children, in contrast to the overload of the busy and regimented schedules of sports teams, music lessons, educational activities and the like.
- The desire of parents to find indoor physical activities to enjoy with their children, particularly during inclement weather.
- The desire to plan family outings so as to counter the independent busy schedules of each family



We have also found that the following factors have also contributed to the success of our business:

- Moms, Dads and caregivers love to visit our parks to take a break during the day from the intense supervision which is otherwise required of them when caring for their children. They know that their children can have fun, release some energy and get good physical activity all under the watchful eyes of our staff who closely supervise the children while at our Park.
- Health conscious parents have propelled their families into fitness related activities including visits to our Parks.
- Even in the past and current challenging economic times, entertainment spending has grown since 1990 and families continue to spend money on family entertainment.
- Married couples with school-aged children spend the most on entertainment among the various household types. At the time of our research, married couples with school-aged children spent 69% more than the average household on entertainment related activities.
- Households that promote a fit and healthy lifestyle are more apt to spend money on entertainment which supports a fit and healthy lifestyle.
- With an ever-growing lack of safe outdoor play areas, families more frequently look to local entrepreneurs, community leaders, and other providers to support their out-of-home desire for family entertainment.

Based, in part, on the foregoing and the success of our Parks, we believe that continuing business opportunities exist for future licensees of Altitude Trampoline Parks.

## PRODUCT DESCRIPTION

Altitude Trampoline Park is geared for people of all ages who are looking for a fun environment to exercise and play on our trampolines. Whether they want to participate in free jump time, compete in a dodge ball game, attend an exercise session, throw a birthday party, attend a business outing or simply watch our guests having fun, we are certain that all of our guests will enjoy the Altitude Trampoline Park experience.

There are several play areas within each Altitude Trampoline Park:

**The Apex:** This is our largest trampoline area. It consists of connected trampolines spanning both floors and walls for endless jumping and serves as the area for fitness classes, including Altitude's Boot Camp Fitness Programs.

**Foam Pit:** Four to eight tramps leading to 7 feet of foam for jumpers of all ages to work on their latest tricks.

**Dodge Ball:** Trampolines spanning both floors and walls with a smaller center tramp for placement of the dodge balls prior to the start of each game. Balls are stored here when the area is not in use.

**Party Room(s):** Great for birthday parties and other special occasions. A Party host is provided for party set-up, clean-up, serving pizza and cake, supervision in the trampoline areas, and tending to any of the guests' needs.

**Kid Zone:** A separate and safe area for toddlers ages 6 and under with 12 to 18 trampolines and a 5' deep ball pit. The Kid Zone area provides high visibility for easy supervision to ensure safe jumping as well as peace-of-mind for the toddler's parents.





Other important aspects of our Parks include:

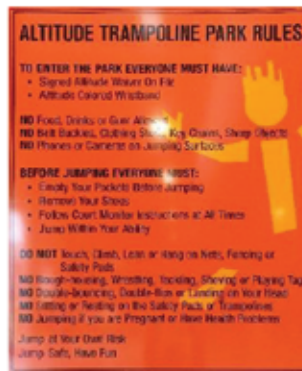
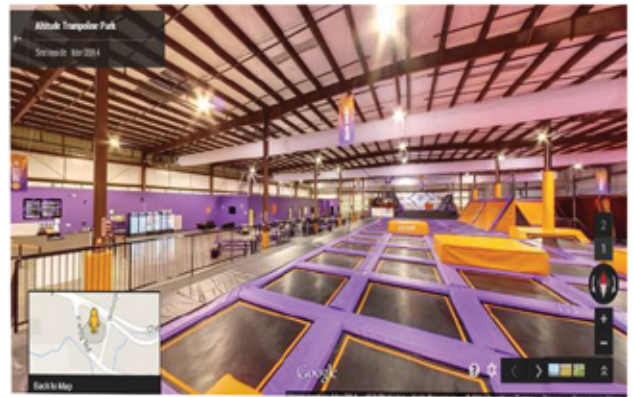
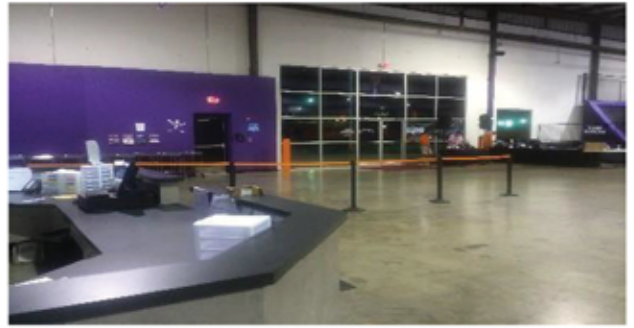
**Entry & Registration** – Upon arrival, each guest completes a “Waiver, Release and Assumption of Risk” Form. If a guest is under the age of 18, the guest’s parent or guardian must complete the form. The guest then receives a color-coded wristband which represents the guest’s jump time.

**Cleanliness** – The sanitation and cleanliness of all the attraction equipment as well as the restrooms, floors, glass and metal surfaces, waste bins and the (inevitable) child sanitary issues, are a top priority. Cleanliness is a critical success factor especially for mothers who attend our Parks. All equipment, changing stations, restrooms, tables, chairs, etc. are routinely cleaned and sanitized throughout the day as a part of staff responsibilities. In addition, hand sanitizers and disinfectant sprays are available to guests throughout the facility.

**Safety** – Safety relates to the reliability and maintenance of the equipment, the care of our guests and incorporating accident prevention measures.

Our Parks have state-of-the-art equipment with proper padding and harness equipment which meet ASTM (American Society for Testing and Materials) standards for equipment safety and accessibility. Our staff is trained to inspect the equipment to ensure that attraction structures are secure and all equipment and matting are in a safe condition. Inspections are conducted daily and throughout the day. Our trained staff also supervise the play area at all times to ensure the safety of our guests and to make sure that all guests are adhering to Park rules. The Park rules are posted for our guests and are strongly enforced. Our staff will also assist younger children, when needed, to maximize their enjoyment of the Park. Our Parks have an Emergency Action Plan which includes established evacuation procedures in the event of an accident, fire, or weather related concern. Our Parks also have plenty of insurance coverage and a video security system with DVR capability for additional safety precautions.

**Location** – Of course, the location of the Park is one of the most important characteristics of the Park, including the surrounding demographics. Interestingly, however, we learned that a surprising number of guests are willing to drive in-excess of one hour to visit the Park.



## Site Criteria

We have found that the following Site criteria to be of relevance when operating an Altitude Trampoline Park:

Building Type- Retail, Freestanding, Warehouse  
Building Size- 18,000-35,000 sq. ft., 22 ft. clear height  
Floor Level- Can consider 2 story if 2nd floor is less than 30% of total  
Parking- Per local code  
Signage- Building signage available  
Zoning- Recreational use  
Interior- Customize solution  
Acquisition- Lease  
Vendor Network/Partnerships- Coca Cola, Cisco, Eco Labs, Staples



## Weekly Usage Patterns

With the Parks that we have operated and been involved with to date, we have found that approximately 70% of the Park's costs are fixed and the other 30% of the Park's costs are variable. As such, even small increases in capacity utilization can have a major impact on the Park's profitability. With approximately 65% of the Park's revenue being generated Friday through Sunday, it is important to effectively utilize capacity on weekdays. We have provided the following promotions to increase customer usage during the week: group discounts to day-care centers, home school co-ops, churches, community groups, schools, etc.; a frequent jumper card to encourage repeat customers; and weekday birthday party promotions. We also offer a weekday "toddler time" with discounted jump tickets for children under 6 and their parents, monthly dodge ball tournaments, and weekly family jump nights.

## Altitude Trampoline Park's License Arrangement

We, at Altitude, are extremely proud of our Parks and the Altitude Trampoline Park brand. Integral to our brand is the "ALTITUDE TRAMPOLINE PARK" name and logo including our beloved SPIKE which is a registered Trademark with the United States Patent and Trademark Office. Our brand also includes a wealth of proprietary knowledge which we have gathered in developing the Altitude Trampoline Park concept, establishing the sites and operating the Parks. As a result of the overwhelming requests of many, we have agreed to license our logo and the Altitude brand to future qualified Altitude Trampoline Park owners. The decision to enter into a license arrangement, and not a franchise arrangement, is quite simple – basically, we have no desire to control the manner in which our Licensees operate their business. We are also not interested in burdening our Licensees with the restrictions which are forced upon franchisees. After all, we expect that you have your own wonderful ideas as to how to best operate your Altitude Trampoline Park.





of course we are interested in your success and the continued goodwill which you can bring to the Altitude Trampoline Park brand and, therefore, we can offer assistance in launching your Altitude Trampoline Park. The extent of our assistance will be as your desire.



In addition to the licensing rights of our Trademark, the proprietary knowledge relating to our brand includes the following:

**Comprehensive Business Plan** - Altitude's detailed business plan provides a model to assist you in launching your Altitude Trampoline Park. The model includes, in part:

- Financial analysis
- Market analytics
- Human Resource information (shift planning, setup, employee files)
- Marketing suggestions
- Operating procedures suggestions
- Sample Waiver Form
- Sample Employee Handbook
- Financial Model On Site Training /Support if you choose



**Full Operating Procedures** - Altitude provides full operating procedures, as well as the resources to properly implement and integrate the procedures into your Park.

**Health & Safety Procedures** - Health & Safety cannot be an after-thought in the Altitude Trampoline Park model. Safety and health standards need to be at the forefront of business operations. The procedures serve our customers, employees, and the owners equally.

**Manufacturer Relations /Equipment Supply** - The Altitude team not only leverages our existing manufacturer agreements to ensure the highest quality equipment at favorable rates, we also extend our relationships with key personnel to develop personal connections and to ensure that your unique requirements/requests are addressed seamlessly.

## The Altitude Difference: Comprehensive Support... Flexible Solutions

*"Altitude provided, what I considered a tremendous business opportunity, with real potential in a single facility. They not only provided support from start to finish, when asked, but were also very receptive to my thoughts and ideas that were unique to my market."*  
Craig Noel- Altitude Owner



*"Our focus is all about relationships. Relationships with our customers, relationships with our suppliers, and relationships with our licensees. We have no interest in short term relationships but, instead, focus on the long term. That's how everyone wins. "* Curt Skallerup- President, Altitude Trampoline Park

Park Design/Engineering  
Trampoline Equipment & Accessories  
Furniture  
Hardware/Software/IT/Telecomm/Security & Sound  
Payroll/Merchant Services  
Media/Print Marketing Services  
Apparel/Vending  
Signage/Media/Social Networking/Web Design-Management

### Consulting Support

To position you and your team for success, we provide "boots on the ground" consulting assistance if you want that support. We also have an accessible team of professionals for real time support and communication during the each phase of your start-up and operations. Our professional team includes the following disciplines:

**Real Estate** - Our professional real estate team utilizes state-of-the-art technology and market demographics as well as site selection strategies. This team can provide in-the-market and on the ground site visits, inspections, and contract negotiations to ensure our Licensees select the precise location which is best suited for success.

**Legal & Accounting Services** - Altitude can, at your option, provide support with Legal and CPA services. You may utilize our industry experienced team to support your venture or consult with your trusted Legal & Accounting team. This provides the benefit of experience combined with the assurance of stability.

**Insurance** – Workmen's Compensation, General Liability, Umbrella, et. al. - Our team of insurance professionals will quickly and efficiently identify providers for all your insurance needs.

If you would like to discuss opening your own Altitude Trampoline Park, please contact:  
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