

---

# *Company Update*

---

# ***Around the Industry***

---

- Competition and Consolidation
  - Blue Ocean Strategy
  - Operators moving away from “trampoline park” to multi-attraction FEC
- Nolan Bushnell – Key trends affecting FEC business
  - Get ready for VR!
  - Malls are going out of business
    - Malls shifting from places that sell goods, to places that deliver experiences
    - Hear lots of trampoline operators interested in these spaces with large footprints and high ceilings
  - Disposable income shifting
    - Millennials are less interested in “things” and more interested in experiences
- Tight Labor Market (4%), and rising minimum wages

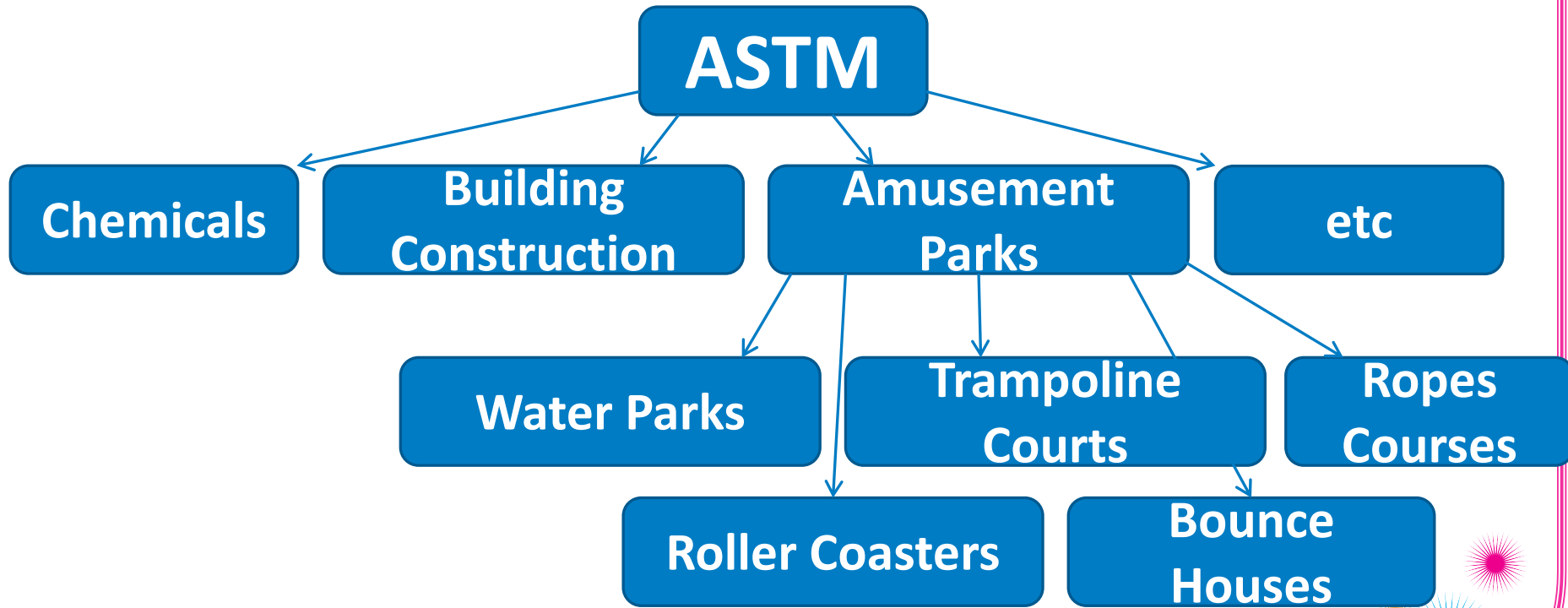
# ***ASTM and IATP***

---

**What's the difference and what do they do**

# ASTM

Is a Standards Making body



**Sky High**

Active Family Fun

# ***ASTM***

---

**Standard gets written**

**Then gets voted in (or not)**

**Then Published for the world to use**

**All Standards are Voluntary**

# ***IATP***

---

**Industry Group**

**Made up of Owners, for Owners**

**Members promise to follow ASTM guidelines**

**Share best practices and more**

**Over 430 members**

# ***Trampoline Park Industry***

---

**Approximately 800 parks in the US**

**Approximately 200 parks in the UK**

**Approximately 200-300 parks in the rest of the world**

# ***ASTM Update***

---

**Currently cleaning and fixing language from existing standard**

**Working on adding Kids Area section**

**Working on adding Low Light Level limits**

**New section on entrance area heights**





  
**Sky High**  
Active Family Fun

# ***IATP Updates***

---

**Big International Expansion**

**Court Monitor Training Program**

**Inspection Scheme**

# ***Sky High Sports Network***

---

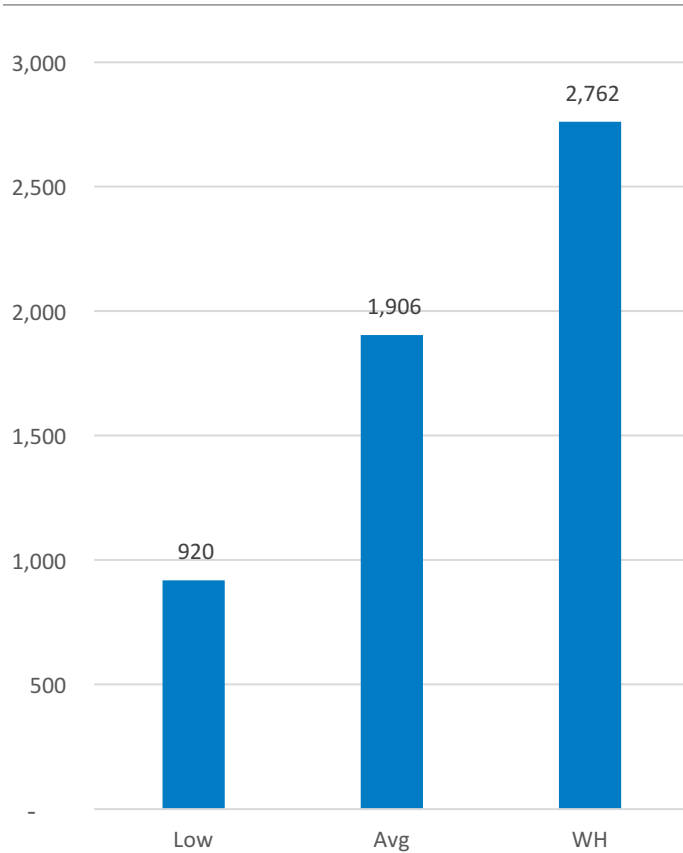
- Total 534K Square Feet
  - Average of 38K s.f. per location
  - Smallest 20K s.f., largest 52K s.f.
- Total Employees – 622, average of 44 per store
- Total Revenue of \$26.7 Million
  - Flat from \$26.6 million in 2016
  - 6 stores down YOY, 7 stores up YOY, 1 store flat
- Total Jumpers 1.3 Million, down 7% from prior year

# ***Sky High Sports Network***

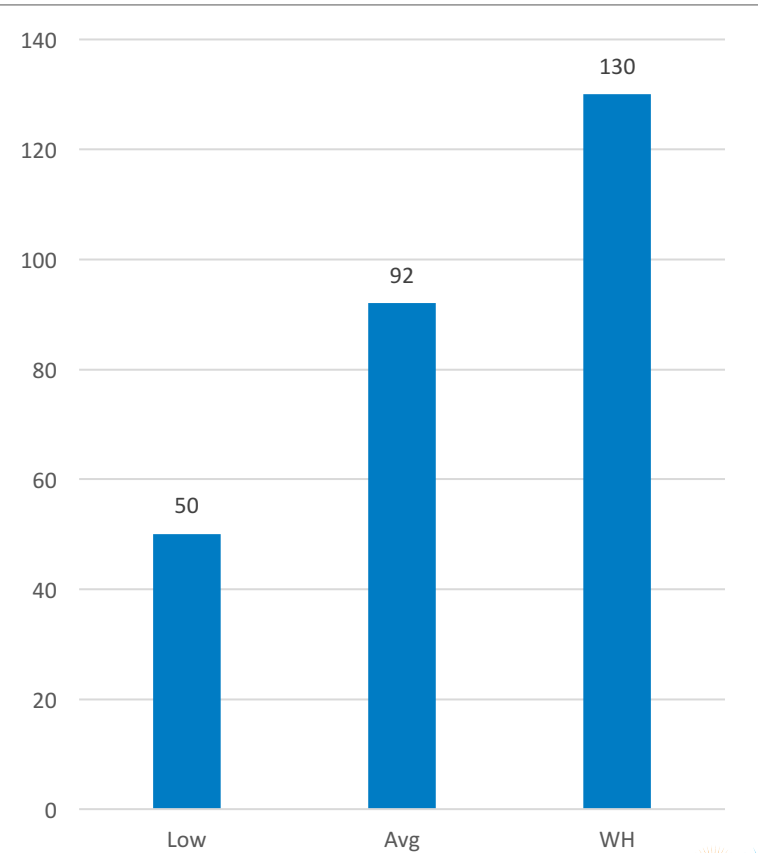
---

- Non-trampoline attractions across network
  - Arcade (not just games) - 1
  - Climbing walls/steps - 4
  - Ninja Course - 6
  - Sling Shot - 1
  - Ropes Course - 1
  - Wipeout - 3
  - Hamster Balls - 3
  - Laser Tag - 2
  - Virtual Reality – 2
  - Sports Simulator – 1
  - Paintless Paintball - 1

# *Revenue per Store/Jumpers per Store*

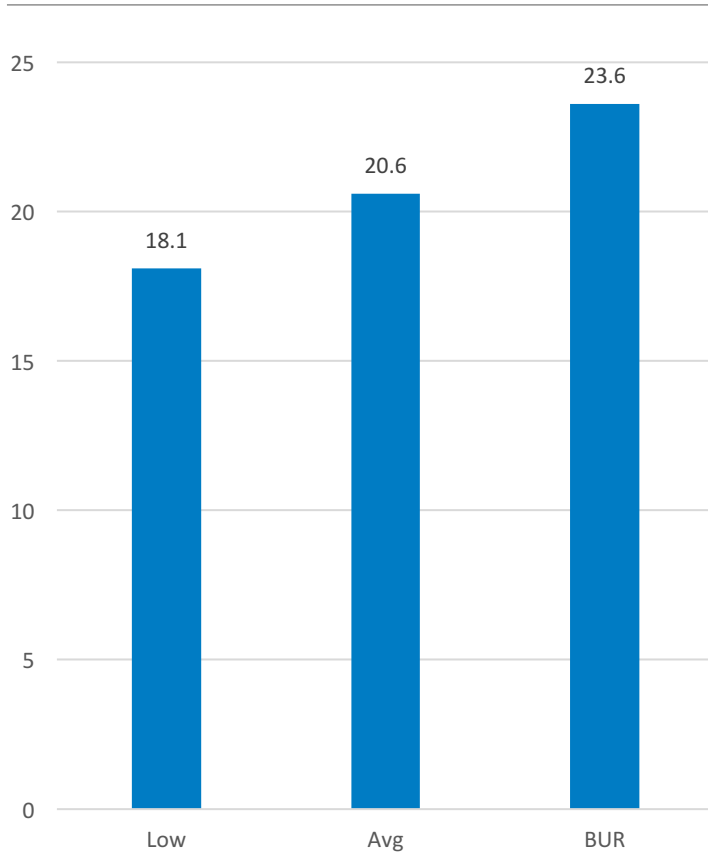


Note: Flat across Network YOY, 6 stores down, 7 up, 1 flat

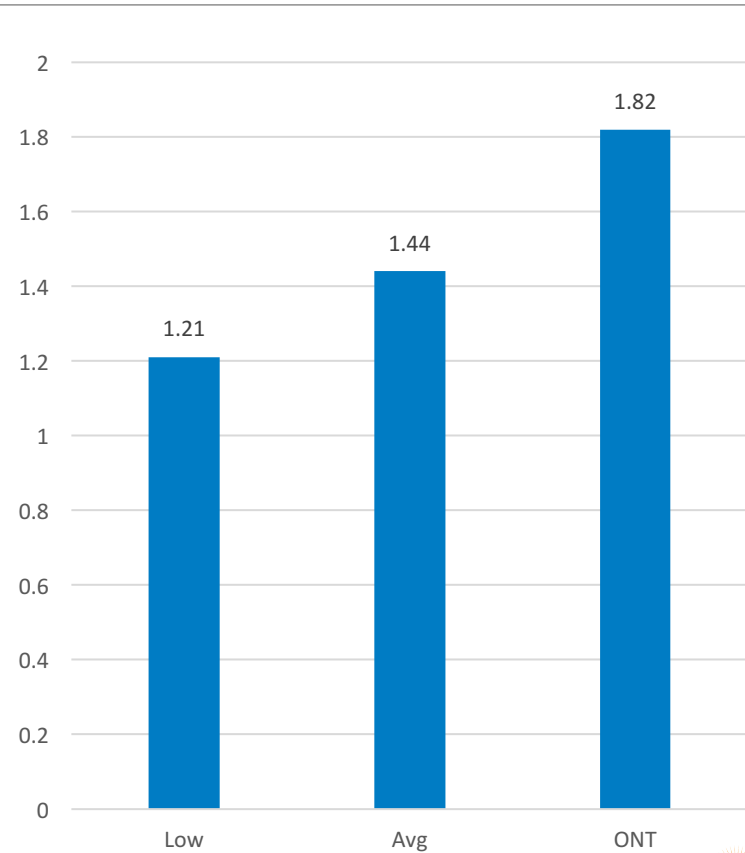


Note: Down 7% from 2016

# *Revenue per Jumper/Hours per Jumper*



Note: All stores increased revenue per jumper over 2016!

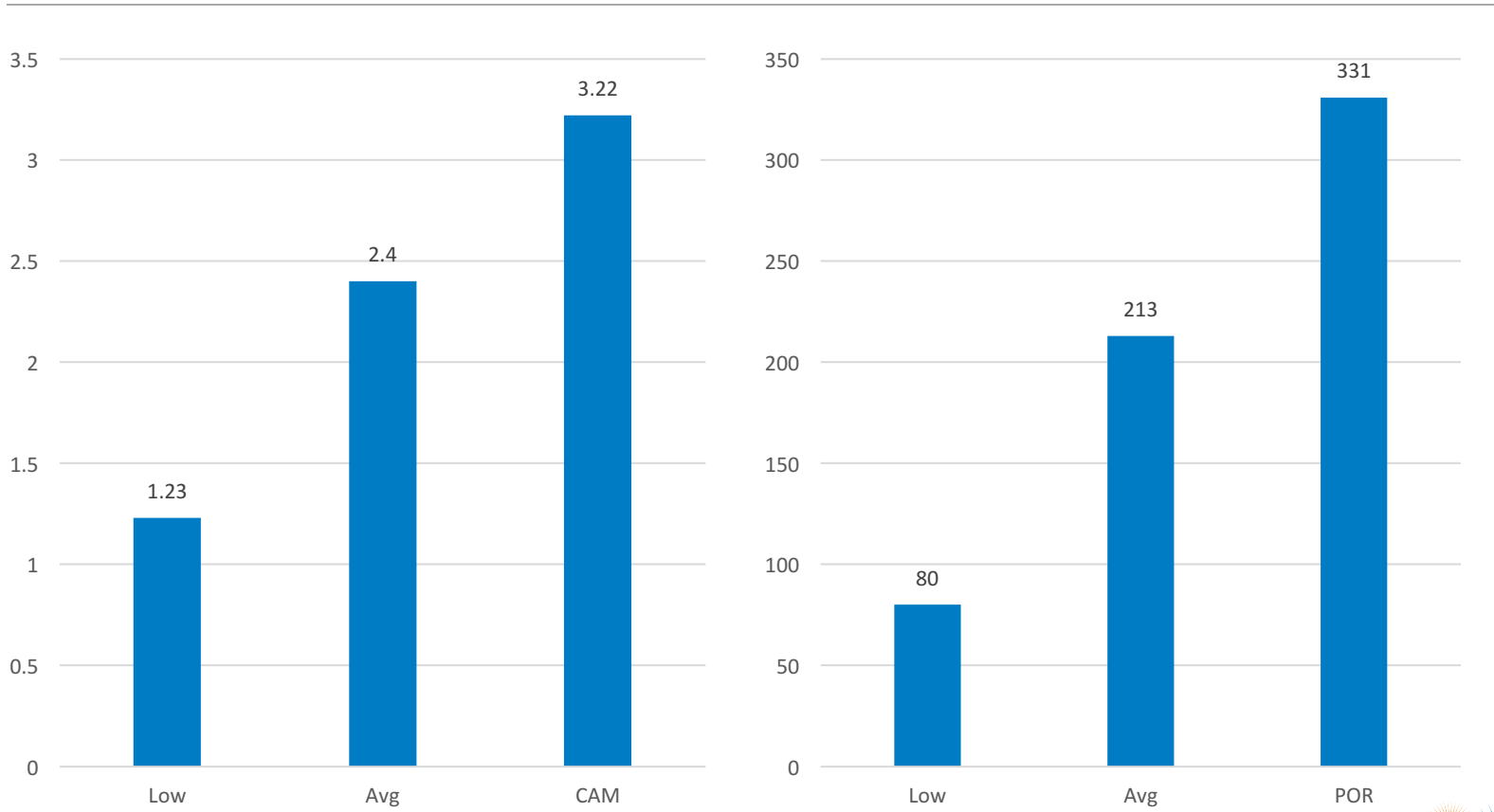


Note: average of 1.44 down from 1.5 in 2016

**Sky High**

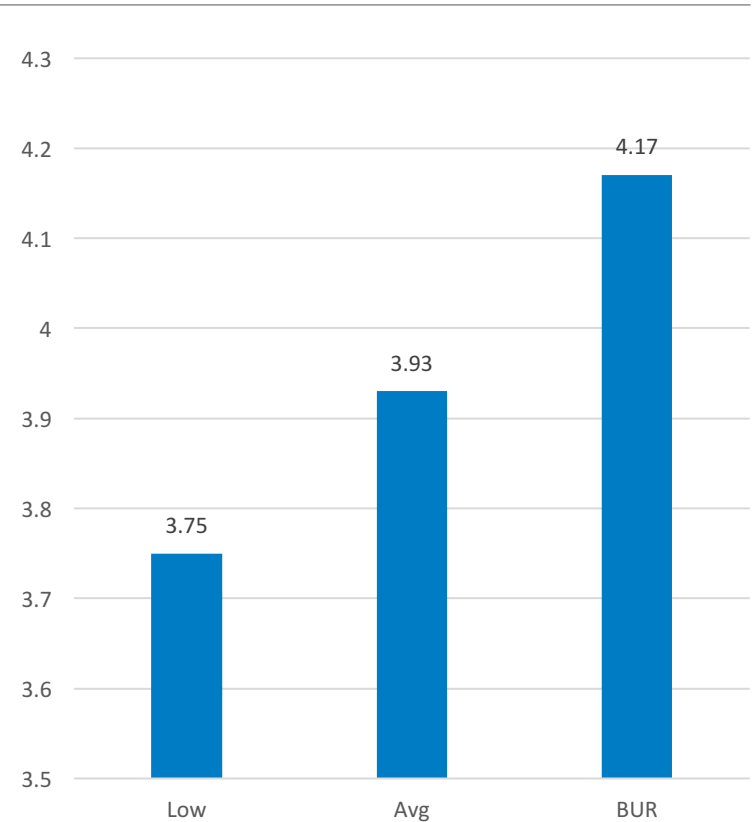
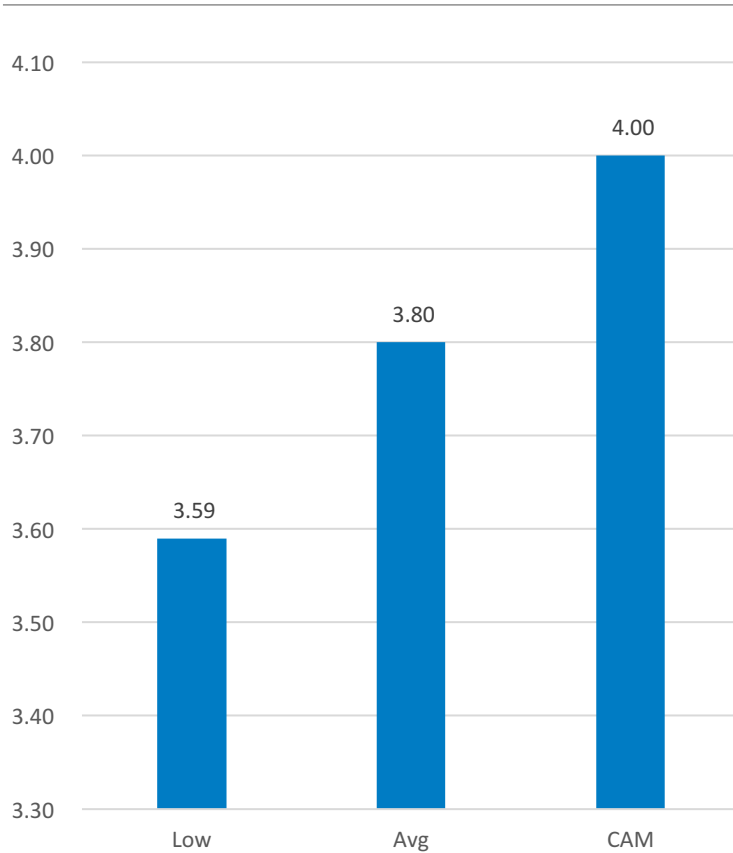
Active Family Fun

# ***Food \$ per Jumper/Total Food Sales per Store***



# *Customer Satisfaction Survey*

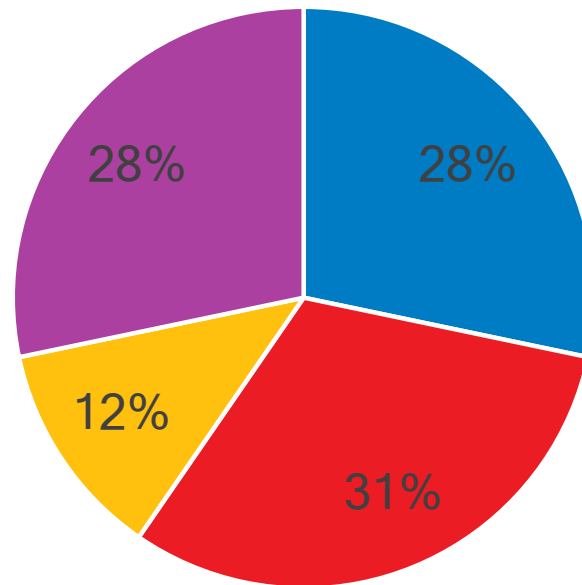
## *Overall Rating/How Likely to Refer*





# *How did you hear about us?*

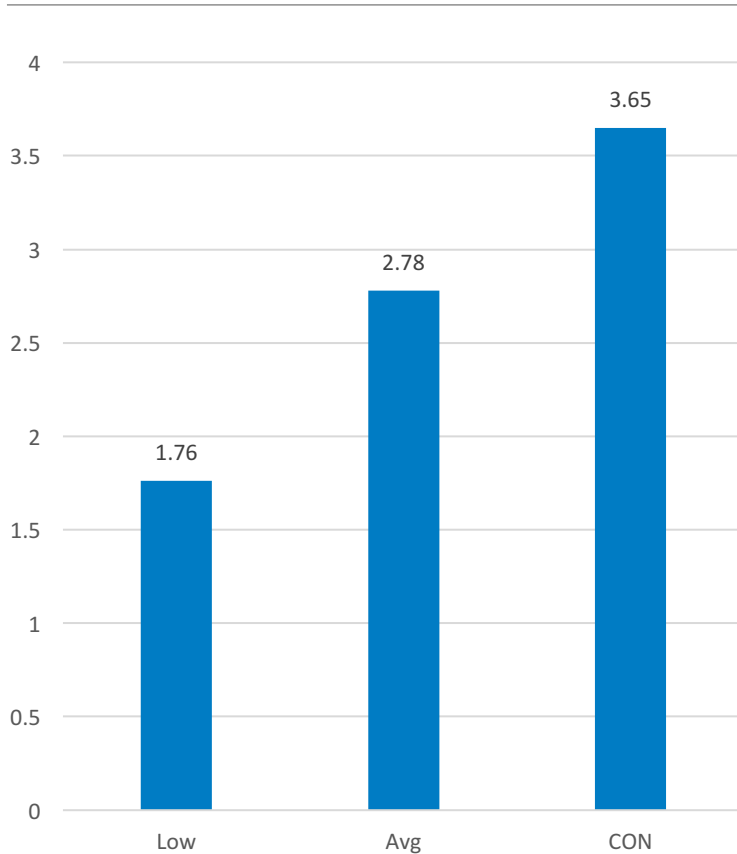
---



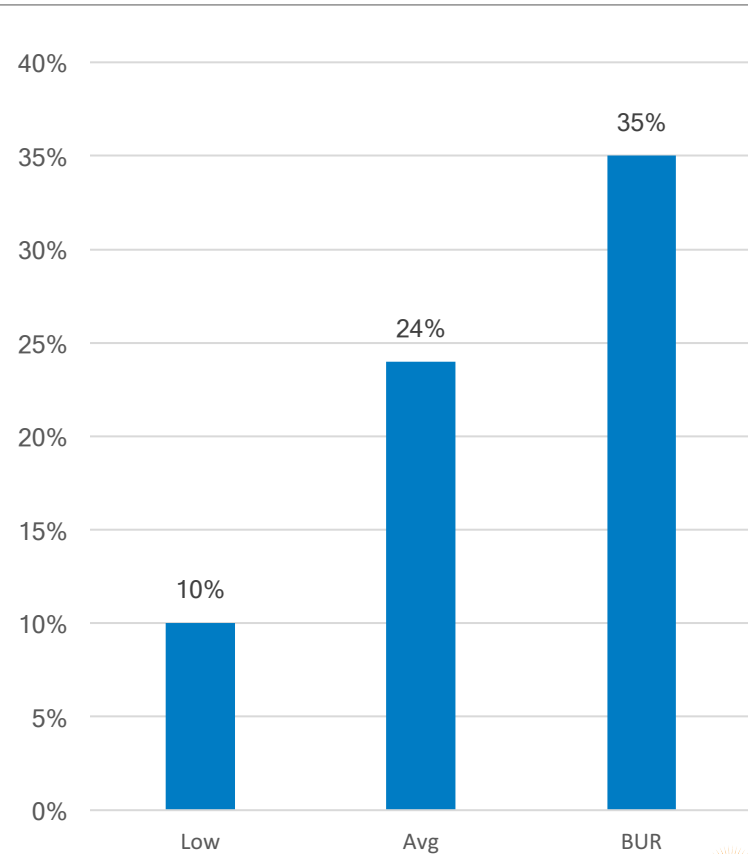
■ Online Search ■ Referral ■ Drive By ■ Other

# Customer Satisfaction Survey

**Avg # of visits per year**



**% visitors with 5+ visits in past 12 months**

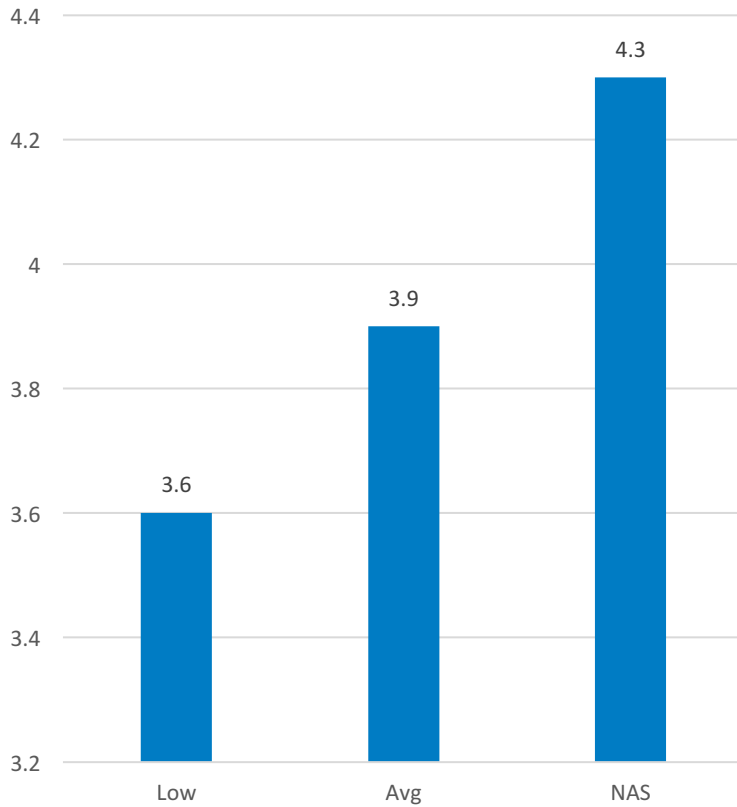


Note: more frequent visitors may be more likely to respond to survey.

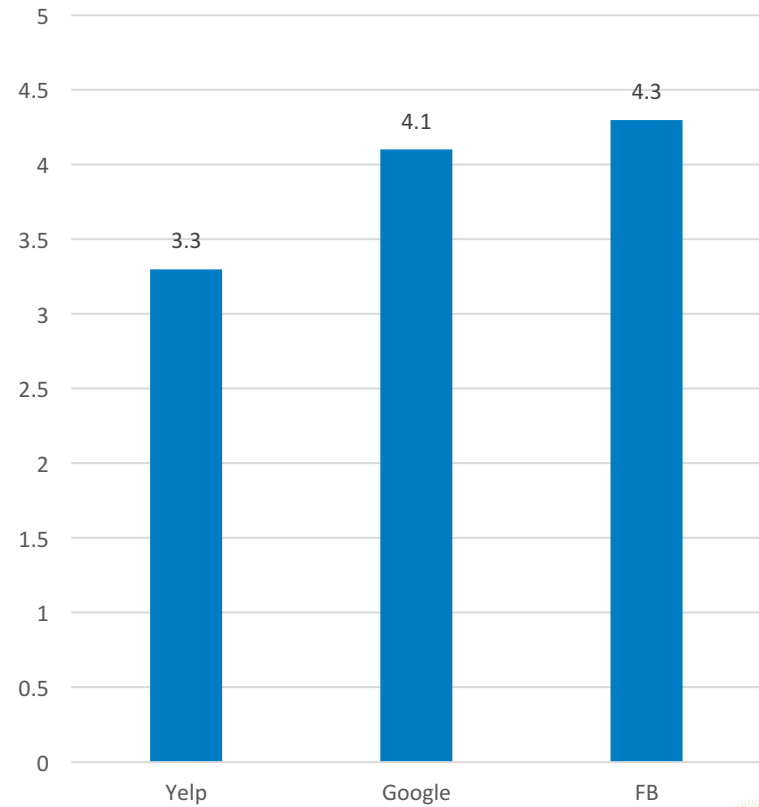
**Sky High**

Active Family Fun

# ***Average - All Social Media Reviews per Store***



# ***Average Rating Across Network***



**Sky High**

Active Family Fun

# ***Labor Data***

---

- Total labor hours average about 41K/year/store
  - up 0.5% from prior year
  - 6 stores down in hours from PY, 6 up, 2 flat
- Jumpers down 7% from prior year, labor hours only down 0.5%
- Revenue \$ per payroll hour: \$47 average across network
  - High of \$66 and low of \$31

# ***Injury Data***

---

## **For stores that report through Keith:**

- average of 43 IR's/store/year (3.6/month)
- Only 5 - 911 calls/year per store
- Injury rate of 0.52 injuries per 1,000 jumpers

# *Call Center Statistics*

---

- 4 Agents Plus Simon
- 25% increase in party extras on average
- 231 more parties booked overall compared to PY
  - Average increase of 60 per store
- Total calls answered to date in 2018 = 24380
- 42% of calls answered in less than 10 seconds
- Answer rate of 83%

# ***Sky High 2.0***

---

## **Growth Plan**

- 20+ locations over next 5 years; 2 by end of year
- Regional focus
- Expect growth to come both from new franchisees and also acquisitions of existing non-Sky High parks

## Benefits for Existing Franchisees

- Better volume purchasing power
- Enables new investments in marketing, branding, technology, and support

## Working on Sky High 2.0 Park Design and Layout

- Smaller footprints (20K – 30K s.f.) and smaller trampoline areas
- Multi-attraction – arcade, climbing, others
- Emphasis on high-quality food offerings
- Build an environment where mom's love to hang out

# ***Sky High 2.0***

---

## **Building Additional Support at Network Office**

- Marketing (especially Digital), and Public Relations
- HR, Recruiting, Management and Operations
- Real Estate
- Park Design – safety, arcade design, food ops, other attractions
- In addition to the support we already provide:
  - Call Center
  - Website, Software, light IT support
  - Training support and documentation
  - Operations support and maintenance
  - Volume Purchasing
  - Communications – sharing of best practices
  - Industry relations – IATP, ASTM, government relations



# ***Sky High 2.0***

---

## **Marketing Plans – what is to come**

- Redesigned flyers, signage, store look and feel
- Website
- Fetchrev campaigns
- Digital Marketing Strategy including Social Media

## **Wins**

- Purchasing Improvements
- Wristbands
- Socks
- Apparel – retail and staff

## **More to come**

- Pads, foam
- Furniture
- Snack bar items – chips, pizza products etc
- Retail refresh
- Party bags
- Audit Update
- Summer Camp and After School Programs
- Training Program

# ***Sky High 2.0***

---

**Lots to come!**

**Bear with us...FDD has consumed us for past 6 months...hope to be done by end of June.**

**Read your newsletters for new programs, new vendors, expansion opportunities, etc**