

UWEZA

The Number One
Health, fitness, nutrition and wellness
Online content vault and social network

ONLINE VIDEO - ComScore June 2008

"27 Million People Watched More Than 3.5 Billion Videos Online in the U.K. in March 2008."

HEALTH INFORMATION - ComScore September 2008

"Online Health Information Category Grows At Rate Four Times Faster Than Total Internet Category Up 21 Percent in Past Year "

SOCIAL NETWORKS - ComScore August 2008

"Social Networking Explodes Worldwide as Sites Increase their Focus on Cultural Relevance"

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Executive Summary

Uweza is looking to raise £820,000 TBC (£70k and £750k) of seed funding to develop an innovative, commercial health and fitness digital media vault, fitness monitoring tools, health professional and client social network for syndication and platform licencing to

- Online destinations (Health, Travel, Lifestyle, Brands – Nike/Reebok)
- Mobile operators and handset manufacturers (Vodafone, Orange, Intl carriers)
- Loyalty program owners (AMEX, SPG, Nectar, Airmiles)
- Health Club and Gym owners
- In-situ IPTV broadcasters – hotel rooms, airline seatbacks, gyms
- Health Service providers (NHS, Nuffield, BUPA, Pruhealth etc)

Combining new technologies, Video on Demand, content syndication, online tools, social networks, IPTV and member usage analytics creating multiple revenue streams:

- Direct service member subscriptions – Getfit4.tv
- White label member subscription share
- Branded content creation and production
- Content syndication licencing
- Platform licencing

Uweza's goal is to have signed contracts with 3 syndication clients, 3 content and platform partners and a live consumer service by the end of the 2nd year and have set a goal to achieve annual revenues in excess of £7.4mm by 2012, with consistent profitability being achieved by 2011.

	Prototype Dev	Year 1 2009	Year 2 2010	Year 3 2011	Year 4 2012	Year 5 2013	Year 6 2014
Subscription Revenue	0	0	£240k	£1.3m	£2.6m	£3.9m	£5.2m
Users	0	0	4,000	20,000	50,000	100,000	150,000
Syndication		£240k	£720k	£1.2m	£2.4m	£3.6m	£4.8m
Customers		1	3	5	10	15	20
Content Prod & Platform		£240k	£720k	£1.2m	£2.4m	£3.6m	£4.8m
Customers		1	3	5	10	15	30
Employees	1	3	8	12	15	20	30
Freelance	4	6	5	5	5	10	20
Revenue		£480k	£1.68m	£3.7m	£7.4m	£11.1m	£14.8m
Costs	£70k	£750k	£2m	£2.5m	£5m	£8m	£12m
Cash Flow	-£70k	-£340k	£660k	£0.54m	£2.94m	£6.04	£8.84

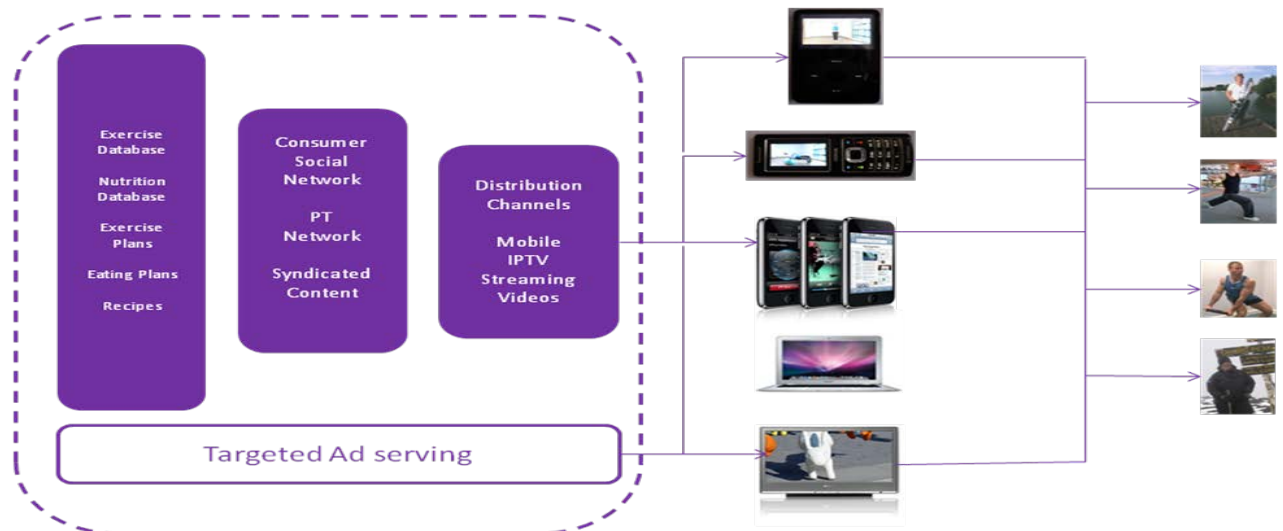
UWEZA

The money will be used to build the initial prototype, the beta platform, film and produce the first deposit in the video vault, hire a core team and execute the business and marketing plan.

The offering

Uweza will create, commission and licence health and fitness digital content which will be held in a digital vault, combined with a social network, health and well being tools and syndicated to online destination sites, lifestyle brands, loyalty program owners and health service partners.

The service and content will be available on mobile devices, IPTV and online



Technology and application suite

Uweza will adopt the buy, build or partner approach to developing the technology platform to support the Uweza business model. Where possible, Uweza will utilise Open source technology.

UWEZA Content

The content will include downloadable exercise videos, recommended programs, member created programs, exercise playlists, music playlists, eating plans, recipes, how to cook videos and nutritional advice. Content will be created and managed by the Uweza production team, which will include a producer, cameraman, editor, personal trainers, health experts and a vault librarian. The team will manage the content quality and format. Other branded content may be commissioned or licenced from complimentary partners to add to the Uweza offering.

Unique Proposition

Uweza is a unique proposition in the market today, capitalising on the combined growth of 4 markets; health & fitness, online video, social networks and content syndication.

There are a number of offerings in the market, both offline and online, however the majority of these are focused on the provision of a product or service. Uweza is focused on becoming the number one content owner, health and well being tools and social network for the health, fitness market, syndicating this content to destination web sites, loyalty program owners, gym owners, mobile operators, sport and lifestyle brands, handset manufacturers, In-situ IPTV and health service providers.

Exit Strategy

With the increase in interest and investment in the health and fitness industry both online and offline, and the interest in new online business models, it is anticipated that, when successful, there may be a number of exit routes for a potential investor:

- Future new investment in the business
- IPO
- Uweza management buying out the investors
- Acquisition by a health and fitness provider
- Acquisition by an online content owner.

Opportunity

The opportunity for Uweza is to become the world's leading commercial health and fitness digital media vault and personal training social network. Uweza has identified a potential opportunity in the health, fitness, wellness, and sport and nutrition market.

- To be the first health, fitness, sport, wellness and nutritional digital media content publisher, owner and distributor
- To be the first combined digital media vault and personal training social network.
- To provide a white label health and fitness digital vault and social network for existing online destination web sites. For example, media portals, mobile manufacturer portals, consumer magazine web sites, sport association web sites, sport clubs, travel web sites and other activity focused organisations.
- To be the first health, fitness, sport, wellness and nutrition IPTV channel for hotel in-room services and airline in seat entertainment.
- To build a safe, secure, high quality, easy to use service which can be accessed through a number of channels enabling individuals to manage their health and fitness lifestyle at home, at the office or on the move.

The Company

Uweza is a concept developed and owned by Purple Spinnaker. Purple Spinnaker is a private limited company formed in December 2001 by Julie Walker. Purple Spinnaker was originally formed to create social media based loyalty solutions for the travel, hospitality, airline and financial services loyalty market, a project which was shelved due to lack of funding and market conditions. Purple Spinnaker is the umbrella under which Julie Walker has undertaken consulting projects with Ogilvy & Mather, EMEA and leading a global services new business initiative, social media and customer insight agencies. Julie has also held a strategic business development position with Lexis Nexis the legal publisher.

Purple Spinnaker is looking for a business partner or partners to assist in building the initial team to deliver the first prototype and beta application, initial content block for the digital vault, which can be used to approach target organisations with a view to signing the first customer.

The Management Team

To date the project has been initiated and managed by Julie Walker, content has been created using freelance resources. The following roles have been identified as ones which will need to be created and filled as the company evolves.

Managing Director/Founder

Julie Walker

The Managing Director is responsible for the creation, management and ongoing development of the business strategy, working closely with the senior management team to ensure the successful implementation and ongoing review of the business plan against the business's goals.

Product Development and Technology Director

The Technology Director will be responsible for the creation, ongoing development and maintenance of the technology platform. Technology will be created on a buy, build or partner basis.

Programming and Content Director

The content director will be responsible for developing and managing the content strategy, this will include the creation, production, selection and programming of the online content. They will be responsible for creating and managing the team responsible for each of these areas. This role is key to the business and should be filled in prior to or in the initial phase of the business.

Finance Director

The finance director will be responsible for ensuring the Uweza business is a financially sound organisation, controlling cash flow and monitoring the financial progress of the organisation. This role will be carried out on an advisory basis in the short term by an external accountant, the payroll activities will be outsourced to a payroll agency and when the role demands it a full time FD will be recruited, with the suitable skills to take the company forward.

Marketing Director

The marketing director will be responsible for the creation, development and ongoing management of the customer marketing strategy. The primary goal is to develop the Uweza brand, identify target segments, develop a customer acquisition model with the Business Development Director, create a customer focus group and feedback to the business on how to tailor the service to ensure it meets the needs of the customers.

Commercial Business Development Director

The Commercial Business Development Director will be responsible for the white label and affiliate sales and business development strategy, his/her primary goal will be to generate revenue through commercial agreements with destination web sites who will use the white label version of the product and the affiliates partners.

Customer Services Director

The Customer Services Director will be responsible for the post sales service and support of the Uweza customer's, business partners and affiliates. This role will be filled as the need requires it.

Feedback

The following advisors have provided feedback, help and support in moving the project forward since September 2008.

KP Doyle CEO

Nuffield Proactive Health
(Health clubs and wellbeing)

David Surtees CFO

Perform Group
(Licenced online and mobile sport content and online sport based gambling)

Barry Dudley COO

Naked Communications Group

Jason Dawes – Managing Partner

Naked Communications – Amsterdam

Craig Manson

NHS Choices

Henry Badenhorst CEO & Founder

Q Soft Consulting, Gaydar.co.uk & owner of personal training gym

Dominic Sparkes CEO & Founder

Tempero
(online community moderation)

Fiona Leech

Marketing Consultant

Pete Dinham Business Director

BancTec Limited

Daryl Gunn Regional Manager – EMEA

Roxar Software

Production of Videos

Jason Baney

Freelance Sport and Fitness Cameraman/Editor

Claire Stevens

Personal Trainer

David Warden

Personal Trainer

Financials

Uweza was founded by Julie Walker. Julie has used her knowledge and understanding of the online business space, commercial business models and innovation gained through her 20 years working in senior roles within the software and marketing services industries to develop the business plan.

Uweza has been funded by Julie, from her savings. Additional company background can be found in appendix VII.

Uweza is looking to develop a prototype version of the online service which can be used to demonstrate the concept to potential media and destination web site clients with a view to putting in place contractual agreements with them for the service. The prototype will also assist in developing the business plan further through the creation of a technology roadmap and development cost model.

	Prototype Dev	Year 1 2009	Year 2 2010	Year 3 2011	Year 4 2012	Year 5 2013	Year 6 2014
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Costs	£70k	£750k	£2m	£2.5m	£5m	£8m	£12m
Cash Flow	-£70k	-£340k	£660k	£0.54m	£2.94m	£6.04	£8.84

Return on Investment

It is anticipated that the initial investment in Uweza will increase in value as the business grows and that initial investors will have a number of exit options for their investment, including:

- Future new investment in the business
- IPO
- Uweza management buying out the investors
- Acquisition by a health and fitness provider
- Acquisition by an online content owner.

Uweza will create value and Intellectual property in the business through the content created and the technology platform developed.

The Market

Uweza is looking to develop an online proposition which capitalises on the continuing growth in home internet use in the UK and international markets.

Active Home Internet Users by Country, May 2008

Country	April 2008	May 2008	Growth %	Difference
Australia	11,083,145	11,724,876	5.79%	641,730
Brazil	22,419,369	23,141,097	3.22%	721,728
France	24,544,793	26,566,040	8.23%	2,021,248
Germany	35,919,560	36,773,740	2.38%	854,180
Italy	18,217,214	19,608,271	7.64%	1,391,056
Japan	48,274,798	49,413,632	2.36%	1,138,834
Spain	14,752,384	15,015,872	1.79%	263,488
Switzerland	3,844,257	3,786,632	-1.50%	-57,625
UK	27,365,824	27,403,095	0.14%	37,272
US	151,390,437	153,711,736	1.53%	2,321,299

Source: Nielsen/NetRatings

Nielsen Online: <http://www.nielsen-online.com>

Combined with 5 growing online markets:

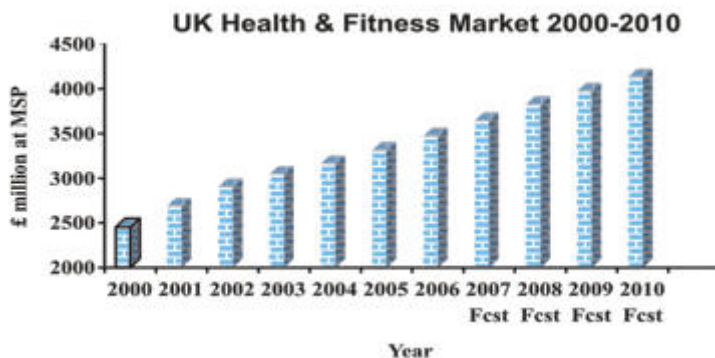
- Health and fitness market
- Online video market
- Social networking
- Content syndication

Recent research supports the growth in each of these markets.

Health and Fitness market

Research shows that the UK health and fitness market was £3.45bn in 2006, with an expected growth of between 4 and 5%.

The “**Health & Fitness Market – Focus On Clubs & Equipment UK 2007**” research recently published by AMA research, estimate that the UK health and fitness market was worth an estimated **£3.45 billion in 2006** and is forecast to grow by around 4-5% per annum over the 2007-10 period.



UWEZA

Both government and individual businesses are looking to encourage individuals in taking more responsibility for their health and well being through funding initiatives like the £75m anti obesity campaign from the Department of Health, and business initiatives with BUPA and Fitbug.

According to Accustream, Online Sport content “remains largely the domain of professional, formal partner or syndication-powered webs ties, with an 80.7% share compared to a 19.3% share for user generated content networks. ” The number of online sports video rose by 65.5% between 2006 and 2007.

Uweza intend to produce mainly professional content, with user generated content relating more to personal stories rather than instructional content.

The Online Health information destination sites

Research shows an increase in the use of online medical and health information sites, mainly sites like WebMD.

“Online Health Information Category Grows At Rate Four Times Faster Than Total Internet.” The category is up 21 Percent in Past Year

	Total Unique Visitors (000)		
	Jul-2007	Jul-2008	% Change
Total Internet : Total Audience	180,078	189,134	5
Health – Information	56,865	69,008	21

The increase in use of these sites indicates a level of trust in online content in the area of health and well being. Uweza is not looking to provide medical advice, however the increase in these areas show an interest in and level of trust in leading sites for information relating to health and wellbeing.

Online Video Market

The online video market has disrupted all online channels and is being widely adopted by internet users around the world. Included in the online video market are:

- Online video
- Mobile video
- Instructional video sites
- Content delivery networks

ComScore show significant growth in the number of videos being watched by individuals.

ONLINE VIDEO - ComScore June 2008

- “27 Million People Watched More Than 3.5 Billion Videos Online in the U.K. in March 2008.”

Other notable findings from June 2008 include:

- 19.7 million viewers watched 1.4 billion videos on YouTube.com (72.4 videos per viewer).
- The average online video duration was 3.0 minutes.
- The combined U.K. online video viewing audience watched a total 161 million hours of video content.

ITV has seen a 362% increase in the number of videos viewed by their online audience between Jan and May 2008, with Euro 2008, averaging 51,000 per match day.

Mobile video market

According to ComScore M: Metrics,

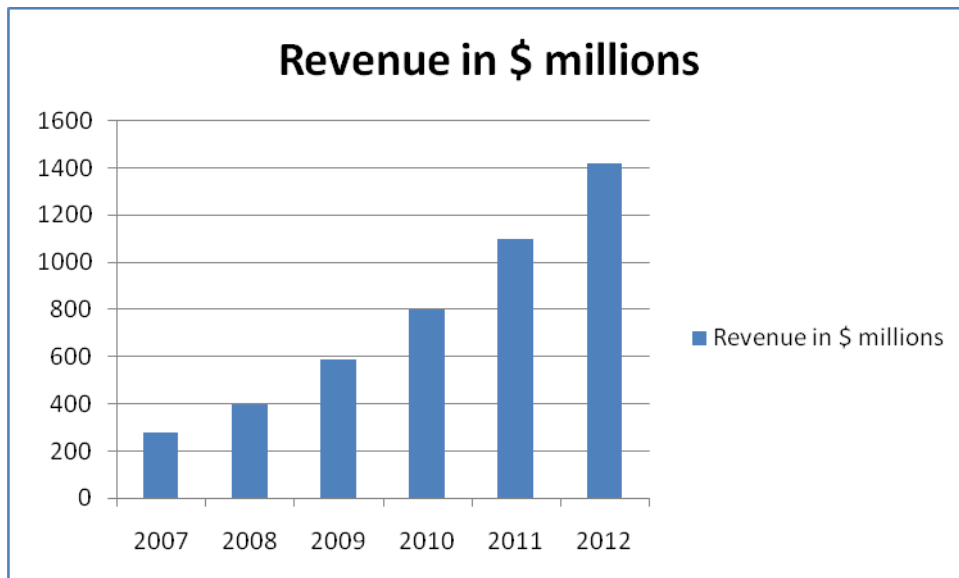
- 4.2 million Mobile phone subscribers used their phone to watch any kind of TV or video in the U.K., of which 37.6 percent were younger than 25 years old.

Online Instructional Video

Online video providers have seen an increase in interest and investment in recent years. Companies like the UK based, Videojug, an online instructional video site, which produces and syndicates professional instructional videos, has received two rounds of funding totalling £18.5m, between May 06 and Aug 07. Other US based instructional video sites which have received funding include: Wonderhowto.com and howcast.com.

Content Delivery Networks

The video content delivery market supports the streaming and distribution of video and according to Frost and Sullivan, the projected revenue growth is exponential, supporting the assumption of increased use of online video across all categories.



The current and projected adoption and growth rates of the online video market demonstrate that this is a new platform and distribution channel which has the potential to support the development objectives of Uweza.

Social Networking

With social networks like Facebook, Bebo and Piczo becoming everyday tools for individuals the barrier for social networks has lifted. Research from ComScore supports this statement in the tables below:

Social Networking Growth by Worldwide Region June 2008 vs. June 2007 Total Worldwide Audience, Age 15+ - Home and Work Locations Source: comScore World Metrix			
	Unique Visitors (000)		
	Jun-07	Jun-08	Percent Change
Worldwide	464,437	580,510	25%
Asia Pacific	162,738	200,555	23%
Europe	122,527	165,256	35%
North America	120,848	131,255	9%
Latin America	40,098	53,248	33%
Middle East - Africa	18,226	30,197	66%

	Total Unique Visitors (000)		
	Jun-2007	Jun-2008	% Change
Total Internet : Total Audience	778,310	860,514	11%
Social Networking	464,437	580,510	25%

However, larger social networks have been unable to adequately monetise their offering and have relied on advertising revenues to support their business model. The advertising revenue model is not sustainable and there is only room for a few large social networks. The goal for the larger social networks is to use member analytics to target individuals and groups based on behavioural profiling.

The opportunity for Uweza is to apply the principles of social networks to the health, fitness and personal training markets and use them to support, educate, inform and support the community members.

There are a number of successful social networks, which have been applying these principles successfully for a number of years. Examples of social networks with a defined target audience and purpose have been able to create value for their owners include:

- Doctors.net.uk – an online community for student and qualified doctors, where each member must be part of the medical profession. Each member has an email address, a profile page, access to research and peer to peer forums. Doctors is funded through their market research arm, which provides access to the community to the pharmaceutical and other medical organisations looking to engage and work with Doctors.
- Dell Customer support community – an online product and service support community, where Dell provides experts. The bulk of the customer service queries are answered from within the community itself, reducing customer support costs. In addition, sales are generated through “word of mouth” recommendations within the community, where individuals can ask questions and get recommendations from the existing user base.
- Harley Davidson – an online community which supports offline activities of the brand enthusiasts, providing a means for keeping in touch and exchanging stories about their prized Harley’s.

Online syndication

Content syndication is prevalent in the news and sports industries where content creators and publishers licence their content to complimentary partners. The publishers often licence content from each other to enhance their offering to their customer base. Organisations which create, produce and licence content include

- Lexis Nexis – a legal and accountancy publisher who have industry specific publications and news publications which they own and licence complimentary content from other news publishers like, Factiva, Reuters, The Times and the FT
- BT/Virginmedia – providers a number of communication services, including broadband which offers subscribers a personal page with access to email, local weather and news – the news is licenced from Sky news, sky sports, perform sports etc.
- Vodafone – providers of mobile services, offer additional lifestyle services through their news, sports and music services – they licence content from external content partners.
- Nokia – manufacturer of handheld mobile phones, offer a number of additional services through their mynokia.com portal. Content for this portal is licenced from complimentary publishers.

Accustream research supports the increase in interest video by highlighting the amount of video being streamed across the internet. Accustream found that large amounts of syndicated content are currently being streamed through aggregation sites like yahoo, msn and real networks.

Other media brands like Disney/ABC, CBS, Viacom etc are entering this market and using new tools like Brightcove and Maven networks (purchased by Yahoo). As the media and entertainment brands **“embrace broadband publishing, they made more premium content available, that’s the key, and fashioned syndication relationships with aggregators, who can deliver audiences”**

The Perform Group in the UK is a sports content production, syndication and IPTV company which has the rights to film and syndicate sports events in the UK and in international markets. Perform offer free and low cot web site templates which are focused on video, which assist them in monetising the content through their proprietary ad serving network and betting channels. The 3 primary services they offer are (from their web site):

- Services - technology platform & commercial tools enabling rights holders to place, manage & monetise their content across mobile, broadband & TV.
- Sales – Perform is a content and online advertising network owner we sell integrated advertising, sponsorship and content partnerships around some of the most prestigious sport and entertainment content in the world.
- Channels - We produce, package and distribute digital content rights to third party distributors across TV, mobile, IPTV and broadband.

Perform is a management buyout from NTL and has shown good growth revenues from 2004 to 2006:

Date of Accounts	31/12/2006	31/12/2005	31/12/2004
Total Sales	5,982,000	4,638,000	3,251,000
Cost of Sales	910,000	525,000	2,000
Gross Profit	5,072,000	4,113,000	3,249,000
Operating Profit	2,549,000	-1239000	-3056000

Uweza fitness digital vault and social network

Uweza is an innovative professional health, fitness, wellness and nutritional online digital content vault and social network which will operate using a subscription based tiered membership program for consumers and under a licencing and revenue share agreements with 3rd party online destination owners.

The Uweza platform and content vault will support 4 primary revenue channels:

- The Uweza consumer service will operate as the Uweza brand. This service will be developed and promoted to individuals through the creation and implementation of a consumer marketing strategy, which will include an affiliate program.
- The Uweza vanilla service will be a white label, offering, which can be tailored and branded for multiple online destination sites and brand owners, these include:
 - Online destinations (Health, Travel, Lifestyle, Brands – Nike/Reebok)
 - Loyalty program owners (AMEX, SPG, Nectar, Air miles)
 - Gym owners
 - In-room IPTV broadcasters
 - Health Service providers (NHS, BUPA, Pruhealth etc)

Members from each destination site can become members of the wider Uweza community while remaining part of their original branded service.

- The Uweza content licencing service will enable other social networks and online destination sites to licence the Uweza content for use within their own business. (sites and brand owners identified above)
- The Uweza IPTV channel will be a channel which will be available under the Uweza brand on line or as a white label service provided to other IPTV distributors, the primary target market is "in-room" IPTV channels aimed at the hospitality industry. (sites and brand owners identified above).

Uweza will combine existing technologies:

- Video on Demand
- Social networks
- IPTV

With proven successful business models:

- member subscriptions
- content syndication licencing
- advertising

The new service will be a professional digital media vault and social network aimed at Individuals and Personal Trainers, which can be commercialised through the Uweza brand and syndication to other brand owners.

Target Market

As all markets become more competitive and barriers to entry reduce each day many organisations are investigating new ways of adding value to their product or service offering. White label or branded off-the shelf solutions enable them quickly to add a new dimension to their product or service, while encouraging new and existing members to visit their site in an extremely cost effective manner.

The Uweza service will be launched in the UK, however the opportunity is global as there are organisations in each group above in most markets.

Uweza's has identified that a number of target markets, each of which offer an opportunity for Uweza, either as a channel to market for the Uweza branded service or as a white label service or content syndication licencee. Examples of these organisations are detailed below:

1. Destination web sites and organisations that are looking for new and complimentary content and service offerings for their customer base.

Uweza have identified potential organisations who may be interested in their service:

- Online brand publications (men's/women's fitness, eve, Marie Claire, zest etc.)
 - Online entertainment sites (GMTV, Heart/Capital Radio,)
 - Publishers (Bauer/EMAP, Hearst, Haymarket etc)
 - Dating Sites (DatingDirect/Meetic, Match.com, friendsreunited, loopylove, datingforparents, etc)
 - Adventure Travel companies (Tusker/climb kilimanjaro, Explore/everest base camp, Dragoman/machu pichu etc)
 - Sport clubs/networks (Football League, Rugby union/league, golf, tennis, cricket, running clubs, water skiing etc.)
 - Mobile phone companies (Nokia, who sold over 122m mobile handsets Q2 2008 and other mobile phone manufacturers.)
 - Mobile phone networks (Vodafone, orange, o2, T-mobile and Three who cover the majority of the UK mobile networks in the UK)
 - Broadband and Telco (Virginmedia, BT Vision, SKY)
2. In addition to destination sites, Loyalty program owners, who are looking for new products and services to offer as part of their program either as a means to redeem loyalty points or as part of their program.
 - Hotel Loyalty (IHG – have 33m members, SPG, Marriott)
 - Financial Services (AMEX – 83.6m members % of rewards unknown)
 - Nectar
 - Airline Loyalty (BA, Virgin Atlantic One World, Star Alliance)
 3. Supermarkets and other retailers could use this service as part of their healthy eating campaigns.
 - Sainsbury's
 - Waitrose
 - Morrison

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4. Responsible Employer: Human Resources Departments with more than 50 employees

Human Resources departments can benefit by offering a company branded product to encourage their employees to embark/ fine tune a healthier lifestyle, in a very cost effective manner. Human Resources departments will also receive internet support packs, outlining suggestions on how to best to roll out the programme.

Research carried out in August 2008, by Maritz found that “employee wellness programmes are connected with well-being, beyond employee health.” The findings demonstrated an a higher job satisfaction rating in employees involved in an employee wellness program with 20% who participate in a wellness program being satisfied with their job over 13% that do not.

Maritz also found that providing an incentive increases participation in the programmes.

ADDLeisure and Bupa are focusing on this market with the Fitbug and “Movers and Shapers” initiatives. Partnering with these programs are another opportunity for Uweza.

5. Private Health Insurance organisations

BUPA and Pruhealth have agreements in place with ADDLeisure, which focus on the Fitbug service and offer members increased benefits for their current private health insurance payments. Uweza is a complimentary or alternative offering for Private health insurers.

6. IPTV Channel

The Uweza IPTV channel will be available through the content syndication market and will be aimed:

- Hotel chains (top 25 hotel chains have over 4 million beds)
- Airlines In-flight entertainment
- IPTV channels in universities – Spirent provide the technology
- IPTV channels in gyms and gym equipment

7. UWEZA Branded service

The Uweza branded service will be aimed at both individuals and Personal Trainers. The Uweza service will be used to generate interest in the service for individuals with personal goals or challenges; these include, but are not limited to:

- getting started on an exercise programme
- personal challenges, adventure holidays
- getting married
- weight loss
- marathon, triathlon, fun runs
- pre and post natal
- staying fit age 50+

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8. Personal Trainer Social Network

The Uweza personal trainer network will be available to personal trainers free of charge and will enable them to build their own profile, client forum, Instant Messenger, SMS alerts and assist them with program development and program monitoring for their clients.

The Personal Trainers will not be allowed to upload their own exercise videos but must use the Uweza content, if they want their clients to use the service, the client will need to be a member of Uweza and the subscription fee will be shared with the individual PT's. There will be other opportunities for PT's to earn revenue:

- Providing advice and information
- Participating in developing specific programs
- Creation of videos within Uweza guidelines or by Uweza team
- Email support programs for Uweza subscribers
- Others to be determined

In exchange for a free service the personal trainers will be part of a network which can be used for market research, product reviews and testing by Uweza business partners.

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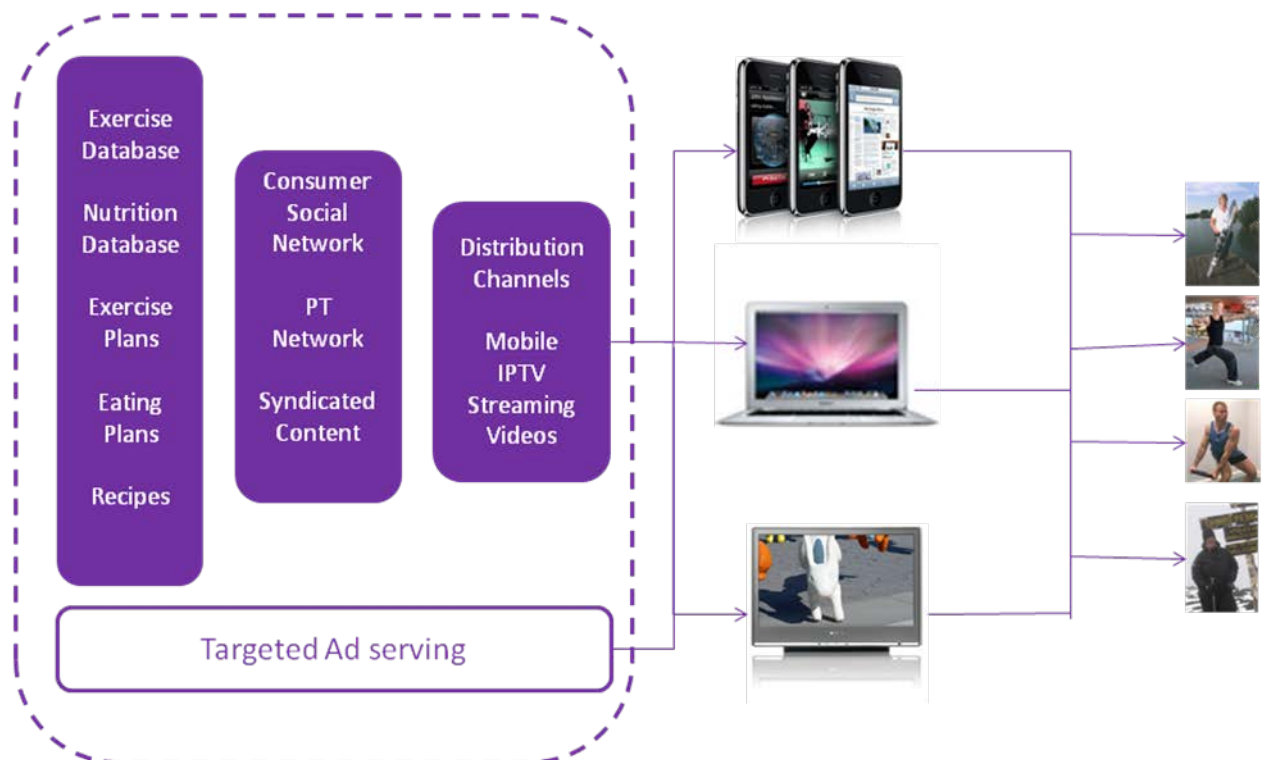
How it works:

Uweza is a health fitness, wellness, sport and nutrition digital vault, knowledge hub and social network. The platform will be developed as a generic product which can be used to support the Uweza brand and also operate as a white label solution which can be customised for partner's brands.

The service will be available via the internet, on mobile devices and via an IPTV channel. The content will be delivered to members and end clients using multiple formats, including:

- Social Network
- Internet TV (IPTV)
- Video
- Podcasts
- Online programmes
- Email Alerts
- SMS alerts
- Pdf reports/documents

The product will comprise of a number of modules, which will contain content only, technical functionality only or a mixture of content and functionality. The content and functionality option will be based on a mix and match model which will utilise a functionality and content matrix.



The content must be instructional, relevant and focused. Personal fitness and nutritional plans will be created, updated and developed for each user, based on their health and fitness goal. Most importantly users will receive support and encouragement to help them achieve their goals via text, email, the social network and support forums.

UWEZA

It is expected that the content will constantly be updated to maintain interest of existing users and develop the business amongst new specific user groups. The video content will primarily be exercise based and be focused on member user scenarios.

The following table highlights some user scenarios.

Number	User	Age	Scenario	Channel
1	Sarah	39	Challenge to climb Kilimanjaro	Tour operator
2	John	32	New 5-aside football team	Football Club web site
3	Kate	37	Post natal – back in shape programme	Netmums/contentedbaby
4	Jim	55	Granddad – going on activity holiday with son and grand children.	SAGA
5	Holly	28	Travels a lot and wants to keep fit on the road	Hotel Loyalty program and in-room IPTV
6	Ollie	24	Wants to improve his fitness to help him get into the local rugby team	RFU/Rugby club web site
7	Lucy	33	After divorce, wants to start dating again and wants to get back in shape and improve her self confidence	Online dating site
8	Felix	25	Just joined a gym, cannot afford a personal trainer but likes the exercises he sees people working on at the gym	Mobile phone operator – download program, video exercises and to phone
9	Sam	45	Private health insurance benefits increase if there is evidence of exercise and activity	Health Insurance Provider web site
10	Alex	30	Is getting married in 3 months and wants to tone up for her big day	Wedding Web site
11	Jo	42	Wants to get back into playing golf after a few years away from the sport – she is looking to strengthen her core muscles and improve her flexibility to be able to swing better	Ladies golf web site

UWEZA

The exercises will be categorised using a matrix similar to the one in the table below:

Exercise Name	Sagittal Lunge	Single Leg Sagittal Bend	Frontal Bend	Dynamic Sagittal Bend with 1kg DB's
Level (1 -10)	1	1	3	3
Muscle Group(s)	Hip Flexor Stretch, Quadriceps, Glutes	Posteriors, Glutes	Hamstrings, Quads, Glutes	Hamstrings, Glutes, Erectors
Part of Body	Lower	Lower	Lower	Lower
Benefit	Strength, Flexibility, Stability	Stretch, Strengthening of Extenders	Strengthening of Extenders	Posterior Strengthening, Hip mobilisation
Part of Work out	Warm-up	Warm-up	Warm-up	Warm-up
Rehabilitation	Break, Tear, Strain	Break, Tear, Strain	Break, Tear, Strain	Break, Tear, Strain
Activity	All	All	All	All
Goal	All	All	All	All
User Scenarios	All	All	All	All

UWEZA

Individual Members

Individual members will access the Uweza site through their preferred destination site, from within the identified target markets. The members route in and personal challenge/goal will depict the initial access point to the service and the recommended exercises and/or programme(s).

Taking Sarah, who is looking to climb Kilimanjaro, she may access Uweza via her tour operator who has recommended a training program and pointed her to the Uweza service to support and monitor her progress. Upon accessing the service she will be asked to enter the date of her trip and from there a program based on 3, 6, 9 or however many months before her trip will be presented to her with different levels of difficulty. Sarah can select one of the programs and be provided with information for free, if she wants to download the program she can do so for free, however if she wants to download the supporting videos then she will need to pay a subscription fee. The membership level will be 2 tiered:

- Member Level 1 – Free
 - Access exercise programs for personal challenge
 - Download written programs – 1 per month
 - Access forums relating to personal challenge
- Member Level 2 – £10/TBD per month
 - Have level 1 access
 - Download supporting videos for up to 2 programs per month
 - Email personal trainer once per week to ask advice (24hr response)
- Member Level 3 - £20/TBD per month
 - Have level 2 access
 - Download supporting videos for up to 4 programs per month
 - Email personal trainer twice a week
 - Schedule 1x30min instant messenger/web conference with personal trainer every 2 weeks

These membership service levels and pricing models are initial proposals, which need refining once the costs of the beta development and ongoing service have been assessed.

Personal Training Professionals

The same platform and content will be available as a service to Personal Training Professionals as a knowledge hub and social network, it is envisaged that this service will be made available to this community free of charge.

A selection of the Personal Trainers will be used in the creation of the video content, either created and produced by Uweza or by the PT's themselves under licence and with production guidelines.

Revenue from this community will be generated through external organisations looking to work with and/or carry out research with this community – similar to the doctors.net.uk model (see appendix ??)

Personal Trainers will be offered the opportunity to become part of the Uweza network and earn revenue through providing video content (using Uweza production team), providing online email and forum support. Further services will be evolve as the proposition develops.

Ad serving and Customer Marketing

Uweza are not looking to build a business case using Advertising revenue, however there may be an opportunity to offer advertising to relevant suppliers to the target audience.

Uweza will utilise an external ad serving network in the early stages of the product's lifetime and evaluate the possibility of developing a Uweza network in the future, if there is a business case to support it.

Analytics and Feedback

The analysis of the usage of the content, information about the individual users and their feedback will be collated and used in conjunction with the customer loyalty teams within the Uweza customers to evolve and develop the service on, an ongoing basis.

Examples of analytics which will be generated are:

- Frequency of visits
- Recency to sites
- Length of time before conversion to paying subscriber
- Length of time at subscriber levels 2 and 3
- Average revenue per member per annum
- Number of programs used
- Number of videos downloaded
- % of video watched
- How often rewind and reused
- Which groups prefer which trainer
- Rank exercises
- Rank trainers
- Others to be identified

Analytics will be used internally and will be made available as an extra service to the business partners and content licences of the content and/or service.

The Marketing Strategy

Uweza will meet its marketing objectives through, developing a plan which will include:

- The development of a new product which will fill a gap in the current market for health and fitness information and education.
- Direct sales strategy for the Uweza white label service, targeted at the markets identified above. Each market will be evaluated for its readiness and targeted against a business development plan.
- Development of Web site with a suite of business development tools including, but not limited to:
 - Product tours
 - White papers
 - Case studies
 - Sample analytic reports
 - Company background
- Development and implementation of a 360 communication plan to generate awareness and enquiries, example below.
- Effective monitoring of all business development and marketing initiatives, using campaign management tools and ROI analysis.
- Product Management and Development Tools will be used to ensure the product is developed in line with partner and customer requirements.

Brand Development

Uweza will be developed as a brand, the primary focus on the white label service and IPTV channels, where the key values are on a trusted supplier of high quality health, fitness and nutritional digital content and underlying technology infrastructure.

Marketing Communications

The marketing communications strategy will support the brand values and have four key objectives:-

1. To articulate Uweza's unique proposition
2. To articulate Uweza's values and business culture
3. To generate awareness of Uweza (key accounts and end users)
4. To generate traffic to Uweza partner branded sites
5. To generate traffic to Uweza PT service site
6. To generate enquiries from potential key target accounts
7. To generate revenue through user subscription
8. To generate revenue through content licencing agreements

The marketing communication plan will be supported by a Public Relations campaign, direct marketing and educational events.

Public relations campaign

Initially public relations will play an important role in launching and generating awareness of the service amongst potential key accounts and end users.

A variety of press will be focused on, ensuring that all key target groups are included.

- B2B publications targeting marketing, health and fitness, lifestyle, media brands, human resources, and the mobile phone and broadband industry.
- The end user will be targeted via the consumer press (Metro, Evening Standard, Sunday supplements, lifestyle press etc)

Direct Marketing

Individual campaigns will be initiated to target specific sectors, for example, a campaign aimed at human resources personnel, where there are approximately 5000 Human Resources and Personnel staff in companies with over 50 employees may be contacted via an email campaign.

Marketing Performance Monitoring

Customer Insight

An important element of the product offering will be that key accounts will be provided with detailed research about the end user and in what ways the site is enhancing their brand.

Segmentation data

Key accounts will be segmented by size, industry type and location to better target any business development efforts.

End users will be segmented by age, geography, interests to better target any public relations activity.

Communications campaign

Any communications activity undertaken will be monitored to ensure that it is targeted and cost effective.

The results of any public relations activity will be monitored and evaluated.

Direct marketing initiatives will be monitored in terms of cost per enquiry/sale.

Pricing and Licencing

Uweza will operate three revenue streams, syndication of content and membership subscription and market research services.

Syndicated Content

Syndicated content which will be available worldwide, based on a syndicated licence fee. A syndication module will manage and control the digital rights of the content, ensuring that the content is used with Uweza partners in the markets they buy licences for.

Branded Content

Branded content to be used by organisations to develop healthy lifestyles amongst their own employees

Organisations, who partner with Uweza to provide a health and well being service for their employees, will either pay a licence fee or a subscription per employee using the service.

In addition to employee wellness programs, Private Health Service companies can licence the content as another service for their individual policy holders or corporate clients.

Subscription services

The subscription costs will be charged to the individual members who use the service. The channel through which the members access the service will depict the revenue which Uweza receives from each member. The following are proposed member levels and subscription services,

- Member Level 1 – Free
 - Access exercise programs for personal challenge
 - Download written programs – 1 per month
 - Access forums relating to personal challenge
- Member Level 2 – £10/TBD per month
 - Have level 1 access
 - Download supporting videos for up to 2 programs per month
 - Email personal trainer once per week to ask advice (24hr response)
- Member Level 3 - £20/TBD per month
 - Have level 2 access
 - Download supporting videos for up to 4 programs per month
 - Email personal trainer twice a week
 - Schedule 1x30min instant messenger/web conference with personal trainer every 2 weeks

Shared subscription

Partners, who choose to partner with the Uweza branded service, by providing a section on their web site, will share in the revenue subscription for a period of up to 3 months, where the percentage received. Uweza would look to operate a model detailed below:

- 1 month revenue share – up to 75% of 1st months subscription
- 3 month revenue share – up to 25% of monthly subscription up to a maximum of 3 months

Competition

Uweza does not have any direct competition, however there are a number of segments that are competing for an individual's investment in their health, fitness and well being.

Health Clubs and Gyms

There are a number of large health club chains which have undergone a period of consolidation in the last couple of years, with Virgin buying Holmes Place and Next Generation buying Amida and the David Lloyd Group back from Whitbread.

Smaller more personal service gyms have been springing up, Curves, Movers and Shapers, the Cross-fit franchise from the US, Energie franchise from the UK and individual personal trainers have opened their own studios.

Online Health and Wellness Services

Fitbug is a new offering in the online space, they provide members with a pedometer, which counts the number of steps they take each day, with a minimum target of 10,000 (the recommended number for an active British adult).

Other well being providers include Tesco's healthy living plan, Weightwatchers and Rosemary Conley online diet and fitness clubs.

Online Video

There are a number of online instructional video sites, Howcast.com, wonderhowto.com, videojug.com, veoh.com. Each of these sites host large numbers of instructional videos, most of whom aggregate or encourage user generated content. Video jug is the exception as they have 3 professional production teams, in London, New York and California, who create the videos used on their site and also provide video creation services to corporate clients.

Online Sport and exercise videos

Sportskool is a video site aimed at educating users on the rules and skills of a range of sports.

Fitness.tv is a fitness video site, which has been created by Ford – a fitness modelling agency in the US. The site is not operating fully at this time and a number of the videos are not available to view.

Goswim.tv is a learn how to swim video site, where the online videos support and promote the sale of DVD's.

Virtualgym.tv is a UK service which provides an online video schedule of exercises and classes which can be viewed in members homes and downloaded to their own DVD's.

General View

It is assumed that there are more vendors than identified above, however, none appear to be mixing technology with content and using a similar business model to Uweza.

Uweza believe there is an opportunity for their service and business model.

Why has it not been done before

The Uweza concept is new to the market, however each of the components within the business model and technology platform are supporting successful business operations. Uweza is the first vertical market focused professionally created digital media vault and social network.

The Uweza management team anticipate a similar offering for one or more vertical markets will be developed within the next few years, if some are not being planned at this time.

Uweza believe that they are a few steps ahead of the market, but that similar offerings will be developed in time.

Operational details

Location and premises

Uweza will be based in West London.

Equipment needed

Uweza need to build a digital exercise vault, exercise program matrices and a suite of software applications. Uweza will employ a team of people who need office space to work from, hardware, software and other office support facilities to develop and produce the application, the marketing materials, a web site and corporate brochure to support the sales efforts of the company.

Strategic planning

Uweza are currently undertaking a direct sales approach in contacting prospective customers. The sales effort will be supported by the corporate web site being developed further and the development and implementation of both a strategic and tactical marketing plan.

Legal status

Uweza is in the process of becoming a Limited company.

Financial information

Uweza are looking to raise £70k in seed capital to a prototype and a further £750k to create the initial content block and build the suite of applications and to build a core management team in order to develop the business over the next 12 months. See the commercial model appendix III.

Funding to date

Julie Walker the Managing Director of Uweza, has funded the project to date – through using her savings to pay to create the first set of videos and provide her the time to develop the business proposition further.

Risks to consider

Industry

Uweza is a new entrant to a niche market with a new service which has the potential to create a paradigm shift in the market. In order to be successful, the market message and company position will need to focus on the unique selling points of the Uweza and its service benefits to the hotel, airline and car rental companies and in turn to their end customers.

Market

Uweza is looking to enter a growing market and therefore the expectation is that the growth in the market should have a positive effect on the sales and subsequent growth of the organisation.

The Product – The Applications Suite

The primary risk to the service is the product itself. The management team believe the product is a good fit for its target market but the delivery of the actual product on time and within budget will be a major factor in the success of the organisation and as such the funding of the organisation will need to be sufficient to support the management team in their goals.

Sales

If the marketing and sales activity does not generate sufficient customers in the required time, then the organisation may be at risk. If, on the other hand the highly targeted direct sales approach prove to be too successful and the growth of the organisation is not responsive enough to the demand being experienced then the use of the success of the organisation is at risk.

Research and Development

R&D is key to the future development of a software services organisation, and should be carried out on a cost against benefit to the customer base and the organisation itself.

Quality Assurance

It is imperative for any product to be of the highest quality. Therefore, a good QA process needs to be implemented in order to ensure the quality of the product and service.

Resource Constraints

Lack of the right resources with the right skill levels may impact the success of the project. Uweza aim to create a core interdependent management team responsible for recruiting additional team members as the project requires.

Capacity

If the capacity planning for the application suite is incorrect, then the individual projects will be in danger of having too little capacity, resulting in a poor performing application, or in having too much capacity, resulting in excess capacity incurring unnecessary additional costs. Uweza will endeavour to have flexible contracts with suppliers to provide a base level service which can be expanded to meet demand without incurring additional penalties.

Investment

Insufficient investment in the key areas of the organisation, technology, content creation and marketing may result in a reduction in competitiveness. Uweza will develop a business plan which will identify milestones and investment areas to maximise their ability to compete.

UWEZA

Information Technology

The core of Uweza is Technology and the application of technology to meet a specific business need. Therefore it is imperative that the application suite is secure, robust, and responsive and is developed using strict version control and quality assurance rules. It is important to have a contingency plan for a wide range of disasters from, corrupt backups to multi-mirrored applications across multiple locations.

Administration Blockages

Uweza is a high growth business which will endeavour to eradicate administrative overheads through manual tasks and internal administration bureaucracy which will hinder the free flow of information and service to the customers.

Business Management

Uweza is a new organisation and as such the management team will be a newly formed team, which up until now has not worked together in this dynamic. It is anticipated that there will be initial teething problems but it is hoped that with the professionalism of the individuals and the belief in the vision of the organisation the desire to build a new successful organisation will result in a positive resolution to any management issues.

Corporate Politics

It is hoped that as a new entity, Uweza will not be subjected to Corporate Politics, in the short term at least.

Cash Flow

The backbone of the organisation is the flow of cash into and out of the organisation. Uweza recognise the need to pay close attention to this aspect of the business, as it is this area which could bring down a great idea if not managed correctly.

Interest Rates

The cost of borrowing money will always be an issue for any organisation. It is hoped that the macro economic effect of a change in interest rates will not adversely affect the growth of the organisation.

Exchange Rates

Uweza will be a global business and it may therefore have to consider the effect of payment to the organisation in multiple currencies and the subsequent effect of the fluctuation of exchange rates.

Natural Disasters

Uweza will rely heavily on technology and therefore will ensure that there is a more than adequate disaster recovery and contingency plan in place for the business should a natural or other unplanned disaster strike.

General Risks

Uweza are aware that there are risks involved in the setup and running of a business. It is the intention of Uweza to identify and address the various areas of risk to the business but not to let the risks over shadow the opportunity to build a successful organisation.

Exit Options

With the increase in interest and investment in the health and fitness industry both online and offline, and the interest in new online business models, it is anticipated that, when successful, there may be a number of exit routes for a potential investor:

- Future new investment in the business
- IPO
- Uweza management buying out the investors
- Acquisition by a health and fitness provider
- Acquisition by an online content owner.

This is not an exhaustive list, but a selection of options and routes forward for the investment and management team.

Conclusion

Uweza is looking for a business and financial partner who can provide the initial seed capital of £70k for the prototype and assist in obtaining the seed capital to develop the first version of the platform of £750k and if and when necessary the funding of future growth of the organisation over a period of three to five years.

The Uweza Business Plan shows:

1. Uweza is a viable business proposition.
2. Uweza is a unique proposition, at this time.
3. There are a number of organisations who are offering a subset of the features and functionality of Uweza but no-one is combining the digital content vault and technology offered as a white label service for existing destination sites and service providers with an existing target audience.
4. There is a move by personal trainers to utilise technology to support their service and in some instances to create and develop their brand. There is also a move to use online video as an instructional tool, to support existing online and offline services. Uweza combines both of these areas to offer a new service, which is currently unique.
5. A substantial amount of work has been put into this project so far and this work is being advanced by a small team of skilled professionals who are interested in being involved in the project full time should adequate funding become available.
6. The level of success of the business and the timescale for return on investment of time and money will depend on the funds and resources made available to the project.

Uweza is committed to moving this project forward and taking advantage of the opportunity in the market place today.

Appendices

- Appendix I - Feedback emails
- Appendix II - User Scenarios & video descriptions
- Appendix III - Uweza Financials and business model
- Appendix IV - Online Fitness and ADDLeisure
- Appendix V - Online Instructional Video
- Appendix VI - Lifestyle Channels and lifestyle focused Ad Networks
- Appendix VII - Management CV's

Appendix I

Feedback Emails

Appendix II

User Scenarios & Video Descriptions

Appendix III

Uweza Financials and Business Model

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Online Fitness and ADDLeisure

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Lifestyle Channels and lifestyle focused Ad Networks

Appendix VII

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