VrGolfLinks, Inc.

Business Plan

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The information contained in this proposal was obtained from the individual and collective expertise and experience of **VrGolfLinks, Inc.** and its advisors, as well as secondary research sources, including magazines, reports, contracts, marketing materials and presentations.

The proposal is based on a number of assumptions and estimates that are subject to significant uncertainties, many of which are beyond the control of **VrGolfLinks, Inc.** Actual results from the proposed project may vary from the illustrations shown; and such variations may be material and adverse. While this plan is written with great care and attention, **VrV** and its advisors make no assurances, guarantees, and/or warranties of any kind regarding the accuracy and correctness of the information and projections contained herein.

Parties interested in additional information pertaining to this business should contact:

VrVentures, Inc.

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Executive Summary

The Company

VrGolfLinks, Inc. ("VrG") -- a wholly owned subsidiary of **VrVentures, Inc. ('VrV")–** was formed as a Delaware Corporation in August 2000. Headquartered in Toluca Lake, California, **VrG** produces, markets and distributes three dimensional (3-D), virtual reality tours of some of the world's most beautiful golf properties, their amenities, as well as the businesses and attractions in their surrounding communities. These tours are created with a broad arsenal of established and cutting edge media, including exclusively licensed, patented technologies that produce the highest quality immersive photography seen in the marketplace.

VrG's mission -- through its inaugural product, the **VrGolfLinks Immersive Imaging Tour –** is to provide a second-to-none marketing vehicle for owners of the world's premier private and public golf facilities, enabling them to claim a greater share of an industry whose revenues have mushroomed from $7.8 billion in 1986 to $30 billion in 1999.

The Product

VrGolfLinks' CD-ROM makes the experience of shopping for a golf destination a "virtual reality" for millions around the world. More important, however, it is a dynamic marketing tool for the owners of golf properties, advertisers in golf communities, as well as national advertisers who are targeting the primarily upscale golfing consumers.

VrG's CD-ROMs will be distributed in popular golf and travel magazines, and on the Internet. The disc whisks golfers from their computers onto the links of some of the world's most admired courses, where they can stand at any (or every) hole and see a full 360º view of the course from that vantage point in directional, stereophonic sound.

Through a combination of superior quality, immersive 3-D digital imaging and exclusive, state-of-the-art technologies, **VrGolfLinks** provides golfers an unparalleled, self-guided, interactive tour of a course's terrain and challenges, its pro shop, dining and guest rooms, as well as neighboring attractions. And, it offers featured golf course owners a competitive edge of phenomenal proportions.

VrG Immersive Imaging Tour presentations offer layers of substantial benefits for golfers, golf course owners and other businesses vying for the world's 27 million-plus golfers:

1. They provide golf enthusiasts with the opportunity to fully explore the wonderland of world-famous golf courses; compare, select and book a facility with greater confidence and convenience than ever before.

2. They provide the families of golfers with the opportunity to explore the off course amenities and places of interest that appeal to *them.*

3. They enable golf course owners and other businesses targeting upscale consumers to more confidently project an increase in their market share, because **VrG**'s marketing vehicle literally showcases their locations in a shimmering light. Never before have golf course owners and local businesses possessed such a powerful tool to influence buying decisions.

4. They provide a unique venue for advertisers' print media messages or full-motion commercials. They will be strategically positioned within **VrG**'s prestigious CD-ROM environment and state of the art web -- as well as on the web sites of clients and affiliates. But, unlike print or television, their messages will potentially have an infinitely greater number of impressions, because consumers will collect, share and replay their **VrG Immersive Imaging Tour** discs for many, many years.

The Business of Golf

Golf is the oldest organized sport in the world, having originated on the east coast of Scotland, sometime during the Middle Ages. During the past 50 years, the game has transitioned from a sport enjoyed by few, to one that today is played by more than 26 million people in America, alone.

Avid golfers – those who play more than 25 rounds a year -- play wherever and whenever they can. And they leave behind lots of money. According to *The U.S. Golf Travel Market Report,* golfers spent $24 billion a year on golf travel in 1998. That certainly establishes that there is a market for the **VrG Immersive Imaging Tour** among avid golf travelers. However, additional data evidence that there is a compelling *need* for it among golf course owners:

In 1999, more than 500 new golf courses opened in the United States. That brought the total number of golf facilities in the country to 16,747, marking the fifth consecutive year that more than 400 new courses opened in the U. S.

The explosion in golf course construction appears to have created a supply and demand imbalance. Since 1990, the number of new 18-hole courses has outpaced the growth in new golfers. As a result, golf facilities are beginning to experience a decrease in their earnings – and a need to attract more golfers to their facilities.

Under the tutelage of their national associations and marketing consultants, golf facility owners have tried a variety of traditional marketing techniques – from direct mail and print advertising to the Internet. And, they've whetted a few appetites. What they want their marketing efforts to do, however, is actually compel golfers to act -- specifically, to play or stay at their golf properties. **VrGolfLinks**' exclusive new media technology can accomplish that, with the added benefit of emphasizing that golf properties provide an excellent environment for social events and business meetings, and family activities.

With its eye-popping, three-dimensional features, **VrGolfLinks' Immersive Imaging Tour** CD-ROM presentation will impress, inform and entertain golf travelers, stimulating circulation of our disc among golf buddies -- and heavy traffic to **VrG's** and

clients' web sites. As a result, our clients and advertising sponsors should experience increased patronage and higher revenues.

Our mixed media marketing and distribution model and our application of the latest immersive imaging technology are unique to the marketplace. There are low-end virtual reality players in the vacation travel market. However, none is exclusively targeting the multi-billion dollar golf travel segment or golf course owners. Nor are they providing the added benefit of enabling golfers to create their own library of virtual reality golf course tours.

Even if another company targeting this market had access to **VrG** 's state-of-the-art proprietary technology *(which is not possible)*, our current strategic relationships enable us to schedule and complete a greater number of destination tours more quickly, efficiently and economically. This is where the experience and expertise of our core management and production teams truly will establish **VrG** as the preeminent company in this field.

VrG's Production Capabilities

Not all so-called "virtual reality" products are created equal. **VrG**'s exclusively licensed platinum-level proprietary technology enables us to produce enviable images better, faster and more cost effectively.

VrG produces its tours, utilizing a process called Photographic VR – an interactive technology that can create realistic panoramic scenes or objects. The process also is referred to as image-based rendering or immersive imaging. To a layperson, the term "virtual reality" may be more meaningful. That concept is similar – though technically inaccurate for our process.

VrG's immersive imaging production team is comprised of seasoned executives, managers, producers, videographers, VR photographers, interface designers and technicians who can build a strong database of top-quality virtual reality marketing presentations, cost-efficiently.

VrG employs only those professionals with significant expertise and experience. That reflects management's commitment to deliver not just a new technology with a huge "Wow!" factor, but a powerful marketing tool of incomparable quality and value to our clients.

Marketing Strategy

VrG has produced a **VrGolfLinks' Immersive Imaging Tour** CD-ROM demo presentation -- a tour of the luxurious Ojai (CA) Valley Inn and Spa. Initial reactions from the facility owner, prominent members of the marketing community, and golfers are overwhelmingly enthusiastic. With that encouraging response, executive management has developed a strategic marketing plan that combines traditional, tried and true advertising channels with new media. **VrG** management has identified three client categories:

- **Golf property owners**, who will hire us to produce a tour of their properties;
- **Local business advertisers**, who will take advantage of an opportunity to advertise their businesses to millions of upscale consumers, worldwide;
- **National and global advertisers,** who want a highly targeted vehicle to reach the demographic of golf enthusiasts.

We are establishing an account management team that will market exclusively to each client group; and, we have developed a marketing strategy for each:

Golf Course Owners: We will introduce the **VrG Immersive Imaging Tour** to owners and managers of multiple golf courses and resorts, and through golf-marketing consultants with a roster of least 50 golf properties. Consultants can much more readily reach decision makers, and significantly speed **VrG Immersive Imaging Tour**'s market penetration. In addition, we will advertise our product in golf periodicals with the highest circulations, via web site links, and through active membership in professional

golf associations, such as the National Golf Course Owners Association and its 50 state chapters.

Local Business Advertisers: Through the Chambers of Commerce of the communities that support each of our golf property clients, we will identify local business owners who desire to market their establishments to more than 4,000,000 members of the golf travel community, worldwide.

National and Global Advertisers: Our advertising sales team will solicit sponsors through advertising agencies, corporate marketing departments and advertising placement firms.

We will deliver our collectible, virtual reality CD-ROM tours FREE to the subscribers of the nation's most popular golf and travel periodicals. Since the tours will be available exclusively through this channel, it may increase golf magazine subscriptions – thus delivering even more affluent, golf travelers to our advertisers.

The Management Team

Bill Fletcher
Chairman, ***VrGolfLinks, Inc.***

Our executive management team is led by Bill Fletcher, who has more than 25 years' experience in commercial banking, venture capital, investment banking, financial management consulting, real estate development and entertainment. Bill's corporate career has taken him from the commercial lending environment of Bank of America to financial systems management for Columbia Pictures.

While at Columbia, he managed more than $300 million in annual revenue generated from the domestic distribution of feature films. He also led a team of financial strategists who designed, installed and implemented a financial management system that is the standard used throughout the film industry.