



# Ellison Rains

2022 Strategic Investment Deck

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# The Disclaimer



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# Comedy Is Big Business



## THE BUSINESS OF COMEDY IS A FRACTURED INDUSTRY

The Comedy Club industry is disjointed with no dominant player maximizing potential.

Our team has identified an opportunity to acquire key Comedy Clubs at a major discount to their potential value and ROI.

These acquisitions lead to unlimited opportunities to generate valued content, distributed across many revenue streams.



Providing vision, leadership, & cohesive focus.

Across both live stages and digital platforms

# The ERE Plan



Target acquisitions to key markets in Canada and the US with plans to expand network.



Elevate the Comedy Club experience and utilize the space to maximize returns.



Capture our target audience, The Super User, with live content followed by our digital strategy.



Each location will produce salable comedy content and expand into multiple revenue streams. Apps, TV, Radio, Satellite, & More



Attract the best talent and strategic partnerships by building a content creation machine under one banner.



## The Advantage

- Lead by a World-Class **Entertainer**
- **Maximize** potential others have missed
- Timing is ripe with **opportunity** as most clubs are burned out, outdated and damaged from Covid as revenues have **dropped 40% -70%**
- Negotiate more lucrative deals for **acquisitions and talent**



## The Competition

- Yuk Yuk's, The Improv, Zanies, Bonkers, Funny Bone, Crackers, Coconuts, and Helium Comedy
- The competition is leaving opportunity at the table with typical two drink minimums, mediocre food and atmosphere diluting the Customers spend per ticket
- Lost potential connecting with local markets as each location serves as a regional hub for live & digital comedy



# The ERE Concept



- An upscale **Comedy Club** experience
- Refined food & drink offerings
- Day/night operations for bar & productions
- Game concepts and contests
- VIP memberships
- Exclusive branding
- Community & Sports partnerships



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# Shift in Demographic

The comedy industry has been heavily impacted by Covid and the rapid roll out of technology & streaming services. It's a fractured market in key areas as the demographic is changing. Including Toronto, L.A, New York City, Chicago, & Las Vegas. Impacting such legends as Coconuts, Yuk Yuk's, Crackers, The Improv, & more, creating a lucrative time to take on the industry.

Vancouver, one of Canada's fastest growing cities, is expected to grow by 9.7% in 2022. Ranked as one of the best cities to live in N. America

The virus has caused a surge in relocations and online users. Igniting new Super User cities like Vancouver, Austin, Tampa/St Pete, Indianapolis, Nashville, Atlanta, Phoenix, Milwaukee, & Portland. Spending habits are shifting to experiences from belongings. Build it and they will be anxious to spend!

St. Pete Beach, FL  
100 million visitors pass through each year ready to have fun and laugh. \$2.5B spent in 2019 during Spring Break alone!





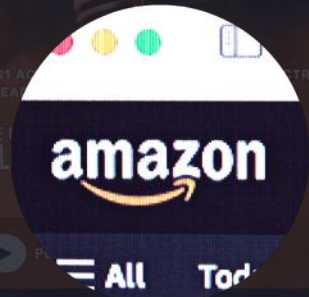
# The Demand for Content



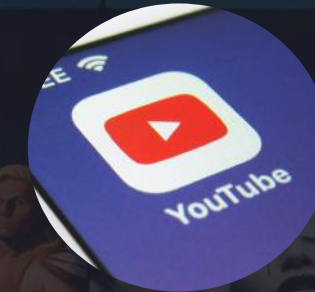
- 178 MM subscribers
- 17 billion spent on content
- Spent \$50-500k per special



- 129 MM subscribers
- 33 billion spent on content



- 200 MM subscribers
- 13 billion spent on content



- 5 billion views per day
- 68 billion in revenue

DEMAND IN 2021



**Subscription services are one of the fastest growing economies in the world today.**



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# The Super User



Bring the Super User under one banner like Amazon, Google, or Apple



Super Users are ready to spend on food, drinks, merchandise and laughter



67% of programming viewers prefer comedy content



The average Super User spends \$273 per month on subscriptions



Over 17 million people visited Comedy Clubs in 2021



The average Super User spends 4.1 hrs on a device each day

A photograph of a person being crowd-surfed at a concert. The person is wearing a blue denim jacket and white sneakers with blue accents. They are being held up by a large crowd of people whose hands are visible. The background is dark with some stage lights.

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# Build The Hype

- Social media and website revamps
- Creation of media kits & marketing tools
- Develop creative assets for print and digital ads
- Build brand awareness through community channels
- Secure local radio partnerships
- Draft media pitches and press releases
- Promote through social formats, interviews, & live events
- Merchandise, subscriptions, & contests to support our brand



# Stream of Revenue



1

Acquire Yuk Yuk's,  
Coconuts and other key  
destinations across the  
US and Canada

2

Convert each  
location into a  
community hub for  
Super Users.

3

Production & Marketing  
Tv, Film, Radio, Print  
Streaming partnerships  
Podcasts  
Sports Team partnerships  
Festivals & Corporate events  
Private events & Release parties  
Contests  
Talent filter  
Copyright ownership

4

Food & Beverage  
Merchandise  
Entertainment

5

Complete partnerships with  
additional talent and media outlets  
for distribution of saleable content

6

Application & Technology  
to reach broader audience

7

Expand brand into  
additional markets



# The Cherry on Top Club Profits

Maximizing the margin by elevating the customers experience, access, and spend per ticket



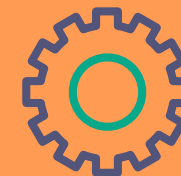
## \*LAUGH REVENUE

- Ticket Sales \$1.05MM
- Live Promotion \$400k
- Private Events \$150K



## \*FOOD & BEVERAGE REVENUE

- Liquor Sales \$900K
- Food Sales \$570k
- Private Selections \$150K



## \*CONTENT REVENUE

- Brand Material \$350K
- Productions \$120K
- VIP Selections \$75K
- Sponsorships \$50K

**\$3.8MM Gross Per Location** \* ESTIMATE BASED ON AVERAGE TRAFFIC FLOW AND LOCATION SIZE AT 75% CAPACITY

# Our Progress



- Incorporated in the US & Canada to begin acquisitions and development
- Built partnerships with franchise owners, media outlets, marketing companies, and app developers
- Released new album, Super Bloom
- 3.4 Million Records sold & 4K Monthly Listners
- Raised over \$600k in our first funding round
- Launch of websites and media platforms
- Obtained architectural plans for "ERE" model
- Secured 4COP & LOI in St. Pete Beach for Coconuts

# The Team



## Darryl Lenox

A comedic genius and entrepreneur, Darryl is the star of the Blind Ambition Comedy Special on STARZ and his new album Super Bloom. A well-connected veteran performer and headliner for over 30 years. Our "Visionary" leader.



## Neil R. Ferguson

Neil began his career in TV Broadcasting before shifting into acquisitions and franchise development with companies such as American Homes 4 rent, 9round, and Smallcakes. Assisting them to develop their physical brand & build-outs.



## Suzanne Stewart

Suzanne has spent 30 years in the corporate world working along side companies like Harley Davidson. She has extensive knowledge in technology, finance, and customer relations.



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