



## **CLUB 9 SPORTS Management Fees**

### ***Three Simple Reasons Why the Management Fees are a Good Investment***

*At a minimum, CLUB 9 SPORTS has identified £600,000 in cost savings in the first year and will add additional value and services that will increase existing revenues and long-term value as follows:*

#### **EXECUTIVE STAFF & EXPERIENCE**

CLUB 9 SPORTS will bring into SWFC several executives who are specifically experienced in marketing, selling and managing professional sports and entertainment teams, events, brands and venues. As an example, the current CEO of SWFC is believed to be paid £220,000 per annum, which is more than half of the annual £420,000 management fee that CLUB 9 SPORTS would receive. CLUB 9 SPORTS will bring the services of four senior level people to the club. The current CEO of SWFC has no past experience in sports, entertainment or venue management or marketing and no experience involving the sport of football. The executives that CLUB 9 will bring to SWFC have worked with major league teams and venues in the US and have deep experience in subject matters such as corporate sponsorship, tickets sales, event production, event marketing, sports facility development, naming rights, concessions & catering, premium seat & suite offerings, and corporate turnarounds. As a result of these executives and the implementation and execution of their strategies, SWFC will produce significantly greater annual revenues.

#### **COST SAVINGS**

CLUB 9 SPORTS will reduce certain costs it finds inefficient in the on-going operations of SWFC. For example, it will eliminate the unnecessary hiring of outside firms that do not produce sufficient results (we have identified over £200,000 of potential annual savings in this area). It will discontinue the pursuit of company objectives it does not believe are consistent with: giving fans a better experience; increasing revenues; or increasing winning percentage. After a thorough review of staff, CLUB 9 will eliminate or replace personnel that it does not believe are making significant contributions to the goals above. Where necessary, it will discontinue the pursuit of businesses that it believes are not part of the core mission of SWFC or where it believes the club is not capable of managing profitably. As a result of these measures, significant value will be created in excess of the annual fees. As another example, the reduction in the current debt negotiated by CLUB 9 SPORTS will save the company approximately £200,000 per annum.

#### **INTERNATIONAL PLAYER DEVELOPMENT**

As part of its strategic relationships with several US and UK-based entities, CLUB 9 SPORTS will be developing a larger, deeper and more long-term player development strategy for SWFC. In conjunction with Howard Wilkinson, Alan Irvine and Sean McAuley, CLUB 9 and its strategic allies will be implementing a world-wide, organic system for identifying and developing future players for Wednesday. This system will mitigate the current risk of having to constantly acquire contracts or loans for players already in the English or European Football system. This plan calls for the inclusion of young and developing players from the Americas and Africa as part of a more integrated player development process whereby other leagues, colleges and youth systems are partnered with the SWFC Academy and Wednesday brand. It is difficult to put an annual value on this, but it is clearly something the club is not doing today and will be worth far more to the club than the annual management fees.