

Willie “The Bam” Johnson Martial Arts Fitness LLC. Licensing Point MMA Business Plan



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Contents

- 1. Executive Summary 4
 - 1.1. Business Opportunity..... 7
 - 1.2 Product/Service Description 8
 - 1.3 Financial Potential 10
 - 1.4 Investors..... 10
- 2. Company Background..... 12
 - 2.1 Business Description..... 12
 - Krazy Athletics..... 13
 - Point MMA..... 13
 - 2.2 Point MMA History 13
 - 2.3 Current Position and Business Objectives 14
 - 2.4 Ownership..... 14
- 3. Products 15
 - 3.1 Product Overview 15
 - 3.2 Competitive Analysis 15
 - 3.3 Suppliers and Inventory 17
 - 3.4 Research and Development 17
- 4. Services 19
 - 4.1 Service Descriptions..... 19
 - 4.2 Competitive Comparison 19
 - 4.3 Research and Development 21
- 5. The Industry, Competition and Market 22
 - 5.1 Industry Definition..... 22
 - 5.2 Primary Competitors 22
 - 5.3 Market Size..... 23
 - 5.4 Market Growth 23
 - 5.5 Customer Profile..... 24
- 6. Marketing Plan 25
 - 6.1 Competitive Advantage 25
 - 6.2 Pricing 26



6.3 Promotional Plan	28
7. Operating Plan.....	29
7.1 Location.....	29
7.2 Facility.....	29
7.3 Operating Equipment	29
7.4 Suppliers and Vendors	29
7.5 Personnel Plan.....	29
8. Management, Organization and Ownership.....	30
8.1 Management/Principals.....	30
8.2 Professional Consultants.....	30
9. Goals and Strategies	31
9.1 Business Goals.....	31
9.2 Keys to Success.....	31
10. Financial Assumptions	32
10.1 Financial History	32



Point MMA

Willie “The Bam” Johnson Martial Arts and Fitness LLC

Traditional Values with an Innovative Approach

It’s a family affair

Headquarters for Point MMA Krazy Athletic Association

Founded on 12 Principles and 12 Traditions of Universal Truth

Ownership Time

Chairman and Chief Instructor:

President and Operations Manager:

Vice President:

General Manager:

Board of Directors:

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.



Franchise Investor and Partner for

Willie “The Bam” Johnson

Point MMA Krazy Athletic LLC

President:

Vice President:

Program Director:

General Manager:

Branding and Graphic Manager:

Editor and Writing:

Multimedia:

Internal and External Marketing and Promotion:

Social Media Managing Partner:

SKLL Event Manager:

Certifications Event Manager:

Continuous Education Manager:

Equipment Partner:

Curriculum Development:

Charity/Philanthropy: Stronger Than Drugs Foundation – Robert Everheart and John Bell

Teams Coach:

Partner/Investor/Board of Directors:

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.



7.

Advisory Board USA

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.



1. Executive Summary

MMA is the fastest growing sport in the world, but few pursue it or have their children pursue it because of the risk and injuries associated with it. That's where Point MMA Krazy Athletic sets itself apart. Point MMA emphasizes skill, character, and technique. Point MMA Krazy Athletic is a fitness, self-defense and sports training program for the entire family. We have fully developed training curriculums and fitness programs, apparel and safety gear along with a tour of competitions and empowerment seminars.

1.1. Business Opportunity

With rampant obesity, bullying and an increasing lack of morality, the world is in dire need of something to turn the tide and protect our next generation. The answer is not to continue to spoon-feed our kids, but rather to channel them into an activity that they will be excited about and will help them learn the value of hard work, commitment, character and sportsmanship. It's everything that you associate with the traditional martial arts, but packaged within today's fastest growing sports - Mixed Martial Arts, CrossFit, Mud Runs and Spartan Races. It is all about empowering oneself to learn to compete, enabling you to become the best in any field that you desire – to make your dreams become a reality and defeat the odds that may be stacked against you.

Let's take a look at some statistics about obesity in the United States:

- Over 72 million Americans, or one third of the population of the United States, are considered clinically obese.¹
- *"Among children and adolescents ages 6 to 19: Almost 1 in 3 (33.2 percent) are considered to be overweight or obese, and 18.2 percent are considered to be obese."*²
- *"Since the early 1960s, the prevalence of obesity among adults more than doubled, increasing from 13.4 to 35.7 percent in U.S. adults age 20 and older."*³
- *"Only 42 percent of children ages 6 to 11 get 60 minutes a day of physical activity, only about 8 percent of adolescent's ages 12 to 15 reach this goal."*⁴

Bullying Statistics

- *49% of children in grades 4–12 reported being bullied by other students at school at least once during the past month, whereas 30.8% reported bullying others during that time.*⁵

¹ <https://www.franchisehelp.com/industry-reports/fitness-industry-report/>

² Ogden CL, Carroll MD, Kit BK, Flegal KM. **Prevalence of obesity and trends in body mass index among US children and adolescents, 1999–2010.** *Journal of the American Medical Association.* 2012; 307(5):483–90. Available online: <http://jama.jamanetwork.com/Mobile/article.aspx?articleid=1104932>

³ Flegal KM, Carroll MD, Kit BK, Ogden CL. **Prevalence of obesity and trends in the distribution of body mass index among US adults, 1999–2010.** *Journal of the American Medical Association.* 2012; 307(5):491–97. Available online: <http://jama.jamanetwork.com/article.aspx?articleid=1104933>

⁴ Troiano RP, Berrigan D, Dodd KW, Mâsse LC, Tilert T, McDowell M. **Physical activity in the United States measured by accelerometer.** *Medicine & Science in Sports & Exercise.* 2008;40(1):181–188. Available online: <http://www.ncbi.nlm.nih.gov/pubmed/18091006>

⁵ Bradshaw, C.P., Sawyer, A.L., & O'Brennan, L.M. (2007). Bullying and peer victimization at school: Perceptual differences between students and school staff. *School Psychology Review*, 36 (3), 361-382.



These statistics are just a few indicators that our youth need help and guidance. Most athletic activities will help combat these societal problem to a certain extent – fair enough. But how many programs actually build this into their curriculum as areas to teach kids how to deal with these significant problems? Point MMA Krazy Athletic battles these problems on multiple fronts. The programs are developed to challenge every participant and also let them progressively improve to increase their physical abilities and also their confidence. Point MMA Krazy Athletic curriculums have seminars that are specifically designed to address these types of issues. Another way that Point MMA addresses these types of issues is in FuYah magazine. There are articles that specifically target these types of issues to raise awareness and also inform kids of ways to combat these societal problems. I think you will agree that few other “sports” provide this degree of diligence in improving and empowering our youth.

1.2 Product/Service Description

There are multiple components of Point MMA Krazy Athletic. They are all interrelated and drive customers toward each other.

- **Internal Leadership Team** – Life Counseling and Certified Instructor
- **Competition** – this is the flashiest, most visible component. This is where it all culminates. We have partnered with the leading martial arts and fitness competitions to bring Point MMA Krazy Athletic as a featured event across the country. This acts as a form of advertising for all of the other components
- **Team Stronger Than Drugs (aka Warrior Mindset)** – this is a competition team formed from young men and women that the Point MMA movement has empowered. They are the voice and face of Point MMA in the community –in competition, but also in a host of community outreach programs and community empowering events.
- **Point MMA Certification** – once school owners see the great energy at one of the competitive events, they can instantly see the benefits that such a training program would bring to their organization. Certification events are conducted in four levels, with participants being able to begin instructing the curriculum after successfully completing Level 1.
- **Martial Athletic Fitness Expo** – Fitness Expo put on inside of Martial Arts event under the brand to promote health and fitness.
 - These expos offer the opportunity to collaborate with other “like-minded” businesses to generate more attention and more customers to the venue
 - We would leverage current relationships throughout the industry to have products and services that complement Point MMA Krazy Athletic
 - Mini Fitness Expos – at schools to promote health and wellness to school-aged kids
 - Grass roots – school talks, school career days
 - Any proceeds would be donated back to the PTA
- **Additional Certifications** – in Street Combat, Women’s Self Defense, AAU, Kung Fu Hip Hop and Internal Fitness.
- **Continuous Education** – once a person has achieved Level 1 Certification, they become enrolled in continuous education to stay on top of the latest curriculums and techniques. This allows them access to exclusive DVDs and online training materials. Currently, plans are laid out for the first four years of a member’s continuous education including:



- Instructional Manuals / DVD
- Student Handbook
- Street Combat Manual
- Tournament Hosting Guide
- Planning and running Point MMA Summer Camps
- Business, entrepreneurship
- Certifications
- Show people how to brand
- Open business
- Expand a business
- Ownership
- Concept to profitability
- **Equipment and Apparel** – Point MMA Krazy Athletic has partnered with Tiger Claw to bring the highest quality training equipment like speed bags, heavy bags as well as specialized training and competition gloves and footwear. Our apparel line is appealing to the youth and delivers an impacting message with each piece. Our shirts have an action shot as well as a moving or powerful quote or message. [<http://www.tigerclaw.com/>]
- **Seminars** – special seminars taught at the Point MMA World Headquarters or at host locations. These are used to generate interest in certification programs and to boost enrollments. Some topics offered are:
 - Rape prevention
 - Self Defense
 - Acrobatics
 - Point MMA
 - Street Combat
 - Athletic Fitness
- **Nutrition** – Point MMA Krazy Athletic has partnered with Robert Ferguson and Diet Free Life System to emphasize a complete healthy lifestyle. [<http://dietfreelife.com/>]
- **Magazine** – FuYah Magazine is a magazine that attracts kids with well thought out articles that they can relate to while at the same time, teaching important lessons and DVD Magazine.
- **Books** – currently being written is the life story of Willie “The Bam” Johnson. This empowering book tells the story of how Johnson overcame poverty, abuse, crime and ultimately a prison sentence using the martial arts to completely change his life. His passion as a martial artist that began as a 6-year old in the ghetto, has fueled his life-long passion for changing the world. Re-writing his best-seller The Complete Martial Artist, and working on new books 24-7, Warrior Mindset, 10 MAD and more.
- **Additional Revenue Streams** – Birthday Parties, Quarterly Inner-school tournaments, Professional Shows, Summer Camps, Monthly Parent’s Night Out, Private One-on-One Classes. Additional class offered to function as a Full Cross-training Martial Arts Family Facility. Class schedules are specifically designed to allow a parent to attend an adult class while their child



takes a class tailored to kids at the same time, in the same facility with workouts varying from 10 minutes to 30 minutes and 45 minutes.

- **Public Speaking Engagements** – Willie “The Bam” Johnson is in demand as a public speaker under his Warrior Mindset Brand.
 - Get prices from www.WillieTheBamJohnson.com/
- **Television** - Film Scripts, Reality TV Show Scripts and TV Scripts for kids and family educational programming. Also his registered script called The Sensei with co-writer Byron Minns of the film South Central and Black Dynamite.

1.3 Financial Potential

With the right marketing, the potential is almost limitless. The audience of Point MMA is focused on children and teens, but could literally expand to almost anyone regardless of sex or age. It is truly an activity that every single member of the family can participate in. With the collaboration of our headquarter school and a full-fledged Point MMA headquarter school and rebranding our school to martial arts and fitness LLC it is a profit center.

1.4 Investors

Point MMA Krazy Athletic is entertaining the prospect of taking on investors to speed our growth. We are carefully selecting those that we associate with to leverage the right influences in making this a business that will grow and last.

The primary focus of any financial investments in Point MMA would be to finance a marketing and promotion team and expedite the startup of a state of the art facility. The response to Point MMA Krazy Athletic has been phenomenal with interest coming from literally around the world. The success in marketing thus far has come almost literally from the grassroots work of a very few people, at select events. We realize that for this to truly take off, there needs to be a dedicated, full-time promotion and marketing team. With this move to streamline everything through our headquarter school is a money saving financial profit making move. Focusing on smaller model facilities that are jam packed and rolling with everything designed for the whole family from moms, teens, dads and kids as young as 3-1/2 and up. This will reach a broader consumer demographic. We focus specific curriculum and products to be more stylish and trendy, and encourage families to live healthier and happier lives. It is wellness for life with the balance of traditional and modern martial arts concepts.

This will drive all investment dollars into progressive profitable categories such as style, kids and wellness for life. We are aiming at making training easier with joyful experiences because of great customer service.

We plan on staying profitable by sticking to our proven system of revenue profit centers with more efficient reorganization of employees and **independent contractors.**

The marketing and promotion team would focus on developing and cultivating new participants in the certification events. They would also engage current member schools to ensure that every competition



event is well represented. As we will discuss, the cycle of events, certification and continuous education feeds upon itself, meaning, as one aspect grows, so does each connected aspect.

We realize that the marketing and promotion is the primary aspect that is lacking. It is currently being done by the owners. While they are very effective, this is taking away from them working on the "bigger picture" and making the larger connections within their network.

Add investment numbers and returns for new school and length of time for returns – 12 months



2. Company Background

In reality, the company can be said to have started in 1970, when 6 year old Willie Johnson saw Bruce Lee's movie *The Chinese Connection* at Baltimore's Hippodrome Theater. That single event ignited a lifetime's worth of passion for the martial arts. Growing up in the poverty-stricken Lafayette projects of East Baltimore, there was no conceivable way for the 6 year old to study martial arts in the traditional way. Undeterred, he made his own equipment, studied everything he could find, even practiced flips in vacant lots on filthy discarded mattresses. He was so determined, that he was able to convince a counselor to begin a martial arts program at the local community center. From there he never looked back and was awarded a black belt in 1976 at age 12.

He would continue on to become a 7-time World Champion and Black Belt Magazine Hall of Fame Member.

Mr. Johnson has been running martial arts clubs since the age of 13 and opened his first school under his instructor Master Dennis Brown called Dennis Brown Shaolin Wushu Academy by martial arts business partner Mr. Nick Cokinos of Educational Funding Company. His wife, Kimber Johnson, has been teaching for decades and running martial arts schools under the tutelage of Kims Karate and Ernie Reyes East Coast Tae Kwon Do by Apollo Ladra.

In the more traditional sense, the company began in 1994, when Willie Johnson opened his own school - The Bam's Kung Fu. He took his already vast martial arts experience and began to empower others. It is over these last 20 years that Point MMA Krazy Athletic was born, tried and tested. For many, Mixed Martial Arts (MMA) is the hot trend to latch onto, but for Johnson is has been a natural evolution in his progression as a martial artist. He has taken his experiences of competition, studying multiple disciplines, countless seminars and even being one of the first Westerner's to study in the Shaolin Temples of China. Willie Johnson has taken all of that experience and has been constantly testing the most effective manners to teach, motivate and empower people of all ages.

His ascent to become a 7-time World Champion was documented on the A&E documentary *The Martial Arts*. He also starred on the hit kid's TV Show WMAC Masters with Bruce Lee's daughter Shannon Lee and some of the most accomplished martial artists of the time.

2.1 Business Description

Point MMA Krazy Athletic takes all of the excitement of mixed martial arts and combines it with the character building qualities of traditional martial arts.

There are two major components: Point MMA and Krazy Athletics. These elements can be combined into one program or separated into their own entities.



Krazy Athletics

This is the hard-core fitness element that gets you into top shape. Featuring 10 MAD (10 Minutes A Day), a 10 minute fitness blast to whip you into shape. Body weight exercises that incorporate martial arts elements into a rapid-fire cardio and full body workout. This is where you learn critical characteristics like determination and perseverance to challenge yourself to get better each and every time. Warrior's Obstacle and Athletic Kickboxing and fitness and combat fitness.

Point MMA

This is where the technique is developed and honed. All elements, from footwork, striking and grappling are drilled in the comprehensive curriculum that can be adapted to any martial arts style. Designed to enhance all curriculum and business with additional profit centers.

The core element of Point MMA Krazy Athletic is competition. The competitive spirit is built in the regular class environment by instilling the attitude that one can always achieve more. Students are challenged with the Krazy Athletic calisthenics challenges as well as the high energy classes that teach proper technique. The tempo of the classes is driven by empowering music, challenging curriculums and high energy instructors. Students quickly see their skills develop and gain more and more confidence. They become technically ready for life because there is no fear of tap out or knockout

Students are able to check their progress in regular tournaments that offer a safe, yet competitive environment. The competitions are run by highly trained and skilled martial artists that are focusing the competition on good, clean technique, safety and sportsmanship. This is 360 degrees of self-defense. Visit www.PointMMA.com for more information.

Programs offered:

- Martial Arts & Fitness for the entire family – Kids (3-6)/ Kids (7-12)/ Teens/ Adults
- POINTMMA – programs for all ages
- Kickboxing Fitness... includes boxing elements
- Grappling (top/bottom)
- Warrior Mindset Course on leadership and entrepreneurship.
- 10MAD – body weight training
- Street Combat
- Diva Grit Fitness
- Authentic Kung Fu Black Belt Champions Club
- Tai Chi – Internal Fitness
- Personal Training

2.2 Point MMA History

In September of 1994 Willie "THE BAM" Johnson and Kimber Johnson hosted Maryland's first ever POINT MMA Match (calling it the "Challenge of Champions – Go Head To Head") at the All-American Championships.



This event featured different styles of competitive point fighting: San Do, Chi Sao, Wrestling, Kickboxing and Jujitsu, it was a high energy and fun event. In attendance, were renowned martial arts masters and judges such as Master Manny Augrella, Lloyd Irving (who now has many UFC fighters), Master Dennis Brown, and others from China; they all came together for this well executed plan to bring the winners of each style together to hold a fight of champions and styles. The event showcased the values and draw of Point MMA with its focus on sportsmanship, safety and self-control. Throughout the 1970's to early 1990's martial arts competitions were held in high regard and recognized as a top sport for athletes to demonstrate their abilities in a controlled manner.

We have designed Point MMA and Krazy Martial Athletics to help bring that recognition back to the sport we love. We feel that many have not benefited from their contribution and influence on the sports world today.

This would be the first Sport Karate Amateur set of divisions ever that would allow competitors to try their hand at a new style of Mixed Martial Arts that emphasizes safety and sportsmanship – taking the unique blend of the competitor's style (Art Form) and another style and being able to compete in one division. Our ultimate goal is to allow its participants, both adults and kids to compete in this new sport but under the safety-net and protection standards built by the legacy of sport karate. By mandating full protective gear, and light to medium contact, with elimination of brutal skin cutting techniques on this amateur level. With no knock outs or complete submission holds allowed, this allows everyone to feel confident enough to try this division. For those who one day wish to compete professionally at MMA and possibly the UFC, competing in Point MMA might give them an edge while teaching and exemplifying traditional martial arts techniques and discipline as well as respect for other competitors.

2.3 Current Position and Business Objectives

Point MMA Krazy Athletic is poised to make substantial gains in the coming year. With a pending appearance on Season 6 of Shark Tank and a host of major fitness expos and top level martial arts tournaments approaching, the buzz around Point MMA Krazy Athletic is about to really take off.

The primary objective of Point MMA Krazy Athletic is to reach the widest audience possible – to have the greatest impact possible on the lives of our next generation. That was the primary reason for auditioning and accepting the invitation to appear on Season 6 of Shark Tank. Of course, the connections generated by a deal with any of the Sharks would be a great addition, but the primary motivation was to tap into the vast viewership that Shark Tank currently holds.

2.4 Ownership

The business is owned by Willie H. Johnson, Jr. and Kimber Johnson



3. Products

3.1 Product Overview

There are multiple facets of the business.

- **Tournaments** - Entrance fees to have Point MMA as an event. Separate for Krazy Martial Athletics, AAU Kung Fu, Warrior Obstacle Race.
- **Equipment** – Boxing gloves, Point MMA gloves, shin guards, shoes, head guards, mouthpieces, jump ropes
- **Clothing** - T-shirts, pants, hoodies, hats
- **Certifications** – the cost is minimal because the curriculums have been developed, it is merely a factor of travel costs, and printing the materials and DVDs.
- **Licensing** – After instructors are certified, we can provide licensing for a gym/school to use the Point MMA curriculums and brand to promote their school and teach Point MMA.
- **Franchising** – This is a future development but the aim is to have franchises that operate solely as Point MMA entities.
- **Monthly/Quarterly/Yearly Refreshers** – to maintain certifications or licensing, quarterly/yearly summits will be held in order to keep instructors/franchises sharp and in tune with the latest developments in Point MMA. These will be high-energy events that will deal with hands on training as well as business and marketing seminars to give the franchisees the tools to succeed.
- Annual Sports Festival with AAU branding around the country
- Hosting All American Games – our sports festival are truly for the whole family. All the others like the Arnold Festival are geared toward adult athletics. We start with the kids, teens and then young adults.
- Sports Karate Legacy 8 week league
- Yearly Summer Camp, Spring Break Camps
- Clinic, District Championships, Regional Championships, and Internationals all under the AAU Sports Festival Banner.

3.2 Competitive Analysis

There are many sports and activities that are in competition with Point MMA Krazy Athletic, but none that are attacking the problems of society so directly. Parents have the choice to enroll their children in soccer, swimming, gymnastics, any number of sports, but few offer the life lessons that Point MMA Krazy Athletic does.

Over 35 million children between the ages of 5-18 are participating in organized sports in the United States⁶. Many parents are enrolling their children in sports just to keep them “out of trouble”, but wouldn’t it be better if they were actually empowering them to become more confident, respectful and self-motivated.

⁶ Minnesota Amateur Sports Commission [<http://www.statisticbrain.com/youth-sports-statistics/>]



Traditional martial arts schools offer discipline, respect, and confidence but often lack the appeal to many children. Point MMA Krazy Athletic offers all of the benefits of traditional martial arts with the added benefit that comes with true competition. At the same time, safety, technique and sportsmanship are held in the highest regard.

In addition, anyone that tries to duplicate Point MMA will not have the same success, mainly because of the key relationships that have already been formed.

A lifetime of experience the martial arts industry has forged many important relationships.

- **Educational Funding Company (EFC)** – EFC has a vast network of martial arts schools across the United States. EFC sees the potential that Point MMA offers to transform the entire martial arts community to the next level. [<http://www.efcmartialartsbilling.com/>]
- **Amateur Athletic Union (AAU)** – Point MMA is working with AAU to bring Point MMA as a featured event within the AAU’s extensive network.
- **National Martial Arts and Fitness Events** – Point MMA has become a featured event in numerous national events including: The Arnold Schwarzenegger Sports Festival, Mr. Olympia Sports Fest, The U.S. Capitol Classics, Battle of Baltimore, Action Martial Arts Hall of Fame, MAIA Super Show in Las Vegas, USA National Karate Championships, and Miami Pro Am. [<http://aausports.org/>]
- **Master Billy Blanks** – his affiliation with Point MMA has brought him back to the Sports Karate circuit doing combined events with Point MMA. [<http://www.taebo.com/>]
- **Grand Master Dennis Brown** – has made Point MMA a featured event in the U.S. Capitol Classics. [<http://www.uscapitolclassics.com/index.html>] [<http://www.dennisbrownshaolin.com/>]
- **Champ Nichols of Shark Brands**
- **Byron Minns** – Actor, Professional Writer, known for *Black Dynamite* and *South Central*.
- **Robert Ferguson** - Creator of Diet Free Life System to emphasizing a complete healthy lifestyle. [<http://dietfreelife.com/>]
- **LifeTime Fitness** – *The Healthy Way of Life Company*™ is the highest ranking fitness brand and one of the most trusted brands of 2014, as ranked by Entrepreneur Magazine.
- **Arnold Sports Festival** – hosted Point MMA Krazy Athletics for the past 3 years.
- **Mr. Olympia** – hosted Point MMA Krazy Athletics for the past 2 years.
- **America’s Next Great Trainer** – partnered with Point MMA Krazy Athletics.
- **97 Display** – Internet Lead development company
- **National Martial Arts Events**
 - New England
 - M-----, CA
 - Miami
 - AmeriKicks
 - Battle of Atlanta



- Kumite Nationals
- International Martial Arts Festivals Events (ESPN Wide World of Sports Complex)
- Action Star Hall of Fame
- Raise of the Master
- Arnold Classic
- All American Games
- Jose Torrence Event
- Karate College
- Junior Olympics
- U. S. Capitol Classics
- Mr. Olympia
- Battle of Baltimore
- Gerald Dawson

3.3 Suppliers and Inventory

All apparel and equipment manufacturing is handled through a partnership with Tiger Claw, one of the leading equipment and apparel manufacturers in the martial arts industry. The company is run by Mr. Johnny Oh, a lifelong martial artist and longtime associate of Willie Johnson's.

Point MMA and Tiger Claw are constantly updating and expanding upon the base of products to offer to the consumer.

Top quality protective equipment including headgear, sparring and boxing gloves, as well as striking pads and protective footwear are offered.

The Point MMA line of apparel is designed to be worn during training and competition as well as be stylish enough to wear outside of the arena. Everything from t-shirts, shorts and sweats as well as accessories such as headbands, bracelets and sunglasses.

<https://www.tigerclaw.com/home.php>

3.4 Research and Development

Research and development has been completed in all phases of the business with well over 20 years of research and development. The major components are the Class Agendas, Curriculum and Safety. These have been honed and developed over the last 20 years of being a master instructor. They also compliment the successful business blue print endorsed by The Educational Funding Company.

Class Agendas and Curriculum

The Agendas act as the framework that outline the classes while the curriculums are the specific material to be covered within each class. The times of class are set up according to each family or individual's time of availability. This is a lifestyle change just like what we see in the fitness industry.



Today we bring to the martial arts industry, 10 minute workouts, 30 minute workouts and 45 minute workouts. There are longer sessions for competition team, demonstration teams, boot camps and certifications.

Safety

Safety is of the utmost concern in Point MMA. Everything from curriculums, equipment, instructor and referee training and competition rules have been honed to make sure that safety is the highest priority.

A Johns Hopkins University School of Medicine published a report on mixed martial arts in 2006 and offered the following advice on safety:

“MMA events must continue to be properly supervised by trained referees and ringside physicians, and the rules implemented by sanctioning—including weight classes, limited rounds per match, proper safety gear, and banning of the most devastating attacks—must be strictly enforced. Further research is necessary to continue to improve safety in this developing new sport.”⁷

Light to medium contact with no head contact. Only controlled techniques to the head gear only. Along with No Tap Out and No Knock Outs. Our Character is our #1 weapon. Have good sportsmanship.

Point MMA has used this same advice and taken it even further, ensuring that parents can feel completely comfortable that their children will be able to safely compete in Point MMA Krazy Athletic. Our motto is “No tap outs and no knockouts – but technically ready for the ring, screen, college and life!”

⁷ <http://www.mmafacts.com/images/content/HOPKINS%20MMA%20STUDY.pdf>



4. Services

Certifications, licensing, franchising and continuous education

4.1 Service Descriptions

- **Certifications** - there are four levels of certifications
 - **Level 1** - successful completion of this level entitles the participant to begin teaching Point MMA Krazy Athletic classes at their facility as long as they participate in Continuous Education Program. Beginner Level of training and teaching and rules for participation.
 - **Level 2** – This is the intermediate level of training with event promotions
 - **Level 3** – This is the advanced black belt level with the structure of hosting your own events.
 - **Level 4** - successful completion of this level entitles the participant to teach Level 1 certifications at their own facility
- **Licensing** – final details will be available soon on licensing options.
- **Franchising** – this is an aspect that is being explored as the brand grows.
- **Continuous Education** - to maintain active status to continue teaching Point MMA, members must remain enrolled in the Continuous Education Program. Currently, the fees for Continuous Education are \$99/month and allow members access to training materials including instructional DVDs, newsletters, and exclusive web content. This status also entitle members to free attendance to re-take Level 1 certifications as well as other discounts.

4.2 Competitive Comparison

What sets Point MMA apart from the competition?

- 20+ years of tested curriculums that get results
- Innovative approach
 - fusion of fitness, traditional martial arts and rythmatic flow
 - Structured Class agendas lay out the format for each class that integrate with the curriculums. The agenda is the structure or the "road map" of the class, while the curriculum provides the content of the class.
 - martial arts development through class agenda
 - repeatable through school after school
 - fitness
 - nutrition
 - mind, body, spirit
 - personal safety
 - excitement
 - motivation
 - 10 Minutes and 30 minutes
 - 45 minute class - twice a week can change lives
 - innovative way on how to manage the 45 minutes



- Curriculum
 - 20+ years of tested and proven methods of getting results while still creating an exciting, challenging environment
 - Curriculums emphasize correct technique, fitness, cardio and practical techniques
- Handbooks
- Manuals and DVDs accompany what is being taught on floor
- Competition
 - Formatted scoring system and rules that have been proven through competition
 - Emphasis is on technique and safety above all else
 - Certified, trained scorekeepers, judges and officials
- Complete system:
 - **Certifications** -
 - to produce qualified instructors
 - 4 Levels of certifications
 - Level 1 - can begin to teach the Point MMA System
 - Level 4 - can begin to teach certifications to new instructors
 - **Continuous Education** -
 - Keep certified instructors progressing, engaged and current with latest training methods and old school firsthand look through DVDs of how it has worked and will work.
 - Steady revenue stream
 - Supplemental educational materials - DVDs, Manuals, exclusive web content and access
 - **Licensing** -
 - to sanction affiliated training centers
 - **Competitions** -
 - Local, regional and national events along with the possibility to host AAU Sports Festival.
 - As more and more training centers become certified, more entrants into the competition circuit
 - Competitions are not only a showcase for the competitors, but act as a marketing tool to attract prospective instructors and training centers
 - **Equipment and Apparel** -
 - Training centers require participants to use authentic Point MMA apparel and equipment.
 - Authentic equipment ensures only top-quality equipment and reduces the risk of injury from using inferior equipment
 - Everyone in the same apparel eliminates alienation or feeling out of place for students and helps promote unity



- Apparel is also designed with specific martial arts athleticism in mind. Specifically designed to allow proper range of motion, especially in kicking

4.3 Research and Development

Over 20 years of teaching experience has gone into the development of curriculums designed to get maximum results in 10 minutes, 30 minute and 45 minute classes per week. The research and development has been done over the last 40+ years of martial arts experience and there are no development costs related to these curriculums. Multiple levels of curriculums are fully developed. The only minor cost involved is literally the printing and distribution of the curriculums to training facilities and instructors.



5. The Industry, Competition and Market

5.1 Industry Definition

“The fitness industry includes any person, company, or entity that focuses on exercise, health, and overall maintenance of the body. It may include gyms and fitness centers, personal trainers, fitness equipment companies, food and supplement companies, orthotics, clothing companies, and sporting goods companies. The main goal of the fitness industry is to provide services and products that promote health and wellness while drawing a profit from people's participation within the industry. A broad range of businesses, entities, and companies fall into the category of the fitness industry since the different methods by which people train for fitness has expanded over the course of decades and even centuries.

Gyms and fitness centers are perhaps the most recognizable members of the fitness industry.

Sporting goods are another major part of the fitness industry, as much of fitness is focused on participating in various forms of athletic activity. Just about any sport one can choose will require specific equipment, and manufacturers will fill that need. Sport-specific clothing companies also fall under the fitness industry category, as they design clothing made specifically for sports.”⁸

This holds true for the martial arts industry - that has truly found our unique places in the family wellness market after years of seat pain and sacrifice to achieve that ultimate stamp of approval – black belt and beyond. As martial arts professionals we make a living by impacting family lives starting with kids 3-1/2 and up. There are no other industry that has impacted a child’s growth through character development, leadership and personal safety skills like martial arts. As the martial arts principles inspire a strange sense of loyalty from the cradle to grave. It makes the longevity of this industry sustainable for generations with the right professional system. As systems that are influencing the fitness and sports industries.

5.2 Primary Competitors

Traditional martial arts and mixed martial arts gyms and sporting leagues along with family inspired facilities for the whole family on their quest to live happier and healthier. Mixed martial arts is very impractical as a regular form of competition and exercise for most people because of the high risk of injury. Point MMA incorporates the elements of MMA in a safe manner where technique and cardiovascular conditioning are emphasized over power and damage.

Point MMA definitely incorporates elements of any style of traditional martial arts, but adds some of the modern appeal of mixed martial arts to the traditional programs. Point MMA becomes a valuable supplemental program to any martial arts program. It will often time be the primary draw of new clients

⁸ <http://www.wisegeek.com/what-is-the-fitness-industry.htm>



into a traditional martial arts program that leads clients to later pursuing a more in depth study of traditional martial arts through the school's primary programs.

5.3 Market Size

Competitive Advantage

One of the only proven success out now that connects daily curriculum, introductions to competitive sporting events curriculum that all tie into family unity, harmony on the path of health and wellness. It is a win, win for school owners, gyms, sporting event promoters and even sponsors of brands like Reebok, AAU, Nike, Under Armor and More. An untapped market and we have the advantage because we make it all safe for the whole family to grow together.

There are over 16,000 martial arts schools in the United States.⁹ This is only a portion of the population that Point MMA Krazy Athletic is trying to market to. The connection here is obvious, but Point MMA Krazy Athletic is not simply about the martial arts, it is about the entire fitness lifestyle and is therefore much more accessible to those outside of the immediate martial arts industry.

It is estimated that there are 45.5 million American's with gym memberships totaling \$19.1 Billion¹⁰ and over 29,750 health clubs.¹¹ The same study estimated that 67% of the people never use their gym memberships. It does not take a lot of commissioned studies to understand how this happens. It basically boils down to this, people do not see immediate results and become frustrated and bored with the routine.

Point MMA Krazy Athletic is such a high-energy program that it is nearly impossible to become bored with the curriculum, and the results are second to none.

5.4 Market Growth

The fitness industry is a \$21.8 billion industry. Mixed Martial Arts is the fastest growing sport in the world and has shown no sign of stopping. But Point MMA Krazy Athletic is more than just MMA. It is a total fitness solution. It is the goal of Point MMA Krazy Athletic to once and for all, have a positive impact on the next generation of kids and give them the tools to stop some of the major obstacles facing them – obesity and bullying.

That is why one must look at more than the growth of MMA. MMA is the hook that will get the kids excited to join the program, but within the program there is a devotion to bettering everyone from the inside out – meaning nutrition, work ethic, discipline, social skills and educational talks.

On the surface, it would seem that Point MMA Krazy Athletic is “just” MMA, but when you look at it in its totality, there really is no other program to compare it to.

⁹ <http://www.martialinfo.com/martial-art-statistics/>

¹⁰ <http://statisticbrain.com/gym-membership-statistics/>

¹¹ Centers for Disease Control and Prevention (7-8-2014) <http://statisticbrain.com/exercise-statistics/>



5.5 Customer Profile

The dramatic rise in popularity of mixed martial arts has brought a lot of attention and interest to martial arts schools, but most are ill-equipped to accommodate the customers looking for MMA training. Point MMA focuses on positively influencing kids and teens through the popularity of MMA.

Point MMA is focused on tackling many of society's problems including childhood obesity and bullying. Point MMA realizes that gaining and keeping the attention of our youth is getting harder and harder. But combining the fastest growing sport with the latest music, cool clothes and exciting, challenging workouts has kept their attention. And with regular opportunities to challenge themselves in competition is gaining more and more momentum.

Once they begin the program, they are hooked. And that's when they really start to see the benefits. Of course they will see the physical benefits from the challenging workouts. But they will also see the less obvious benefits that are also built into the program such as confidence and character. They will be taught how to deal with adversity and stress and to overcome it. Challenging classes and competition will teach them technical execution under pressure. They will learn the importance of hard work in attaining goals. Specialized seminars and class exercises will help them deal with bullying and peer pressure.



6. Marketing Plan

Future expansion will call for a dedicated sales and marketing team.

Sales team

- Market and promote certifications to martial arts school owners, health clubs, schools and community centers.
- Contact members of the Continuous Education Network monthly about upcoming events.
- Contact tournament directors and school owners about hosting Point MMA events and certifications.
- Contact the Educational Funding Company network of over 3500 martial arts schools
- Marketing to Major Sponsors – attracting major sponsors to come on board at sports events inside of The Martial Athletic Expos featuring Point MMA, Krazy Athletics, AAU Events, community events and 1st level Certifications.
- Provide new and constantly updated content through all media:
 - YouTube Channels like Master Teacher TV, Point MMA TV, Krazy Athletics TV, FuYah TV
 - Facebook
 - Twitter
 - Pinterest
 - Instagram
- Promotional DVDS
- FuYah Magazine – online and paper version written specifically to empower kids and teens.

6.1 Competitive Advantage

The competitive advantage of Point MMA comes from a variety of aspect all stemming from the extensive experience of the founders.

- **Class Agendas** - the class agendas have been developed over the last 20 years of teaching experience. They provide the framework that houses the curriculums. The class agendas control the tempo of the classes. Most other schools do not have the framework to keep the rhythm of the class at an optimal pace to maximize learning as well as fitness
- **Curriculums** - there is well over 20 years of experience utilized in the production of the class curriculums. They have been tested under the fire of 20 years of classroom experience. Through that time, only the material that held up to standards of practicality, effectiveness and fitness have remained.
- **Competition** - Point MMA competition has a competitive edge over all other imitators. Point MMA referees, judges and scorekeepers are respected martial artists in their own right and have gone through extensive training and certification process. The other aspect that no one else can match is the rules for competition. The rules have also been tested with a priority placed on safety, technique and sportsmanship. Too many competitions are conducted with no control and therefore stray from the core principles of the martial arts. Point MMA embraces



the traditional martial arts principles yet takes the spirit of competition from MMA in a controlled manner.

- **Extensive Network** - Probably the most significant aspect of Point MMA is the extensive network of contacts and relationships formed through a lifetime of being a World Class martial artist.
 - **Educational Funding Company (EFC)** - as an EFC member school for over 20 years, Willie Johnson's school, The Bam's Kung Fu, has earned a spot as a respected school within the network. Willie Johnson regularly meets with the executives of EFC about strategies for EFC, The Bam's and the martial arts community as a whole. EFC is a network of over xxx schools throughout the United States. Johnson is currently negotiating a strategy to implement Point MMA within all EFC schools.
 - **NASKA** - As a 7-time World Champion and a lifetime's worth of experience in competition, Willie Johnson knows the inner workings of the martial arts and sports karate competition circuit. The lifetime of relationships forged on the competition circuit have opened the door for Point MMA to become a featured event in a number of national level martial arts events.
 - **Fitness Festivals** - Willie Johnson's lifetime of work not only in the martial arts community, but also the health and fitness industry has allowed him to bring Point MMA to world caliber fitness events such as The Mr. Olympia and Arnold Fitness Festival.

6.2 Pricing

Projected pricing for programs

- Current - \$159.00/month – 6 month program (basic program)
- 90 days from now (May 2015) - \$169.00/month
- 90 days from May (Sept 2015) - \$179.00/ Month

Family Add On

- Current \$77.50
- 90 days from now (May 2015) \$87.50
- 90 days from May (Sept 2015) \$99.00

Black Belt Club structure pricing projection:

- Keep at \$189.00 for entirety of 2015

Elite Martial Arts and Fitness projection

- Keep \$199.00 for entirety of 2015



Quarterly Testing (4 per year)

- Current Test fees are \$35 – everyone not on regular tuition rate of \$159 or higher must pay test fees as of May 2015 Test fee will be \$50.00
- As of September 2015 Test fee will be \$75.00

All test fees are AAU approved and sanctioned as well as voted by our board of directors.

No Test Fee if BBC current rate or Elite Fitness Current Rate

Black Belt Test Fee is \$1000 if in BBC current rate program or Elite Program Black Belt Test fee is \$300.00

If in Current rate program discounted certifications for teaching license

Quarterly Events (4 per year)

- 2 Inner School Tournaments
- 1 external tournament that we profit from Capitol Classics - Maybe
- Boot Camp
- Seminars some that cost and some FREE to BBC members only – i.e. bringing in the Green Power Ranger.

Monthly Additional Income

- Parents Night Out \$25 1st child/ \$15 each additional child
- Birthday Parties 2-4 a month
- PTA fundraisers – We allow PTA to sell 6 weeks of lessons for only \$77.50 – we get uniform fee and they keep rest. Students train on designated nights at our facility.
- Referral VIP Kickback – each student has the opportunity to refer a new student and if they join and register for a basic program at current tuition rate, the student will get one month tuition paid.
- Build back up our Street Team – Competitions, demo's, parades, booth/festivals,
- Bench Strength – future instructor training Warrior Mindset Leadership Team

Satellite location – build as a 2nd location and feeder to our main location Lifetime Fitness. We currently have no overhead except marketing materials cost – i.e. fliers etc. This is an all profit center basically. The hire staff from us and pay them, we do not pay rent etc. Need to focus on this and build to top notch and operate not as a gym program but a full fledge training facility like our main location.

Yearly Black Belt Testing – goal to have everyone on current tuition and only paying \$300.00 for black belt test instead of \$1000. This way our monthly collection is steady vs. a fast income project that most likely will not sustain a long term effect.

Yearly Point MMA Certification. Our goal is to charge \$499.00 for other school owners to get certified and teach Point MMA at their facility – only building the brand and program even bigger.



Once certified they will sign up for continuous education packets that come out quarterly. Their continuing education fee is \$159.00 – based off of our current tuition rate. This would also allow them access to monthly videos, conference calls etc.

Leadership Network Conference – getting successful school owners, accountants etc. to meet twice a year to help build up each other’s school, business etc.

Warrior Mindset Speaking – based off of BAMS book the Complete Martial Artist and his new book coming soon about his life story. Signed on with an agent/manager (same as Damond John of Fubu and Shark Tank).

Diva Grit – this program will include women only workshops, seminars, speaking and possibly a book. All taught by Master Kimber with her curriculum of Act Like a Lady Train Like a Beast.

Stronger Than Drugs Foundation- this foundation was built so BAM could give back. Each year we do a huge toy drive, food drive and winter coat/hat drive.

((These endeavors all will bring the additional income on a personal level as well as a business level to help build things up faster. They are also established to co-brand and highlight each other as well as the school/training facility.))) Now everything under one roof no spreading time out all over the place we can focus on the school in its entirety and build it up with these concepts.

6.3 Promotional Plan



7. Operating Plan

7.1 Location

8750 Cherry Lane, Suite C-15, Laurel, Maryland 20707

7.2 Facility

5,000+ square foot training facility fully equipped with heavy bags, double-end bags, speed bags, full wall mirrors, training mats, battle ropes, weights and specialized martial arts equipment.

7.3 Operating Equipment

The Laurel, Maryland facility has become the Point MMA World Headquarters for Point MMA. It has been redesigned to be a prototypical model for how all Point MMA facilities should be laid out. The school is outfitted with all exclusive Point MMA equipment including heavy bags, speed bags, double-end bags, striking and grappling equipment.

7.4 Suppliers and Vendors

Tiger Claw - Official Equipment and Apparel Provider to Point MMA

<https://www.tigerclaw.com/home.php>

7.5 Personnel Plan

- President - Willie H. Johnson, Jr.
- **Title** - Kimber Johnson
- Sales and Marketing Staff



8. Management, Organization and Ownership

8.1 Management/Principals

Willie H. Johnson, Jr., President
Kimber Johnson

8.2 Professional Consultants

- Master Dennis Brown – Partner and owner of successful school and events
- Master Billy Blanks – Founder of Tae Bo
- Rob Calisante – Game Changers International
- Champ Nichols – Shark Branding
- Rob Fletcher – America’s Next Great Trainer
- PK Martin – AAU
- John Cokinos – Educational Funding Company
- Al Bartelinski – Professional Martial Arts school accountant
- Alan Goldberg – Professional Events Promoter
- Tokey Hill – Martial Arts Sports promoter for The Arnold Fitness Fest and Mr. Olympia
- Douglas Warren – Community Based Programming – McKim’s Community Center
- Tayari Casel – Professional Martial Artist from the original MMA matches and UFC-type events
- Byron Minns – Professional screen writer, actor and producer for top Hollywood film like Black Dynamite.
- Johnny Oh – Tiger Claw Martial Arts supplier
- Richard Bailey – Client By Design, LLC - certified Guerrilla Marketing coach, technologist, author, consultant, and internet public relations and lead generation/conversion expert.



9. Goals and Strategies

9.1 Business Goals

Our goals are more centered upon the impact that Point MMA Krazy Athletic can have on the lives of our next generation of kids. Rampant obesity and bullying are two of the largest problems facing the youth of today, and without the tools to combat it, they will fail. That is why Point MMA Krazy Athletic is such a needed component in the lives of our children.

As Point MMA Krazy Athletic attains a greater and greater audience, our goals of greatly reducing these obstacles will begin to be achieved. All business goals will take care of themselves when we are able to achieve these types of results.

9.2 Keys to Success

One critical key to success is an expanded marketing and promotion effort. We have already established great relationships with key industry components, but a dedicated team of marketing and promotion members will take us to the next level. That will be one of our next steps in the progression of Point MMA.



10. Financial Assumptions

10.1 Financial History

MONTHLY REVENUE

	2009	2010	2011	2012	2013	2014
JANUARY	\$11,469.99	\$10,523.46	\$11,563.16	\$10,932.28	\$12,186.99	\$12,386.71
FEBRUARY	\$13,062.44	\$11,296.05	\$10,527.82	\$10,928.38	\$11,989.87	\$13,381.62
MARCH	\$13,965.80	\$9,980.12	\$10,739.47	\$12,214.10	\$12,384.44	\$12,330.34
APRIL	\$14,466.51	\$9575.9	\$10,409.16	\$11,503.56	\$12,882.26	\$12,614.21
MAY	\$14,462.74	\$9958.54	\$10,022.74	\$10,958.57	\$11,825.77	\$
JUNE	\$16,990.56	\$11,317.84	\$9,646.66	\$10,671.72	\$10,809.59	\$
JULY	\$16,116.48	\$9363.50	\$9,820.77	\$10,047.92	\$10,965.40	\$
AUGUST	\$14,674.85	\$9417.52	\$8,463.22	\$9,598.67	\$10,800.96	\$
SEPTEMBER	\$14,684.54	\$10,859.75	\$10,151.11	\$9622.39	\$10,861.00	\$
OCTOBER	\$12,600.94	\$11,011.50	\$10,007.33	\$10,155.94	\$11,550.59	\$
NOVEMBER	\$12,270.35	\$11,687.04	\$9,678.87	\$11,432.18	\$12,088.61	\$
DECEMBER	\$10,001.57	\$10,877.90	\$8,924.89	\$12,335.60	\$12,261.89	\$
TOTALS	\$164,766.77	\$223,969.12	\$119,955.20	\$130,401.31	\$140,607.37	\$

PMMA MERCHANDISE (LAUNCHED 2013)

	2009	2010	2011	2012	2013	2014
JANUARY	\$	\$	\$	\$	\$	\$
FEBRUARY	\$	\$	\$	\$	\$	\$
MARCH	\$	\$	\$	\$	\$	\$
APRIL	\$	\$	\$	\$	\$	\$
MAY	\$	\$	\$	\$	\$	\$
JUNE	\$	\$	\$	\$	\$	\$
JULY	\$	\$	\$	\$	\$	\$
AUGUST	\$	\$	\$	\$	\$	\$
SEPTEMBER	\$	\$	\$	\$	\$	\$
OCTOBER	\$	\$	\$	\$	\$	\$
NOVEMBER	\$	\$	\$	\$	\$	\$
DECEMBER	\$	\$	\$	\$	\$	\$
TOTALS	\$	\$	\$	\$	\$	\$



CERTICATONS (SCHOOLS) STARTED JANUARY 2014 –

JANUARY 2014:

6 SCHOOLS (NEW JERSEY, MD) - \$ 12,500.00
CONTINUING EDUCATION MONTHLY \$600.00

MARCH 2014:

2 SCHOOLS (MARYLAND, NEW YORK) \$5000.00
CONTINUING EDUCATION MONTHLY \$200.00

APRIL 2014:

1 SCHOOL (TENESSEE) \$2500.00
NO CONTINUING EDUCATION YET – WILL GO BACK IN OCTOBER
SEVERAL OTHER LOCATIONS TO BE CERTIFIED IN SEPTEMBER – FLORIDA, AUSTRILA

