

The xczone.tv value proposition for bundling with print media.

We see the value in establishing a coordinated marketing campaign for Nordic Skiing, involving both print and multimedia.

Together we can reach more clients with a product that has both enriched content and desirability. We can offer a better Return on Investment (RoI) to advertisers.

Some creative ideas for joint-ventures include:

- Provide an e-book sample of the magazine on Club DVD;
- Put a DVD into every magazine;
- Mail out a DVD with every subscription;
- Provide a sample DVD to all your advertisers;
- Salt 100 magazines with a DVD as a special promotion (lottery);
- Place an ad in the magazine for a free copy of Club DVD;
- Provide in-kind marketing with 1 page spread in the magazine for xczone.tv and a product placement promotion for the magazine on the DVD;
- Make use each other's e-mailing lists, customer and advertisers lists;
- xczone.tv can provide streaming videos for the magazine's web site;
- xczone.tv can write articles and provide photos;
- xczone.tv can add sponsorship logos to the packaging of our products and on our web site; and
- Co-brand DVD products with your magazine;

Cross Country Ski Club DVD is being offered for \$FREE for a limited time. It contains 90 minutes of both motivational-lifestyle and World Cup Footage for a general audience at levels beginner to advanced. This is what every XC ski club is looking for. Something very cool, fun, entertaining and educational. The disk includes: the xczone.tv action reel, kids snow park, spectacular crash sequence, exclusive World Cup race footage, hundreds of high-resolution royalty free photographs, and the latest ski product information. This DVD is perfect to spice up club banquets, shows, or for motivating kids and adults alike. Coaches will love the World Cup Footage mix.

xczone.tv produced the Club DVD for philanthropic purposes. We have donated time and materials in its production but need to collect \$1 per DVD to cover recurring costs in duplication. Typically, we give the DVDs away for free but recover minimum per item recurring costs in shipping and handling.

We can provide enough DVDs to place in every magazine but would need sponsors/suppliers to fund duplication cost (\$1/DVD). Together, we could offer advertisers the option to place an ad in both the magazine and DVD

For this we can have there ad/products/logo appear on DVD and packaging.

We will be sending the same DVD to all the clubs in the country, and to all our customers, at our own cost. So this is their opportunity to take advantage of an

extensive release and marketing campaign.

MARKETING COLLATERAL

The Nordic Skiing industry has traditionally been very conservative in their marketing approach; where the rest of the business-World is running commercials on TV and Radio, and scrambling to get their products placed in motion pictures, and video games. The following is a compelling pitch given to suppliers and advertisers, who are open to adopting an enriched marketing strategy using multimedia.

When combined with print advertising, multimedia can be a powerful marketing tool.

What if we could guarantee you a inexpensive and longer-lasting impression then your traditional means of spending your advertising dollars?

Now consider, a product placement opportunity with xczone.tv:

"...an enduring product that is kept for decades, viewed multiple times and where a single impression lasts more than two hours."

xczone.tv has the best global penetration in the marketplace with sustainable competitive advantage in nordic skiing, natural fitness, and oxygen fed sports cinematography and multimedia. Our products flow through all marketing channels including: print, broadcast, gaming, DVD, web, cinema, IMAX, HD, and pod cast, to name a few. Xczone.tv has always been an innovator and early adopter.

We produced the first skiing CD-ROM and DVD in the World, and every DVD in the product line since has reached best seller status.

Ski clubs, coaches, instructors, associations, school boards retailers and libraries use our products.

Our web site receives 27, 000 visitors per month, and remains the longest established sports web site on the Internet.

xczone.tv runs most successful masters ski program across the Country. Our instructors and team wear the gear.

Our footage is also used on on-line video games (Biathlon2006).

Consider that, a DVD is an enduring product that is kept for decades, viewed multiple times and where a single impression lasts more than two hours. For every DVD that is sold, it is shared and seen by thirty other people across many

sports.

We can even bundle a copy of the DVD with your products - now that is cool!

Conversely, we can easily include all your print marketing materials on the DVD.

Why would you not want to enrich the impression left by your product with full-motion video and music to give your clients a positive multi-dimensional experience. This leads to directly to sales.

"seen by over a million people."

Not only will your products be seen in live-action by over one-hundred thousand direct DVD viewers in your target market, but xczone.tv footage showcasing your product will be carried to a wider audience:

xczone.tv is under contract to produce promotional film trailer in seven Famous Players (Fortune) theaters several times a day for a season, to a million people within the National Capital Region. This region is known to have the greatest concentration of nordic skiers and outdoor enthusiasts and more ski/outdoor sports equipment is sold here than anyplace on Earth.

xczone.tv also produces sports films for projection on the gargantuan IMAX theater.

Our last film was chosen for the Best of the Banff Mountain Film Festival World Tour which played in cinemas in every major city across North America.

We supply outdoor sports footage for Broadcast television.

Then, there is a steady demand for stock footage. These images find there way into industrial marketing campaigns including: the largest defense contractors, pharmaceutical companies, insurance brokers, governments, tourism commissions, high-tech and telecom providers.

The biggest on-line distributors like Amazon.com carry our products. Currently, we have the best selling ski videos/DVDs, going head-to-head with the likes of Warren Miller. Go ahead and google "nordic skiing DVD" and you will see that we are on top.

These products generate multi-page print media coverage themselves in a number of leading sports, health and fitness news papers/magazines with equivalent promotional value of \$25,000. The principals of xczone.tv regularly asked to appear on day-time television to talk about upcoming film projects and fitness in general.

The cost, if you had to do your own commercial would be in the order of \$150,000. Add the expense to show this commercial on TV and in theaters and

you are looking at a quarter of a million dollars.

With xczone.tv you would realize this for \$5000, inclusive.

"This is much less than a tradition means of advertising alone, and with an astronomically better Return on Investment (ROI)."

Q: How can we afford to do it?

A: We produce both instructional and motivational motion pictures that promote a healthy outdoor lifestyle. This is valuable content that the market craves, and we have a number of projects scheduled over the next few years to keep up with demand. *These products will be produced regardless of sponsors or investors, because they promote fitness and wealth.*

This is an opportunity for close-to a million people to see your product in action; multiple times, with a positive and lasting impression.

"Ninety-five per cent of people who purchase our DVDs, will typically buy your products."

XCZONE.TV can produce a promotion DVD featuring your product, or include your product in our existing productions:

- We could use your product exclusively in the film;
- We could use your sponsored athletes and representatives within the DVD;
- Place your products prominently in the Film/DVD;
- Acknowledge you as the official sponsor of the product within the DVD and on packaging/marketing materials;
- Co-brand with XCZONE.TV;
- Market your product with the XCZONE.TV DVD, on our web site and on-line stores;
- Introduce you to our existing Nordic Skiing sales channels and 17,000 regular customers;
- Provide a master copy of a promotional reel on DVD to you for replication and bundling with your product line, signing non-exclusive conditional rights to the DVD; and

- We could also replicate/duplicate any quantity of DVDs at less than \$1 each.

If these conditions are too complex, then xczone.tv can produce a unique promotional DVD for you for about the price of a one-page print ad.

"From concept to delivery in high definition."

XCZONE.TV studios specialize in high impact film productions depicting clean oxygen fed sport for home DVD video entertainment, documentaries, event coverage, training and commercial product promotion or athlete promotional packages and multimedia presentations. Whether it is fast-moving action in extreme outdoor conditions, or within a studio environment. XCZONE is a vertically integrated production company managing all stages of a project from concept to delivery in high definition.