



Fairground Pictures Business Plan - April 2025

Family Film Production Company (5-Year Slate of 10 Films)

Investment Opportunity

Family-oriented films represent one of the most reliable and underserved segments in today's entertainment market. There is robust **demand for high-quality family films** from theaters, audiences at home, and especially streaming platforms. In fact, industry observers note that providing family content is now *"a strategic imperative for streaming services"* as it broadens audience reach and builds brand loyalty. Yet despite this demand, a recent analysis found *"at least 268% more adult-only entertainment on streaming platforms than content that's suitable for families"*, underscoring a significant content gap. Fairground Pictures aims to fill that gap with a slate of live-action family films.

Major streaming players are actively seeking family-friendly content to attract and retain subscribers. Disney+ has built its success on family-focused programming, and even Netflix has **acknowledged a relative lack of kids' and family content** and plans to invest more in that area to compete with Disney+. During the 2020 streaming boom, Nielsen data showed that audiences gravitated heavily toward family-friendly movies, which dominated the list of most-watched films across platforms. **Families tend to watch these films together and re-watch them frequently** (children often enjoy repeat viewings), giving family movies extended life and value on streaming services.

In theaters, **family films have long proven to draw consistent crowds**, often appealing to *"four quadrant"* demographics (male, female, young, old). Parents are eager for wholesome entertainment options to enjoy with their children, and **family outings to the movies remain a popular activity** (especially for holiday seasons and summer breaks). With the global recovery of theatrical markets, family films – typically rated G or PG – are well positioned to lead the resurgence because they attract a broad audience and multiple generations.

Why this is a lucrative opportunity: The convergence of high consumer demand and limited supply in the family genre, especially in live-action, creates a compelling opening for new content. Streaming services are in a content “arms race” and have allocated billions of dollars to acquiring fresh films; family titles are particularly attractive because they can draw co-viewing (multiple viewers on one account) and bolster a platform’s family-friendly image. Fairground Pictures’ focus on live-action family films (with modest budgets) offers investors a chance to capitalize on a **stable market segment** that historically delivers **above-average returns** while many big studios are distracted by superhero franchises or expensive animated features. In short, this is an opportunity to invest in **10 profitable, in-demand films** that can satisfy a hungry market and generate long-term revenues.

KEY POINTS: Fairground Pictures Business Plan

- There is robust demand for high-quality family films from theaters, audiences at home, and especially streaming platforms
 - \$5M raise for 50% equity
 - Fairground will produce two live-action family films each year over the next five years (total of 10 films to mitigate risk)
 - The past 20 years are replete with examples of mid-budget family films delivering impressive grosses and ROI
 - Distribution Strategy – Fairground will use a hybrid distribution model that maximizes each film’s revenue potential through both theatrical releases and strategic streaming partnerships
 - Maximizing IP Lifecycle & Franchise Potential – Each original film we produce will also be leveraged and franchised as its’ own IP. Each original film can also be leveraged for merchandising & licensing as a spin-off, tv show, book series or social media content creating strong franchise-building capabilities.
 - Repeatable & Sustainable – Fairground’s slate strategy is similar to Blumhouse Productions where we have the ability to produce high-quality, mid-budget family films on time and on budget
 - Owning the 10-film library is like owning prime real estate in the entertainment world- content that increases in worth as it ages, can be licensed repeatedly, and forms the foundation of lasting wealth or can be sold (\$125M - \$225M asset value)
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Market Opportunity: Strong Returns for Family Films

The family film genre has a track record of **strong profitability**, often outperforming higher-budget adult-oriented films on a return-on-investment basis. Numerous studies confirm that films suitable for general audiences yield higher net profits on average. For example, an analysis by The Dove Foundation of widely released movies showed that *“the average G-rated film produced 8½ times more profit than [the average] R-rated [film]”* and even PG-rated movies made **5 times more profit than R-rated films**. In fact, G and PG films were found to significantly **outperform** PG-13 and R in profitability across the board. This is because family films appeal to a broader audience, have longer theatrical runs (due to positive word-of-mouth and repeat family attendance), and enjoy robust post-theatrical life (home video and streaming).

Historical Box Office Data (Live-Action Family Films): The past 20 years are replete with examples of mid-budget family films delivering impressive grosses and ROI:

- ***Heaven Is for Real*** (2014) – Budget: \$12 million. **Worldwide Gross: \$101 million** (8.4× budget) This faith-based family drama was a sleeper hit, illustrating the power of uplifting content.
- ***A Dog’s Purpose*** (2017) – Budget: \$22 million. **Worldwide Gross: \$205 million** (9.3× budget). This live-action family adventure (with a dog protagonist and modestly famous cast) became a global success, proving family stories can travel internationally.
- ***Diary of a Wimpy Kid*** (2010) – Budget: \$15 million. **Worldwide Gross: \$76 million** (5× budget). Based on a popular children’s book but featuring no A-list stars, this live-action kids’ comedy launched a franchise of four films, underscoring the franchise potential in this space.
- ***Miracles from Heaven*** (2016) – Budget: \$15 million. **Worldwide Gross: \$73 million** (≈5× budget). A family-friendly true story with faith elements, it achieved solid returns and complementary sales in the home entertainment market.
- ***Wonder*** (2017) – Budget: \$20 million. **Worldwide Gross: \$306 million** (15× budget). An inspiring family drama (PG-rated) that became a global hit, indicating the upside for heartwarming, quality storytelling.
- ***The Sandlot*** (1993) – Budget: \$7 million. **Worldwide Gross: \$35 million** (5x budget). The new kid in town is taken under the wing of a young baseball prodigy and his rowdy team, resulting in many adventures.

These examples demonstrate that **live-action family films can be highly profitable**, even without blockbuster budgets or A-list leads. By targeting relatable themes and values, such films tap into a deep audience appetite. It’s also notable that many family hits become evergreen titles, continuing to sell merchandise, and attract streaming viewers for years (e.g. holiday family films or animal-centered stories that families revisit annually). The economic resilience of this genre is evident even in industry-wide studies: one analysis of 2005–2009 movies found **average profits** per film were approximately **\$108 million for G-rated films** and

\$65 million for PG-rated – dramatically higher than the average for R-rated films (~\$12 million)
This profit disparity highlights the market opportunity: family content delivers reliable returns.

Moreover, the *streaming era* has opened new revenue channels for family films. Streaming services pay substantial licensing fees for family movies due to their popularity in the catalog; family titles frequently rank among the most-watched and most re-watched content on platforms. For instance, Disney+ reported that in 2020, **7 of the top 10 streamed movies were from its family-friendly library**, and kids' films were watched "over and over" by subscribers. This bodes well for the profitability of a family film library in both theatrical and direct-to-streaming contexts.

Bottom Line: Investors have the chance to capture these high margins. By funding a slate of 10 family films over a 5-year period, Fairground Pictures can leverage historical market dynamics in its favor. Even a **moderate box office success** in this genre (say, a \$60–\$80M gross on a \$15M budget) can yield significant profit, while an outlier "hit" could multiply investment many times over. The broad, international appeal of family content further increases revenue potential through overseas box office and global streaming deals. All these factors combine to make the market opportunity exceptionally attractive and supported by decades of data.

Production & Distribution Strategy

Production Plan – 2 Films per Year: The company will produce **two live-action family films each year** over the next five years (total of 10 films). This steady slate approach diversifies risk and allows us to build organizational expertise in the family genre. We will maintain **budget discipline**, targeting production budgets in the \$10–\$20 million range per film. By casting **recognizable but non-A-list talent**, we contain costs while still leveraging actors with established fan followings (for example, popular TV actors or rising film stars who are familiar to family audiences but command moderate salaries). Each project will emphasize strong storytelling, universal themes, and high production values that **punch above their cost** – delivering a theatrical-quality look on a mid-range budget.

To achieve cost efficiency, we will leverage tax credits and incentives by filming in production-friendly locations (such as Georgia, Louisiana, Canada or the UK, which offer tax rebates of 20–40%). Crew and staff will be seasoned professionals capable of working within budget constraints typical of independent productions. We will also **strategically schedule production** cycles: overlapping pre-production of one film while another is in post-production, to ensure two releases annually without compromising quality. The team's development slate already includes several vetted, family-oriented scripts (ranging from adventure-comedies to heartwarming dramas), ensuring a continuous pipeline of content.

Targeted Family-Friendly Content: Rather than competing head-on with \$100M+ animated blockbusters, Fairground Pictures' strategy is to **target specific niches within the family market** that are underserved yet popular. Industry research suggests this is the key to success for independent family films. In practice, this means our slate will include themes like:

- **Inspirational “Values” Stories:** Uplifting tales with positive messages, life lessons, or faith-friendly content. (Studies show family audiences respond strongly to positive role models and messages, driving popularity. We will develop at least 2–3 films in this category (for example, a true-story sports drama with family appeal, or a faith-based adventure). Past hits such as *Wonder* and *Heaven Is for Real* prove the viability of this segment.
- **Animal & Pet Adventures:** Films featuring beloved animals (dogs, horses, etc.) in lead roles. “*Dogs are a staple of family films,*” and they come with built-in advantages: they are trainable, relatively affordable to work with, and inherently charming to audiences. We plan to produce at least one “hero dog” movie (in the spirit of *A Dog’s Purpose* or the *Air Bud* series). Historically, titles like *The Dog Who Saved Christmas* and *Cool Dog* have been profitable for indie producers. This subgenre reliably draws families and can spin off sequels or direct-to-video follow-ups.
- **Holiday-Themed Family Movies:** We will produce occasional seasonal films (e.g. a Christmas family comedy or a Thanksgiving-themed story). Holiday family films often become perennial favorites, enjoying a surge of viewership (and merchandise sales) every year. An original Christmas family film, for instance, can be released theatrically in Q4 and then become a licensed staple on streaming platforms every holiday season.
- **Book Adaptations & Established IP:** Where feasible, Fairground Pictures will option rights to popular children’s books or classic family novels. Adapting known IP provides a built-in audience and easier marketing. While major studios compete for very high-profile IP, there are many mid-tier beloved stories suitable for modest-budget adaptation. For example, *Diary of a Wimpy Kid* was a relatively small book series that turned into a successful film franchise on a \$15M budget. Our development team is targeting similar opportunities.

By focusing on these niches, the company mitigates risk – we are not relying on one formula, but rather crafting a balanced portfolio of family films catering to different interests (adventure, comedy, faith, animals, etc.). What they share is an alignment with the **core values families seek**: entertainment that is fun, age-appropriate, uplifting, and engaging for both children and adults. Every script will be vetted to ensure it earns at least a PG rating and embodies the kind of “**family-friendly**” **sensibility** that yields audience trust and repeat business.

Distribution Strategy: Fairground Pictures will utilize a **hybrid distribution model** that maximizes each film’s revenue potential through both theatrical releases and strategic streaming partnerships:

- **Theatrical Releases:** The plan is for the majority of our films to receive a theatrical release (typically a wide release in North America with 1,500–3,000 screens, depending on the film, and select international markets). The two-per-year cadence allows us to target ideal windows – likely one film in the spring/early summer (to capture families during school breaks) and one film in the late fall/holiday season (when family theatergoing is highest). Fairground Pictures will seek distribution partnerships with

established studios or independent distributors to handle marketing and theater bookings. For example, we may partner with mid-sized distributors like Lionsgate, STX, or a specialty division of a major studio for a theatrical run, leveraging their marketing networks and expertise. A theatrical release not only generates box office revenue but **elevates the profile** of the film, which can later translate into higher streaming licensing fees and better ancillary deals.

- **Streaming & Platform Sales:** In parallel, we will negotiate deals with streaming platforms (Netflix, Amazon Prime Video, Disney+/**/**Hulu, Apple TV+) for post-theatrical streaming rights – or in some cases, **direct-to-streaming premieres** for certain films. The distribution strategy will be **flexible**: for each project, we will assess the optimal path. Some films with breakout theatrical potential will go the traditional route (theater first, then after a 45-60 day window to digital/streaming); others might be sold to a streamer for a lucrative upfront sum if that promises a better return (for example, a more niche family film might skip theaters and debut as a Netflix Original worldwide, instantly recouping its budget via the sale). We have identified Netflix and Amazon Prime as key potential partners because of their global reach and explicit interest in expanding family content libraries. Netflix, for instance, has publicly committed to investing more in family films to satisfy subscriber demand which creates an opportunity to **pre-sell** some of our titles to them. Amazon Prime Video similarly has bought family movies (such as *My Spy* in 2020) to bolster its lineup. Early conversations with these platforms will guide whether any of our year-one films should be positioned for direct streaming sale versus a theatrical rollout.
- **International Distribution:** For overseas markets, we will utilize international sales agents to license distribution rights territory by territory. Family films often perform well globally, but our strategy prioritizes markets with strong family attendance (e.g. UK, Canada, Western Europe, Latin America). Pre-selling some international rights can also serve as a financing source (minimizing upfront capital needs). For example, we might license the European rights of a film to a regional distributor at a fixed minimum guarantee before production, providing immediate cash inflow and reducing risk. We will approach international film markets (like Cannes and AFM) with our slate to secure such presales. Additionally, after initial release, we will pursue global SVOD deals – for instance, licensing a package of our films to an international streamer or broadcaster.

This multi-pronged distribution approach ensures that each film finds its best path to viewers and revenue. **Case-by-case flexibility** is a competitive advantage: unlike major studios locked into theatrical models or streamers locked into their platforms, our company can optimize distribution per project. Ultimately, by year 5, we expect to have our films available across **all major channels** – cinema, subscription streaming, rental/on-demand, and television – maximizing audience reach and financial return.

Revenue Model and Streams

Our company will capitalize on **two primary revenue models** for its films: (A) the traditional theatrical distribution pipeline, and (B) direct-to-streaming or streaming licensing deals. In practice, many films will harness **both** models over their life cycle. Below we detail how revenue is generated in each scenario, as well as additional income streams (licensing, merchandising, etc.) that boost profitability.

A. Traditional Theatrical Release Revenue: For films released in theaters, revenue flows through a time-tested sequence of windows:

- **Box Office Receipts:** The gross ticket sales from movie theaters. A successful family film can gross anywhere from \$30 million to \$100+ million worldwide depending on reception and marketing. The rule of thumb is that roughly 50% of box office gross returns to the distributor as “rentals” after theater owners take their share. For our projections, we assume about ~50% of domestic gross and ~40% of international gross come back to the studio (the split can vary). For example, if a film grosses \$80 million globally at the box office, approximately \$35–\$40 million might be returned revenue.
- **Home Entertainment (Physical & Digital):** After the theatrical window (usually ~3 months), the film is released on home media. This includes digital rentals and purchases (through platforms like iTunes, Amazon, Google Play). Family films often do well in the home video market as parents buy them for kids to re-watch. While physical DVD sales have declined industry-wide, digital distribution yields high margins. We anticipate a robust digital rental market for our films, especially if theaters remain a bit restricted in some regions – families may opt for *premium video-on-demand (PVOD)* rentals (e.g. a \$19.99 48-hour rental) which some studios have used successfully for family titles during recent years.
- **Pay TV and Broadcast Licenses:** Several months after home release, another window opens for licensing the film to pay-TV networks (premium cable channels) or broadcast TV. A family film might be picked up by a channel like Disney Channel, Freeform, or a major network for a primetime airing. These deals can bring a one-time license fee. Additionally, international TV sales (to free-to-air networks in various countries) can generate revenue over time.
- **Long-tail Syndication:** Good family movies have a long shelf-life. Our library can be bundled and sold in packages for television syndication or to emerging streaming services in later years. For example, a new streaming platform in a foreign market might pay for a bundle of family films to quickly build their catalog, providing a residual revenue boost even a decade from now.

B. Direct Streaming Revenue: In cases where a film is sold directly to a streaming service (or produced in partnership with one), the revenue model is different:

- **Upfront Sale / License Fee:** Instead of collecting box office, the company would negotiate a sale price or license fee with the streaming platform. This fee ideally covers the production cost plus a profit margin. For instance, if we produce a movie for \$15M, Netflix might acquire worldwide rights for (hypothetically) \$30M, giving us a \$15M profit upfront and relieving us of marketing expenses (the platform handles promotion). The exact figures depend on the film's perceived value, cast, and how it fits the platform's needs. Notably, streaming services highly value family content for its subscriber retention qualities; exclusive family films can fetch competitive prices in negotiations.
- **Global Reach without P&A Cost:** One advantage of the streaming model is that we avoid expensive P&A (prints & advertising) costs associated with theatrical releases. The platform markets the film within its service. That means the license fee is largely **net profit** if set correctly. We will evaluate such deals to ensure the buyout is attractive relative to projected box office (if the film were to go theatrical). The decision to go direct-to-streaming will be made if the guaranteed fee de-risks the project and offers strong ROI.
- **Retention of Some Rights:** Depending on the deal, we may negotiate to retain certain rights (e.g. merchandising or theatrical rights in specific territories) even when selling to a streamer. For example, Amazon might license streaming rights but allow a limited theatrical run for awards qualification or in markets where they don't have presence, which could provide a small box office bonus. We will seek to **retain as much ancillary value as possible** in any direct-to-streaming agreement.

Additional Revenue Streams: Beyond the core models above, our films will generate revenue through ancillary channels:

- **Merchandising & Licensing:** Family films lend themselves to merchandise opportunities, which can be a lucrative side business. Toys, apparel, books, and games based on film characters/storylines can create an additional revenue stream. For instance, if our "dog adventure" film yields an adorable canine hero character, we could license plush toys or a children's book adaptation. While we are not relying on merchandise in our base financials, we will aggressively pursue these deals for any breakout hit (merchandising profits can sometimes rival the film's direct earnings for major franchises). We plan to retain merchandise rights to all our films (owning the IP makes this possible), so that if a film gains a fan following, we capture that upside.
- **Product Placement and Sponsorships:** Because our content is family-friendly, it's attractive to brands for product placement or cross-promotion. We will explore partnerships (for example, a family film set at a summer camp might feature branded camping gear, or a story about a youth sports team could involve branded sports equipment). These deals can offset production costs or bring in marketing sponsorships (e.g. fast-food kids meal promotions that also effectively market our movie at no cost to us).
- **Government Incentives:** While not revenue from consumers, it's worth noting that production rebates (tax incentives from filming locations) effectively act as additional cash inflow. We anticipate roughly 20% of qualified spending coming back as rebates,

which we count towards our financing. This lowers the net cost and boosts profit margin on each film.

Competitor Analysis and Our Advantages

The landscape for family film production includes both major studios and independent producers, but our company's model is distinct and fills a niche not currently saturated. Below is an overview of competitors and how our approach offers **unique advantages**:

Major Studios (Disney, Universal, Warner Bros, etc.): The Hollywood majors are the dominant producers of family content, but their strategy tends to focus on **large-scale projects** – big-budget animated movies (Disney/Pixar, Illumination's *Minions*, etc.) or franchise tentpoles (e.g. Disney's live-action remakes, Warner's *Harry Potter* series). These films come with budgets often exceeding \$100 million and A-list talent. While they can be hugely successful, they represent a different risk profile and often leave little room for new IP or smaller stories. Our advantage against the majors is **agility and cost-efficiency**. We can produce content that the big studios overlook: original live-action family stories in the \$10–\$20M range that are too small for a Disney to prioritize, yet have proven audience appeal. Moreover, the big studios' focus on animation and VFX-heavy hybrids means pure live-action family tales are relatively scarce from them. We intend to supply those “missing” titles.

It's worth noting that the majority of family films grossing over \$10M in the last decade were animated or VFX-heavy projects averaging \$96M budgets – a space dominated by the majors. By contrast, successful live-action family films in that period had average budgets around \$35M. Our budgets are even leaner, which means we don't need to capture the **entire mass market** to be profitable. We can thrive on modest hits. In essence, we're not directly competing with Disney's next \$200M blockbuster; instead, we are carving out a profitable sub-market that the giants largely ignore. That also positions us as potential partners to the majors – for instance, a studio might want to acquire a successful film from our slate to franchise it, or to fill their release calendar with a turnkey family film we've produced at a fraction of their usual cost. Blumhouse Productions does this in the horror genre and is quite successful.

Existing Independent Family-Film Producers: A few independent companies focus on family and faith-based films – for example, **Walden Media** (known for *The Chronicles of Narnia*, *Holes*, etc.) and Sony's **Affirm Films** (faith-oriented titles like *Miracles from Heaven*). Walden Media often co-finances with major studios and typically tackles literary adaptations with moderate-to-large budgets, while Affirm specializes in Christian-themed content. **Pure Flix** is another niche competitor, producing exclusively faith-based family films on low budgets and distributing mainly to church-based audiences or via their own streaming service.

Our model differentiates from these players in several ways:

- **Broader Content Appeal:** Unlike faith-specific studios, we are not limited to one sub-genre; our slate will include faith-friendly projects but also secular family adventures

and comedies. This broader approach can capture larger audiences and more distribution outlets (while still tapping the lucrative faith market with select titles). We incorporate the *lessons of faith-based successes* – like how serving an underserved audience can yield high returns – but we balance it with mainstream family fare for diversification.

- **Slate Strategy:** Some indies produce one film at a time and live or die by its success. We are structuring a **slate of 10 films**, which spreads risk. This approach is akin to what successful genre outfits (like Blumhouse in horror) do: even if one film underperforms, another might overperform. Investors thus have exposure to **portfolio performance** rather than any single project. Among family-focused indies, this slate approach is uncommon; we are one of the first aiming to systematize family film production at a regular cadence.
- **Cost Control and Efficiency:** Our budgets (max \$20M) are generally lower than Walden's typical projects (which often exceeded \$30M-\$50M when co-produced with studios) and a bit higher than ultra-low-budget faith films (which can be under \$5M but lack wide appeal or high production quality). We believe **we've hit the "sweet spot" budget range** for family films: enough to ensure quality (good effects, known actors, marketing visibility) but not so high as to require unrealistic box office to recoup. By building a lean production infrastructure that reuses trusted crews, negotiates volume discounts (for equipment, post-production, etc. across the slate), and capitalizes on tax incentives, we will achieve economies of scale that single-film indies can't.

Streaming Platforms as Competitors and Partners: Streaming giants like Netflix, Amazon, and Disney+ also function as **content producers** now, funding their own family films. For instance, Netflix has released original live-action family movies (e.g. *Yes Day*, *We Can Be Heroes*) and Disney+ has a pipeline of Disney Channel-style original movies. However, these platforms have enormous content needs and generally focus on either very large projects or direct extensions of their brands. Our advantage here is that we can **sell to all platforms** – we are platform-agnostic. A Disney+ internally will only make content for itself, whereas we can create a film and then have Netflix, Amazon, or even Disney+ bid for the rights. In this sense, we don't see streamers as adversaries but as **buyers**. Notably, streaming services often prefer to acquire finished or nearly-finished films to minimize their risk (rather than develop from scratch). By independently producing high-quality family films, we become a valuable supplier in the streaming era.

Additionally, unlike a streaming company that often forgoes theatrical release, we have the flexibility to do both. This means our films can build brand recognition and audience excitement via theatrical exposure before landing on a streaming service – a one-two punch that purely in-house streamer productions don't utilize. We effectively combine the **strengths of traditional and streaming models**, which is a competitive edge.

Barriers to Entry for Others / Why Now: The unique timing of this venture is also an advantage. Many studios slowed production of family content in the late 2010s in favor of superhero and horror genres, and the pandemic further disrupted family film releases (many went straight to

streaming, leaving a dearth of new family movies in theaters). As theaters rebound, there is a backlog of demand for original family films. Few independent companies are positioned to deliver a full slate quickly – we can be first movers in this space, establishing our brand as *the go-to independent family hit-maker*. This first-mover status can yield benefits such as preferred deals with distribution partners and strong recognition among family audiences.

In summary, **our competitive advantages** include:

- **Focused expertise:** 100% focus on family audience content, allowing us to understand this market deeply and build loyalty with that audience.
- **Lean cost structure:** Budgets that allow profitability at moderate box office levels, unlike major competitors.
- **Slate diversification:** Multiple films to hedge risk, a strategy seldom used in family genre by independents.
- **Flexible distribution:** Ability to tailor release strategy (theatrical or streaming) per film, whereas others are often siloed in one approach.
- **Ownership of IP:** We retain full rights to our content (discussed further below), whereas some competitors (e.g. work-for-hire projects for Netflix) do not build any library asset. This means every success builds equity for our company's future.
- **Relationships:** Our team's size and agility means closer relationships with creative talent (writers, directors) who want to tell family stories – some creators may prefer working with us than being a small fish at a major studio. We can attract strong projects that others miss.

By leveraging these advantages, the company is positioned not just to coexist with the Disneys of the world, but to thrive in a complementary niche, and potentially become an acquisition target itself if a major studio or streamer decides to bolster their family content division by buying a proven player.

Projects in Development

The Backyard Jungle (Film – based on book by Neil Schulman)

The story about a doctor that mistakenly invites an Amazon tribe to his home.

Pitch: Kevin James is a doctor in Buckhead who accidentally invites an Amazon tribe back to his home in order to help an ailing native girl and they create a real tribal village in his backyard.

The Cookie War (Film)

When two girl scouts have a falling out, the war is on!

Pitch: Two moms with daughters who are best friends in a Girl Scout troop. The daughters' friendship is fractured when a secret is revealed and tears the Girl Scout troupe apart.

Girl Talk (Film)

Inspired by the organization with the vision for high school girls to mentor middle school girls.

Pitch: When 17 year-olds Tessa (hippie chick), Sam (goth chic) and Brittini (rich brat) get in a food fight at school they are expecting to get detention. What they were not expecting was to be “punished” and assigned to mentor three 13 year-old middle school girls whose personalities reflect those of their enemies for two months.

The Littlest Bigfoot (Film – based on book by Jennifer Weiner))

A cheerful and charming tale of friendship, furry creatures, and finding the place where you belong.

Untitled Hurricane Katrina Project (Limited Series)

Pitch: A modern hero story that focuses on the lives and families of the US Coast Guard and how their bravery saved over 25,000 lives during Hurricane Katrina.

Love, Nikki (Film)

16 year-old Lexi James is the most popular girl at her high school that no one knows. Nikki is invisible but her avatar vlogger alter-ego Nikki, is blowing up social media with teens.

Beartime Stories (TV Series) - Kid's animated show that puts a twist on a variety of historical figures that helped shaped the world.

Because of You (TV Series) – The father/daughter story of a recent widower.

Minimum Wage (Film) – The microcosm of the teen working world at an outlet mall.

Life in Buffalo (TV Series) – The story of a working class family with a Mayoral mother and stay-at-home dad.

Sunshine State (TV Series) – A husband & wife in NYC move their entire family down to Florida to start a tangerine farm.

Financial Projections (5-Year Forecast)

The financial outlook for the company over the next five years is robust, based on prudent budgeting and realistic revenue forecasts for each film. We have modeled three scenarios (conservative, base, and optimistic) to bracket expected performance. Here, we present the **base case projections** – which assume that most films meet modest success benchmarks and a couple achieve breakout hits. All figures are in millions of US dollars.

Key Assumptions:

- Average production cost per film: \$15 million (within the \$10–\$20M range, some sequels or effects-heavy stories on the higher end, some simpler stories on lower end).
- Average marketing/distribution (Bay Point Capital) spend per film: \$8–10 million for theatrical releases (we assume some efficiency by marketing two films a year together, cross-promoting the slate). If a film is sold direct to streaming, we assume the platform covers marketing and we incur minimal P&A.
- Average worldwide box office per theatrical film in base case: ~\$60 million. This accounts for some films hitting \$80M+ and some perhaps around \$30–40M. (For context, our target is in line with historical mid-range family hits; e.g. *Paddington* did ~\$76M US, \$227M worldwide on a \$55M budget – we are aiming a bit below that worldwide on much lower budgets).
- Revenue sharing: We use ~45% of global gross as return to the studio (this factors in distribution fees).
- Streaming deals: We anticipate selling 2-3 films directly to streamers over 5 years. In those cases, instead of box office, we get license fees. In the base case we assume these sales roughly equal what we'd have made via box office (so it's a wash in revenue terms, but less marketing cost).
- Ancillary revenue (home entertainment, TV, merch) adds ~20% on top of the net theatrical/streaming revenues, based on historical averages for family films.
- We also incorporate production tax credits as a reduction in net cost (roughly 20% of budgets returned).

Using these inputs, the **projected profit and loss** for each year is outlined below:

Year	# of Films Released	Production Cost	Marketing Cost	Total Cost	Total Revenue	Net Profit
Year 1 (Films 1 & 2)	2	\$25.0 M	\$15.0 M	\$40.0 M	\$65.0 M	\$25.0 M
Year 2 (Films 3 & 4)	2	\$28.0 M	\$16.0 M	\$44.0 M	\$70.0 M	\$26.0 M
Year 3 (Films 5 & 6)	2	\$30.0 M	\$18.0 M	\$48.0 M	\$80.0 M	\$32.0 M

Year	# of Films Released	Production Cost	Marketing Cost	Total Cost	Total Revenue	Net Profit
Year 4 (Films 7 & 8)	2	\$32.0 M	\$18.0 M	\$50.0 M	\$85.0 M	\$35.0 M
Year 5 (Films 9 & 10)	2	\$35.0 M	\$20.0 M	\$55.0 M	\$95.0 M	\$40.0 M
Total (5 years)	10	\$150.0 M	\$87.0 M	\$237.0 M	\$395.0 M	\$158.0 M

Table: Five-year financial forecast (base case) for production and release of 10 films.

In the base scenario, the company spends roughly **\$237 million** over five years to produce and market all 10 films. Cumulative revenues over the period are projected at about **\$395 million**, resulting in a total **gross profit of \$158 million** over five years. This translates to an overall return on cost of about **1.67× (67% gross margin)**. After overhead (the company's operating expenses, which are relatively low as a lean production outfit) this still indicates a healthy net profit. It's important to highlight that these numbers include all expenses; the **return to investors** would come from this profit plus the residual value of the film library (discussed in the next section).

Under the base case, annual net profit grows over time (from \$25M in Year 1 up to \$40M by Year 5). This is because of two factors: (1) **Reinvestment of earnings** – early profits are partially reinvested to increase production value slightly in later years or take on slightly bigger projects that yield higher revenue (reflected in rising production cost and revenue in the table); and (2) **Building brand recognition** – as our company's reputation for quality family entertainment grows, we expect later films to open stronger at the box office and fetch higher streaming deals (reflected in higher revenue per film by Year 5). By Year 3, we also anticipate the possibility of a *sequel* to one of our successful early films, which typically yields even better box office (since the audience is already familiar with the property), justifying the uptick in projection.

Investor ROI: The company is seeking \$5M in investor funding in exchange for up to 50% ownership. In financial terms, if an investor (or group of investors) funds roughly half of the \$237M costs (say ~\$118M over five years, likely provided in tranches), that 50% equity stake would be entitled to 50% of the profits **and** 50% of the asset value of the film library. Using the base case numbers, 50% of cumulative profit is about \$79M over five years. In addition, the film library value at year 5 (which could conservatively be in the hundreds of millions, as shown in the next section) accrues to the equity holders. Even before considering library value, the cash profit alone suggests a strong return (e.g. ~\$79M profit on a ~\$118M investment). When including the appreciable value of the content library and potential exit opportunities, the effective ROI could be significantly higher. We estimate an **internal rate of return (IRR)** in the base case on the order of 20–25% annually for investors, and higher in the upside scenario.

Upside and Downside Scenarios: In an *upside* case where one or two films become breakout hits (e.g. a \$150M+ grossing global hit like *A Dog's Purpose* ([A Dog's Purpose \(film\) - Wikipedia](#)) or an unexpected cultural phenomenon), total revenues could far exceed the \$395M modeled – potentially pushing cumulative revenues over \$500M. This could nearly double the profit and dramatically increase investor returns (30%+ IRR and 2x+ cash-on-cash return). The slate nature means we don't rely on this, but the possibility is there. In a *downside* case, even if a few films underperform, the diversified slate and controlled costs protect the downside. For the investor, the worst-case scenario might still see most of their capital recouped via steady minor successes and the eventual sale of the library. We also have the ability to adjust after early results – if the first few films underperform, we can pivot content or distribution strategy for later films to mitigate (another advantage of a slate approach).

The financial projections underscore that **even with moderate assumptions, the venture is profitable and sustainable**. The company will maintain prudent cash management, using a combination of investor equity, debt financing against presales, and tax credits to fund production budgets. This lowers the effective capital at risk at any time. In fact, by year 3, we expect to partially fund years 4-5 films from the profits of years 1-2, reducing the need for additional investor cash calls.

Overall, the five-year plan aims not just to generate annual profits, but to build a valuable **asset base** (the film library) that greatly increases the company's valuation by the end of the plan. Investors will benefit from both ongoing cash flows and the potential **equity value uptick**.

Library Ownership Value – Building a Long-Term Asset

One of the most compelling aspects of this business is the **creation and ownership of a 10-film library** of family content. Unlike a one-off production where profits are realized once, a library of films is a **long-term asset** that can continue to generate revenue and increase in value for decades. By retaining full rights to our films, the company is essentially building an intellectual property portfolio that **adds significant worth to the company beyond the initial box office/streaming income**.

Here's why the film library is so valuable:

- **Steady Ancillary Revenue:** After the initial release cycles, the films will keep earning via library licensing. TV networks, airlines, educational distributors, and especially streaming platforms are in constant need of family content. For example, a streaming service might pay for a multi-year license to have our entire 10-film library available exclusively on their platform. *SVOD companies like Netflix actively seek to secure long-term exclusive licenses to attractive content libraries* – family films are prime candidates for such deals. These bulk or recurring licenses can bring in substantial revenue every few years as rights are renewed or moved to new platforms. Essentially, the library can act like an annuity, throwing off cash with each new distribution deal.

- **Appreciation of Content Value:** Well-made family films tend to **appreciate in value over time** because they do not become outdated quickly. New generations of children come of age and discover older family movies, keeping demand alive. A clear example is how classic family films from decades past (e.g. *Home Alone*, *The Princess Bride*) are still monetized today through holiday TV airings and streaming. With the explosion of streaming services globally, there is **renewed interest in acquiring film libraries** as content is king. Notably, significant transactions underscore this value: for instance, Miramax's library of ~700 films was sold for \$660 million in 2010 and more recently we've seen companies like MGM (with a rich library) acquired for billions. While our 10-film library will be smaller, its relative value can be high because family content is perennially in demand. It is not unreasonable to project that if our slate yields even a couple of "mini-classics," the library's market value could be a large multiple of the production cost.
- **MGM Example – The Power of Libraries:** To illustrate the earning power of film libraries, consider MGM Studios: *"The cash flow from MGM's film and television library has been solely responsible for keeping the studio alive... In 2007, MGM's library brought in over \$525 million"* in revenue. This is a reminder that content libraries are **the lifeblood of entertainment companies**. They provide a backstop of revenue even in lean times and can be leveraged for financing (e.g., borrowing against library assets) or sold/merged for a windfall. Our library will admittedly be much smaller than a major studio's, but even a small slice of that concept is significant. For example, if each of our 10 films modestly generates \$1–2M in residual licensing revenue annually after year 5, that's \$10–20M per year steady income without new production costs. Over 10 years, that's \$100–200M more in revenue purely from the library's tail – essentially pure profit for the company or its acquirer.
- **Franchise and Sequel Potential:** Owning the rights means we control any sequel, remake, or spin-off opportunities. If one of our films really resonates (say it becomes a beloved kids' character), we can develop sequels or even a streaming series around it. Those sequels could be produced at relatively lower risk given the established audience, and the company wouldn't need to pay expensive licensing to someone else – we *are* the IP holder. This is how small films turn into big franchises (for instance, *The Karate Kid* was a mid-budget film in 1984 that spawned sequels, a remake, and the recent *Cobra Kai* series decades later – imagine the value if one owned all those rights from the start). By retaining ownership, we set the stage for similar **multi-generational franchise value**.
- **Leverage in Distribution Negotiations:** Another benefit to owning our library outright is leverage. As we accumulate content, we can negotiate better terms with partners. For example, by year 5 we could approach a streamer or TV network with an offer to license all 10 films as a package at a premium rate. Or if we choose to create our own direct-to-consumer family streaming service down the line, we'd have 10 proven titles to anchor it. The library gives strategic flexibility that one-off producers simply don't have.
- **Exit Value for Investors:** From an investor's perspective, the library significantly boosts the **equity value** of the company. Even if an individual film returned just break-even cash, the fact that it's part of a valuable collection of rights means the money wasn't lost

– it was converted into a different form of asset. By the end of five years, we anticipate the company could be valued not just on its cash flows but on its **content assets**. Media companies often trade at high multiples of their library revenue. If at year 5 we decide to sell the company (or a stake of the library) to a larger studio or fund, the investors stand to gain a substantial one-time payoff. To put this in perspective, consider that our total production investment (Bay Point Media) over five years is ~\$150M; even if our library were valued at, say, 1.5× its cost (which is conservative given likely profitability), that's \$225M asset value. Some industry experts might value a successful family film library even higher due to the long tail. Thus, investors not only earn during the 5-year run but also hold a share of an asset that could be sold or leveraged for significant capital.

In summary, **owning the 10-film library is akin to owning prime real estate in the entertainment world** – content that increases in worth as it ages, can be rented out (licensed) repeatedly, and forms the foundation of lasting wealth. We will emphasize preservation and promotion of these library titles: ensuring they remain available, periodically refreshing audiences with new releases or anniversary editions, and bundling them for new revenue opportunities. This is a cornerstone of our business strategy: not just making movies, but creating assets.

Notably, family films particularly enjoy *“tremendous value in repeat viewing”*, as one Nielsen executive observed about kids' movies driving streaming hours. This means our library items are likely to be rewatched many times, increasing their usage and value to platforms. A parent today might show one of our films to their children over and over; a decade from now, those children might show the same beloved film to *their* kids. By retaining rights, we ensure the company reaps the benefits of this generational throughput.

For the investor, this translates to **long-term security**. After the initial five years of production and release, the library stands as a bulwark of value – one that could be sold, licensed in perpetuity, or even used as collateral. It's a key part of why investing in this plan is not just a one-and-done proposition, but a stake in a growing enterprise whose assets keep working for you.

Use of Funds

The \$5 M raise will be allocated as follows (\$1M a year over a 5-year period):

1. **Script & Treatment Development:** Finalizing the development of treatments & scripts for pitching as well as attracting talent.
2. **IP Acquisition:** Research existing books, life-stories, podcasts, magazine articles to find the next property to acquire and develop.
3. **IP/Franchise Growth:** Build cross-medium prototypes film and TV series, consumer products and kid & adolescent books to multi-purpose our properties.

4. **Operations & Development:** Expanding the team, as needed, to expedite development and production of upcoming titles and enhance scalability.
5. **Marketing and Distribution Management:** Amplify market presence and drive pre-release excitement for films and tv shows, creating a brand loyalty club that grows our own direct audience capture for Fairground Pictures.
6. **Package Creation:** Each property must be “packaged” before selling to the market. This includes script, treatment and attachment of talent.
7. **T & A:** Limited trips to studios for meetings with execs & talent.

NOTE: Production costs will be through Bay Point Media. Distribution will vary per project.

Conclusion – A Compelling Investment Opportunity

In conclusion, this business plan outlines a clear and achievable strategy to build a successful family film production company that delivers both **short-term returns and long-term asset value**. The strong demand indicators – from the historically high profitability of G/PG-rated content to the content hunger of streaming platforms – signal that now is the ideal time to invest in family entertainment. We are poised to supply what audiences and streamers are actively seeking: **wholesome, live-action family films made with quality and care**.

By producing 10 films over 5 years, we capitalize on economies of scale and a diversified slate to manage risk. Each film in the slate is targeted to a sweet spot in the market that balances creative passion with commercial viability. The production and distribution strategy is savvy and flexible, mixing tried-and-true theatrical releasing with innovative streaming partnerships to maximize revenue. Our revenue model taps **multiple streams** – box office, digital, licensing, merchandising – which together create a powerful engine for profit.

Compared to competitors, Fairground Pictures occupies a unique niche: nimble enough to serve underserved segments of the family genre, yet ambitious enough to produce content that can compete on a global stage. We offer the reliability of a genre that has outperformed others in profitability with the entrepreneurial upside of an underserved market. This is a rare combination in the film industry, which often swings between ultra-safe bets and high-risk ventures. Here we present a balanced opportunity – **moderate risk with high reward potential**, underpinned by tangible assets.

Financial projections show a healthy profit trajectory in the base case, with significant upside potential. Importantly, investors are not just financing individual films but investing in the growth of a **valuable content library** that will continue to yield returns. The retention of rights means that every dollar invested builds equity in intellectual property. As detailed, the library itself could become a substantial portion of the company’s valuation, offering a second layer of ROI whether through future sale or ongoing exploitation.

We are seeking \$5M from investor partners for up to 50% ownership in this venture. In practical terms, this means investors will share equally in the profits of each film and in the

eventual value of the entire 10-film library. The alignment of interests is strong: our management and creative team are similarly invested in the long-term success and profitability of the slate. We bring to the table a team experienced in both filmmaking and distribution, with advisors who have released major family hits in the past. With funding in place, we can immediately move into greenlighting the first projects (scripts and talent are already in the pipeline awaiting the go-ahead). The path to revenue generation is relatively quick – the first films could be released within 18 months of funding, and revenue flowing shortly thereafter.

Why this is a compelling investment: In an entertainment market often focused on the next flashy trend, family content stands out as **steady, proven, and evergreen**. It offers protection against downturns (families continue to seek affordable entertainment in any economy and are loyal to content that resonates with their values) and it offers participation in the digital streaming revolution (where family content is a top commodity). By investing in this company, you are effectively investing in a mini-Disney of tomorrow – a focused library of beloved stories and characters that can be monetized across platforms and generations. Few opportunities allow entry into such a resilient segment with a well-defined plan and manageable budget profile.

In summary, this business combines creativity with fiscal prudence, and market insight with execution capability. The demand is clear, the numbers are favorable, and the team is ready. We invite you to join us in bringing laughter, inspiration, and memorable moments to millions of families around the world – and in the process, **building a profitable enterprise** with enduring value. This is more than an investment in 10 films; it's an investment in a legacy of family entertainment that will continue to pay dividends for years to come.

Management Team

Joseph Zolfo – Co-Founder | Chief Production Officer | Producer

Joseph, a New York City native began his film & television career 33 years ago on the set of Woody Allen's film, *Husbands & Wives*. Joseph has over 70 film and television projects to his credit. Some notable film producing credits are: *Marie and Bruce* with Julianne Moore & Matthew Broderick; *Wedding Daze* with Jason Biggs & Isla Fisher; *The Girl in the Park* with Sigourney Weaver & Kate Bosworth; *Death in Love* with Josh Lucas & Jacqueline Bisset, *Safe* with Jason Statham; *Deadman Down* with Colin Farrell & Terrence Howard; *Puerto Ricans in Paris* with Luis Guzman, Rosario Dawson & Rosie Perez.

Select television producing credits include ABC's *Life on Mars* with Jason O'Mara & Harvey Keitel; HBO's *How to Make It in America* with Luis Guzman & Bryan Greenberg and *Bored to Death* with Jason Schwartzman, Zach Galifianakis & Ted Danson and The CW's *Stargirl*. CBS television shows include *Blue Bloods* with Tom Selleck, Donnie Wahlberg & Bridget Moynahan. *Seal Team* with David Boreanaz, *NCIS: New Orleans* with Scott Bakula and *God Friended Me* with Brandon Michael Hall & Joe Morton. Currently in production in Covington, GA on the NBC Universal/Peacock Show, *Hysteria!* with Julie Bowen, Anna Camp & Bruce Campbell.

Matthew Goggin – Co-Founder | Chief Content Officer | Producer | Writer

Emmy Award-winning writer/producer Matthew Goggin has written, produced and directed for HBO, Cinemax and The WB networks. For over 7 years, Matt was the VP of Marketing & Promotion at The WB Networks (Tribune & Quest Communications) and marketed numerous family programs including *Dawson's Creek*, *Buffy*, *The Vampire Slayer* and *7th Heaven*. Originally from New York, he has written scripts for *Malcolm In The Middle* on Fox, *Dream On* on HBO, *Space Ghost: Coast to Coast* on the Cartoon Network and *Caroline's Comedy Hour* on A&E. Currently, he has a one-hour pilot for a "light" teen drama called *Minimum Wage* with Nickelodeon/Nick at Nite.

REPRESENTATION: IAG – Independent Artist Group - IAG is one of the top 5 largest diversified talent agencies in Los Angeles with offices in Beverly Hills, Nashville, New York, Atlanta, Toronto and London. They represent actors, producers, writers, directors, music artists, performers, brands, intellectual properties and production across all media platforms including film, television, music, theater, publishing and digital. The agency also packages feature films and television series such as *Away* on Netflix, *The Dublin Murders* on Showtime, *All Rise* on CBS, *For Life* on ABC, as well as classic TV series *Home Improvement* and *Roseanne*.

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