

A green chalkboard with white text and a black chair in front of it. The chalkboard has the title 'THE LOSER'S CLUB' and the subtitle 'A FEATURE FILM by JONATHAN TURNER SMITH'. There are some faint markings on the board, including '914' and '817'. The board is mounted on a wall with peeling paint. A black chair is positioned in front of the board.

THE LOSER'S CLUB

A FEATURE FILM by JONATHAN TURNER SMITH

Business Plan

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Table of Contents

Particulars	Page No.
Executive Summary	3
Introduction	5
The Project	10
Industry	29
Marketing	36
Investment Opportunity	40
Distribution Strategy	49



- ▶ **Executive Summary**

Executive Summary

THE LOSER'S CLUB is a teen comedy/drama written by Jonathan Turner Smith, adapted from his original one-act play, "The Losers' Club". This comedic film revolves around a group of misfits who form "The Loser's Club," in order to combat the constant bullying perpetrated by the high school's "elite." The purpose of the film is to highlight, in a comedic format, the real problem of bullying which affects approximately 64% of junior high and high school students in the United States.

THE LOSER'S CLUB was published as a one-act play in 2012 by Eldridge Publishing and has been produced over 100 times by over 50+ junior high and high schools throughout the United States and Australia. The play has garnered more than 15 regional and state high school theater awards.

The pre-production of the movie is scheduled to take place from February to May 2020. Production and shoot are planned to take place between June and July 2020. Post-production is targeted to be completed by December 2020. Theatrical release of the movie is planned to take place between January 2021 and March 2021. DVD/Blue-ray, IPTV and VOD release will start from March 2020.

The global theatrical and home entertainment market has seen a robust growth over the last 4 years, growing from US\$77 billion in 2014 to US\$97 billion in 2018, a CAGR of 5.9%. This growth was driven by the global box office growth of 3.3% and growth in the home entertainment segment of over 8%.

Given the healthy demand in the entertainment industry and the strong story line with a message, investors in THE LOSER'S CLUB are positioned to receive an attractive return on their investments.



US\$22.1 million

Estimated Revenue



US\$3.5 million

Estimated Budget



US\$12.4 million

Estimated Net Profit



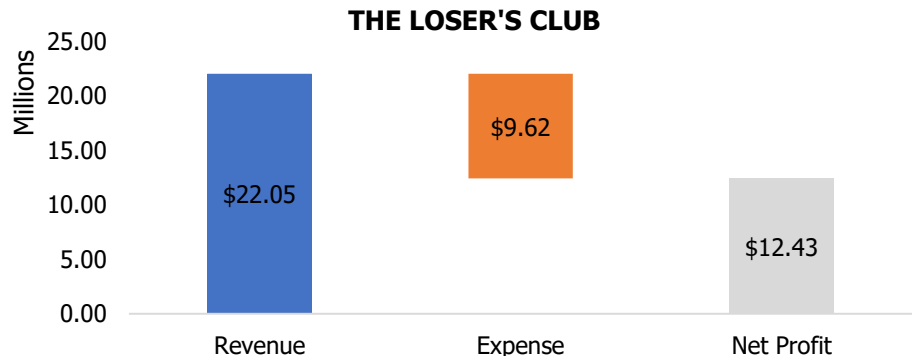
355%

Expected ROI



374%

Expected IRR





▶ **Introduction**

Introduction

THE LOSER'S CLUB is a teen comedy adapted from the one-act play, "The Losers' Club. The film is being produced and written by Jonathan Turner Smith.

Using comedy and drama, the film highlights the seriousness of bullying faced by 64% of American students.

As a teacher for over 30 years, Jonathan witnessed the impact bullying had on many of his students and decided to openly address the issue by writing the one-act play, "The Losers' Club."

The play was published in 2012 by Eldridge Publishing and has been produced over 100 times by over 50 junior high and high schools throughout the United States and Australia. The play has garnered more than 15 regional and state high school theater awards.

Jonathan hopes that the film's adaptation will make significant advances toward eradicating bullying and bring an understanding to what a serious problem bullying truly is.

Total Budget: US\$3.5 million

Above-the-Line	US\$1.34	mm
Production	US\$1.47	mm
Post-production	US\$0.16	mm
Fringes	US\$0.21	mm
Contingencies	US\$0.32	mm

Business Summary

Name of Film: THE LOSER'S CLUB

Location: United States

Geographical Focus: Global, Primarily US

Writer & Producer: Jonathan Turner Smith

Target Audience: Moviegoers of all ages, focus more on teens



Introduction

Goal



Genre

The filmmaker wants to adapt his teen drama stage play to a comedy/drama film.



Profitability

The financial goal of THE LPSEY'S CLUB is to make a minimum of US\$22.1 mm in revenue and US\$12.4 mm in profit. On a budget of US\$3.5 mm, this gives an ROI of 355%.



Production

The goal is to complete the production process by December 2020.



Message

The filmmaker's main goal is to create an entertaining film that also creates awareness about the impact of bullying.



Channels

The goal is to create a movie that does extremely well at the box office and is watched on all distribution channels: DVD, Cable, Satellite, IPTV, etc.

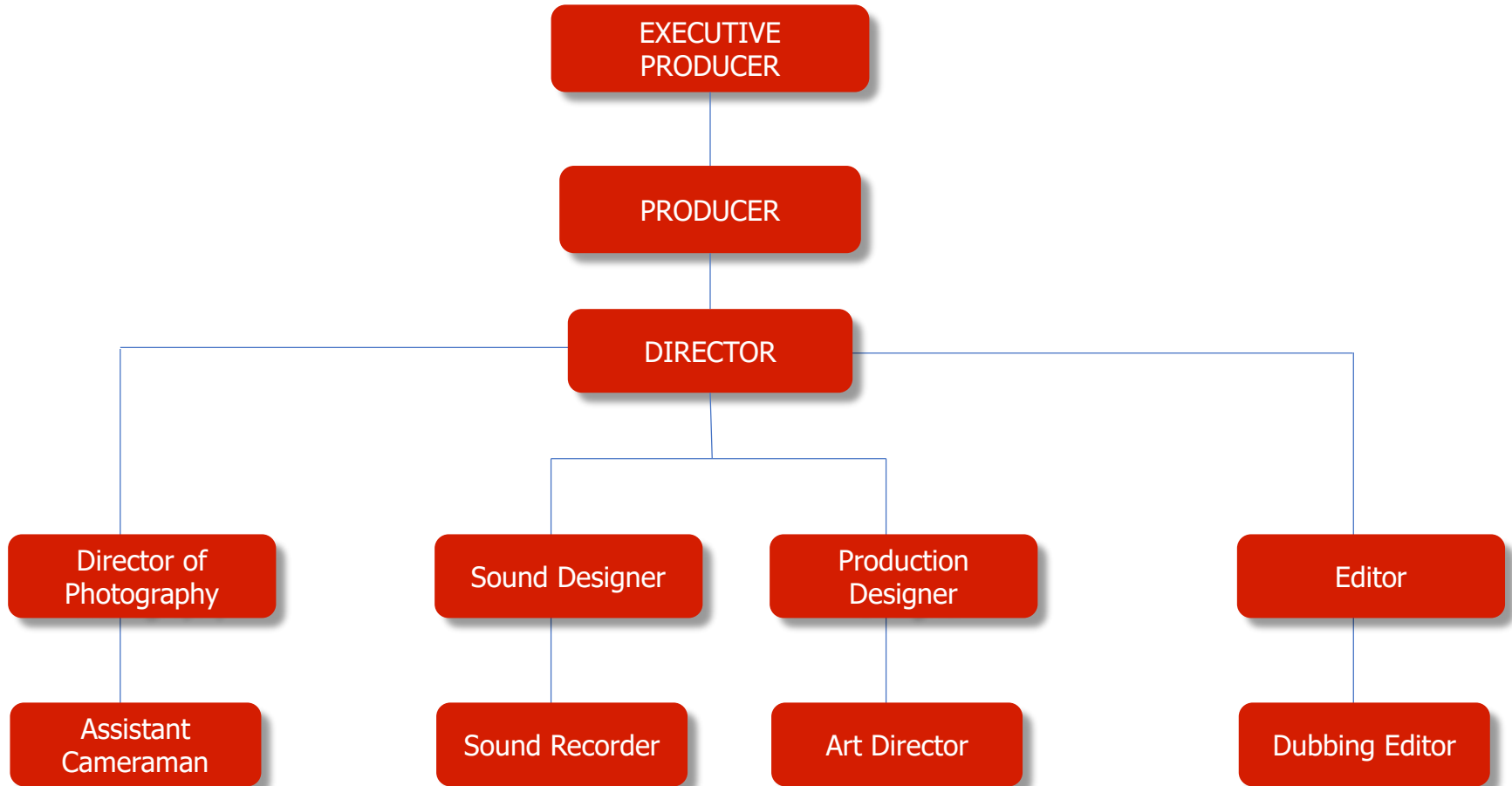


Quality

The overall aim is to create a top-quality film that provokes discussion and action in finding viable solutions to eradicating bullying in schools through the United States as well as in the international community.

Introduction

Organization Structure



Market Research

SWOT Analysis

Strengths

- Excellent adaptation of play that has been well-received and produced over 100 times by more than 50 high schools, garnering over 15 theater awards
- Relatable story line that has created a great amount of buzz
- Excellent screenplay

Opportunities

- Opportunities to expand to several modes of distribution (DVD, IPTV, VOD, etc.)
- Translation rights
- Satellite rights for other countries

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Weaknesses

- Director and actors are not finalized yet
- Limited access to funding
- Jonathan Turner Smith is relatively inexperienced in the movie production business

Threats

- Exceeding budgets
- Delay in completion of film due to unforeseen external factors



▶ **The Project**

The Project

Title: THE LOSER'S CLUB

Logline: For years, members of the self-named "The Loser's Club" (TLC) have endured the constant "torture" and harassment by some of the most "elite" students in their high school. After a particularly horrendous day of bullying, the members of TLC decide it's time to put an end to their torment by kidnapping and holding hostage the school's star quarterback and head cheerleader on the day of the school's Centennial Homecoming. The Loser's Club's plan, "Operation Get Back," is about to kick some serious butt!

Genre: Teen Comedy Drama. The story is based on a play that was published in 2012 by Eldridge Publishing and has been produced over 100 times by more than 50 junior high and high schools throughout the United States and Australia. The play has garnered over 15 regional and state high school theater awards.

Movie with a social message and purpose: With the film adaptation, the writer/producer aims to create awareness about the serious impact of bullying.

Story has already created significant buzz: Via staged readings and productions, "The Losers' Club" has prompted countless discussions in high schools throughout the country, as evidenced by the many letters received by the writer from theater directors, administrators, and even students.



The Project

Why THE LOSER'S CLUB.... Because bullying is a serious problem!

Bullying is universal... It occurs in junior high and high schools throughout the world and its language is universal: If you are different in any way, you are a potential target for bullying. Bullying is an epidemic. It is rampant and the effects can be catastrophic. It occurs in our communities, in our schools and sadly even in our homes. The statistics of bullying are staggering, scary, and merit serious consideration and immediate action.

Consider the following (United States figures):

- 90% of students in grades 4-8, 28% of students in grades 6-12, and 20% of students in grades 9-12 report having been harassed or bullied. (stopbullying.gov)
- In grades 6-12, 9% of students have experienced cyberbullying.
- Over 160,000 kids refuse to go to school each day for fear of being bullied. (Nation Education Association)
- 70.6% of students report having witnessed bullying in their school and over 71% say bullying is a problem.
- Over 10% of students who drop out of school do so because of repeated bullying.
- Each month, 282,000 students are physically assaulted in some way in secondary schools throughout the United States—and the number is growing.
- Statistics suggest that revenge due to bullying is the number one motivator for school shootings in the U.S.
- 86% of students surveyed said, “other kids picking on them, making fun of them or bullying them” is the number one reason that teenagers turn to lethal violence at school.
- Nearly 75% of school shootings have been linked to harassment and bullying.
- 87% of students surveyed reported that bullying is the primary motivator for school shootings.
- 64% of students who are bullied do not report it. (Petrosina, Guckenburg, Devoe and Hanson 2010)

The Project

The Story

Kevin Mayfield cannot use the bathroom without being harassed. Luther Washington, who has cerebral palsy and walks with a cane, just wants to be noticed and not be called a “retard.” Cynthia Henderson is forced to stop her cheerleading routine during tryouts because students make fun of her weight. And Jennifer Gibson is ridiculed on her first day of school for being hard-of-hearing.

So begins another day in the life of “The Loser’s Club” (TLC) at Clarksville High. Cynthia and Trenton Ogletree, an impressive looking “goth/rocker” senior, lead the small band of high school misfits as they plot to kidnap two of Clarksville’s most popular students, Joe Taylor and Tawny Harris, and put them on trial for crimes committed against their fellow students.

They must first decide where they are going to hold their “trial.” Then they need to come up with a plan to coerce Joe and Tawny to comply with their scheme. The group of friends decide to carry out their kidnapping plan, “Operation Get Back,” on the day of Clarksville’s Centennial Homecoming game.

Joe and Tawny are, of course, nominated as homecoming king and queen, so The Loser’s Club decides to tell Joe and Tawny that the yearbook is going to take pictures of all the nominees in the old unused science wing of the school. Three members of TLC, Tazanna, Lizzy, a gay teen, and Pooh (aka Mr. Shakespeare), a huge tackle on the football team, escort Joe and Tawny to a classroom in the unused wing on the afternoon before the big game.

When Joe and Tawny discover that they have been tricked, they are obviously upset and angry and try to leave. They are thwarted by various members of The Loser’s Club, including Pooh, whose brute strength overpowers Joe.

The Project

The Story

Trenton introduces everyone to the captives, even though they may recognize each other. Trenton states that he wants them to see the members of TLC as fellow human beings and not as objects to harass or make fun of. Each TLC member relates how they have been affected by the constant bullying from Joe, Tawny, and their friends, and that it has to stop.

During the Trial, Sam Blake, an English teacher at Clarksville, suspects that "The Loser's Club" is up to something and vows to discover what it is. His suspicions are further aroused when the head football coach approaches him and asks if he has seen Joe and/or Pooh. Mr. Blake begins his search in earnest, which takes him to various locations on the Clarksville campus.

As each member testifies, Joe listens and occasionally responds, but it is Tawny who refuses to admit she is at fault and that the members of TLC should not be so "sensitive." At one point, Luther becomes so enraged, that he pulls out a gun and waves it around, threatening to make Joe and Tawny understand how it feels to be bullied. Panic breaks out as kids hide under chairs and scramble for safety.

Luther fires the gun. As people start to recover, it is revealed that the gun is merely a cap gun. However, the damage has been done and Tawny has a meltdown, blaming everyone for ruining her chance at being crowned homecoming queen. As she searches for one of her shoes lost in the gun incident, she flops down on her chair and weeps. Pooh, seeing how distressed she is, finds her shoe and gently places it on her foot... while quoting a soliloquy from Romeo and Juliet!

The last member of "The Loser's Club" to testify is Tazanna, who relates how several of Joe's friends grabbed her after school and took her behind the band hall.

The Project

The Story

Before she has a chance to finish her story, Kevin takes out a switchblade and threatens to “slit Joe’s Throat.” But Tazanna steps in front of Joe and tells everyone that it was Joe who came to her rescue.

As disappointed as everyone is that Joe now seems to be a hero, Trenton declares that the trial is nearly over and that it is time to vote on whether they all agree that Joe and Tawny are guilty of the “crimes” for which they have been accused. Tawny is unanimously found guilty, while Joe is found guilty by all members, except Tazanna. Trenton declares guilty verdicts.

The room is silent as everyone anxiously waits for Trenton to announce the punishment for the two guilty students. He opens the drawer of the desk where he is standing and slowly pulls out a very large hunting knife. There is an audible gasp as he threateningly walks toward Joe and Tawny. The Members of “TLC” are shocked and beg Trenton to put the knife away, that “this isn’t who we are.” Even Kevin tells Trenton that he is all talk and would never really hurt anyone and that he only brought the switchblade to scare Joe and Tawny.

Ignoring his friends’ pleas, Trenton offers the knife to several members to exact their “pound of flesh” for all the times Joe, Tawny, and their friends bullied them. Every member refuses to take the knife and goes to stand in front of Joe and Tawny to protect them.

Trenton tells Pooh to take the knife and give it to Joe. Now everyone, including Joe and Tawny, are really confused. Reluctantly, Pooh takes the knife and hands it to Joe. Trenton then holds out his arms in front of Joe and tells Joe to cut him, to make him bleed, as that is what he and Tawny do every time they make fun, ridicule, or physically harass one of them. Joe just stares at Trenton and, after a brief moment, gives the knife back to him. Tawny, however, protests and tries to convince Joe to keep it.

What happens next is a shock to everyone.....

The Project

The Cast



Tawny Harris

Tawny is very beautiful and completely self-centered. She is one of those girls who was destined to be popular and a cheerleader from the moment she entered first grade. Her home life has required the emotional armor she wears and no one can pierce it.



Joe Taylor

Joe is tall and well-built, as well as being handsome. He is also the star high school quarterback. He is a leader, even though that is a role he's not necessarily comfortable with. He is a bully, but often shows a bit of humanity to those he and his 'posse' target.



Skeeter Craig

Skeeter is all cowboy. He can be pretty ruthless and idolizes Joe Taylor. He is a defender of no one except himself and delights in bullying anyone who will not fight back. He is also pretty popular, so go figure!



Jim Bob Thornton

Jim Bob is built like a wrestler... because he is one. He is not the brightest student to walk the halls of Clarksville High and is truly one of the 'good ol' boys.'

The Project

The Cast



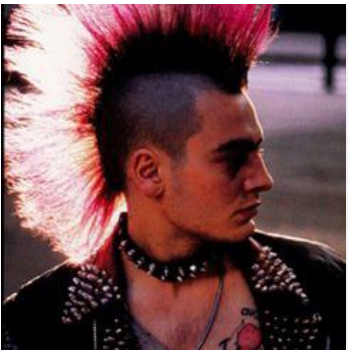
Lizzy Bishop

Lizzy is gay and fearless. She can't stand the 'popular' crowd and has no problem expressing her feelings. She is also a fearless friend. Lizzy would like everyone to believe that the gay jokes and homophobic remarks simply roll off her back. But the truth is she longs for the day when she can just be accepted for who she is.



Cynthia Henderson

Cynthia is overweight, extremely bright, and a natural born leader. She always sticks up for the underdog. She comes from a happy, relatively normal family whose mother was a high school cheerleader and homecoming queen.



Trenton Ogletree

Trenton is a sight to behold! He has a pink Mohawk and is covered with tattoos and piercings. He is tall, well-built, and wears black Levi's with a black t-shirt, black leather jacket, and black combat boots. His nails are also painted black and he obviously wears black eyeliner.



Pooh Collins (aka Mr. Shakespeare)

Pooh is a very shy, huge senior and a tackle on the football team. Although his size is intimidating, he would rather read Shakespeare than hurt anyone on the football field.

He is a true lover of poetry and can recite most of Shakespeare's soliloquies. He is very protective of his friends and understands that even though he plays football, he is not counted as one of the 'brotherhood.'

The Project

The Cast



Kevin Mayfield

Kevin is a gymnast, wiry, and most likely has ADHD. He is small for his age and often gets bullied by the football players. He is quick-witted, hot-tempered and not afraid of a fight. He is the major proponent of 'Operation Get Back.'



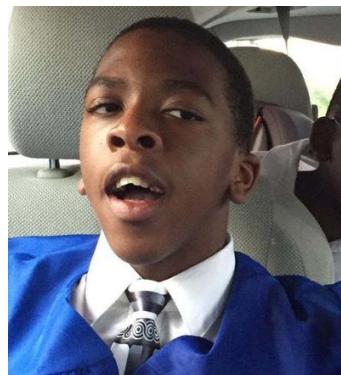
Tazanna Youngblood

Tazanna is a naturally beautiful Native American girl, quiet, and genuinely authentic. She loves her family and plays the flute in her high school band. She hopes one day to be able to financially support her mom, brother, and sister, and play in a professional orchestra. She is definitely the type of person you want to succeed.



Calvin Anderson

Calvin is a computer geek with glasses. He is a good looking teenager, but because he has a pronounced stutter, his looks are often overlooked. He is constantly bullied because of his stutter, but never seems to let it get him down.



Luther Washington

Luther has cerebral palsy and walks with a cane. His movements are erratic at times, but he is as sharp as a whip. He just wants to be seen and acknowledged... not ignored because of his disability. He has found a home in The Loser's Club.

The Project

The Cast



Jennifer Gifford

Jennifer is a hard-of-hearing freckled redhead who wears a hearing aid. She is the newest member of 'The Loser's Club' as she recently transferred to Clarksville High. Although gregarious, she gets very tired of people thinking she is deaf.



Mr. Sam Blake

Mr. Blake is a well-liked member of the Clarksville High faculty. He teaches English and is the student council sponsor. He is also the faculty chairman of the Clarksville Centennial Homecoming. He truly cares for all students.

The Project

Director's Options



Rebecca Thomas

An American filmmaker, best known for her 2012 debut feature *Electrick Children*. Thomas' short film called "Nobody Knows You, Nobody Gives a Damn" premiered at the 2009 Sundance Film Festival. Thomas directed episode seven, *The Lost Sister*, of the second season of the Netflix series, *Stranger Things*. She directed all 10 episodes of *Limetown*. Rebecca's experience with teen movies makes her a great choice for TLC.

Kelly Fremon Craig

Kelly Fremon Craig is a writer and director from Whittier, California. She made her directorial debut with *The Edge of Seventeen*. James L. Brooks' Gracie Films acquired the project in 2012 and developed the screenplay with Fremon Craig.

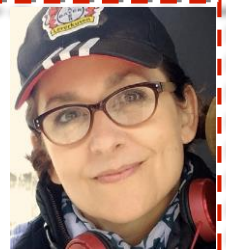


Quinn Shephard

American actress, screenwriter, film producer, film director, and film editor. In 2017, her feature film directorial debut, *Blame* (which she also wrote, produced, edited, and starred in), screened at several film festivals and earned critical attention. She is the youngest director ever to premiere a feature at Tribeca - her film *Blame*.

Uta Briesewitz

Uta is a German cinematographer and television director. She directed chapters five and six from the third season of *Stranger Things*. In 2007 she won a Women in Film Crystal + Lucy award in the Kodak Vision award category.



The Project

Director's Options



Desiree Arkhavan

Akhavan made her first short film *Two Drink Minimum* while studying in London as a graduate student. In 2010, she wrote and directed the short film *Nose Job*. Arkhavan wrote, directed and acted in the lesbian-themed web series *The Slope*. She was named to *Filmmaker's 25 New Faces of Independent Film* in 2012. Arkhavan won the coveted Sundance Grand Jury Prize for her feature film *The Miseducation of Cameron Post*.

Lynne Ramsay

Lynne Ramsay is a Scottish film director, writer, producer, and cinematographer best known for the feature films *Ratcatcher*, *Morvern Callar*, *We Need to Talk About Kevin*, and *You Were Never Really Here*. Her films are marked by a fascination with children and young people, and the recurring themes of grief, guilt, death, and its aftermath.



Joel Edgerton

Joel Edgerton is an Australian actor and filmmaker. In 2015, Edgerton wrote, directed, co-produced, and co-starred in *The Gift*. For this film, he received a nomination for the Directors Guild of America Award for Outstanding Directing – First-Time Feature Film. In 2018, he wrote, directed, and starred in the drama *Boy Erased*, about gay conversion therapy.

Jason Bateman

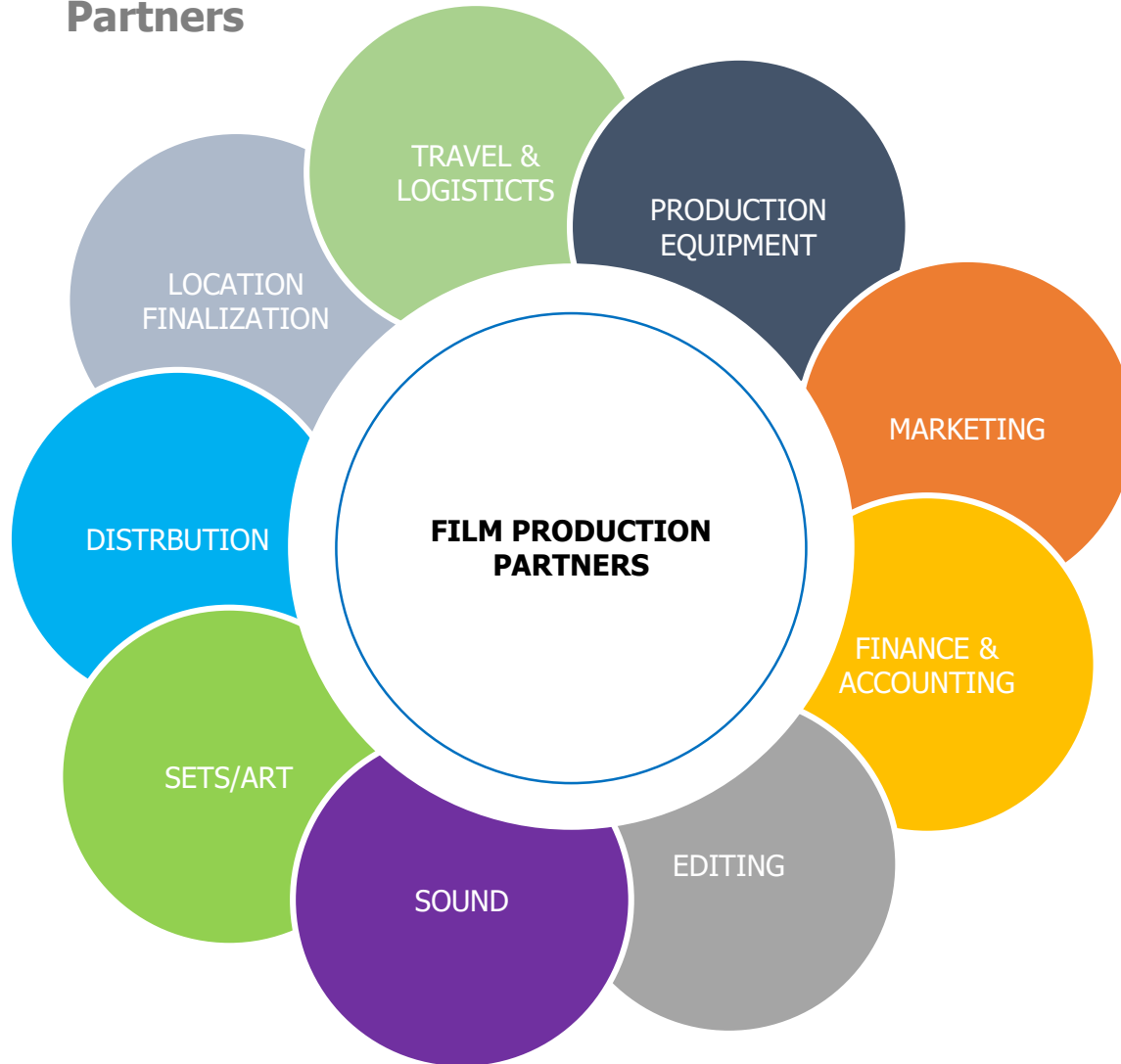
Jason Kent Bateman is an American actor, director, and producer. Bateman made his directorial debut with the black comedy *Bad Words* (2013), in which he also starred. He has since directed and starred in *The Family Fang* (2015) and the Netflix crime drama series *Ozark* (2017–present). Bateman was awarded the Primetime Emmy Award for Outstanding Directing for a Drama Series in 2019 for his directing of *Ozark*.

Debra Granik

Debra is an American filmmaker. She is best known for 2004's *Down to the Bone*, which starred Vera Farmiga, 2010's *Winter's Bone*, which starred Jennifer Lawrence in her breakout performance and for which Granik was nominated for an Academy Award for Best Picture and Best Adapted Screenplay. *Winter's Bone* won the Seattle International Film Festival Golden Space Needle Audience Award for Best Director.

The Project

Partners



The project will form strategic partnerships with specialists in the following areas:

- Travel & logistics
- Production equipment
- Marketing
- Finance & Accounting
- Editing
- Sound
- Sets/Art
- Distribution
- Location Finalization

The Project

Production Process

Pre-production

Production

Post-production

Plan the project

- Outline
- Script
- Storyboard
- Budget/Finance
- Cast
- Costumes
- Sets/Props
- Location
- Logistics

Create/Gather Raw Material

- Shoot video and picture stock footage
- Create text and graphics with Adobe and Photoshop
- Create Animation with Adobe After Effects
- Record, sweeten, mix, and edit high-quality audio with Adobe Audition

Capture/Import

Use Adobe Premiere to:

- Import DV
- Digitize Analog video and audio
- Import source material in compatible Adobe and many other file formats

Assemble/Edit

- Use Adobe Premiere to perform non-linear editing (NLE) and to author multi-media and Web content
- Use Adobe Premiere and/or Adobe Audition to sweeten, mix, edit and synchronize audio with video

Create/Composite

Use Adobe After Effects to develop:

- Motion graphics
- Visual effects
- Sophisticated multi-layered compositions

Use royalty-free music included with Adobe Audition to create new soundtracks

Output, Author, and Distribute

- Use Adobe Premiere to output an edit decision list (EDL)
- Use Adobe premiere and/or Adobe After Effects to output the productions for a variety of media including: videotape film, CD, DVD, and the Internet
- Use Adobe Encore DVD along with other Adobe applications to create menus for authoring, and producing professional-quality DVDs

The Project

Operational Flow

Setup prior to Pre-production

Setting up includes initial registration processes, finalization of the business plan, securing funding, finalization of contracts with artists, etc.



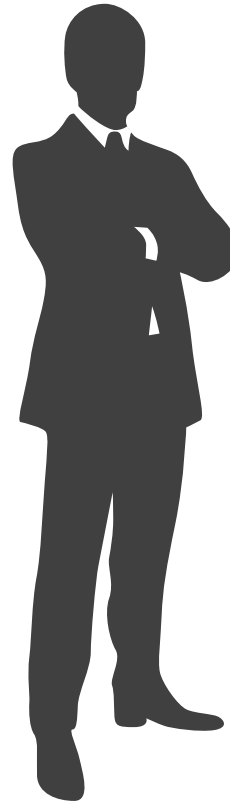
Pre-production

This stage will involve the finalization of locations, shooting schedule, availability of the crew, and equipment.



Shooting

The detailed script for the movie is ready. Shooting will involve bringing the script to life. Shooting locations have been finalized. Logistics will be arranged to ensure shooting takes place as per plans.



Marketing

The key marketing strategy will be to establish tie-ups with the distributors and distribution partners. Other marketing techniques include SEO, social media presence, and press releases.



Post-production

Post-production flows include editing, music, dubbing, voice mixing, titles, creative editing, finalization, and creation of the entire film as a finished product.

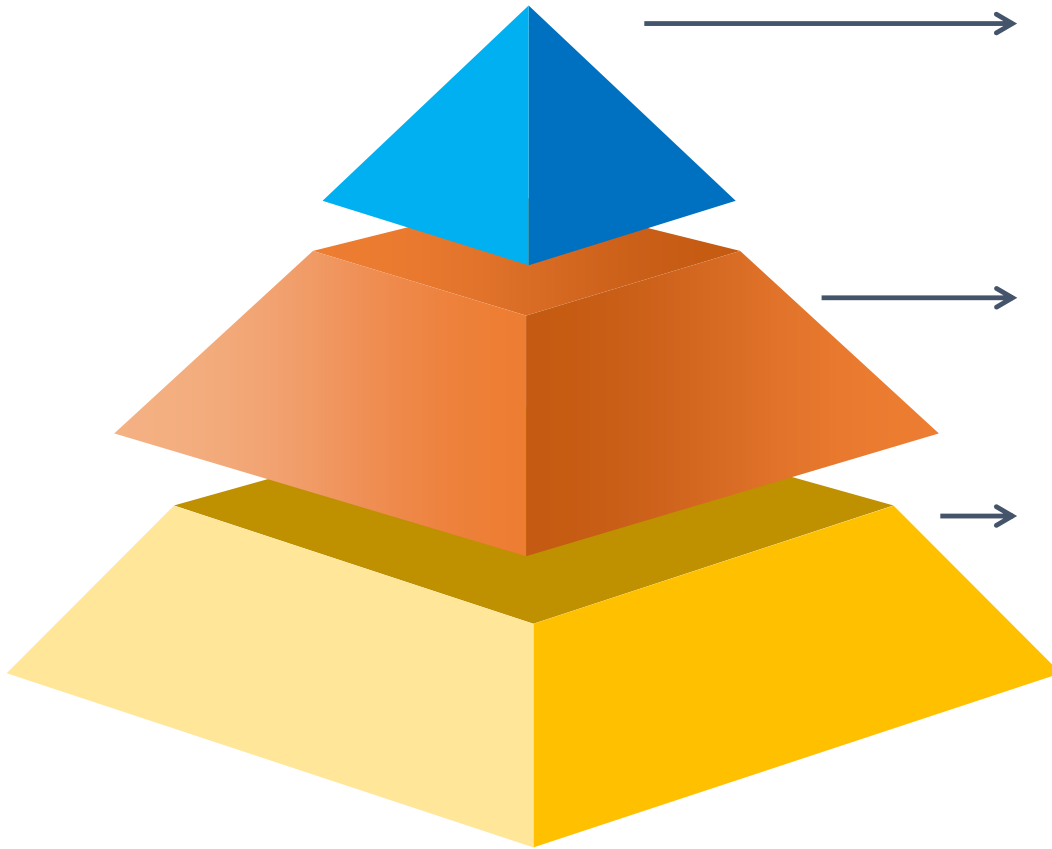


Distribution

Distribution channels include theatrical releases, DVD releases, IPTV, and online distribution channels.

The Project

Strategies



Strategic

- Finalization of scripts
- Location finalization
- Marketing and tie-ups
- Distribution channel finalizations
- Creation of pre-release buzz
- Social media and online presence

Managerial

- Shooting schedule management
- Team availability and call sheets
- Release planning
- Distributor contracts

Tactical

- Arrangement of logistics
- Travel schedules
- Shooting location logistics
- Equipment transportation and functioning
- Script and dialogue shooting

The Project

Milestones

Feb. 2020 to May 2020

- Secure funding
- Location finalization
- Crew contracts
- Hiring of artists
- Pre-production schedules

June 2020 to July 2020

- Film set creation
- Film shooting
- Production sounds
- Visual effects
- Tests

July 2020 to Dec. 2020

- Post-production
- Editing
- Sound mixing
- Dubbing
- Music and titles
- Optical effects
- Pre-release marketing

Jan. 2021 to Mar. 2021

- ♦Distributor tie-ups
- ♦Theatrical release

April 2021 to June 2021

- DVD release
- Tie-ups for IPTV
- Other distribution channel releases

The Project

Marketing Plan

For the film, low-cost marketing initiatives will be employed including search engine optimization and online marketing. The film's marketing campaigns will primarily employ digital marketing strategies.

Film Distributors & Tie-ups

Top distributor networks in the US, UK, and the rest of the world will be approached to distribute and market the film. Film distribution will be the core of the marketing strategy and is expected to result in higher theatrical releases and online distribution.



Social Media

Social media is a mass and effective platform for film marketing. The film will create a lot of pre-release buzz through the release of teasers, online posters, fan releases, etc. Release of online trailers on YouTube and teasers, and promoting them on social media will also create buzz and an early fan following among teenagers.

Fan Forums/Associations

The company will also promote the films on fan forums and movie associations to generate buzz before the movie's release. The movie will be released on various platforms such as theatre, IPTV, and DVDs.



The Project

Marketing Mix

Product/Services

The project is about a teen comedy/drama movie called THE LOSER'S CLUB with a social message about the impact of bullying.

Price

In the film industry, prices are driven by distributors. However, broadly, the film pricing will be in line with the market pulse.



Promotion

Promotion will include various activities such as press releases, social media, and tie-ups with distributors and distribution channels.

Place

The film will primarily be marketed in the USA, UK, and other English-speaking markets.

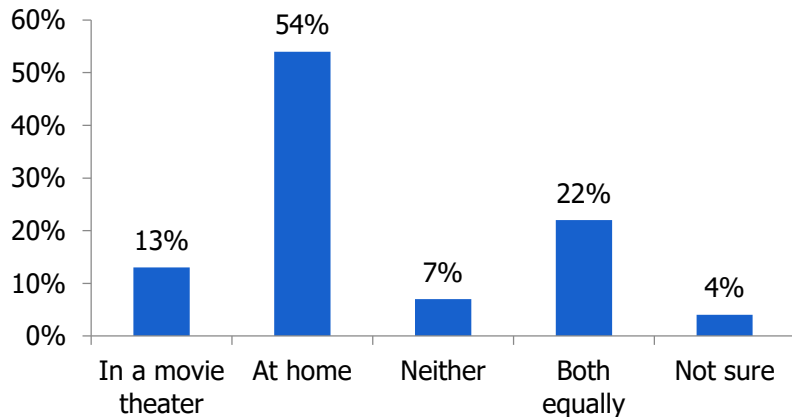


► **Industry**

Industry

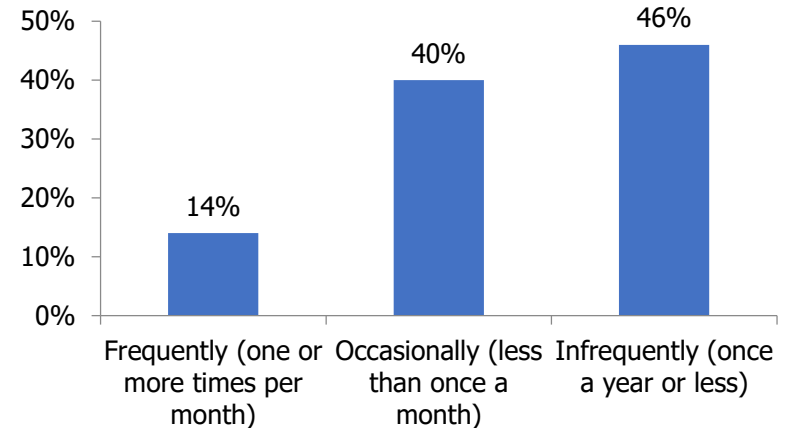
Changing consumer behavior and rapid technological advances in video content delivery have resulted in meaningful disruptions in the movie industry. People's preference is now inclined toward watching movies at home.

Preferred movie watching locations among adults in the United States as of February 2018



- More than half of U.S. residents now prefer to give up large movie screens and wait for films to be available through home release.
- As of 2018, 54% of U.S.-based respondents stated that their favorite movie watching location was at home.
- Only around 13% of respondents stated that they preferred to watch movies in a theatre, while 22% stated that they like the theatre and home options equally.

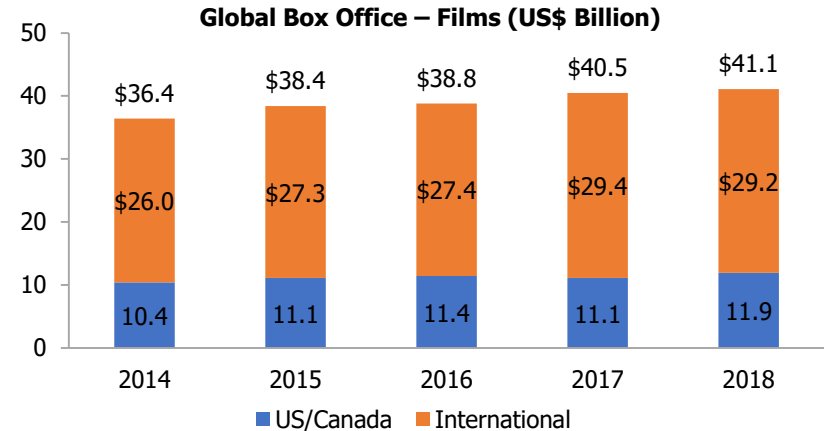
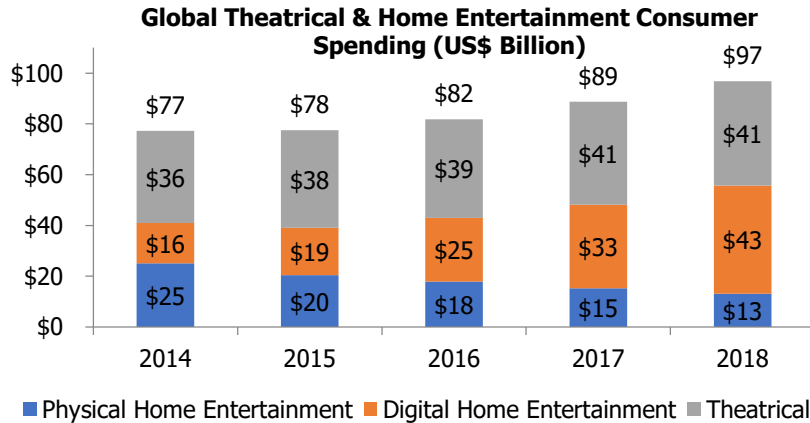
Visit to a movie theatre among adults in the United States as of June 2019



- In a survey conducted in June 2019, it was found that just 14% of U.S. adults visited a movie theater one or more times per month, but 46% stated that they went to the cinema to watch a movie once a year or less.

Industry

The global entertainment industry has seen robust growth over the years. The North American box office is also on the rise.



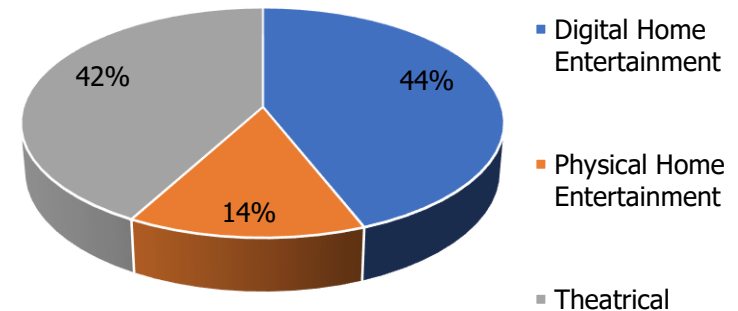
- The global entertainment market reached US\$96.8 billion in 2018 – a 9% increase over 2017 – according to new, combined theatrical and home entertainment as per the Motion Picture Association of America (MPAA).
- Global box office for all films released in each country around the world reached US\$41.1 billion in 2018, up 1% over 2017's total.
- International box office (US\$29.2 billion) decreased 1%, while U.S./Canada box office (US\$11.9 billion), increased 7% compared to 2017.
- International box office accounted for 71% of total box office in 2018, down 2% points from 2017.
- International box office is up 12% compared to five years ago. Global box office is up 13% over the same period.
- In 2018, U.S./Canada box office reached a high of US\$11.9 billion, up 7% from last year and up 4% from 2016, the previous record year.

Industry

Digital home entertainment is growing substantially.

- Global home entertainment consumer spending increased by 16% over 2017 levels to reach US\$55.7 billion. In 2018, overall spending on home entertainment in the U.S. increased to US\$23.3 billion, up 12% over 2017.
- The growth was driven by digital home entertainment, with U.S. digital spending increasing by 24% and international digital spending increasing by 34%. Since 2014, digital spending has increased 170% globally.
- Globally, the number of subscriptions to online video services reached 613 million, an increase of 27% in just one year.
- Subscriptions to online video services surpassed cable subscriptions for the first time in 2018 as cable subscription decreased 2% in 2018.

2018 Global Theatrical & Home Entertainment Consumer Spending (% Share)

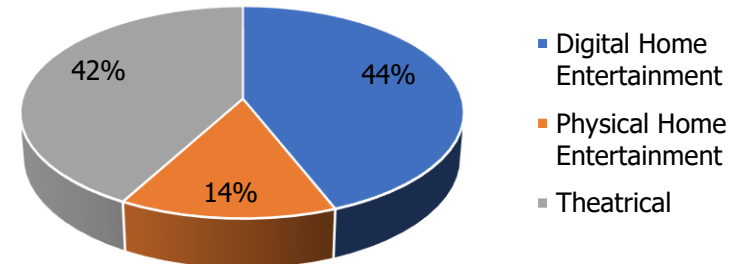


Industry

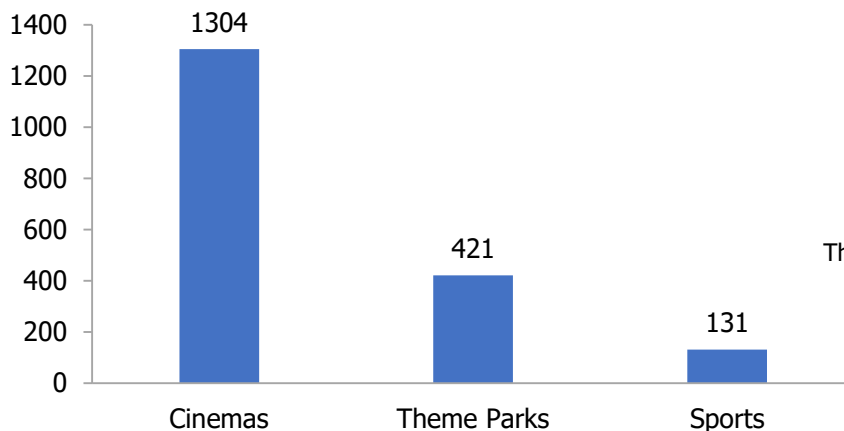
Theatrical still accounts for a significant share of consumer spending in the entertainment industry. Movie theatres are still preferred over other forms of entertainment

- In 2018, theatrical accounted for 42% of combined theatrical and home entertainment consumer spending, with digital home entertainment (44%) and physical home entertainment (14%) making up the rest.
- In 2018, movie theaters drew more than twice as many people as all theme parks and major U.S. sports combined (baseball, basketball, hockey and football).
- Compared to other forms of entertainment, a movie is still the most affordable option, costing a little over US\$36 for a family of four.

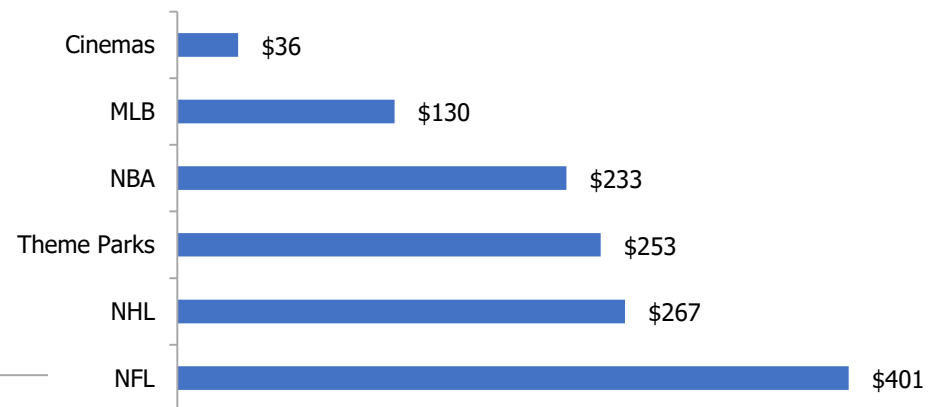
Consumer Spending



2018 Attendance (Millions)



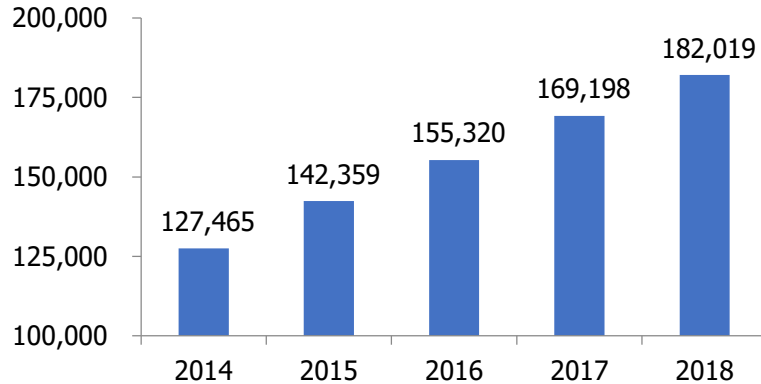
Average Ticket Price for a family of 4



Industry

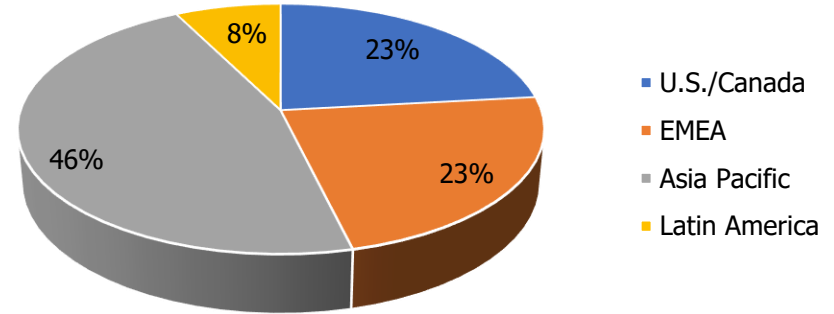
An increasing number of screens also points toward the further expansion of the industry

Global Screens

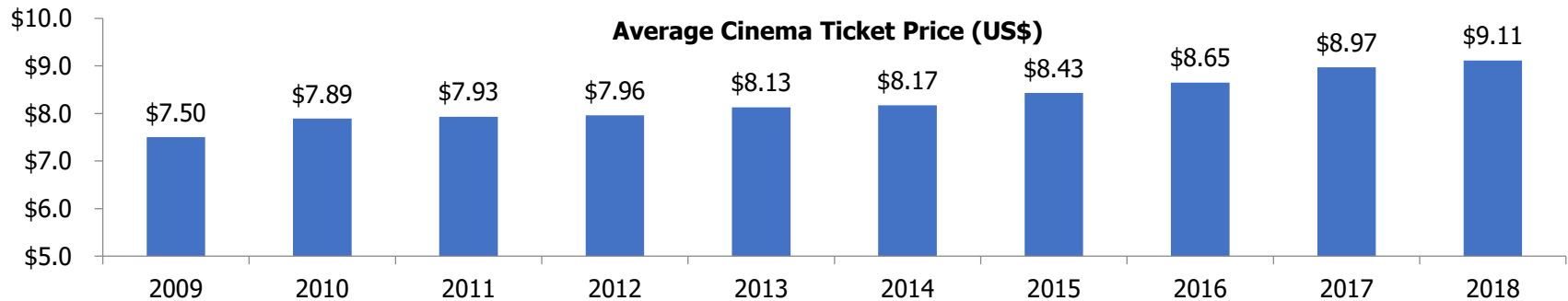


Total cinema screens increased 7% globally in 2018, nearly reaching 182,000, due in large part to continued double digit growth in the Asia-Pacific region (+13%).

Geography Distribution – Number of Screens



Asia has the largest share in the number of screens. The US / Canada and EMEA combined have almost the same number of screens as Asia.

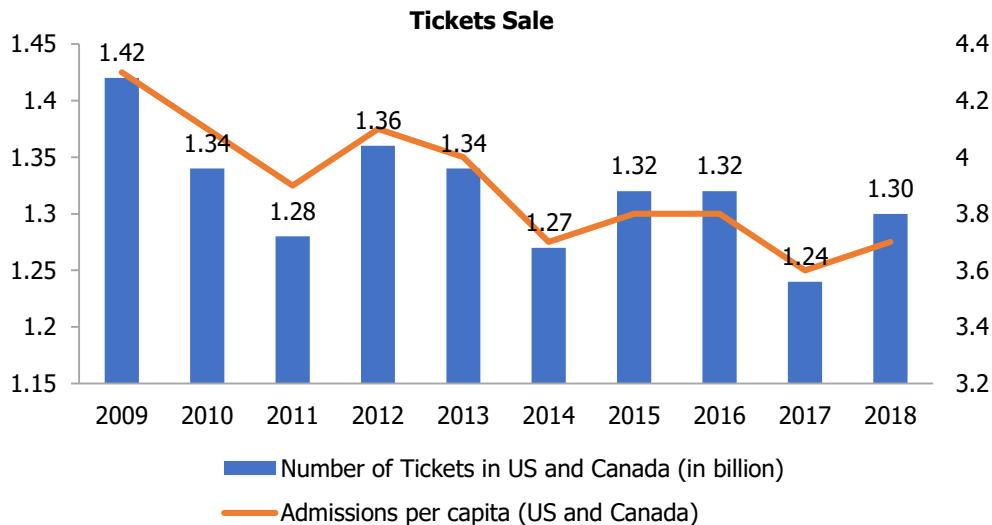
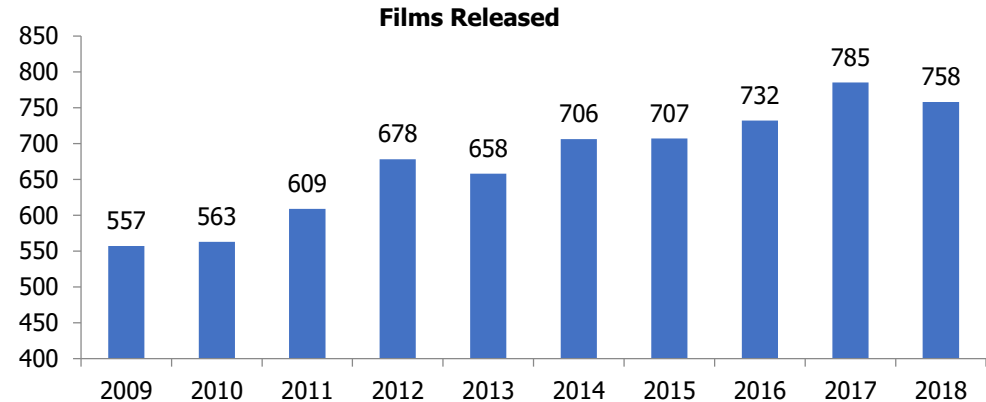


The average cinema ticket price nationwide increased by 14 cents (+2%) in 2018, compared to a 3% increase in inflation as measured by the Consumer Price Index (CPI). Increases in average ticket prices have blunted top line revenues from the drop off in attendance.

Industry

The number of tickets sold in the US and Canada is on the rise. The number of films released had witnessed a declining trend.

- The number of films released in theaters in the U.S. / Canada (758) was down by 3% compared to 2017 (785).
- This declining trend is positive for the industry, as each movie will have more viewers.



- 1.3 billion tickets were sold in the US and Canada - a 5% growth compared to 1.24 billion tickets sold in 2017.
- Tickets per capita also increased from 3.6 in 2017 to 3.7 in 2018.

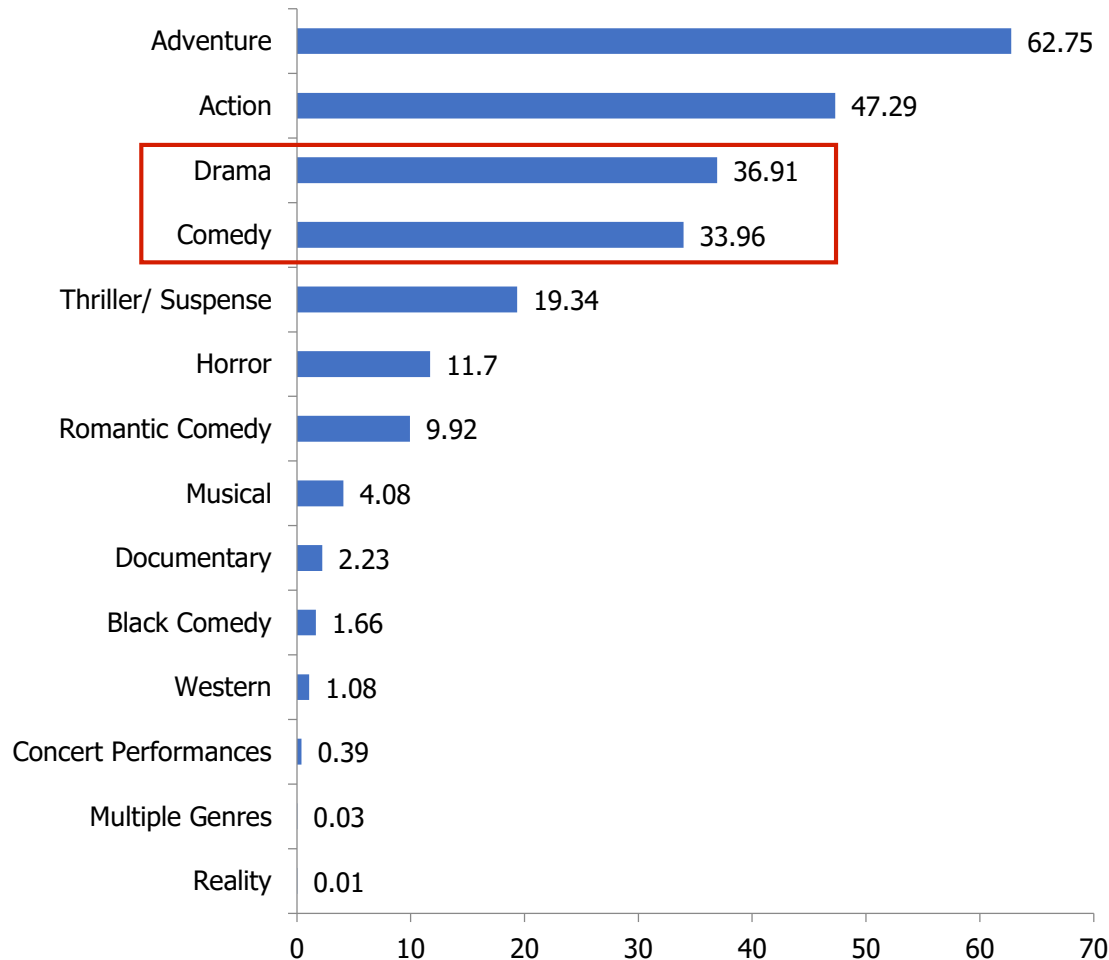


▶ **Market Research**

Industry

Comedy and Drama are both popular genre in the US movie industry.

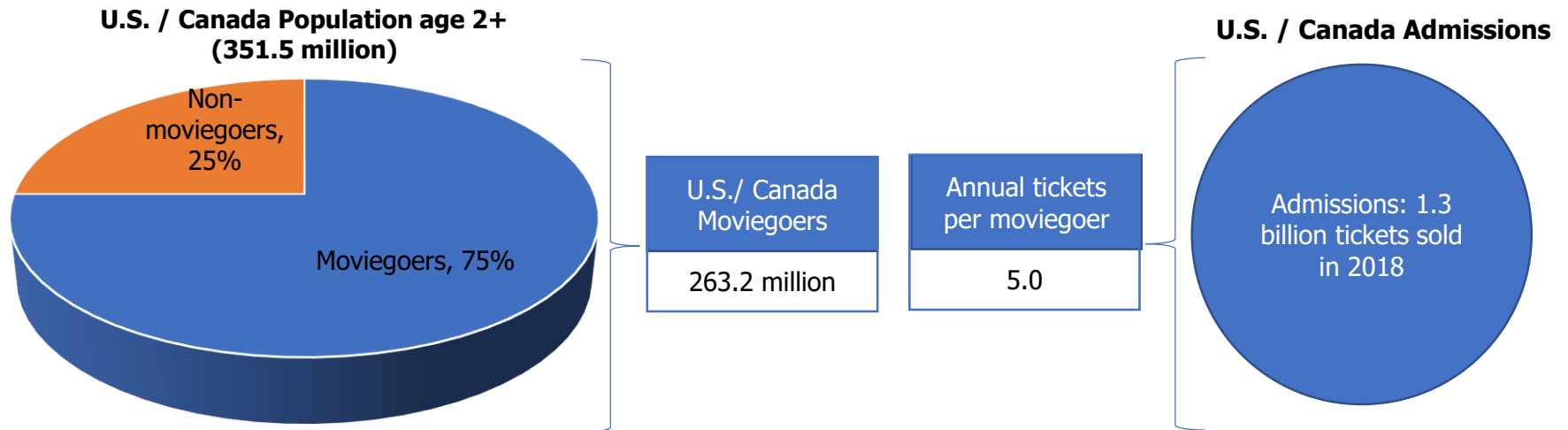
Most popular movie genres in North America from 1995 to 2019 by total box office revenue (in billion U.S. dollars)



- The movie genre that has generated the most revenue at the North American box office since 1995 is the adventure genre, having brought in US\$ 62.75 billion of revenue since that year.
- Second on the list is the action genre, which has box office takings of US\$ 44.15 billion.
- Drama and Comedy ranked third and fourth respectively.
- Combined together, Drama and comedy grossed more than US\$ 70 billion, higher than the most popular adventure genre.
- Dramas and comedies also topped the list of movie genres ranked by number of releases in North America from 1995 to 2018. Between 1995 and 2018, over 2.22 thousand comedies and over 4.95 thousand dramas were released.

Market Research

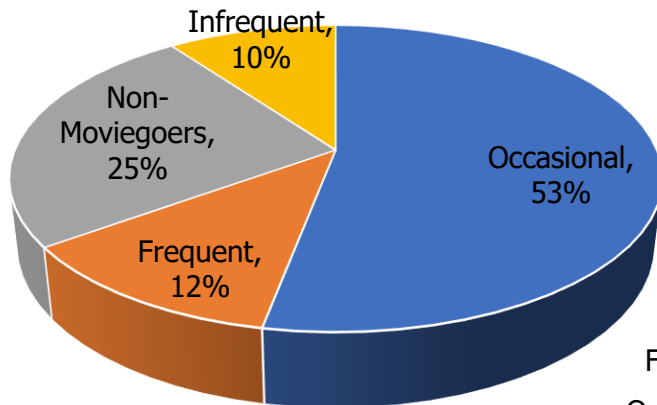
75% of the U.S. / Canada population aged 2 or older, or 263 million people, went to a movie at a cinema at least once in 2018. This number is similar to 2017. The typical moviegoer purchased 5 tickets in a year in 2018 compared to 4.7 tickets in 2017.



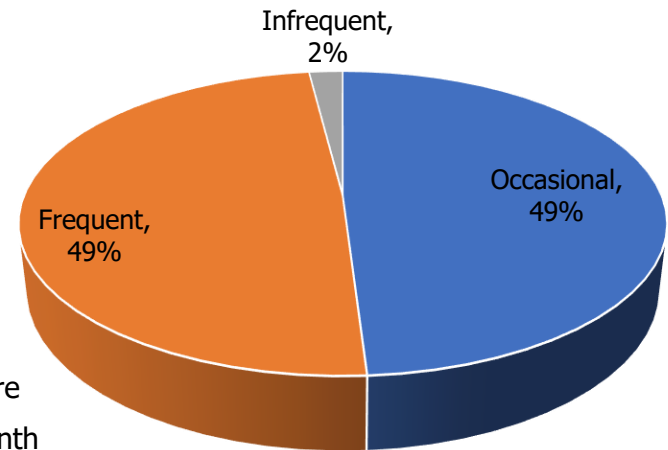
Market Research

12% of the U.S. / Canada population is categorized as frequent moviegoers who attend the cinema once a month. This portion of the population is responsible for 49% of all tickets sold. More than half of the population (53%) represents occasional moviegoers, who are responsible for 49% of all tickets sold. The remaining 2% of tickets are sold to infrequent moviegoers (10% of the population).

U.S. / Canada Population age 2+ (351.5 million)

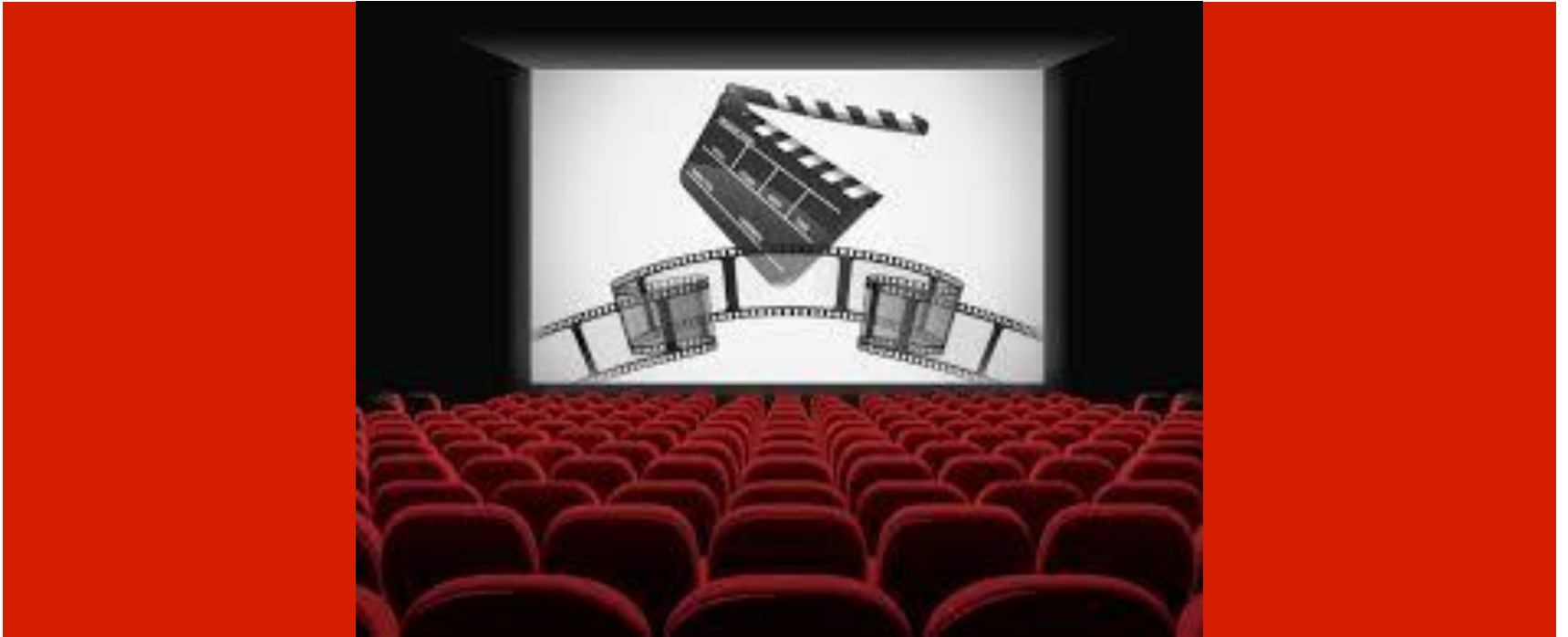


U.S. / Canada Tickets sold



Frequency Definitions:

- Frequent: Once a month or more
- Occasional: Less than once a month
- Infrequent: Once in 12 months

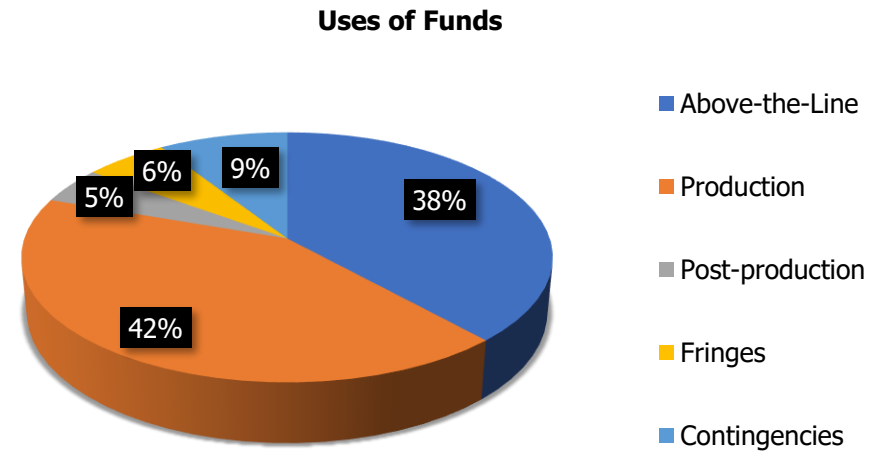


- ▶ **The Investment Opportunity**

The Investment Opportunity

The total funding required for THE LOSER'S CLUB is US\$3.5 mm

Expense Category	Amount (US\$)
Above-the-Line	
Story, Rights, Continuity	78,338
Producers' Unit	280,000
Director	176,375
Cast	805,207
Total Above-the-Line	1,339,920
Production	
Production Staff	292,078
Extra Talent	310,690
Set Design	114,160
Set Operations	101,307
Set Dressing	42,730
Property	43,381
Wardrobe	56,439
Picture Vehicles & Animals	2,916
Makeup & Hairdressing	43,004
Lighting	73,492
Camera	202,402
Production Sound	37,984
Transportation	19,700
Location	132,070
Total Production	1,472,353
Post-production	
Editing	81,999
Music	25,000
Post-production Sound	50,000
Post-production Film & Lab	5,000
Main & End Titles	2,500
Total Post-production	164,499
Fringes	
Publicity	30,000
Insurance	100,000
Legal Fees	75,000
Contingency : 10.0%	318,177
Total Fringes	523,177
Total Above-the-Line	1,339,920
Total Production, Post-production and Fringes	2,160,029
Grand Total	3,499,949



The Investment Opportunity

Monetization of THE LOSER'S CLUB

1. Major distribution to bring good ROI

Driven largely by the strong story line, script and a reputed director...

Domestic Distribution

Jonathan Turner Smith via his company, Turner/Smith Productions LCC, will focus on acquiring distribution through film markets. The company will negotiate the most lucrative deal with the best fitting distribution partners for the film. The company will also allot P&A (print and ads) budgets for the film, resulting in a guarantee that the film will be released theatrically. P&A funds held in the budget also assist in the negotiation process, as percentage deals with studios and distribution companies rise significantly when the distribution company is not fronting the entire P&A budget.

Foreign Distribution

Jonathan Turner Smith will focus on acquiring foreign sales agencies. Foreign Sales Agencies are focusing their film sales efforts more and more on one genre, so the company will look to specific sales agents who focus on the comedy/drama genre.

2. Use of Tax Incentives and Subsidies

There are both domestic and foreign tax incentives. A tax incentive is like getting free money, the stakeholders will take advantage of any and all tax incentives available. Almost every city/state/country has incentives to motivate you to film in their location. Multiple states across the country offer tax incentives for filming. Some of the states that could be considered for location because of their tax incentive are: California, Louisiana, Atlanta, Texas, and New Mexico.

3. Product Placements & Merchandize

Product placement, such as Dr. Pepper, and merchandise are other sources of revenue for a film. Additional revenue will be generated by adding merchandising to the recoupment strategy, such as t-shirts, customized USB flash drives, baseball caps, the sale of assembly-line props from the film, and a CD of the film's original score.

4. How THE LOSER'S CLUB will make its ROI

First, we will make comparisons. No comparison is perfect, but by showing several examples, the continuity of similarities points to the solid nature of THE LOSER'S CLUB project. The following slides provide details of similar projects. Budget and Revenue of these projects are considered for calculating the revenue and ROI for THE LOSER'S CLUB.

The Investment Opportunity

Monetization of THE LOSER'S CLUB

Comparison A: *Booksmart* (2019): Budget US\$6 million

Booksmart is a teenage drama starring Beanie Feldstein and Kaitlyn Dever as two graduating high school girls who set out to finally break the rules and party on their last day of classes. Determined to make up for lost time, the girls decide to cram four years of not-to-be-missed fun into one night - a chaotic adventure that no amount of book smarts could prepare them for.

The movie is a good comparison as it had a similar budget and because of its teenage drama genre.

Box Office Performance

Domestic Box Office	\$22.7 million
International Box Office	\$2.2 million
Worldwide Box Office	\$26.5 million

Metrics:

Latest Ranking on Cumulative Box Office Lists:

Record	Rank	Revenue
All Time Domestic Box Office	3352	\$22,680,962
All Time International Box Office	7376	\$1,963,347
All Time Worldwide Box Office	4409	\$26,644,309
All Time Domestic Inflation adjusted Box Office		\$22,680,962

Domestic Releases: World Premiere on March 10th at South by Southwest, theatrical release by United Artists in USA on May 24th 2019.

International Releases: Released in France (Netflix) on May 24th 2019.

Running Time: 105 minutes

Source: Based on screenplay

Production Method: Live Action

Production Companies: Annapurna Pictures

Genre: Comedy

Production Countries: United States

The Investment Opportunity

Monetization of THE LOSER'S CLUB

Comparison B: *Love Simon* (2018): Budget US\$10 million

It centers on Simon Spier, a closeted gay high school boy who is forced to balance his friends, family, and the blackmailer threatening to out him to the entire school, while simultaneously attempting to discover the identity of the anonymous classmate with whom he has fallen in love online.

The movie is a good comparison as it had similar budget and because of its teenage drama genre.

Box Office Performance

Domestic Box Office	\$40.8 million
International Box Office	\$24.7 million
Worldwide Box Office	\$65.5 million

Metrics:

Latest Ranking on Cumulative Box Office Lists:

Record	Rank	Revenue
All Time Domestic Box Office	2124	\$40,826,341
All Time International Box Office	2726	\$24,694,292
All Time Worldwide Box Office	2291	\$65,520,633
All Time Domestic Inflation adjusted Box Office		\$40,826,341

Domestic Releases: Premiere at Mardi Gras Film Festival on February 27, 2018 and released in the United States on March 16, 2018, by 20th Century Fox.

International Releases: March 30th, 2018 (Wide) (Australia), March 30th, 2018 (Wide) (New Zealand), April 6th, 2018 (Wide) (Brazil) April 6th, 2018 (Wide) (United Kingdom), April 13th, 2018 (Wide), released as *Yo soy Simón* (Mexico).

Running Time: 110 minutes

Source: Based on Novel

Production Method: Live Action

Production Companies: Fox 2000 Pictures

Genre: Comedy

Production Countries: United States

The Investment Opportunity

Monetization of THE LOSER'S CLUB

Comparison C: *The Duff* (2018): Budget US\$8.5 million

It's a teenage drama in which Bianca begs a handsome guy in school to save her senior year from turning into a fiasco.

The movie is a good comparison as it had similar budget and because of its teenage drama genre.

Box Office Performance

Domestic Box Office	\$34.0 million
International Box Office	\$9.47 million
Worldwide Box Office	\$43.5 million

Metrics:

Latest Ranking on Cumulative Box Office Lists:

Record	Rank	Revenue
All Time Domestic Box Office	2517	\$34,030,343
All Time International Box Office	4312	\$9,498,291
All Time Worldwide Box Office	3044	\$43,528,634
All Time Domestic Inflation adjusted Box Office		\$36,775,376

Domestic Releases: It was released on February 20, 2015, by Lionsgate and CBS Films. It is the first film for which Lionsgate took over CBS Films' distribution functions.

International Releases: February 26th, 2015 (Wide) (Slovenia) February 26th, 2015 (Wide) (Ukraine) February 27th, 2015 (Wide) (Russia (CIS)) March 6th, 2015 (Wide) (Iceland) April 2nd, 2015 (Wide) (Australia).

Running Time: 110 minutes

Source: Based on Novel

Production Method: Live Action

Production Companies: Vast Entertainment

Genre: Young Adult Fiction

Production Countries: United States

The Investment Opportunity

Monetization of THE LOSER'S CLUB

Comparison D: *Eighth Grade* (2018): Budget US\$2 million

It's a teenage drama that focuses on Kayla Day, an eighth grader who is introverted but also posts videos about self-confidence on the Internet. Later, she realizes she is not the person she is pretending to be and overcomes her fears.

The movie is a good comparison as it had similar budget and because of its teenage drama genre.

Box Office Performance

Domestic Box Office	\$13.5 million
International Box Office	\$0.8 million
Worldwide Box Office	\$14.3 million

Metrics:

Latest Ranking on Cumulative Box Office Lists:

Record	Rank	Revenue
All Time Domestic Box Office	4479	\$13,539,710
All Time International Box Office	9179	\$808,310
All Time Worldwide Box Office	5580	\$14,348,020
All Time Domestic Inflation adjusted Box Office		\$13,539,710

Domestic Releases: The film premiered on January 19 as part of the U.S. Dramatic Competition section of the 2018 Sundance Film Festival. After other festival screenings, it was released theatrically in the United States by A24 on July 13, 2018.

International Releases: December 21st, 2018 (Wide) (Norway) January 4th, 2019 (Wide) (Australia) January 10th, 2019 (Wide) (New Zealand) January 10th, 2019 (Wide) (Thailand) February 22nd, 2019 (Wide) (Netherlands).

Running Time: 93 minutes

Source: Based on Drama

Production Method: Live Action

Production Companies: A24, IAC Films, Scott

Genre: Comedy Drama

Production Countries: United States

The Investment Opportunity

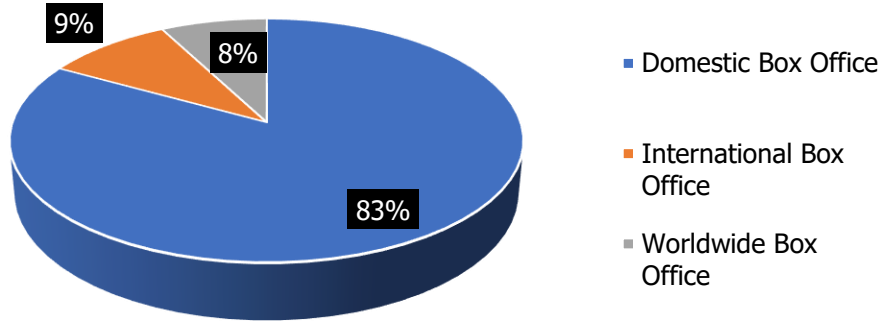
Income Statement

Income Statement	2020	2021
Revenue		
Domestic Box Office		18,309,880
International Box Office		2,034,431
Worldwide Box Office		20,344,311
Other sales		1,700,693
Total Revenue		22,045,004
Total Above-the-Line	1,339,920	
Total Production	1,472,353	
Total Post-Production	164,499	
Total Fringes	343,177	180,000
Total Expenses	3,319,949	180,000
Net Income before Taxes	(3,319,949)	21,865,004
Tax @ 33%		6,119,868
PAT	-3,319,949	15,745,136

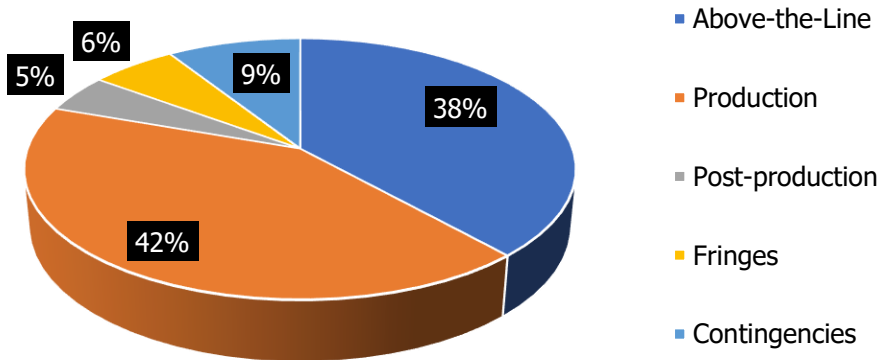
The Investment Opportunity

Financial Charts

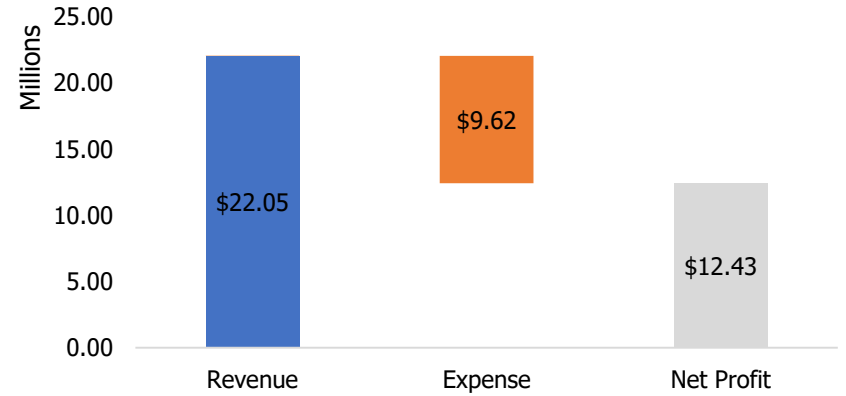
Revenue



Expenses



THE LOSER'S CLUB



ROI – 355%

IRR – 374%





▶ **Distribution Strategy**

The Project

Distribution Strategy

The film will primarily be distributed through the following four channels:

1.Theatrical Release: The film will be released using the traditional theatrical release strategy. It is expected that the film will run in theatres for a period of 2 to 3 months.

2.DVD/Blue-ray: When the theatrical run is coming to an end, the movie will be released on DVDs/Blue-ray discs.

3.Cable/Satellite/IPTV: The film will also be shown on major cable channels. Satellite rights will be sold to television networks, including rights for dubbing into other languages.

4.Online VOD providers: Online Video-On-Demand (VOD) has picked up drastically over the last few years. Various options in this regard will be explored after the theatrical run is completed.

