

# **MER-ZIN Napa, LLC**

## **SUMMARY**

MER-ZIN is an audience participation comedy. Focused on the phenomenal region of the Napa Valley and the wine business, the interactive stage show features comedy and wine education in a fun setting. Interactive theater is drawing large audiences worldwide.

Written by Robert Battaile and Bonnie Zimmermann, two of Napa Valley's media and theater producers, MER-ZIN takes the audience on a Wine Tasting and Tour. Different groups of audience members will be part of the different scenes. As they get their pours at the "Caves," the "Cellar," the "Scenic Overlook" or the "Crush Pad"... the audience tastes that same delicious wine from the glass in front of them. Perhaps a complex Bordeaux blend with Asiago cheese, then Cabernet Franc, a Malbec, and the finalé – a Tawny Port and caramelized walnuts.

Our plan is to rent a venue and stage the show from April thru October for 60-80 people on Thursday, Friday and Saturday nights with occasional Sunday matinees. With seven great wines, three food pairings of cheeses and chocolate, genuine wine education and tons of jokes... MER-ZIN is an excellent entertainment value for a \$60-70 ticket price.

MER-ZIN revenue streams include the show tickets, wine sales and orders, merchandising, and franchise opportunities. MER-ZIN will become part of the Napa Valley experience – a "must-see" tourist attraction. Many large cities and tourist destinations are excellent candidates to mount their own one-night fundraisers or long-running productions thereby paying licensing fees and purchasing selected Napa Valley wines thru MER-ZIN Napa LLC.

### **TOURISM IN NAPA GENERATES OVER \$1.3 BILLION ANNUALLY**

Statistics from the Napa County Economic Impact Study says it all. There are over 4.7 million "person trips" per year. A "person trip" equals one person visiting for one day. Napa Valley visitors are more mature in age, more educated and command a much higher household income than the U.S. and California average. More than half the respondents in the study reported a household income of \$100,000 or more. There were more managers, executives and professionals than other occupational categories.

However, there are not many evening activities for tourists. There are no evening wine tastings to speak of and virtually no places where you can taste the wines of several outstanding world-class Napa Valley Wineries in one location.

### **INTERACTIVE THEATER GENERATES SIGNIFICANT REVENUE**

*Tony n' Tina's Wedding* has been performed in New York for 22 years, ending its run on July 25, 2010. It has been staged in over 100 locations worldwide, and is currently playing in Las Vegas and several other cities around the globe. Currently they offer seven shows per week. Ticket prices for the show are \$88.50 for general admission and \$115 for VIP tickets. Alcoholic beverages are not included in the price of the ticket.

*Steve Silver's Beach Blanket Babylon* is the longest running musical revue in theatre history. With more than 12,000 sold-out performances since 1974, Beach Blanket Babylon is an internationally acclaimed San Francisco institution. They offer seven shows per week. Ticket prices for the show range from \$25.00 for general admission ranging to \$130.00 per ticket for box seats. Alcoholic beverages not included.

*The Soprano's Last Supper* started in Vegas in 2006. The HBO's Soprano's tribute show might be the best interactive dinner theater on the strip. The Las Vegas show runs seven times per week. Ticket prices for the show and meal are \$64.90 for general admission and \$108.90 for VIP admission. Alcoholic beverages not included.

## **REVENUE STREAMS**

**1. Show Ticket Sales** - It is a challenge to determine the best ticket price for a new venture. Based upon local competitor's pricing, we believe we've found a profitable balance between value, perceived value, revenues needed and investor return. These are modeled based upon show prices of \$60 for Thursday and Sunday; and \$70 on Friday and Saturday. We are seeking a venue that can accommodate an audience of 80-100 people at tables. If audience demand warrants, we will add additional shows.

**2. Bottled Wine Sales** - Projections show bottled wine sales for offsite consumption to be nearly one-third of our revenue. We plan to contract with key Napa Valley Wineries to pour and sell their best wines. Normal trade discount at Tasting Rooms is 30-35% off retail prices. We plan to get 40% or more off our prices by purchasing direct from the Winery, and by telling their story and promoting their wines. We expect to get even better discounts on some "library" and older wines that are still drinking well but maybe not jumping off the tasting room shelves. As the show's popularity grows, we may get even better deals. We plan to negotiate 90-day terms for our wine purchases.

**3. Merchandise** - A limited number of items will be carried. Many are "educational" and mentioned in the show. Some are traditional sales leaders like olive oil and chocolate. Others items will be more unique, like palate-cleansing water, lighted wine bottles and MER-ZIN logo wear.

**4. Franchise Show Performances and Wine Sales/Orders** - Several interactive shows are performed in multiple cities, in one-night tours or on cruise ships. To perform MER-ZIN, the show must include the famous Napa Valley Wines and they must be purchased through or with a benefit to the LLC. One night Fun'draisers and Charity Events likewise can be an excellent source of revenue. The Four Year Projections show expanding from 3 to 8 to 15 franchise cities.

## **MARKETING**

MER-ZIN offers tremendous marketing opportunities by presenting a collection of ideas and products that have broad appeal to wine lovers everywhere. Our marketing campaign will employ both traditional, direct-to-consumer and the latest social media, wine blogs and "viral" marketing techniques including:

### **EMAIL MARKETING**

Sending marketing messages through email is one of the most widely used direct-marketing methods. According to one study, email is used by 94% of marketers, while 86% use direct mail. One reason for email marketing's popularity is that it is relatively inexpensive to design, test, and send an email message. It also allows marketers to deliver messages around the clock, and to accurately measure responses.

## **ONLINE ADVERTISING**

With the expansion of digital technology and tools, direct marketing is increasingly taking place through online channels. Most online advertising is delivered to a focused group of customers and has a trackable response. This can include display ads, banners, search engines, social media sites, mobile marketing, QR codes, and digital coupons such asgroupon.

## **TRADITIONAL MARKETING**

The traditional marketing campaign will include print, radio ads, insert media, coupons, out-of-home direct marketing that contain a call-to-action for the customer to respond based on target based demographics.

## **FINANCING**

Our goal is to raise \$120,000 for the MER-ZIN Stage Show, Wine Sales and Franchising. Writer-Producers Robert Battaile and Bonnie Zimmermann will produce the project for CALEXAS INC., their media production and marketing company. MER-ZIN Napa, LLC will be formed for the purpose of raising \$120,000 to stage the show and run from April thru October annually. Thirty Units of \$4,000 each valued at 1% (one percent) are offered.

Comprehensive spreadsheets have been created to evaluate revenues from ticket sales, bottled wine sales and orders, merchandising and franchising over a four year period. Over four years, the initial investment has been repaid with 20% return and generated an additional \$200,000 for the investors based upon a 30% share of MER-ZIN Napa LLC.

Our Projections start with an average attendance of 58 per show in April and grow to 74 per show in October. During Years 2-4, Napa local attendance and revenue are shown to grow at 5%, 7% and 3% respectively. Depending on the timely success of fundraising, we could begin pre-sales of tickets immediately upon receiving our Liquor License.

Upon determination of the venue, an Application for a Category 42 Wine and Beer License will be made. This license also allows us the "privilege" of selling wine bottles. Since this is an "unrestricted" license (unlike hard liquor licenses in Northern California), they are usually issued within two-three weeks in most cases.

Funds will be held in a Trustee Account until at least \$50,000 in cash or good and services have been raised, at which time the funds will be released.

We feel Napa is poised for a renaissance if a robust mix of art, creativity and entrepreneurship can rise with a growing tide of quality tourism. We plan to have the enthusiastic support of the Napa Valley Destination Council, Napa Valley Arts Council, Chamber of Commerce and others. Locals and their visiting guests will be an on-going source of revenue.

MER-ZIN can become an exciting attraction for the region – an educational and fun wine-tasting show that runs for years and years.

*Please visit [www.mer-zin.com](http://www.mer-zin.com) to review the **Business Plan** with over fifty pages of business strategy, company and producers info, show description, LLC legal documents and the comprehensive Financial Projections.*