

SC United - SCMCGA

Gymnastics - Fitness - Health - Entertainment – Community

A Sports and Event Center

SC United KIDSPLEX

Heinz Schulmeister (SC United / Southern California Men's Collegiate Gymnastics Association)



Current Address:

2663 Centinela Ave #202
Santa Monica, CA 90405
310.452.7538

Proposed Site:

1101-1107 S. Placentia Ave
Fullerton, CA 92831

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I. The Business

A. Background and Statement of Purpose

After working for 32 years as head coach, administrator, judge, and competition organizer in men's gymnastics in Southern California Heinz Schulmeister founded SC United and the Southern California Men's Collegiate Gymnastics Association in June of 2014, a nonprofit organization rebuilding Men's Collegiate gymnastics. During his time as head coach and founder, Heinz has been responsible for all the duties associated with coaching and administering the team along with raising all operating funds for the team and the organization to build it from the ground up and to continue its existence.

SC United has grown from 11 athletes at inception to now 24 athletes. Because of Heinz' national exposure as a successful coach along with his support of the gymnastics community in Southern California for over 30 years, the vision of an all-inclusive sports and event center as the home for several gymnastics, dance, entertainment, fitness and other related sports, children's, adult and family activities is a natural.

SC United – SCMCGA has outgrown its current use of coordinated usage of facilities and the window of opportunity is at hand for the development of a multi-sports and event facility that would meet a growing market demand for positive programs for children, teens, adults and families. It is our desire to build a center that would satisfy the mission statement of the SC United Club program while enhancing what currently exists by the addition of complimentary programs dedicated to individual and collective growth through fitness, health, entertainment, and community. The vision is to provide a premier space that houses a vibrant and eclectic community, galvanized by the realization of human potential. The following business plan will show some of the integration of different business options within one business:

1. Training Facility for SC United Men's College Team
2. Preschool and Recreational Gymnastics
3. Competitive Gymnastics
4. Birthday Parties
5. Health Center, Physical Therapy and similar
6. Cafeteria
7. Library and Homework Center
8. After School Programs
9. Event Center, Music and Arts
10. Adult workout space
11. Kids Playground
12. Ninja Kids

Additional revenue building programs depending on facility size.

SC United's Mission Statement:

To provide a safe, fun and wholesome environment that encourages the development of positive attitudes, values, character and self-worth in children.

Southern California Men's Gymnastics Association's Mission Statement:

To foster and promote the competitive sport of men's gymnastics and rebuild men's collegiate gymnastics in Southern California.

B. Description of the Business

Currently SC United - SCMGA is a non-profit organization, which provides a place for college gymnasts to train and compete as they attend the college of their choice to accomplish their educational goals. The business would continue the SC United and SCMGA mission and philosophy and expand upon it so as to include more options for children and families other than those that currently exist. It would be a "Kids Place" first, where children feel warm and at home; a place that provides opportunity for growth, education, social stimulation and life challenges in a controlled environment. The new facility will be approx. 21,000 s.f. and provide many opportunities under one roof for children and families to be active in. Programs at the facility would be directed at children 18 months to 17 years old with the addition of adult programs to serve the entire family. This would also be the home to the SC United Men's Collegiate Gymnastics Team. The wide variety of programs offered would encourage a family atmosphere where everyone in the family can be involved.

Programs

- **Recreational Gymnastics:** Pre-school (18 months) through High school. Children will be instructed in the basic developmental skills on each of the Olympic events with emphasis on improving flexibility, strength, balance, and body coordination. Whether or not a child ends up in competitive gymnastics, she/he will be physically challenged in all areas of fitness development that are critical for success in every sport and physical activity.
- **Team Gymnastics:** Ages 5-17. For those who have progressed through the developmental stages of the Academy program and want the challenge of competition.
- **After School Program:** Ages 8-17. A library and homework center with supervision, Arts and Crafts
- **Cafeteria:** A social place for adults and children.

- **Birthday Parties:** Gym parties for all ages to celebrate a special birthday with friends.
- **Event Center:** Music, theatre and other entertaining events for children and their children.
- **Summer Camps:** Held throughout the summer, these camps will make memories for any child. Camps will include gymnastics, games, sport-skill development, community education projects and arts & crafts.
- **Adult Workout Space:** Providing a place for family members to work out while their children have fun.
- **Health Center:** Chiropractor and Physical Therapy offices on site if space permits.
- **Kids Playground:** A children's paradise with inflatable slides and jungle gyms.
- **Ninja Kids:** A children's paradise Ninja course playground.

Marketing

Target Market: Families with young children

Selling Points:

- Gymnastics- The Foundation of All Sports
- Mission- Building Happy, Healthy Kids
- Theme- A Fun Place to Learn
- Only facility with our combination of programs
- Only men's college team in Southern California
- State-of-the-art training facility for competitive gymnasts
- Home of the SC United Men's Collegiate Gymnastics Team
- Conveniently located at : 1101-1107 S Placentia Ave, Fullerton CA 92831

The center will expand the current SC United marketing plan to include all the activities in the center. The theme will be "**A FUN PLACE TO BE AND LEARN**" with our central mission being to "**Build Happy, Healthy Kids**". As parents, we want our children to grow in a well-rounded fashion in an environment where they can learn positive values. It is also important for young, impressionable children to be around positive role models. With the SC United men's gymnastics team housed in this facility, they should continue to be positive role models to the community at large as we have seen demonstrated so many times in the past with similar teams. This would happen both through their time in the gym training and their hands-on teaching of classes which many will be involved in. Market share will be increased and held through a business philosophy of running a quality program top to bottom. From a clean, well-run facility to a highly trained staff

meeting the needs of our customers. Pricing will be commensurate with the existing market with our marketing centered on:

- Locally based community publications
- PR activities (shows and demonstrations)
- Multi Media Platforms
- Most importantly- we will capitalize on word of mouth incentives for our members. (Re: "Bring a friend to class week", Free clinics, Discounts for referrals).

Competition

At this new location, there would be:

- 3 gyms within 5 miles
- 4 gyms within 20 miles

The greatest advantage SC United will have over its competition is that it would be the only gym that would combine college-level men's, adult and recreational gymnastics programs and a kids playground in Southern California. It would also be the only center in this area with multiple programs giving far more options and opportunities for families.

C. Management and Personnel

In 2014 Heinz Schulmeister created a brand new platform to rebuild men's college gymnastics in Southern California. He started this non – profit corporation with a startup fund of \$15,000 and an additional \$15,000 in the second year. In the 3rd year donations and fundraising efforts covered the expenses for the 3rd year with no additional out of pocket. With the business knowledge acquired with the "start-up" combined with both Heinz's knowledge of gymnastics and a strong network of positive relationships in the community the necessary tools for this business are already in place.

It is common knowledge in our industry that the SC United men's team has produced many capable coaches and instructors since its creation, who have helped the gymnastics community at large. There are currently 42 current and former team members that are coaching gymnastics in Southern California. So with the main "training ground" being within our very walls, we will have a steady supply of instructors and coaches to help fill our own personnel needs. This is a common area of frustration for many gyms, but would be a positive benefit for SC United. Another strength that Heinz has to bring in is that he was State Director of the Southern California Men's Gymnastics Association for 10 years. Heinz has run several small businesses and is also skilled in the Health/Life insurance business as a licensed agent for 17 years. He is very good with numbers, budgets and taxes.

The management team would consist of the directors of each program led by Heinz and a board of directors. These would be individuals who are knowledgeable in their program field and possess strong leadership qualities. Many of these individuals have already been identified and the rest will be within the year.

C. Business Insurance

All liability and property insurance needs will be more than adequately covered. Property and contents will be fully covered for fire, theft and natural disaster. Business interruption insurance will also be in place. Each student and staff member will be covered for \$1 million for medical including an additional \$1 million catastrophic injury coverage. SC United currently uses K&K Insurance Company in Fort Wayne, IN for all its needs.

A Building with Flexibility

The building design would be such that if SC United were ever moved, the space could be divided into areas that could be sub-leased for children's sporting activities- always needed.

E. Why Such A Big Move?

Moving from no Gymnastics facility to a 16,000 s.f. Kids Sports facility appears at first to be "a big jump" to someone outside our industry. But this concept has been working for years around the country and with great success. Heinz has researched and studied numerous gym schools across the country including a close scrutiny of Kids First Sports Center, an 81,000 s.f. facility in Cincinnati. The owner has compiled a Gymnastics School survey (which shows our pro-forma to be right in line. Here are a few reasons why we know this expansion will be successful:

- Our first-year projections show the need for our gymnastics membership to be approximately 300 -400. This is a very realistic number based on actual numbers of the existing gymnastics schools in Southern California.
- During our research phase, every gymnastics gym owner we sat down with across the country that moved from a single venue (gymnastics) to a multi-sports venue has seen unprecedented growth. All have been successful and met their projections.
- There are waiting lists for many of our current and potential clients and their families whose needs SC United is unable to meet because of space restrictions. Many of those who can't immediately get in look elsewhere rather than being put on a waiting list as they look to meet their child's need immediately.
- Offering more programs for children will keep our clients involved longer. Adding 2nd, 3rd and 4th services to the successful one we already run (gymnastics), will give more "products" for our current clients to participate in. We will also be able to attract new clients more readily with a wide variety of services that cater to more children's interests.

II. Financial Data

A. Loan Applications

(tba)

B. Capital Equity and Needed Capital Expenditures:

Currently SC United/SCMCGA has over \$120,000 of equipment available for new gym use. This includes gymnastic equipment, office equipment and supplies. Southern California Gyms will be donating a lot of equipment to us to get started.

To supplement our current equipment list, SC United would need to purchase another \$100,000 worth of gymnastics equipment to bring the new facility up to par. However, not all of this new equipment is necessary immediately upon opening.