

Interactive Video Entertainment for the 21st Century.

The 18-34 "Joystick Nation" – coveted by Madison Avenue – expects control of their broadcast and broadband entertainment. For maximum ROI, content must be interactive, on-demand, and mobile:

### The VantEDGE System: Live 360° Interactive HD Video

Imagine the movie "The Matrix", but real - no special effects - and interactive.

VantEDGE is an advertising/content engine that will help producers & networks make more money from the same content.

Clients who said they would buy or lease a 360 HD system after having used 360's SD VantEDGE system or seen its video and/or reviewed the system's specifications:

- Vancouver Winter Olympic Games\*
- NBA\*\*
- NHL\*\*
- 2010 NFL Super Bowl\*\*
- Division I NCAA
- Hard Rock Casino
- 2011 Pan American Games

- FIFA 2010 World Cup\*\*
- MTV Canada
- UFC\*\*
- Televisa
- RSNs
- Local TV affiliate in #2 U.S. market
- \* Contract awarded \*\* Contract submitted
- VantEDGE is the first broadcast camera technology that can <u>simultaneously</u> capitalize upon the interactive potential of broadband:
  - 1. Its 1080p HD digital video output can be used to produce any TV, cable, satellite or broadband telecast, iust like any other camera.

But because 360's pixels are smart,

2. Online and on-demand, fans can click on VantEDGE video to control their own point-of-view - in 360°.

Plus on tablets & smart phones – "Video at your fingertips": Where viewers control <u>live</u> 360° video on-screen, Redefining what it means to "engage" with content – and Commanding a premium from Advertisers.

- VantEDGE produces a live broadcast that delivers a 360° bird's-eye view of the action.

  Rock concerts are perfect for 360 U2's most recent world tour was called *The U2 360° Tour*.

  Basketball and Ice hockey are naturals
- VantEDGE is a ring of cameras, mounted on PTZs, whose video is collected and rendered in real-time by proprietary software. It is not the number of cameras nor their configuration that drives the system – it is the software that:
  - a. Synchronizes each camera's movement, and then
  - **b.** Renders the HD video in real-time.

The genius of the 360 camera system is that it can be sized to fit any venue.

The number of cameras and their placement is independent from how the system works:

Installed over a concert stage or boxing ring (mobile),

or mounted around the circumference of an arena or stadium (fixed).

- The entire system all the cameras move in unison and are controlled by joystick.
   The video can be either broadcast on-air or online, or it can be stored in the Cloud.
- Based upon feedback from NBA & NHL teams and arenas, the VantEDGE 360 technology is positioned to generate revenue from sales, leasing, and a share of broadcast, broadband and mobile revenues.

360 seeks strategic/financial partners to help fund its system's upgrade from SD to HD:
Upgrade includes cameras, computers and related hardware, & staff; and
Two commercial systems deployed for maximum broadcast exposure
of 360's interactive video content.

(see "Strategic Plan", page 7)

2. ©2012 360 Replays, LTD.

#### **The Wall Street Journal**

Sponsors now commission their own interactive content to engage a prized demo. Content produced by 360 is already interactive, which will save advertisers time, money, and increase their marketing ROI - and improve revenues for producers and networks at the same time.

B8 | Tuesday, July 3, 2012

THE WALL STREET JOURNAL.

# **MEDIA & MARKETING**

# Olympics Sponsors Go for the Young

Coke, Other Marketers at the Games Work to Draw in the Digital Generation as Brand Ambassadors

The Olympics are all about youth, except when it comes to

While many deep-pocketed companies leap at the chance to become sponsors, the large television audience they will reach at this summer's Games in London starting July 27 skews older than the teens and 20-some things whom marketers usually seek out.

Longtime Olympics sponsor Coca-Cola Co. says the average viewer of summer Games television broadcasts is more than 45 years old in developed countries,

far above the company's under-30 target auder-30 target au-dience. As a re-sult. TV ads LONDON sult, TV ads increasingly are just parts of

much more elaborate campaigns.

Sponsors are leaning heavily Facebook, Twitter and iPhones to not only reach more young people but turn them into brand messengers in the high-stakes game. Eleven top corporate sponsors, including Coke, have paid the International Olympic Committee a combined \$957 million in marketing rights for this summer's London Games and Vancouver's 2010 winter

Coke, an Olympics sponsor since 1928, is trying to lure the YouTube generation with tools to create music videos that combine a company-commissioned song with personal photos and sports sound effects. The customized music video—book-marked with images of Coke bottles-can be shared by posting it on Coke's Facebook page or company website. Users also can post their song to their own Facebook page or tweet the link more broadly.

Coke started by commissioning a song, "Anywhere in the World," by Grammy Award-winning producer Mark Ronson and U.K. singer Katy B that incorporates rhythms and sounds ath-letes make, whether in table tennis or volleyball or other movements of five Olympic



Coke's 'Move to the Beat' app, above, lets smartphone users remix its commissioned Olympics song, 'Anywhere in the World,' which is sung by Katy B and uses rhythms from athletes. At right. London gets ready for the Games.

hopefuls including U.S. hurdler David Oliver and Singaporean ar-cher Dayyan Jaffar. It also produced a video of the song being performed with the athletes at a London concert, having invited thousands of young people to at-

tend through Twitter.
The song and video—which also include images of fans holding Cokes and a half-full bottle beside a table-tennis net—were unveiled in February. Free software lets desktop users remix musical beats and Olympic sports sound effects to create new versions of the music video, also weaving in users personal photos from their Facebook pages. Smartphone users can download a mobile application allowing them to remix the song even more, includ-ing software that captures the sounds of them moving their phones in different directions

and turns them into beats.

More than 3 million such music videos have been posted already as part of Coke's "Move to the Beat" Olympic marketing campaign. The videos can be page or the Olympic-focused section of the company's website. Visitors can click on a spinning globe to hear uploaded versions from dozens of countries.

Coke also is building a two-story, 70-foot diameter "Beat Box" in London that visitors can walk through and create a new remix of "Anywhere in the World" by touching different panels. The hope is that the re-mixes will be downloaded into martphones and forwarded to

"If it's just about us, that's not going to be the secret for-mula for long-term success," said Joe Tripodi, Coke's chief marketing officer.

Another Olympics sponsor, Visa Inc., has a "Go World" campaign that urges fans to post video "cheers" on the company's Facebook page and YouTube channel. Some of those cheers will appear in TV commercials during the Games.

The International Olympic Committee has launched a

"Hub" website that helps fans find Olympians' social-media postings, including tweets. Facebook and Twitter recently coached U.S. Olympians on how to use social media at the invitation of the U.S.

Olympic Committee. Since the 2008 Games, the number of Facebook users has soared from about 100 million to more than 900 million. Fans on Coke's Facebook page have surged above 43 million, roughly a 40-fold increase in four years. The number of Twitter users has jumped to about 140 million from roughly 1 million over the same period. Coke, which wasn't tweeting in 2008, now has more than half a million Twitter followers.

Consumers also are using their cellphones to do more. Global mobile broadband subscriptions jumped 60% in the past year to reach 1.1 billion industrywide, according to communications company Ericsson AB. Nearly one in two Americans has a smartphone, compared with one in 10 in 2008, estimates Forrester Research

Coke says more than 50 million of its customers have signed up to receive marketing emails or text messages; it hopes to recruit millions more by offering mobile Olympic updates

Not every campaign has gone according to plan, including Samsung Electronics Co.'s Ge-nome Project, which maps connections between Facebook us-ers and Olympians. Eighteen former and current Olympians including Mark Spitz and Jackie Joyner-Kersee, sued Samsung in April, alleging the company used their names and images without their consent. An attorney for the plaintiffs said the athletes are in settlement talks.

Samsung, declined to comment.

And technology still has limits. Ramadan, the Islamic month of fasting, begins a week before the London Games get under

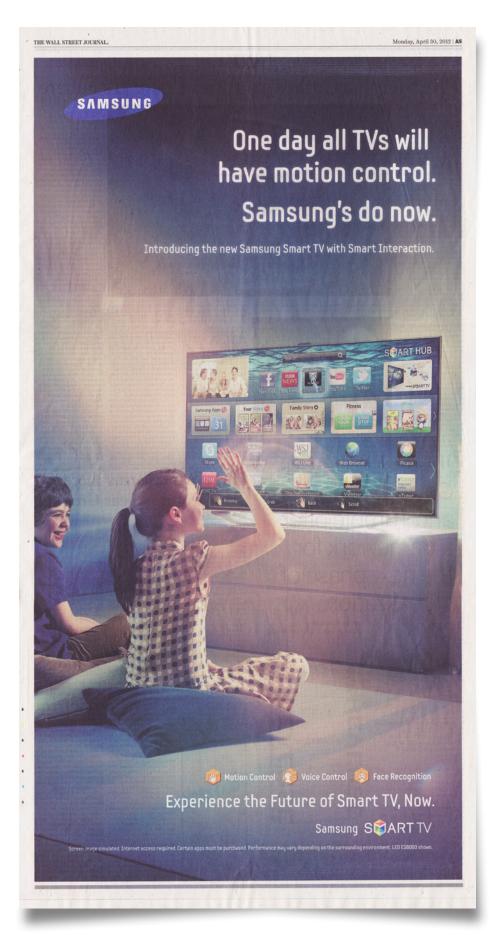
Coke says it won't be activating its Olympic marketing campaign in the Middle East, defer-ring to religious tradition.



April 30, 2012 **The Wall Street Journal** 

"Content Control v360"

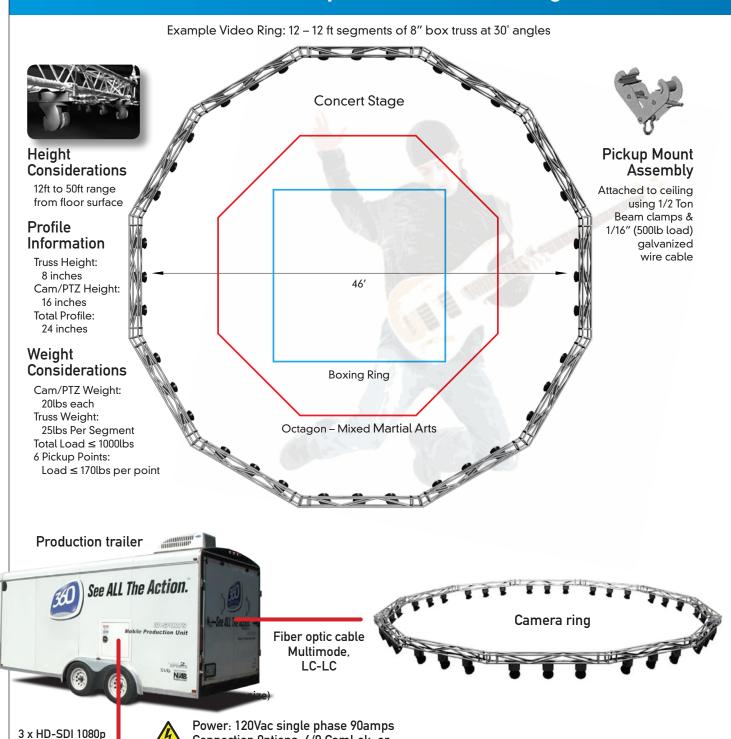
Latest TVs designed for 360-style interactive content.



©2012 360 Replays, LTD.

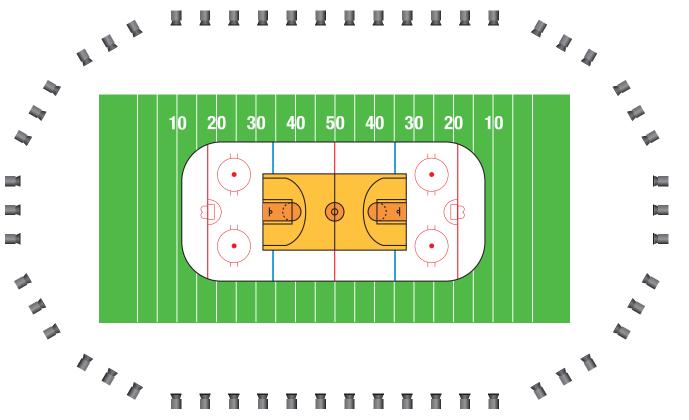
# Portable 360 Video System: Theater Configuration

# Permanent 360 Video System: Arena/Stadium Configurations



Connection Options: 4/0 CamLok, or

direct wire, or 2 x 50amp outlets.



In venue, the cameras would be attached directly to the stadium and have no impact on fans' line of sight. For example, the cameras could be placed around or under the fascia that already rings most arenas. (See below).

Camera depictions & relationship to field of play are not to scale.





### The genius of the 360 camera system is that it can be sized to fit any venue.

The number of cameras and their placement is independent from how the system works.

This patent-pending video system is powered by proprietary software
that controls each camera's movement and renders all the video images live, in real-time.



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**Broadcast Output** 

# 360's Business Model

- **A.** Similar to IMAX, a company that also markets a proprietary video camera technology that generates revenue from:
  - Hardware sales/leasing
  - Software licensing and related fees
  - Royalties/Commissions/Revenue sharing
- B. Better than IMAX, since 360's:
  - 1. Hardware is off-the-shelf, less expensive, and not proprietary;
  - 2. Venues already exist no expensive building/theater design required; and
  - 3. Content is distributed electronically over the airwaves, live and on-demand.

	IMAX	360
Hardware sales/leasing	0	0
Software licensing fees	0	0
Royalties/commissions	0	0
Growth potential: Audience	Limited. Content exhibited at unique locations at specific times. Box office & concession revenues are limited to no. of theaters + tickets sold/theater.	Unlimited. Content dist'd electronically to any screen at any time, maximizing potential ad royalties & commissions.





# 360 — Strategic Plan

Start chain reaction thru Sports & Entertainment that creates royalties, commissions, and licensing across broadcast, broadband and mobile media.

Accelerated HD Upgrade = Faster ROI.

8-camera **Development System** \$1.000K

> 360 Complete **HD** Upgrade



Large Ring(s) - Indoor **Staples Center/United Center** \$1,600K x 2



Systems installed in 1 to 2 Arenas (Revenue example: next page)



1 Development System + 2 Indoor Systems = \$4.200K



360 Expands Foot-Print **Introduced in New Markets** in Key Cities

**Domino effect across** multiple properties ignites revenues



360 already invited to the 2010 Winter Games



World Cup 2014

360 tech already presented to FIFA



Rio **Olympic Games** 2016

Winter Olympics/Rio World Cup raise the bar; 360 already invited to the Games

The 360 Platform - Integrated 3D Advertising across Broadcast, Broadband & Mobile

4Q 2012 1Q 2013 2014 **DEC 2016** 

Thru 2016

\$60+

50 NBA/NHL/Concert venues. 9 venues host 2+ teams:					
Venue	NBA	Revenue (\$MM)	NHL	Revenue (\$MM)	
Madison Sqr. Grdn	Knicks	244	Rangers	169	
Staples Cntr	Lakers/Clippers	208/108	Kings	101	
United Cntr	Bulls	185	Blackhawks	118	
Amer. Airlines Cntr	Mavericks	166	Stars	90	
TD Garden	Celtics	146	Bruins	125	
Air Canada Cntre	Raptors	134	Maple Leafs	193	
Wachovia Cntr	76ers	116	Flyers	111	
Pepsi Cntr	Nuggets	113	Avalanche	83	
Verizon Cntr	Wizards	109	Capitals	94	

Seed Market for 360 with 1-2 systems planted in strategic venues for max. exposure

Mkt'g Value > \$50mm

Triggers demand for 360 across mult. sports & entertainment properties

32 NFL teams. Most valuable:				
Revenue (\$MM)				
406				
352				
333				
293				
285				
283				
274				
266				
259				

**Grow revenues** across Broadcast + Broadband + Mobile

360's U.S. platform

cements demand

with int'l properties &

global sponsors

"360 Effect"

Most Valuable Soccer Teams, World-Wide Revenue (\$MM) Team Real Madrid 695 Barcelona 653 532 Manchester United Bayern Munich 466 364 Arsenal Chelsea 362 AC Milan 341 Liverpool 295 Schalke 04 293

**Billion** Market Opportunity

NFL: > \$4 billion<sup>3</sup>

**Top European Soccer** > \$4 billion4 **Leagues/Tournaments:** 

League's annual TV revenue:

NBA: > \$2 billion<sup>1</sup>

NHL: > \$750 million<sup>2</sup>

Market Opportunity Today > \$15 billion per year

<sup>1</sup>Forbes, Jan '12. <sup>2</sup>Forbes, Nov '11. <sup>3</sup>Forbes, Sept '11 <sup>4</sup>Cum, Data/Various Sources



# Venue/content revenue illustration — Staples Center: Revenues from Hardware Sales/Leasing • Software Licensing • Ad Royalties/Commissions







- On-air: Increased Sponsorship value 360° POV captures more in-venue signage that regular cameras can't.
- ► In-venue: Enhanced Ticket value Every seat is now the best seat in the house.

### **Broadcast**

New/Add'l ad units to Improve/Protect revs

► <u>Today's digital audiences expect 21st C. technology:</u> 360 improves/protects TV ad revenue

### Media Revenue > \$200MM/yr

\$MMs	NAT'L	LOCAL/RSN
Lakers	31 <sup>1</sup>	200 <sup>1</sup>
Clippers	31 <sup>1</sup>	<b>25</b> <sup>2</sup>
Kings	<b>6</b> <sup>3</sup>	214

Total home games >350 hrs/season

### Teams' Revenues > \$500MM/yr

 Social/Twitter: Drives audience to the living room

Mobile
Smartphones/Tablets:
"New TV"

Drives 360 TV creates "Wow" factor

360° video creates a virtuous cycle with increasing value:

Ignites social nets

Interactive 360 VOD fans interest

18-34 "Joystick Nation" expects control of their entertainment, anytime & anywhere

<u>"Engagement" Premium:</u>
360 adds value to digital ads / broadband subscriptions / apps

- Video broadcasts "in 360" can be streamed "in 360" as well. AND, that
  - Same video live/on-demand gives viewers control of their own POV

### **Broadband**

Empowers fans to control POV

The 360 *VantEDGE system* is the first <u>broadcast</u> technology that can *simultaneously* capitalize upon the full potential of <u>broadband & mobile</u>: 360's potential revenue, Staples Center: \$5MM-\$10MM per year = at least \$14K/hr.

8 <sup>1</sup>Forbes Jan 12 <sup>2</sup>Est. <sup>3</sup>NYT Apr 11 <sup>4</sup>LAT June 12 ©2012 360 Relays, Ltd

### The 360 Team

THE 360 TEAM is comprised of veteran Technology and Media & Entertainment executives with broad and deep domain experience in building profitable and innovative enterprises:

### ROLE/Responsibilities

## PRESIDENT and CHIEF TECHNOLOGY OFFICER

#### Michael Brown

- Technical & product development
- · Operations management

#### **CREDENTIALS**

Company founder & Inventor of patent-pending VantEDGE 360° camera technology. 15+ years of technology R&D experience. Sold profitable managed hosting company to fund development of 360 technology. Former VP/Operations of 3D interactive online gaming company with 6MM players: Managed programming ops/development teams for all properties, and business development in all technical fields. Forté is software engineering and architecture.

#### CHIEF EXECUTIVE OFFICER

#### Glenn Norman

- Strategic planning
- Business development

Former CEO of pioneering digital media production & distribution company that launched the first broadband sports net in 2000, with nat'l and int'l Olympic & Pan Am sports competitions for global multimedia distribution. Extensive experience in int'l sports mkt'g and broadcast production & operations. • Centennial Olympic Games: Marketing Director responsible for sales & management of Games' telecom portfolio today valued at \$300MM: 100% value-in-kind, these assets had direct impact on Games operations. Developer of \$250MM Athletes Village during Atlanta's Olympic bid campaign, incl'g overall project management, budgets, operations & HR planning. BA, Emory University; MSM, Georgia Tech.

#### CHIEF FINANCIAL OFFICER

#### **Bill Schink**

- Financial operations, controls, and reporting; budgeting and forecasting; capital raising; and investor relations.
- · Commercial contracts

Senior financial executive with broad-based financial and strategic experience working with a wide variety of companies across the spectrum of media, communications, and entertainment; total deal value/portfolio > \$3BB.

Responsibilities have included new business development; budget development, forecasting, and monitoring operating results; negotiating contracts and financial documents; raising growth capital; and developing and maintaining relationships with private investors and investment partnerships. BA, Yale University; MBA, Tuck (Dartmouth College).

### CHIEF MARKETING & COMMUNICATIONS OFFICER

### Jim Badonsky

- Marketing communications & sales strategy;
   Tactics & execution.
- Design & direct production of B2B/B2C collateral materials.

Award-winning advertising executive with campaigns created and managed for many high-tech companies including IBM, Siemens, Cox Communications, AT&T, ADP, and Scientific Atlanta, and Olympic sponsor Coca-Cola. BFA, University of Akron.



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