

Hockey Right Ltd.

Meeting the changing needs of Arena families,
profitably.

www.hockeyright.com



Executive Summary

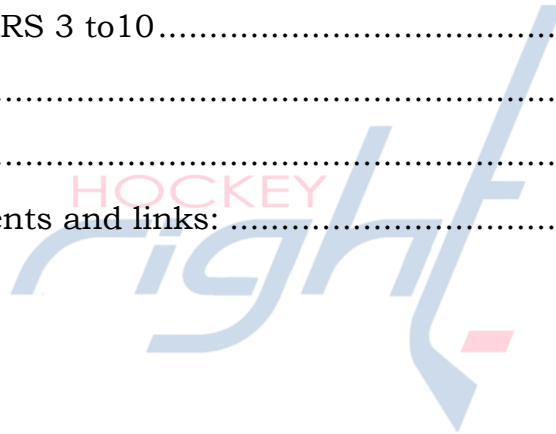
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Executive Summary.

OVERVIEW

As you know I and my family have been involved in the business of Hockey for decades and I personally have been focused on making kids better hockey players for over a decade! I care about making things better and the following business plan shows the way.

Since beginning to develop this plan in Sept 2019 we have revealed a number of key factors that make the following Business Plan an excellent investment. I invite and encourage your participation to help me, help all.

You will be investing into a Canadian Cultural icon, Ice Hockey. This plan will help to make our kids and our great game even better.

To achieve this I need your help, I need some capital to ensure our success, I don't need much and in fact I have already begun this journey. If you know me, you know that I care about your kids and their future.

Hundreds of hours have been spent building our Business Plan. A significant financial windfall awaits us I am pursuing this with the same passion that I teach your kids!

THE OPPORTUNITY

Children's Hockey in North America has undergone some dramatic paradigm shifts in the past few years and existing Arenas are both old and are unable to respond to the new needs presented by these paradigm shifts.

We have researched this opportunity in detail. Our business plan is already proven and producing in the United States (US) and can work well here in Canada given the paradigm shifts that have occurred.

We have included enhancements to the US approach which will generate significantly more revenues from our very low cost Arena facility thus generating a strong return on investment.

Hockey is the greatest game in the world and we are focused on making it even better.

HOCKEY RIGHT LTD.

Hockey Right Ltd. intends to create and sell into the Arena market a new Smart Arena that fits perfectly with the revised requirements of those kids aged 3- 8 year old that play hockey and ringette in North America.



- As you know a new Traditional Arena is a minimum of 8 to 10 million to build. A twin Hockey Right Arena is 4.3 million to build.
 - Our Arenas can replace 20% of the aging Arena infrastructure.
 - The [average Arena is built to last 32 years.](#)
 - 78% of existing arenas in Canada are OLDER than their expected lifecycle (32 years).
- Adding to the arena deficits there is also a new requirement forcing all Traditional Arenas to spend millions retrofitting to remove Ammonia refrigeration systems.
 - We can retrofit these rinks.
- Our Arenas will use technology throughout our Arenas to:
 - Allows clients to rent the facility.
 - Engage and entertain kids.
 - Provide results tracking to better train kids in the game of hockey.



- Reduce operating costs.
- Improve cash-flow.
- Market our product.
- Increase facility safety and security.
- Make more grandparents smile!
- Our Arenas will generate a **PROFIT** versus the current Canadian “break even” goal of Traditional Arenas.
- Profitable Arenas for Municipalities will allow them to build other Arenas.
- Our Arena uses synthetic ice which is a better skating and learning surface for our market of 3 – 8 year olds.
- Our Arenas can be built and operated in non-traditional locations (new markets) for much lower capital and operating costs which again generate a significant profit.
- Our Arenas will utilize low cost “fabric buildings” which will reduce Operating costs warmer in the winter, cooler in the summer.
- Our basic Arena can generate significant revenue per sq. ft. of \$ 3.54 to \$ 6.29+/month (our footprint is 15,500 sq. ft... These rates increase for Private Rinks that feature Private Teams.
 - Our Arenas have up to 10 separate and unique “revenue generators” turning 75% of the Arena foot print into a profit center.
- Our Twin Arenas contain skills stations for Hockey, Golf and Baseball.
- Our twin Arenas have operating costs less than half of a Traditional Arena.
- Will provide a significantly better “kid experience” as:
 - It is purpose built for kids only.
 - Everything is proportionate and practical.
 - The facility will attract and engage kids in unique way.
 - Our Arenas will have something for everyone 3 to 93.
 - Entire families will be engaged & supported by the facilities design.
- Our Arena is a safer facility with no ice plant and no dangerous chemicals to harm the public. It is a very “green” facility.
- Our Arenas can be built very fast and can easily replace all of the again infrastructure.

NOW IS THE TIME

In Canada the changes in Hockey in the last 4 years are dramatic and more and new ice is needed ASAP!

1. Canada desperately needs viable Arena solutions.
 - a. Arena Infrastructure in Canada is critically old and hundreds of Arenas need to be replaced.
 - b. For every 4 - 5 sheets of Traditional ice we can build a Twin. In Canada we could build over 800, Twin Facilities (about 3.5 BILLION dollars' worth of our Arenas).
 - c. Most Arenas are now being forced to retrofit their ammonia refrigeration systems as the risk to the public has been realized. This is very expensive and our Arenas have 0 need.
2. More ice is needed in Calgary (and surrounding areas) and organisations are desperate for ice.
3. In 2017 Hockey Canada now requires kids up to the age of 8 to play on half ice.
 - a. In 2009 Hockey USA requires kids up to the age of 8 to play on half ice.
4. The NHL is growing the game around the world.
5. Half ice hockey is clearly a BETTER way to train kids aged 3 - 8.

The NHL says that half ice hockey is the best way to train kids:

https://youtu.be/CB_Ygapyl7c

6. In the past 4 years families are moving away from historical Minor Hockey programs to Private Hockey Teams & Leagues that are managed more professionally more and more. Most Private Teams initially cost 3 to 5 times higher but actual costs are not that high as Minor Hockey has many hidden and indirect costs. A significant number of parents are choosing this option as they are "worth it".
 - a. Private Teams can be managed far more effectively reducing the negative impacts on parents and players.
 - b. Better practise and game schedules and travel plans are created.

- c. Private Teams usually attract the best players and make them even better.
 - d. To date Private Teams are focused on the age group 10+, we will change that by focusing on the younger groups.
 - e. Here is the link to a significant Private league:
 - i. <http://hockeysuperleague.ca/>
7. Parents are now spending more than ever before to improve their kid's ability to play sports.
- a. Parents will pay for better coaches, better facilities, more ice, better times and better results (who wouldn't?). At the ages of 3 to 8 those fees and extra charges are a fraction of what they are at 14 years of age.
8. Synthetic ice is now an acceptable alternative and is popular in non-hockey markets.

<https://www.glicerink.com/> <https://xtraicehome.com/> <https://skateanytime.com/>

- a. In fact some feel (including I) that it is preferred to train new skaters.

There is a clear need and demand for our solution!

ACTION PLAN; YEAR 1

We have already begun but we need operating capital.

Next we will contact and contract a team of Arena components experts and begin to offer Turnkey solutions to the marketplace.

- We will prepare our sales package and begin to sell our solution to Municipalities.
- We will survey Hockey Organizations to see who needs ice the most.

We have already contracted a firm to begin to create the custom software's needed.

We will apply for [Low Carbon Funding](#).

We expect to contract and to begin to build our initial Twin Arena in the initial 12 months. (We already have 2 groups already wanting to build one.)

ACTION PLAN; YEAR 2

After the initial constructed Hockey Right Arena begins operations then we expect to sell 4 – 10 more Turnkey operations (twin Arena developments) in this year. (Our tech will make it easy for interested parties to “visit” our existing Twins Arenas).

The Canadian market needs hundreds of new Arenas to be built to replace aging infrastructure. We will continue to build Arenas as a Turnkey solution for many years.

The next stage will be to build Private or Public/Private Arenas with learned investment groups and those that are passionate about Hockey.

Once private Arenas are built we will begin to create Private Teams/Leagues to occupy those Arenas.

Expansion into the US market will now become a priority. We shall explore partnering with existing Arena owners in the US to build supplemental Hockey Right Arenas as Joint Ventures or as Turnkey operations.

ACTION PLAN; YEARS 3 to 10

We will continue to build Turnkey Arena solutions.

We will continue to build Private Arenas and expanding our Private Teams and Private League Model.

We will now begin to pursue new non-traditional Arena markets.

THE MARKET

We have a GLOBAL market for our arenas that begins right here in Calgary. New Arenas are desperately needed and the combination of our Arena design

and the fact that we have chosen a very logical and specific age group that we will serve as our primary market will promise profitable results.

The 3 – 8 year old age group of hockey and ringette players is growing and represents 26 – 30% of typical Minor Hockey programs in Canada.

We have calculated that a Hockey Right Twin Arena can be built for every 5 existing Traditional Ice Arenas. A community with 10 existing Ice Surfaces can support a Hockey Right Quad Arena. The Urban areas we have researched are all wanting more ice surfaces.

We will focus on this age group in Canada and the US initially then onto new markets.

- “Once we have built and proven a single Hockey Right Arena here we can expand to new markets hungry to grow the game.
- We are the only company that can even claim that their facility will generate an actual profit and return on capital.

Business Plan Attachments:

1. An EXCEL Spreadsheet titled “Business Plan Attachments” that includes:
 - Capital Cost estimate for a Hockey Right Arena
 - Hockey Right Operating Budget
 - Company Revenue Forecast and Staffing Needs.
 - Revenue and Expense Projections for Calgary.
 - Revenue and Expense Projections for Los Angeles.
 - Private Team Revenue Projections WINTER
 - Private Team Revenue Projections SPRING

NOTE: feel free to play with the numbers on the spreadsheet they are all connected.

2. Hockey Right North South Twin Arena Design picture.
3. Letter from Okotoks Minor Hockey regarding use of our ice.
4. Graph representing the Age of Arenas in Canada.

Supporting documents and links:

Every representation in our Business Plan is supported below. Please click on the links to see where our data came from.

Arena Ownership and Health in Canada

<https://www150.statcan.gc.ca/n1/daily-quotidien/181009/dq181009a-eng.htm>

Aging Arenas

<https://www.hockeycanada.ca/en-ca/corporate/facilities/arena-census>

Arena breakdown by Province

<https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3410018801>

Is Ice Hockey growing in popularity?

<http://www.sportsretriever.com/hockey/ice-hockey-getting-popular-around-world/>

<http://sportinal.com/professional/nhl-growing-popularity-world/>

<https://www.sportsnet.ca/hockey/nhl/big-read-canada-will-always-hockey-country/>

Honk Kong Minor Hockey

<http://www.icehockeyhongkong.org/>

Number of indoor rinks around the world.

<https://www.statista.com/statistics/282353/countries-by-number-of-ice-hockey-rinks/>

Number of registered ice-hockey players by country.

<https://www.statista.com/statistics/282349/number-of-registered-ice-hockey-by-country/>

<https://www.statista.com/statistics/282122/number-of-registered-ice-hockey-players-in-the-united-states/>

Existing Private League in Alberta

https://globalnews.ca/news/5987487/outdoor-play-children-canada/?utm_source=notification/

Hockey Super League.

<http://hockeysuperleague.ca/>

<https://www.cbc.ca/news/canada/calgary/alberta-hockey-super-league-1.5033314>

Private Hockey School Costs

<https://www.cbc.ca/news/canada/calgary/alberta-hockey-super-league-1.5033314>

Hockey Growth in the US

https://www.stadiumtalk.com/s/future-nhl-cities-00f71399ad0c486a?utm_campaign=futurenhlcities-d496cec501054763&utm_medium=cpc&utm_source=oat&utm_term=HOMEPAGE_CA

Growth of Ringette:

<https://www.ringette.ca/ringette-canada-reaches-record-registration-numbers-announces-new-president-and-board-Appointments/>

Status of Figure Skating in the US.

<https://www.statista.com/statistics/282366/total-membership-us-figure-skating/>

Cost to build a Traditional Arena

<http://sprungArena.com/sprung-Arena/>

<https://dailyhive.com/vancouver/south-burnaby-Arena-ice-rinks-construction>

Excellent Study and Arena Cost Estimate. 2014

http://www.cavanmonaghan.net/en/resources/Arena_Needs_Feasibility_Assessment_Study_Cavan_Monaghan_Final_Report.pdf

Costs to operate Arenas in Red Deer and Ice Shortages.

<https://www.reddeer.ca/media/reddeerca/city-government/plans-and-projects/2016-08-16-RD-Ice-Facilities-Plan-FINAL-SM.pdf>

Ice shortages in Spruce Grove.

<https://www.sprucegroveexaminer.com/2014/01/17/spruce-grove-minor-hockey-president-outlines-drastic-ice-shortages-in-city/wcm/c6a76ef8-7aad-397c-9fe2-c91ddd4ea93f/>

City of Calgary Arenas hit by \$60M budget cuts - Calgary | Globalnews.ca

<https://globalnews.ca/news/5733653/calgary-Arenas-reductions-city-budget-cuts/>

IIHF How to build a rink (outlines operating costs)

https://www.iihf.com/IIHFMvc/media/Downloads/Projects/Ice%20Rink%20Guide/IIHF_Ice_Rink_Guide_web_pdf.pdf

Private Rink Operations in Toronto:

<https://www.toronto.ca/legdocs/mmis/2015/ex/bgrd/backgroundfile-77476.pdf>

NHL growing the Game in China.

<https://www.nhl.com/news/national-hockey-league-sees-growth-of-hockey-in-china/c-296821924>

China Games latest step for NHL in building hockey infrastructure

<https://www.nhl.com/news/nhl-china-games-major-part-of-hockeys-growth/c-30001457>

NHL optimistic about hockey's future in China

<https://www.nhl.com/news/nhl-sees-bright-future-in-china-after-preseason-games/c-2912876>

CHINA GAMES Gretzky promoting growth of hockey at grassroots level in China

<https://www.nhl.com/news/wayne-gretzky-promoting-growth-of-hockey-in-china/c-300112124>

