



**LOWER RISK,
HIGHER REWARD**

A MORE THOROUGH EXPLANATION FOR INVESTORS

Investing into a **Super Story** isn't quite the same as investing into a one-off film.

Simply put — it's better.

Instead of the investment being vested in a single entertainment product, the investment is actually into something much bigger — a *brand*. A brand with a diversified portfolio of products that collectively form an eco-system of consumer touchpoints that better secures the investment itself.

A **Super Story** is *developed from the beginning* by a team of specialized **Super Story Architects** to become a large-scale, global brand that has four primary aspects:

1

A *diversified line of entertainment products* created in multiple mediums, delivered across multiple platforms and tapping multiple markets.

2

A *stand-alone product and service facet* that is created with the approach entrepreneurs use to build consumer brands rather than how producers typically build entertainment brands.

3

Innovative, *shared marketing and engagement initiatives* that bring audiences and consumers to both.

4

A *holistic, overall strategy* that is woven into the DNA of the entertainment, brand and marketing aspects of the Super Story. This creates a *dynamic eco-system* that activates every touchpoint of the brand.



**“ THE INVESTMENT IS ACTUALLY INTO
SOMETHING MUCH BIGGER — A BRAND. ”**

Alongside food, clothing and energy, media is one of the few industries that pervades into the lives of practically every consumer on the planet — delivering content ranging from apps to games, films, television shows and more. Moreover, as technology has advanced, the number of channels (and types of content) has grown, meaning that investors can now access everything from global hits to niche events and productions targeting specific communities.

Why, then, would you want to limit your investment to a project that merely takes advantage of just one aspect?

You shouldn't.

Most people tend to see the market in terms of discrete sectors such as film, TV, music, video games, live, etc. Sophisticated investors understand that the best investments are those that touch all of those sectors in some way, which not only creates a depth and diversity within the investors' portfolio, but also works to hedge the investment itself.

Moreover, entertainment and media are growing and globalizing. Media assets which once would have only been shown or experienced in their country of origin are now global instruments, which can be exploited in markets worldwide. As you're most certainly aware, previously developing economies such as India, Latin America and Asia have also become incredible consumers (and producers) of

media. These fundamentals represent a powerful case for investors to seek out entertainment projects that truly understand how to take advantage of the international marketplace.

Does it make sense, then, for you to limit your investment to a project that doesn't have a true, dedicated strategy for activating and accessing global markets?

Of course not.

While many investors believe that investing into entertainment is traditionally one of the most high risk investments one can make, we want to show you how the **Super Story** model can hedge and protect the investment in a way other entertainment models can't. Strategically sitting at the intersection between a dynamic entertainment ecosystem and a franchise-able business model, **Super Stories** are never conceived as simple, one-off movies — not just so creatives can make entertainment just for the sake of making entertainment, but rather to ultimately hedge the investment into the **Super Story** itself.

Here are the *five ways* a **Super Story** hedges an investment and ultimately brings more value to the business model:

1. Multiple Revenue Streams
2. Broader Demographic Reach
3. Compounding Revenue
4. Longer Shelf-Life
5. Market Pre-Awareness

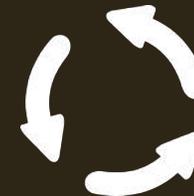
FIVE WAYS A SUPER STORY HEDGES AN INVESTMENT



Multiple Streams of Revenue



Broader Demographic Reach



Compounding Revenue Potential



Longer Shelf-Life



Market Pre-Awareness



**SUPER STORIES CREATE
DEPTH AND DIVERSITY
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MULTIPLE REVENUE STREAMS

With a traditional entertainment investment, an investor's profit potential is limited to a single revenue stream (not including under-performing after-market adaptations), which skews the risk analysis in an unfavorable way and increases the time it takes to recoup an investment. A **Super Story**, however, hedges the project's investment by creating additional revenue streams, which in turn increase the chances of having more performance-driven "hits" that compensate for any "misses." Additional revenue streams will also decrease the overall time it takes to recoup the investment.

Multiple revenue streams are important in any sustainable business, entertainment or not. They provide a time-tested way for an owner to reduce risk and allow a more predictable cash flow from a variety of sources, rather than relying on a single, traditional product or service. When multiple revenue streams are created, franchisees not only have the ability to reach the same loyal customer more often and with more touch points, but also reach a wider variety of markets.

Rather than take positioning in quoted media stocks, which tend to introduce too much exposure to volatile equity markets (and media tends to get hammered more than other sectors when the markets have any degree of turbulence in

them), the **Super Story** model is catered to investors looking to invest in media cash-flows. Not being correlated to the market and combined with growing global demand for premium content, the rise of middle-classes in emerging markets, and advances in technology that make it easier to engage into entertainment anywhere and everywhere, all signal tremendous upside for entertainment investments into media cash-flows.

By creating multiple, stand-alone products within the entertainment brand's portfolio, the **Super Story** creates more cash-flow opportunities in which the investor can participate. Moreover, by diversifying the mediums and platforms of the products, not only can the investor participate in the performance of a *variety* of entertainment sectors, but also hedge against an event that causes one or more of the sectors to under-perform or stagnate.

For example, if there's a disruption in the theatrical film sector (due to anything from temporary technological disruption to political/sociological volatility), the brand can compensate with the healthy performance from its other entertainment components in other sectors, such as video games or live performance.

*Bottomline — in a **Super Story** there are not only more ways to make money, but also more ways to hold up and secure the brand financially.*



BETTER DEMOGRAPHIC REACH

The traditional model of entertainment typically only appeals to a single demographic or psychographic block — the defined target market. While this is wise for focus, it necessarily means that all other demographics, psychographics and revenue streams are cut off, or at least the profit potential in those markets is minimized.

Historically, there used to be a major push in Hollywood to chase the “four quadrant picture,” which is a movie or a show that will appeal to everyone (all four demographic quadrants — males, females, young and old). A four-quadrant hit is an ideal investment because the fanbases for the project aren’t simply made up of one type of fan — they’re made up of *everyone*. However, four-quadrant *stories* are historically very difficult to intentionally engineer, which is why the current entertainment philosophy is very much resigned to the fact you can’t really *engineer* a four-quadrant story. Instead, producers are pushed to engage the target market and hope the project can over-perform and tap all four-quadrants organically.

We don’t believe wise investments are built on *hope*.

Instead of expecting a single story to carry the burden of reaching every demographic, a **Super Story** employs a series of focused stories that each target one (or potentially two) different demographics and are intertwined within the same storyworld. In this case, one story doesn’t have to bear the burden of connecting with all four quadrants, but all four quadrants are targeted and tapped regardless. The brand gets the benefit of focusing and targeting the individual projects, but it still gets the benefit of a four-quadrant story, which is a bigger fanbase representative of all walks of life.

Essentially, **Super Stories** aren’t focused on creating four-quadrant stories, but rather *Four-Quadrant IP*.

This approach also helps fuel a **Super Story’s** international strategy.

As investors have certainly noticed, single films that are engineered to try and appeal to all international markets, have largely failed in the pursuit. Every international market is different — its consumers having different media habits, cultural concerns, exhibition and distribution capabilities — which makes the “one-size-fits-all” strategy with a singular film wildly risky. As producers add elements to appeal to one international market, they appeal *less* to other international markets and in the end, they are left with a project that falls flat in *every* market.

However, from an IP-centric, **Super Story** perspective, the brand can release a series of targeted products that are tailored to individual international markets. These products can create a comfortable and relevant point of entry for consumers in those market and help to establish brand equity, brand trust and ultimately brand loyalty with the consumers and audience in those markets. Once that is established, the brand can better lead those consumers to larger, international cross-over components because the friction that would have originally kept them from engaging is now decreased.

The question for an investor *shouldn’t* be, “How can I invest into a film that can perform well in China, the United States and the other major media markets around the globe?” Rather, the better question is, “How can I invest into an *IP* that can create tailored, culturally-relevant entry points for the Chinese audience, the US audience and the audiences in the other major media markets around the globe?” In China, that entry point may be a film. In the US, it may be a digital television series. In the Brazil, it may be a video game.



THE BETTER QUESTION IS, "HOW CAN I INVEST INTO AN IP THAT CAN CREATE TAILORED, CULTURALLY-RELEVANT ENTRY POINTS..."

COMPOUNDING REVENUE POTENTIAL

Super Stories closely resemble “project slates” and thereby exploit the main advantage of slate financing, which is the good performance of one or more components of the slate compensating for poor performance of other components. However, despite the components being deployed in multiple mediums and platforms, the biggest difference between a **Super Story** and a traditional slate is that the stories interlock and therefore feed off each other in a dynamic way.

While the various components are anthologically built to stand-alone in the marketplace (as opposed to the traditional sequel or prequel which *relies* on another for context meaning and value), the **Super Story** slate will continue to rollout across a variety of media platforms. Each component will play a specific and unique role in the overall narrative and also be synergistically connected to all the other stories in the franchise in a significant, meaningful way that furthers the overall narrative.

Imagine each part of the slate being single photos in a much larger photo-mosaic puzzle.

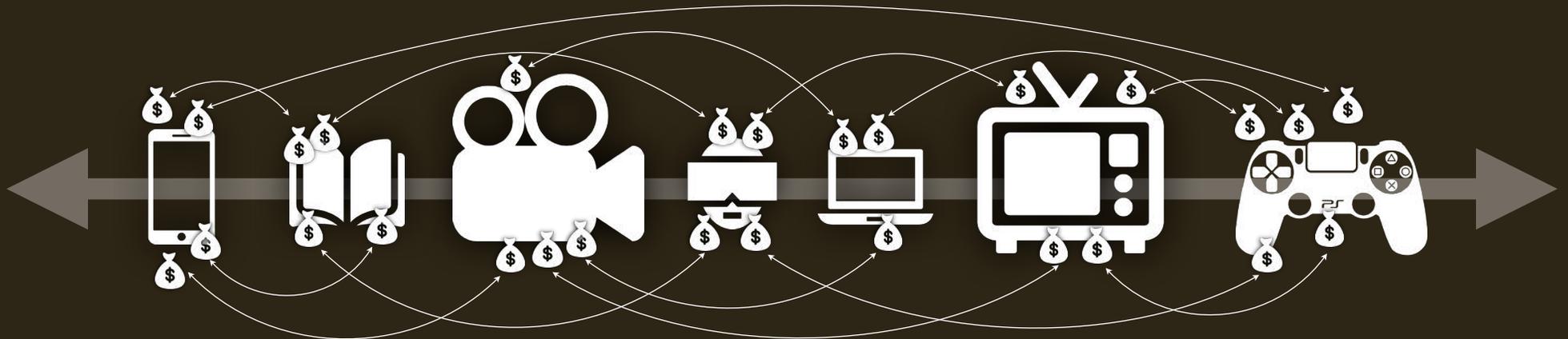
Because each component plays a separate, unique part in the larger puzzle, it will not only incentivize simple audience migration, but migration to every component in an effort to

experience the entire narrative. Effectively, this makes each component a veritable marketing vehicle for every other component and creates a creative and business synergy typically reserved for properties such as *Star Wars* and *Marvel*.

This will not only exponentially increase the profit potential but also *bring the world to Chinese content*. This won't be just because they initially love Chinese content, but rather because the Chinese components have important, valuable pieces of the narrative puzzle that they can only experience in those particular pieces of content.

Just imagine if *Star Wars: Rogue One* was a Chinese film. Even if it had a complete Chinese cast, Chinese director, Chinese locations and was a Chinese language film, all *Star Wars* fans would still clamor to see it. Why? Because they were given a Western entry-point into an international IP and the Chinese film is an essential part of the over-arching narrative.

A film that stands alone in the marketplace has a much higher risk than a film that is being fed audiences from mobile games, digital series, live performances, television shows and comics. Not only that, but the film will be feeding audiences to the components as well, which bolsters all of their revenue potential as well.



LONGER SHELF LIFE

Traditionally, the shelf life (and therefore revenue life) of traditional entertainment is shockingly short. Even with streaming and other digital after-market platforms helping make projects “evergreen,” it’s difficult to ever describe single, traditional entertainment projects as long term investments.

We understand that from an investment stand point, long term investments tend to exhibit lower volatility than short term investments. The longer investment, the more likely an investor will be able to weather low market periods. Investments with higher short-term volatility risk (such as traditional, one-off entertainment) tend to have lower returns over the long term.

In today’s entertainment market, new movies are busting out of the “in-success sequel” template. More and more, entertainment is being developed not as finite sequences, but as infinite series — *forever franchises*. This creates an opportunity to invest into an IP that can generate revenue over 20 or 30 years, rather than a one-off film that could possibly generate revenue for two.

Therefore, the **Super Story** model is focused on making an investment resemble a long term investment that still has the potential of short term gains.

PRE-AWARENESS

A common misconception is that transmediated, ancillary extensions of an IP should only be produced *after* the success of the initial tentpole offering. However, in the **Super Story** model, strategic components of the IP are

released *ahead* of the tentpole in the effort to establish *pre-awareness* and actually *engineer* success.

When one examines the strategy behind studios and networks rebooting and adapting pre-existing content into films and television, it’s not rooted in a dislike for original content and or an inherent love of legacy material — it’s rooted in a love for pre-awareness. Fans’ pre-awareness of an entertainment property hedges the investment into the story itself and takes pressure off a film’s marketing efforts. This, then, means pre-awareness is the one of the essential keys in the success-equation both on the performance side and the security side of an entertainment investment.

Given this, the **Super Story** model makes establishing pre-awareness for the IP (particularly the investment-heavy “tentpole” components) a priority.

For example, once a feature film begins development and then pre-production, it will almost certainly be at least two years before it is ultimately released into the marketplace. During that time, we will begin building pre-awareness by deploying a **Super Story** strategy and releasing low-cost, fast-to-market extensions of the IP to the marketplace. This will introduce the IP to the audience and start building a fanbase well before the larger release finally debuts. Then, because of the investment into creating pre-awareness through *story-based extensions*, when it’s time for the film to premiere, there will be a greater chance of the fanbase showing up at the theater and the film ultimately doing better at the box office.

Moreover, but depending on what the initial releases are, these pre-released components can actually allow an investor to begin recouping an investment while they're waiting on the film to become profitable.

HOW DO WE CREATE THIS MODEL?

Most entertainment producers and investors love to focus on entertainment investments as simple pawns, one move at a time. More and more sophisticated investors, however, have begun investing into multi-generational, cross-platform projects and have begun playing multi-dimensional chess — not only across multiple entertainment products, but also across decades.

A **Super Story** creates an architecture far beyond sequels and focuses on fully and successfully engaging viewers across *interlocking narratives*. Each time a new component engages an audience — building upon and/or introducing new narrative elements and new, key characters — the entertainment brand can move not just linearly, but also multilaterally.

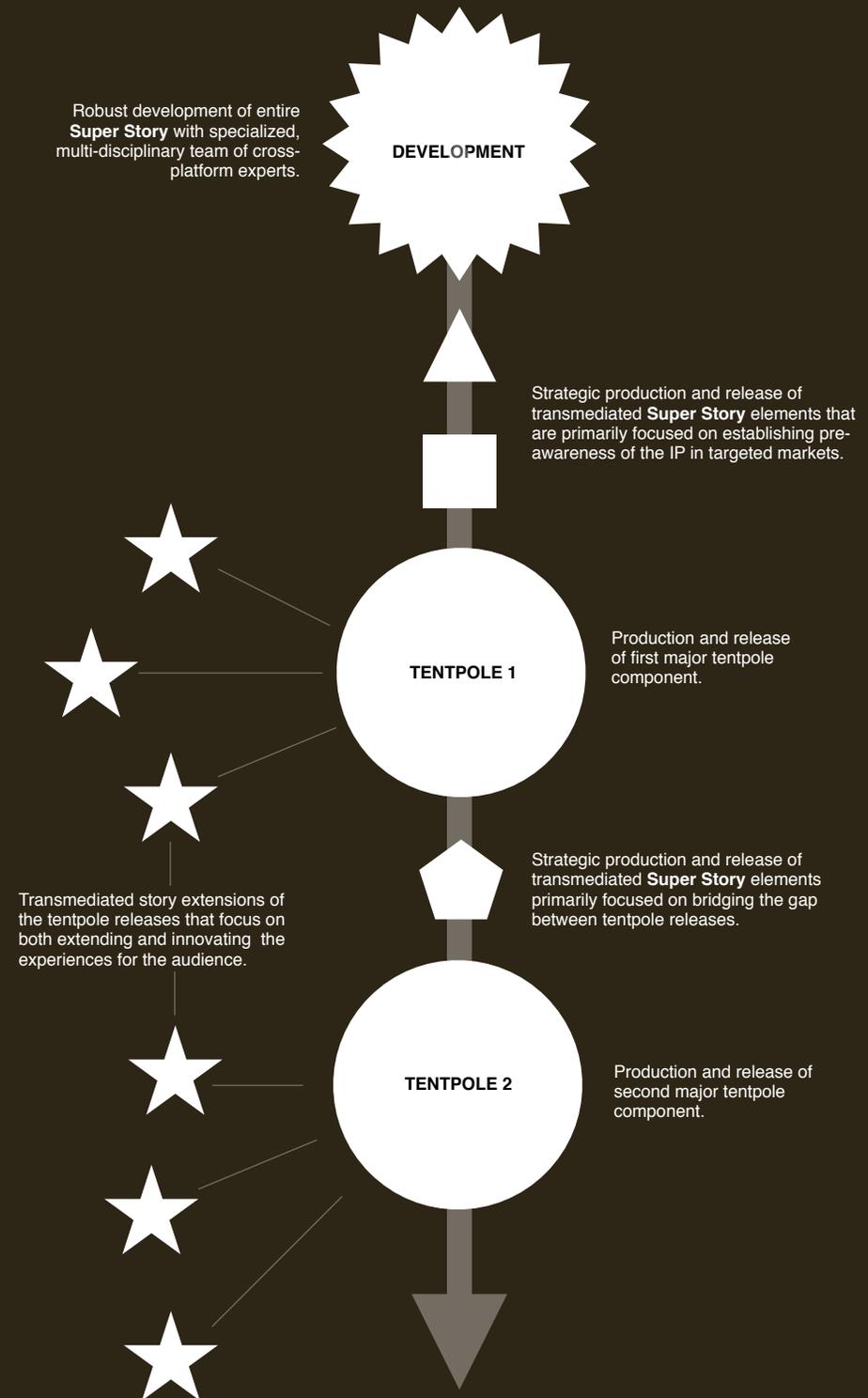
That also means that investors into these type of models have moved beyond *only* caring about the relative success of any single film. **Super Story** is a latticework of storytelling that only gets stronger as it branches out. And in such becomes an unprecedented cinematic game of 3-D chess, not looking only at the diagonal moves, but also at moves across multiple boards at once.

However, in order to take advantage of this model, two valuable things needs to happen —

1. The central idea of the IP needs to be **created** in a very unique way because not every idea can work in this model and
2. The IP needs to be **developed** with these strategies in-mind from the beginning so that as the brand grows, the growth will be smooth and will be recognized as a natural progression rather than a forced expansion that feels more like opportunism than a well-developed plan.

Whereas all of the components won't be necessarily be *produced* at the same time (or even from the same entity — if you open up the brand to licensing opportunities), all the components need to be *developed simultaneously to the tentpole*, all tailored specifically for the IP.

Bottomline: To ensure both creative continuity, brand consistency and maximum investment return, there needs to not only be an investment into the development of the tentpole script and the business plan of the *film*, but also a (much smaller) investment into the business plan of the *franchise* itself.



WHAT A SUPER STORY ARCHITECT DOES DURING DEVELOPMENT

After creating the central idea — the core creative milieu of the IP — with a replicable, scalable proprietary creative model, our team of **Super Story Architects** then move into actually *developing* the IP. While separate and distinct from IP creation, developing, strategizing and overseeing the IP as it grows and extends across platforms is equally as important in ensuring maximum completeness, consistency and continuity of the project.

A **Super Story Architect** specifically focuses on the following concerns during the IP development process:

1. Identification and development of the core thematic of the brand that will be incorporated into all aspects of the **Super Story**, including storyworld development, brand building strategies, marketing initiatives and the development of the brand's corporate social responsibility.
2. Creation, development and optimization of the storyworld of the IP using the proprietary **Super Story** creative process. This ensures that the IP is created with the *fourteen* essential creative and business elements needed for future growth opportunities.
3. Creation, development and understanding of how the storyworld of the IP changes and arcs over time so as to counteract audience fatigue.
4. Identification and development of cross-platform story potential, including large, tentpole revenue-drivers as well as smaller, engagement-focused components.
5. Creation of the strategy behind extending and innovating the experience of the revenue-driving tentpoles.
6. Development and creation of the additive comprehension intrinsic to every component of the **Super Story** that creates the audience's incentive to migrate.
7. The dynamic connections between each and every component of the **Super Story**, using six different types of connection strategies.
8. Strategic platform planning and medium selection that both leverages the unique characteristics of the story components as well as the unique media habits of target markets.
9. Planning, ideation and development of the consumer products and services that will be holistically incorporated and seeded into the entertainment itself.
10. Design and creation of grassroots immersion tactics that rapidly build community and evangelistic fanbases.
11. Creation of the master document (the **Super Story** blueprint) that acts as the creative and business plan for the franchise and ensures continuity and coordination across development and production teams.





ENTERTAINMENT AND MEDIA HAVE TYPICALLY BEEN SEEN AS HIGH-RISK AREAS FOR INVESTORS, BUT BECAUSE THE SUPER STORY MODEL PRESENTS SOLID WAYS OF CONTROLLING RISK EXPOSURE AND GENERATING SIGNIFICANT RETURNS, THE SKY IS THE LIMIT.