



# GRITBOXING

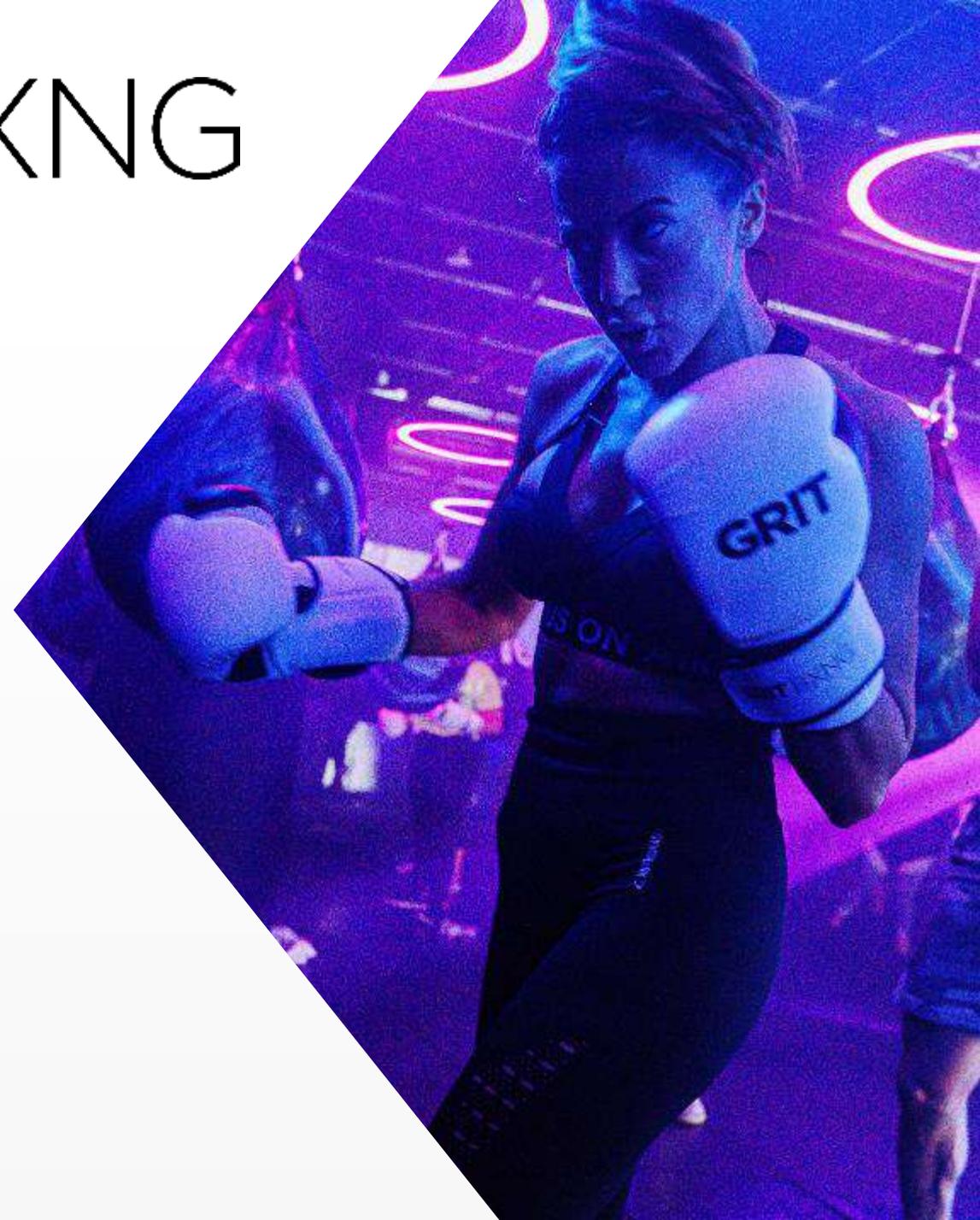
# What Is GRIT BXNG

GRIT BXNG is a 50-minute group-fitness workout. **It is a high energy intensive calorie burn in a nightclub studio setting.** GRIT utilizes benches, treadmills, and water-filled, low-impact pear-shaped boxing bags.

GRIT is designed to target the entire body as attendees can burn approximately 1,000 calories per session, feel good, and experience an endorphin high for the rest of their day!

GRIT's first studio provides attendees with a dynamic, high-cardio, and fun workout. Clients box to vibrant music, lights and video and our curriculum design allows for the creation of a variety of workouts for both novice and experienced boxers alike.

GRIT is the first group fitness studio with a full liquor bar for post-class socializing.



# The GRITBXNG Experience

At GRIT, the music, lights and videos, make working out fun. Our full liquor bar with healthy cocktails and mocktails create a community that no other studio has.



GRAND ENTRY TO STUDIO



DRAMATIC STAGE



LED SCREEN WALL BEHIND STAGE

# CELEBRITY SPOKESPERSON



# PITBULL

PITBULL has signed on to promote the GRIT brand to his 100 million+ social followers. He will make live appearances and promote the GRIT brand.



# Angel Investors

**Tony Robbins**  
Motivational Speaker

**Tim Draper**  
Draper Investment  
Associates

**Nick Taranto**  
Plated

**Naveen Jain**,  
Viome & MoonExpress

**Barry Baker**  
Senior Advisor,  
Lee Equity Partners

**Mark Gormley**  
Partner,  
Lee Equity Partners

**Sam Yanovich**  
Director of Public  
Health Services

**Lou Sandberg**  
Founder,  
Sandberg Management

**David Goodman**  
EVP of Digital Development  
& Marketing Worldwide,  
Sotheby's



A photograph of Bill Zanker, CEO, speaking at a live event. He is wearing a dark suit and is smiling while clapping his hands. The background shows a large audience seated in a hall. The image has a blue tint. A dark blue trapezoidal overlay is positioned on the right side of the image, containing white and light blue text.

# **Bill Zanker**

**CEO**

**“Every 50 minute  
fitness class is  
another live event”**

**Over 2 million North American’s have  
attended one of Bill Zanker’s live events**

# GRIT BXNG

## A Strong Community & Healthy Lifestyle

- GRIT operates in the fitness space, but has the **impact of a lifestyle brand.**
- GRIT helps people **take charge of all aspects of their health.**
- We make every GRIT attendee feel like they're **part of a unique community.**



# GRITBXNG

## Fills a Need

- ✗ An estimated **160 million Americans** are either obese or overweight <sup>(1)</sup>
- ✗ According to Opexfit, “Within gyms, ‘the community’ is most often the #1 response of every day folks who report on what keeps them coming back...” <sup>(2)</sup>

(1) <http://www.healthdata.org/news-release/vast-majority-american-adults-are-overweight-or-obese-and-weight-growing-problem-among>

(2) <https://opexfit.com/blog/strong-community-critical-gyms-success/>

# GRITBXNG

## Group Fitness Classes

- GRIT TRAINERS use motivational psychology in the class to energize attendees. At GRIT, the experience is about both mind and body
- There are many reasons so many people are sedentary, but most behavioral scientists agree that our attitudes about exercise play a defining role <sup>(1)</sup>. If we expect exercise to be fun and enjoyable, we will exercise often. If not, we won't
- GRIT uses dynamic lighting, sound, and video to create a nightclub experience. For 50 minutes the lights and the music transport you from your daily life and push you to work out harder
- Each session incorporates boxing, treadmills, and benches, and have been carefully designed so participants can potentially burn up to 1,000 calories per class

(1) <https://www.nytimes.com/2018/08/22/well/move/how-you-felt-about-gym-class-may-impact-your-exercise-habits-today.html>

# First Location

**Approximately 80 fitness studios within 8 blocks of the new GRIT studio!**

15 year lease

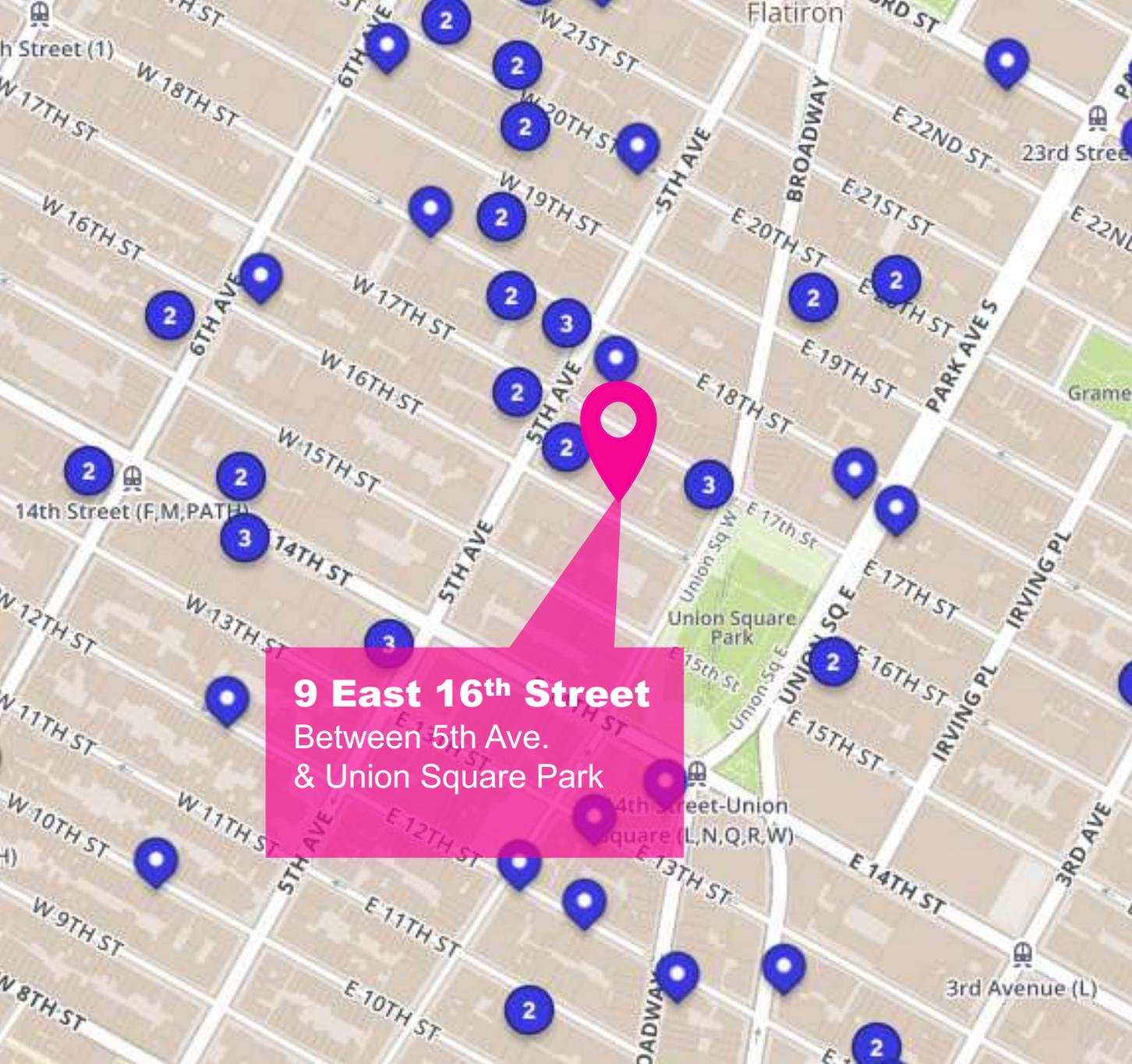
**Foot Traffic:**

Union Square sees 350K visitors a day

**Transportation accessibility:**

(Numerous subway lines enter Union Square)

Union Square is known as the epicenter of NYC's health + wellness scene with 100+ fitness studios, gyms, athleisure retailers, healthy eateries and juice shops



**9 East 16th Street**  
Between 5th Ave.  
& Union Square Park



# GRIT STUDIO

Ground Floor 3,500 sq. ft.

State of the art studio accommodating 54 students per session. (similar to Soul Cycle)

Over 350 sq. ft. dedicated for retail

Full liquor bar for mocktails and cocktails with a healthy twist!

# Lockers & Showers



**1,700 sq ft basement** for men & women's locker rooms including 4 showers for women and 3 for men

# Boutique Fitness Industry

Boutique fitness studios are unique in their low attrition rates of approximately 24 percent, well below the typical gym rates of over 50 percent. The specialized nature of the boutique clubs make members feel more loyal.<sup>(1)</sup>

Research suggests that once a SoulCycle rider is hooked they return more often and spend far more than their counterparts who work out at regular gyms.<sup>(2)</sup>

When private equity firm Catterton bought a majority stake in 300-strong ballet barre workout chain Pure Barre, they told the Wall Street Journal that **boutique fitness attendees work out around 15 times a month and spend around \$142 on classes**. Compare that to the average gym goer, who works out 10 times and spends \$65 a month.<sup>(2)</sup>

<sup>(1)</sup>

<https://static1.squarespace.com/static/5a09c075d0e628c973aafeab/t/5aff53181ae6cf0532875a9d/1526682393918/Chronicle-fitness+FINAL+5-18-18-1.pdf>

<sup>(2)</sup> <https://www.forbes.com/sites/clareoconnor/2015/07/31/as-soulcycle-preps-for-ipo-stats-show-boutique-fitness-isnt-just-a-fad/#40e51dc75907>

Global fitness industry=  
**\$80 billion**  
revenue per year

U.S. Fitness Industry =  
**\$30 billion**  
revenue per year.

# Trends & Opportunities

## Experiential Retail Like GRIT

is a strong candidate to open in these times  
(you can't get group fitness from Amazon!)

**78% of millennials** would choose to spend money on an “experience or event” over buying a product, according to a study conducted by Harris.<sup>(1)</sup>

<sup>(1)</sup>  
<https://www.forbes.com/sites/blakemorgan/2015/06/01/ownership-no-problem-owners-millennials-value-experiences-over-ownership/#5beb54ab5406>

# Competitive Landscape



Per SEC Filing, studios generate on average \$4M in revenue.

Related companies/Equinox then acquired a 75% stake in SoulCycle in May 2011 for an enterprise value of \$720M.



Equinox bought a minority stake at an \$80 million valuation after Rumble was one year in business with two studios open.



1,000 studios in 5 years. One of the fastest growing franchises. The average gross revenue of franchise studios in operation for more than a year exceeds \$1 million.



In July 2015, with 17 locations, North Castle Partners bought a significant stake in Barry's at \$100 million valuation. As of September 2019, there are 61 locations.

# Fast Start

- GRIT has been open just 4 months and **sold over 12,000 introductory packages.**
- Over **42,000 class reservations** have been booked in these first 4 months.
- GRIT runs 10 sessions per day with up to 54 clients per class with one instructor.
- Average cost per new client acquisition was \$16.97.
- GRIT is grossing over \$300,000 per month





# Retention

The Intro package includes buy one class and get one free.

Through December 8<sup>th</sup> (4 months of operation) 10,636 clients that purchased the Intro package have taken a class .

3,109 people have used their first class and another 7,527 have already used both classes.

Of the clients that used both classes (only this group would buy additional classes), 32% have made an additional class purchase so far (2,391 purchases).

Of that repeat purchasers, 63% (1,510 purchases) have purchased a multi-class package or a recurring membership at average price of approximately \$200. 1,054 purchases are multi-class packages and 456 purchases are recurring memberships.

# Management Team

**Bill Zanker, Co-Founder:** Bill is a serial entrepreneur. He grew one of his companies The Learning Annex from \$5 million (when he reacquired his company) to over \$135 million in 3 years. He has been a workout enthusiast for over 40 years, but he never found a workout that inspired him—so he decided to build his own. Bill has founded several consumer brands, from The Learning Annex to Great American Backrub. He has promoted Magic Johnson, Suze Orman, Tony Robbins, Pitbull, Daymond John & many other celebrities in the motivation space at large stadium shows. A recipient of the PBS award for Excellence in Education, his companies have been on the Inc. 500 list of fastest growing companies.

**Chris Murray, COO:** Director of 4 startup based businesses since 2008. Grew them from concept to mid-market companies. A direct response marketing expert at heart, startups he's operated have generated over \$150 million in total sales.

**Chan Gannaway, Fitness Director:** Employee #5 at Orangetheory Fitness, Chan was a National Fitness Director of Orange Theory and helped grow the chain from 10 locations to an additional 50 locations in 20 different markets. He also provided curriculum, training and brand compliance support to 12 regions in the US and Canada.

**Ediva Zanker, Co-Founder:** Ediva is a fitness addict and was the only female boxer at Syracuse University. Ediva is in charge of the studio experience and the quality of the boxing instruction.

**Samantha Del Canto, Co-Founder & Retail Manager:** As EVP of The Learning Annex, she generated more than \$100M in product sales. Samantha comes from the talent world having booked over 300 of the world's most recognizable celebrities.

**Louise Rumball, Brand Manager:** Founder of Chapter Three Marketing: a social media and influencer marketing company which specializes in boutique fitness. Louise has branded and launched 10 different boutique fitness studios worldwide.

**Dylan Zanker, Co-Founder:** Dylan is director of F&B of GRIT. Dylan graduated from ICADE, Madrid's top business school where he threw massive themed parties throughout Europe and South America.



**Studio gym  
business  
expanding**



**Boxing is  
growing as a  
fitness activity**



**Community**



**Why  
GRIT**



**Social influencer  
backing**



**Experienced  
management team**



**Scalable  
concept**

