

Industry: Vehicle Rentals

Market: \$5 Billion

Stage: MVP/Prototype

Location: Boston, MA

Comp1: Freedom Boat Club (400+ Franchises)

Contact: info@highspeeddirtclub.com

Phone: 617-500-3458

Invest: melincompany.com

Ask: \$50K as Angel / Advisor

Comp2: RV Rentals (\$200M, Global)

VALUE PROPOSITION

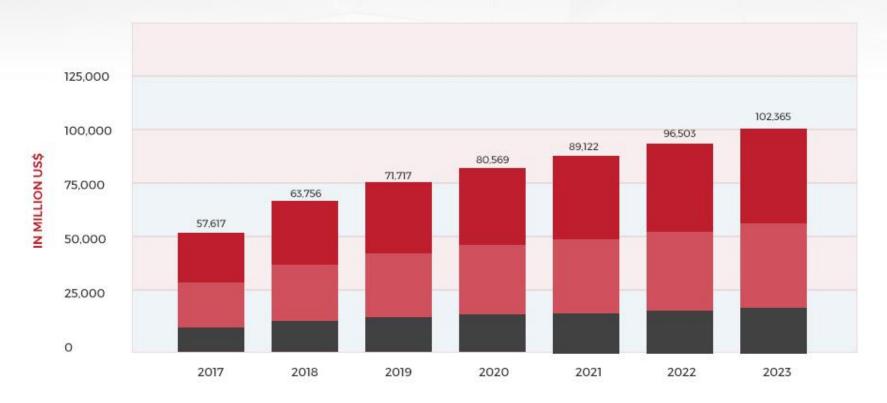
High Speed Dirt Club (HSDC) offers dirt bike riders an alternative to buying costly Dirt bikes and associated gear, trailers, towable truck, and supplies. Entry price is \$5000-\$10,000 which is often out-of-budget for the target market of young 18-30 yr old professionals. Motocross and Trail Riding is growing in popularity with women riders and new mobile reservations "app" technology is ripe for main-stream adoption by millennials who are eager for "experiences" (UBER, Groupon, AirBnB, etc).

The Freedom Boat Club® has proven that a complex rentals-based business model can be successfully scaled up to hundreds of national retail locations with a waiting list of franchisees buying up sales territories both in USA and internationally.

High Speed Dirt Club™ was Founded by city-dweller Eric Melin who was frustrated that he did not have a place to store dirt bikes for occasional weekend trail riding — HSDC appeals to both enthusiast users who might ride regularly and during weekdays but limited by budget and are seeking value — and convenience users like Eric who might only want to rent a few weekends per year.

HSDC will have 5 Corporate-owned locations in the New England market (MA, NH, VT, ME, RI, CT) and 435 Franchise territories across the USA. International after year 5.

MARKET STATISTICS



- The off-road motors market (dirtbike/enduro/dunebuggy/etc) is each year¹
- Motorcycle/Dirt bike sales is expected to grow at a rate of 10% each year through 2023²
- Freedom Boat Club (nearest Comp) has proven a successful Club/Franchise model.
- Online rentals/bookings market expected to reach \$68 billion by 20253

¹ Creditcards.com Sporting Events Spending Poll

² Statista Market Forecast –ts

³ Grand View Research Report: Online Event Ticketing Market Size, Share & Trends Analysis Report By Platform (Desktop, Mobile), By Event Type (Sports, Music & Other Live Shows, Movies), By Region, And Segment Forecasts, 2018 – 2025

HOW IT WORKS

High Speed Dirt Club (HSDC) offers dirt bike riders an alternative to buying & maintaining costly Dirt bikes and Gear.

1. Signup/Reserve & Pay Using Our Mobile App



4. Choose a desired trail location; we provide maps, GoPro Cameras, helmets, clothing, gas & energy drink.



2. Drive to nearest HSDC Storage Partner Location



5. Enjoy an 8 hour day; actually Riding!



3. Choose from 50cc, 125cc, 250cc, 450cc, enduro, ATV, or Dune Buggy; up to 4 bikes on a pre-loaded trailer.



6. Simply Drop off by 9pm; go home; **no** need for cleaning or costly maintenance.



OPPORTUNITY: SHARING ECONOMY

Early Adoption:

Bikes, Scooters, Cars...



60% of trips in the US



25% of trips in the US

MAVEN SEE

15% of trips in the US

Rapidly Growing now:

RVs, Boat Clubs...









Future Growth Opportunity:

Dirt bikes, Snowmobiles, Jet Skis, ATVs, Exotic Toys...



RECREATION INSURANCE & LIABILITY

Ski Resorts, Athletic Fields, Skate Parks, Jet Ski Rental Firms, Scooter Rental Shops, Boat Rentals, and RV Rental Firms are well aware of the Costs associated with "Outdoor Recreation Insurance" – preliminary research suggests that HSBC can expect to pay approximately \$300 per \$1M in coverage – or approximately 20% of overall fixed costs. Insurance complexities drive decisions on adding equipment.

HSDC is not just for dirt-bikes – but we believe we need to be laser-focused in the early phases; <u>after</u> a successful roll-out and proof of concept in 20+ locations of just dirt-bikes and perfect how to serve this demographic – <u>then</u> we will add ATVs, Jet Skis, Jet Boats, Hover-craft, Parasail, Snow-Crafts, and other exotic sports in the outdoor recreation equipment rentals via a vote among existing franchisees.











GO-TO-MARKET STRATEGY

Key Factor: Low Cost Franchisee Model

FRANCHISEE

- In USA, each Franchisee owns exclusive sales territory, mapped to US Congressional Districts (based on Population).
- Franchisee's have low startup costs (\$28k cash requirement) and a very low footprint (no real estate needed operated from Home Offices with Storage Units) appealing to first-time-franchise buyers.
- Franchisee's can operate businesses PART-TIME with lock-boxes & cameras installed at Storage Units they only need to visit location nightly for 1 hour of cleaning, organizing, inventory checks, etc.

PARTNER RELATIONSHIPS

- Develop partnerships with corporate sponsors (Energy Drinks, Big 5 Factories, etc.)
- Gain access to public land via active industry associations; land conservation, outdoor/wildlife groups, safety groups, and other pro-outdoor living brands (Bass Pro Shops, etc.)
- Promote via industry groups like American Motorcycle Association.

MOBILE STRATEGY & MOBILE APP

The reservations industry has been transformed by mobile apps and mobile commerce. UBER & Lyft have transformed taxi industry. AirBnB has shifted short-term apartment rentals. The **High Speed Dirt Club** App is more than a place to book a reservation – our proprietary mobile app called: "DYRT" allows users to book a reservation for a trailer, and 1, 2, 3, or 4 bikes for 8 hours at a time.

"DYRT" – The Mobile App





PARTNERS / AFFILIATES / SPONSORS













HSDC affiliates with one brand in each of the following 12 categories: Factory Bikes, Self-Storage, Banking/Finance, Technology, Power Bars, Photography, Trailers, Advertising, Motorcycle Clothing, Helmets, and Energy Drink. Sponsorship Contracts are 3 yrs, renewable.





















EXECUTIVE TEAM



Eric Melin Co-Founder & CMO / CTO

SaaS & Search Marketing Exec. 20+ yrs. experience in investment banking, FinTech, RegTech, and Google / SaaS technology. Serial Entrepreneur w/ successful exits. Owns/Operates an Advertising Agency and Venture Incubator.

Based in Cambridge Mass.



Recruiting-in-Process
Co-Founder & CEO

Seeking a CEO Co-Founder who wants to make HSDC his/her "full-time" venture. CEO should have venture/startup/leadership experience but need not have dirt-bike/motocross industry experience. Franchise sales experience a plus. Focused on Revenue Production / Franchisee Growth. Part-Time expected until economics allow.

Ideally Boston, NYC, or SF



Recruiting In-Process Co-Founder & COO

A Co-Founder and COO should be responsible for the day-today operations and growth of the firm – with industry connections, and some direct industry work experience. Need not be a "full-time" role during startup phase but willing to leave industry upon economic opportunity.

Ideally located or employed already in a moto-related job or career.

ADVISORS

Based in Boston and New York, our team has prior exits in Technology and Automotive Ventures.

HSDC is actively building a 11-person Advisory Board; advisors have a low time commitment of 2 hours per month and a quarterly conference call.

Advisors do not need to have an interest in dirt bikes or motocross as we are sourcing advisors from different industries & experiences.

Needs: Startup/Franchise Lawyer, CPA/CFO, Investment Banking, Pro Athlete, Japanese Speaking Exec, Motorcycle Factory Exec, Storage Industry Exec, Insurance Exec, Outdoor Conservation & Land Use Expert.



Co-Founding team

ROLES & RESPONSIBILITIES:

CEO:

Teambuilding, Meetings, Sales, Incentives, Legal, Contracts, Task Master. Venture Competitions.

CMO:

Marketing, Product Design, Community Building, Sourcing & Manufacturing.

Part-time-CFO:

Fundraising,
Banking, Investor
Pitchdeck, CRM,
Suppliers/Vendor
Management.

COO:

IP, Marketing, Admin, HR, IT, Bookkeeping, Systems, Communications.

Team: 4 Co-Founders (CEO, CMO, CFO, COO). Part-time for 24m during startup phase; fixed weekly meeting for 30 Minutes per week on Skype. 12

MEMBERSHIP PRICING: \$50 per day of riding

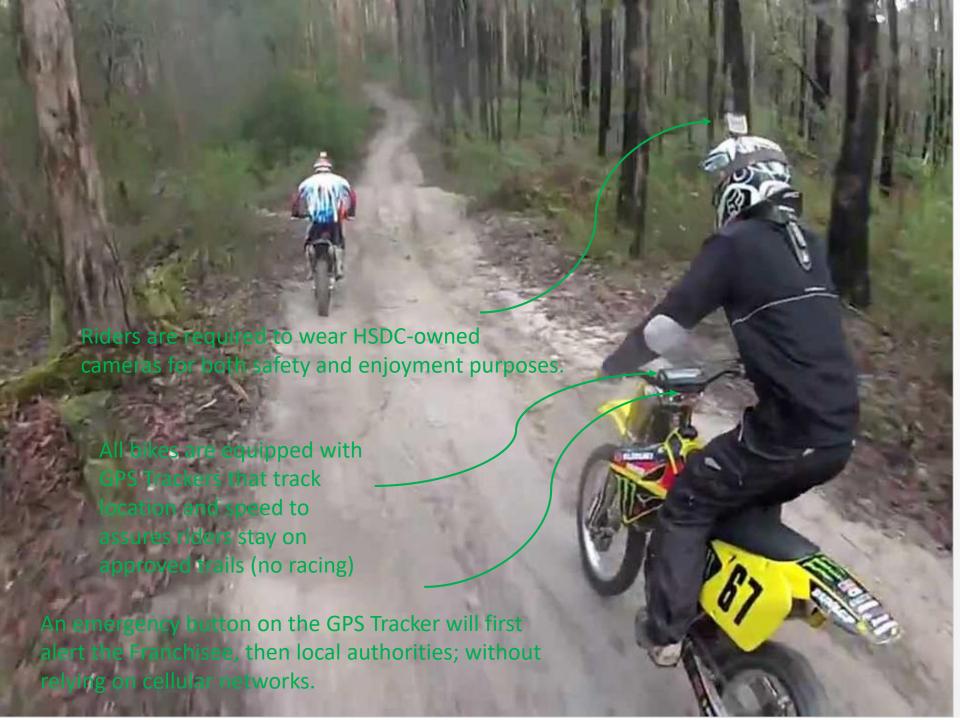
Similar to a Fitness Club, or a Boat Club - the High Speed Dirt Club is designed for dirt bike riders and outdoor enthusiasts who want a simple way to go riding without all the hassles and expenses of owning, maintaining, and storing equipment. You drive-in to a storage location nearest to you, load 2-4 bikes to a trailer that is already gas'd up and ready...then drive-away to enjoy your weekend. Boots, Helmets, Gloves, Pants, Gear, even Granola Bars and Energy Drinks are Included!

\$1997 is a one-time membership buy-in which includes first 2 weeks usage. Pay as little as \$50 per day of riding! Annual Membership dues are determined by the Franchisee. Clubs limit members to assure availability. Territory managers (franchisees) have full discretion on new members accepted and annual dues vary by territory, however, a typical member might expect:

\$1997 one-time fee lifetime per family name. \$497 annual dues * 2 wks per year usage is: 14 r days / \$2494 = \$177/day in year 1 28 r days / \$2994 = \$107/day after 2 yrs 42 r days / \$3488 = \$83/day after 3 yrs 60 r days / \$4482 = \$74/day after 5 yrs 140 r days / \$6969 = \$50/day after 10 yrs * Annual dues will be negotiated with your territory manager based on expected riding days per year - and if you are trading in any assets to defer membership costs. All members pay \$1997 upfront which is 20% of the cost of 2 bikes, gear and a trailer (\$10K+). Year 1 estimated daily rate of \$177/day includes up to four bikes - which is \$44/each per day per bike - without factoring costs for maintenance, gas, oil, equipment, etc.

Low Franchisee Cash Requirement: \$28,000

Franchise Cost			
One-Time Franchise Fee:			\$20,000
Working Capital Requirement:			\$20,000
Equipment / Gear / Inventory Costs			
(2) Trailer	2	4500	9000
(2) 450cc Dirt Bike	2	7000	14000
(2) 250cc Dirt Bike	2	7500	15000
(2) 125cc Dirt Bike	2	7000	14000
(2) 80cc Dirt Bike	2	6500	13000
(2) 50cc Dirt Bike	2	4000	8000
(1) ATV or Snowmobile, or Dune Buggy	1	7000	7000
Pressure Washer, Gas Cans, Stands, etc.	1	3000	3000
20 Helmets for various size persons	20	110	2200
Clothing/Boots/Pants/Gear for 20 Sizes	20	130	2600
Opening / Other Startup Costs			
Labor/Training/HR/Paperwork			2000
Advertising/Marketing			2000
Web/Tech/IT/Mobile App & Systems			1000
Storage Unit Upfront 12M Rent & Security Deposit			4000
Insurance Down Payment			2000
Accounting/Bookkeeping/Payment Systems			500
Permiting, Legal, Regulatory			1500
Misc/other			1000
TOTAL STARTUP COST TO FRANCHISEE			\$141,800
Expected Financing Terms: 80% @9% APR	Cash Requ	\$28,360	
Expected Financing Terms: 50% @4% APR	Cash Requ	iired =	\$70,900



Simple Revenue Model

Sales Funnel

Trade Shows, Social Media, SEO, Promotions, Co-Partnerships, Wildlife & Outdoors Groups, **Telemarketing** Direct Mail, etc.

Franchisee

Average of all Assumes 45 45 Franchisees locations + 5 after 5 years. **Corporate Held**

\$1997

\$497

500

= \$1.8M or \$8M

Franchisor

1- Time Upfront **Membership Dues per** Family (same cost, all locations)

Average Membership Annual Dues (varies by location)

Members per **Sales Territory** after 5 years, at an **Average Producing** Franchisee Location.

Total 5 Years Revenue Generation. (Per Franchisee at 91% of total **Gross Profit)**

Total 5 Year Revenue Generation (Franchisor, @ 9% Royalty)

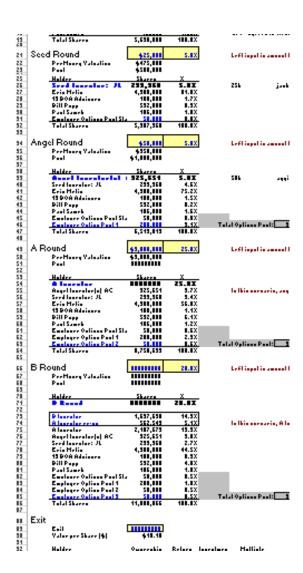
Approx. Net Profit (income) Per Year at year 5:

\$332,000

\$1,600,000

OWNERSHIP

- Clean Simple Cap Table
- Traditional: Seed, Angel, A, B, C
- Seed founding by Founders
- Advisors at Angel Level
- Founders own 100% as of today.
- FMV at \$500K for Angels/Advisors
- \$50K for 10% Voting/Founders Shares



FINANCIALS

- Too Early for Accurate Financial Proformas
- HSDC will own 1st five Corporate Locations
- HSDC operate via standard franchise term sheet
- Business Model is a simple fixed 9% Royalty
- Simple Rollout plan and no build-out allows rapid opening 3+ Locations per month
- Breakeven within 36 Months

Cark Receiptr	Jan	Feb	Her	Arr	Her	Jane	July	Aug
SALES COLLECTIONS:	20,000	25,000	28,000	33,000	47,000	54,000	58,000	55,00
20×rame month			5,600	6,600	9,400	10,800	11,600	11,00
60% first munth aftersale			15,000	16,800	19,800	28,200	32,400	34,80
18%second month aftersale			3,600	4,500	5,040	5,940	8260	9,72
Other cash receipts			250	50	380	160	400	10
TOTAL CASH RECEIPTS			24,450	27,950	34,620	45,100	52,660 F	55,62
CASHDISBURSEMENTS:								
Wager			15,680	18,480	26,320	30,240	32,480	31,14
Такол								
Pa	yrall		532	628	987	1,011	1,375	1,160
Pr	aporty		0	0	400	0	0	
Transportation			790	840	1,380	1,525	1,780	1,645
Ropairs & maintonanco			375	450	575	625	700	675
Fieldrupplier			650	800	1,050	1,240	1,500	1,375
Rent			500	500	500	500	500	50
Utilitiaz			100	110	130	140	150	14
Tolophano (including yollau			450	575	800	950	1,075	99
Entortainment			200	200	200	200	200	20
Inzurance								
Me	Ilpractico		0	9,000	0	0	0	
To	nant's		0	0	1,500	0	0	
Av	to		0	0	0	500	0	
Licenses			0	0	0	1500	0	
Mircellaneaur			210	340	425	490	510	50
TOTAL CASH DISBURSEMENT	s		19,487	31,923	34,267	38,921	40,270	38,33
END OF MONTH BALANCE								
Boginning carh balanco			5,000	9,963	5,990	6,343	12,522	25,11
+ carh receiptr			24,450	27,950	34,620	45,100	52,660	55,62
- carh dirburromontr			19.487	31.923	34.267	38,921	40.270	38,33
CASHEND OF THE MONTH			9,963	5,990	6,343	12,522	24,912	42,39
(REP	AYMENT)		. 0			. 0	0	
	or							
(BOF	ROWING)		0	0	0	0	0	
CASHEND OF THE MONTH			\$9,963	\$5,990	\$6,343	\$12,522	\$24,912	\$42,39
Hinimum Cark Balance	\$5,000							

4480 000

11,000

10,000

12,750 7,400

11,200

\$3\$4,405

Notralar

Operating expenses: Labor expense Gar expense Telephone expense Equipment repair expense

Insurance expense
Rent expense
Depreciation expens

Liconro expenso

Payralloxponzo
Officozuppliozoxponzo

Mircellaneaurexpenses

Total operating

OUR ETHOS

HSDC (High Speed Dirt Club) was founded by dirtbike riders for dirtbike riders with the simple goal of making riding easier and more accessible to riders who lack financial means or storage capacity to maintain numerous bikes for occasional (non-race) recreational use, family riding weekends, and trail riding.

Founded in New Hampshire in 2018, we believe that the great outdoors is the ultimate natural playground and live-free-or-die is more than a state moto - it is the foundation upon which all else is built.

We respect our wilderness, our natural wonders, and our neighbors' right to peaceful and quiet enjoyment of the same. We believe all should be able to experience joys of riding outdoors regardless of gender, geography, age, physical ability, or economic status. HSDC is an ambassador to a new outdoor lifestyle.

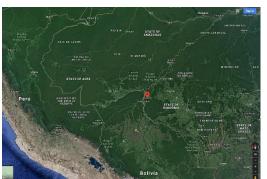
We believe a conscientious and balanced approach to motorsports can contribute to the natural ecosystem and add respectability and maturity to an activity previously considered a nuisance. We believe corporate advertising dollars can view motorized trail riding (some soon-to-be-electric-powered) with the same nod of classic admiration as kayaking, fly-fishing, or old fashioned trail hiking. While our name is a nod to times past; Brand alignments do not need to be sliced and pigeonholed into teenagers with heavy-metal and energy drinks.

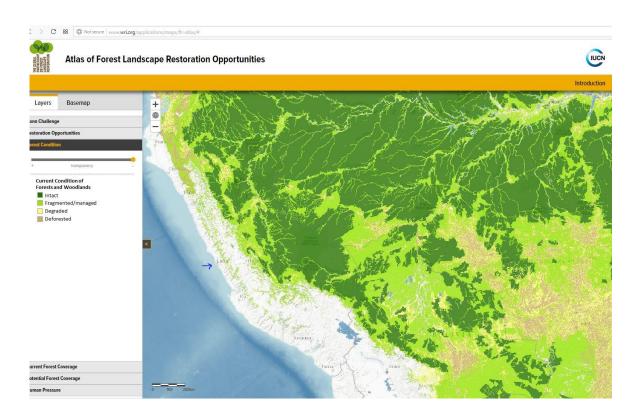
Much like motorcycle clubs in the 1950's - HSDC Members and franchisees are encouraged to bring there own ideas and social components, not corporate rigidity. Membership in HSDC is designed for people who might not otherwise be able to afford riding or enjoying nature-at-high-speeds. Rates start at \$50 per day. Similar to a ski weekend, or family camping weekend, our members are often seeking 'staycation' family recreation options that can be enjoyed without costly hotels, airfare, or long travel.

SOCIAL IMPACT: 1 Rental = 1 Hectare

HSDC (High Speed Dirt Club) has pledged to give back by purchasing virgin rain forest in the Bolivian Amazon river basin. For every rental-day of riding booked – 1 Hectare of Rain Forest will be preserved in a Land Trust. We have identified regions of the greatest human pressures causing deforestation and degradation to forests around the world. 1 Hectare is approx. 2.5 acres – or about the size of a soccer field. Our Goal is 1,000,000 Hectares or 3861 square miles; 2,471,050 acres (bigger than Rhode Island, smaller than Connecticut). Source: Atlas of Forest Landscape Restoration Opportunities by The Global Partnership of Forest Landscape Restoration: http://www.wri.org/applications/maps/flr-atlas/#







FINANCING AND USE OF FUNDS



USE OF INVESTMENT FUNDS

- Platform Development web and mobile application
- Hire Key Personnel engineers, developers, customer support team
- Establish a Board of Directors with Governance, Legal, and IP Protections
- Sales & Marketing Processes advertising, search optimization, PR
- Build Franchise Systems/Processes; buy/deploy in first market testing.

EXIT POSSIBILITIES FOR EARLY INVESTORS

A travel Company looking to expand product offerings via strategic relationship with Auto Rental vis-a-vis a new demographic.











Budget



National



A "sharing economy" brand wishing to add brand to portfolio for youth marketing.



M Drive Now





KKR

BainCapital









JustPark HIPCAMP



Likely -**Operational M&A**

A competitor or Similar Business Model (Boat Club, RV Club, etc.)





stone Group

CVC





Possible -**Competitive M&A**

A PE addition to portfolio.

A big 5 "factory" brands wanting to expand consumer marketing foot-print.

IPO is most likely in USA, although UK, DE, EU considered)









Possible -**Private Equity**









THE CARLYLE GROUP

WARBURG

PINCUS



Plausible - Factory











Unlikely -**IPO**



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Stage: MVP/Prototype

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Contact: info@highspeeddirtclub.com

Phone: 617-500-3458

Invest: melincompany.com

Ask: \$50K / Angel / Advisor

The end

Exhibits & Additional Slides:

Inventory Owned by: High Speed Dirt Club, Inc.

As of June 2019, the Corporate Entity Owns:

- 1 Jeep
- 1 Trailer
- 14-Wheeler





- 3 Young Adult Dirtbikes
- 2 Child / Mini Dirtbikes
- 8 Assorted Helmets, Gear, Gas/Oil, etc.











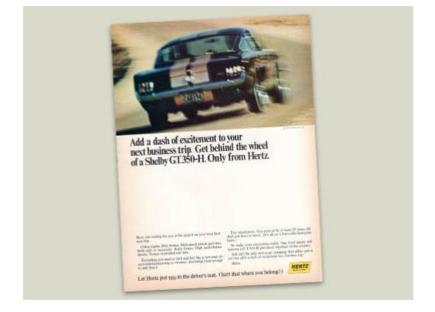
Three Simple Ownership Tiers:

- 1) **Investors** in the HSDC Corporate Entity own Pro-Rata shares in all Assets of the Company, including Company Owned Inventory and 5 Corporate held Territories.
- 2) **Franchise Owners**/Partners own Exclusive Territory Rights and maintain 100% ownership interest in all Assets purchased in that territory. Corporate RFR for sales.
- 3) **Members** in the Club hold usage rights, similar to a Boat Club or Fitness Club. Fixed 1-time Lifetime expense of: \$1997 to Buy-into Club (per person, non-transferable).

Buy a New Boat			Sample Boat Club				
Purchase Price	\$15,000						
Boat Length	20			Year Round Plan			
Monthly Payment (From Calculator)	5338						
	1st Year	2nd	3rd		1st Year	2nd	3rd
Down Payment 10%	53,500	56	50	Membership Entry Fee	\$5,500	58	50
Tax, Title & License	\$1,200	560	560	Tax, Title & License	50	-58	50
Dock Unes, Life Vests, Anchor etc	5300	50	50	Dock Lines, Life Vests, Anchor etc	58	50	50
Incurance 1.5% Value	5525	5420	\$357	Insurance 1.5% Value	50	5e	50
12 Monthly Payments (10 Year Loan)	54,656	\$4,056	54,056	Year Found Membership 5249 month:	52,988	52,988	52,98
Deprecitation (20% first year 15% thereafter)	57,000	54,200	53,570	Deprecitation (20% first year 10% thereafter)	50	58	50
Maintenance/Repairs	5500	\$700	\$700	Maintenance/Repairs	50	58	50
Storage (S12.50 Foot Dry Storage)	\$3,000	\$3,000	\$3,000	Storage (\$12.50 Foot Dry Storage)	50	58	50
Total Cost Year	520,081	512,496	\$11,743	Total Cost Year	58,488	52,988	52.94
Total Monthly Cost	\$1,673	51,036	\$979	Total Monthly Cost	5797	5249	524
Total Cost After 3 Years	\$44,260		0	Total Cost After 3 Years	\$14,464		4

Exit? Will a big Rentals Car Company ever want to buy a HSDC startup?

They've done similar projects before – before the days of GPS tracking, smart-phones, and IP Cameras.



Hertz "Rent-a-Racer" Program

Over 50 years ago, in September of 1965, the General Manager of Shelby American, Peyton Cramer, and the Hertz Corporation came to a brilliant business agreement: They would offer the 1966 GT350-H as a rental car through the now-famous Hertz "Rent-a-Racer" Program. This deal created 1,000 Shelby Mustang GT350-Hs for use in the Hertz rental fleet, allowing customers to do more than just rent a standard rental vehicle for their needs.

A brochure from 1966 introduced the cars to eager renters, "These cars are available to business travelers who want a change of pace in motoring, by sports car owners away from home and by vacations who consider driving an enjoyable sport."

The "Rent-a-Racer" Program inspired more customers to rent with Hertz (who wouldn't jump at the opportunity to rent their dream car for the weekend?), while also creating more potential buyers for Shelby Mustang – talk about a genius business idea.

Members of the Hertz Sports Car Club in 1966 who were 25 years of age or older would simply pay \$17 per day and 17 cents per mile (a pretty great deal for the time) and get to drive away from the Hertz

Marketing Content

HSDC (High Speed Dirt Club) was founded by dirtbike riders for dirtbike riders with the simple goal of making recreational trail riding easier and more accessible to riders who lack financial means or storage capacity to maintain numerous bikes for occasional recreational use, family riding weekends, and trail riding. Up to four bikes are ready to be enjoyed for trail riding any weekend - although no racing or moto-x is permitted.

- Rent Dirt-bikes & ATVs for as little as \$50 per day.
- First Electric Motorcycle and Electric Dirt-bike Club dedicated to decreasing noise pollution while promoting motorsports.
- Low Membership Commitments
- Fully Insured Zero Damage Liability
- Family Friendly smaller bikes available.
- Ditch Uber...Start a HSDC Franchise (Part-Time Income Opportunity)
- Current Members Login
- Not a Member? Request Free Information.



FAQs

- Q: Can I be a passive Owner/Investor?
- A: Yes, we have qualified territory managers who will manage your assets and location(s) for a small stipend.
- Q: Can I buy all bikes myself?
- A: Yes, territory managers are always buying & selling and updating the inventory. It is your inventory to manage as you best determine. You must only maintain the minimum specs.
- Q: Are territories available outside of USA?
- A: Soon. Only USA at the moment.
- Q: Do I need experience to operate my territory?
- A: No! We provide necessary training and ongoing support.
- Q: How do I find storage locations which support drive-in access?
- A: We have relationships with leading storage companies. No negotiations or lease signatures are needed.
- Q: How do I buy or sell bikes?
- A: Generally our territory managers enjoy the buying/selling of inventory; help is always available if this is a concern.
- Q: How does equipment get cleaned after rentals?
- A: Dirtbikes get dirty...we ask Members to bring bikes through a drive-in professional pressure/power wash location after each use.
- Q: Do I need to do repairs or mechanical work?
- A: NO. We encourage territory managers to bring inventory regularly for servicing to certified mechanics. We provide training for basic repairs and maintenance items such as gas, air, oil, air-filters, anti-freeze, tires, etc.
- Q: What are insurance requirements?
- A: Great Question! Much like skiing where 60% of ticket cost goes to insurance; insurance requirement are complex, expensive, and daunting at times but you will be fully protected from liability.



Electric Dirt bikes are closer than you might think...

The Factories are heavily invested and once in full production – expect that the industry will experience a revival similar to e-bikes.



